

UNIVERSITY OF LEICESTER STUDENTS' UNION

England & Wales · Charity number 1137811

Details

Other names ULSU

Status Registered

Legal form Charitable company

Company number [07303101](#)

Registered 2010-09-06

Register [View on the Charity Commission register](#)

Contact

Address Percy Gee Building
University Road
Leicester
Leicester
Leicestershire
LE1 7RH

Phone 01162231200

Email hello@leicesterunion.com

Website leicesterunion.com

Activities

Objects: THE OBJECTS OF THE UNION ARE THE ADVANCEMENT OF EDUCATION OF STUDENTS AT THE UNIVERSITY OF LEICESTER FOR THE PUBLIC BENEFIT BY: PROMOTING THE INTERESTS AND WELFARE OF STUDENTS AT THE UNIVERSITY OF LEICESTER DURING THEIR COURSE OF STUDY AND REPRESENTING, SUPPORTING AND ADVISING STUDENTS; BEING THE RECOGNISED REPRESENTATIVE CHANNEL BETWEEN STUDENTS AND THE UNIVERSITY OF LEICESTER AND ANY OTHER EXTERNAL BODIES; AND PROVIDING SOCIAL, CULTURAL, SPORTING AND RECREATIONAL ACTIVITIES AND FORUMS FOR DISCUSSIONS AND DEBATE FOR THE PERSONAL DEVELOPMENT OF ITS STUDENTS.

Activities: The Union promotes the interests and welfare of students at the University of Leicester by representing, supporting and advising students; being the recognised representative channel between students and the university and any other bodies; and providing social, cultural, sporting and recreational

activities and forums for debate for the personal development of its students.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Accommodation/housing, Arts/culture/heritage/science, Amateur Sport
- **Who:** Children/young People

Geography

- **Area of benefit:** LEICESTER
- Leicester City
- Leicestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£2,974,651	£2,809,960	£1,994,575	93
2024-07-31	£2,824,334	£2,589,581	£1,360,986	65
2023-07-31	£2,359,503	£2,183,900	£1,018,876	56
2022-07-31	£1,829,128	£1,513,198	£1,063,158	40
2021-07-31	£1,695,205	£1,922,325	£747,228	51
2020-07-31	£2,452,813	£2,556,952	£974,348	85

Trustees

Name	Role	Appointed
Julia Bates	Chair	2022-12-13
Aishwarya Rajya Laxmi Kote		2024-06-01
Cleophee Cornou		2025-07-01
David Moore		2018-07-01
Hannah Yeo		2026-02-11
Matthew Schofield		2025-07-01
Nicola Hurley		2024-12-20
Philip Mark Smith		2023-12-18
Sabina Tariq		2024-12-20
Shyaami Suntharesan		2025-10-01
Thierry Zure		2025-07-01

Accounts

Company registration number: 07303101
Charity number: 1137811

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

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UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 JULY 2025

Charitable Status

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The company and the group is constituted under a Memorandum of Association and is a registered charity number 1137811.

University of Leicester Students' Union also has internal regulations or Rules approved by the Board of Trustees and regulated by the governing body of the University of Leicester (the University) in accordance with 1994 Education Act and the Charity Commission.

Registered Address

University of Leicester Students' Union, Percy Gee Building, University Road, Leicester, Leicestershire, LE1 7RH

Board Of Trustees

Executive Officer Trustees

R James (appointed 1 June 2024, resigned 30 June 2025)

A Kote

S Mathari (resigned 20 September 2024)

A Murali Reddy (appointed 1 June 2024, resigned 30 June 2025)

J Venkataraman (appointed 2 September 2024, resigned 30 June 2025)

C Comou (appointed 1 July 2025)

M Schofield (appointed 1 July 2025)

Student Trustee

L Ruddock (resigned 7 October 2024)

S Worton (appointed 20 December 2024, resigned 30 June 2025)

S Suntharesan (appointed 1 October 2025)

T Zure (appointed 1 July 2025)

External Trustees

J Bates

N Hurley (appointed 20 December 2024)

R Kodakandala (resigned 31 August 2024)

D Moore

P Smith

S Tariq (appointed 20 December 2024)

Independent Auditor

Knox Cropper LLP, Chartered Accountants, 153-155 London Road, Hemel Hempstead, Hertfordshire HP3 9SQ

Bankers

National Westminster Bank Plc, Granby Street, Leicester, LE1 9GT

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

STATEMENT BY THE CHAIR AND DEPUTY CHAIR
FOR THE YEAR ENDED 31 JULY 2025

This year has been a big success for our organisation having undertaken and finalised a review of our governance. The key changes have seen us amend the shape and structure of both our full-time and part-time elected officer teams. The reduction in full time officers will make space for us to provide paid employment for our part-time officers in 25/26. We were successful in passing our changes through the student body in time to run the annual elections and in turn setting ourselves up for our future from Summer 2025. This shift will help us better reach target areas and increase engagement with groups of students on our campus, many of whom are under-engaged. This year we brought forward the introduction of our new student council model – the Leicester 100. This was a huge success and saw attendance within our democratic processes reach new highs whilst also being more demographically representative of our membership.

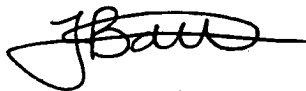
We have also spent time this year finalising our new Students' Union Strategy 2025-2028, this will direct our aims and guide our work to help students thrive during their university experience, feel a sense of belonging on campus, and succeed within their studies and beyond.

In the National Student Survey (NSS) we retained our top 20 status in both student voice, and representing students' academic interests. This is a really positive achievement for us and evidenced continuous improvement from our 23/24 scores.

Financially the union delivered a surplus of £634k although this was caused predominantly by having taken the bold step of triggering the section 75 clause on a historic pension scheme in which the union was scheduled to be paying into until at least 2035. In order to exit the SUSS pension the union paid up its full liabilities to the scheme and as such the cash held by the organisation reduced from £1.99m to £744k. Due to the revaluation of the USS pension scheme and the SUSS pension deficit being higher than the cost of the liabilities to leave the unions total assets increased from £1.36m to £1.99m. Of the £1.99m now being held in reserve, £361k is restricted funds linked to our clubs and societies.

Key successes this year include overall satisfaction with the advice service seeing more than 4 in 5 students recommending the service to a friend, the development of the SU Foodbank and the delivery of 243 "meet your mentor" events. This year we saw 5519 society memberships and 1534 sports club memberships being sold and key representations wins were secured by the elected officer team including the "January starter gym memberships" campaign. The team also lobbied for revisions to university fee's associated to exam resits for postgraduate international students.

Julia Bates
Chair of the Board of Trustees


4th February 2026

Matt Schofield
Deputy Chair of the Board of Trustees
Students' Union President


4th February 2026

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 JULY 2025

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of University of Leicester Students' Union (LSU) (the company) for the year ended 31 July 2025. The Trustees confirm that the Annual Report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice, Charities SORP (FRS 102), "Accounting and Reporting by Charities" effective 1 January 2019.

The Annual Report and Trustees' Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

Structure, Governance & Management

LSU's charitable objects are:

The advancement of education of Students at the University for the Public Benefit by:

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

LSU is administered by its Board of Trustees of up to six students elected annually by cross campus secret ballot of the LSU membership (and are full time, or 'sabbatical', posts remunerated as authorised by the 1994 Education Act and cannot exceed two years duration for each holder); up to five external trustees appointed for up to eight years (two terms of up to four years) by an appointments panel, and a student that is appointed by the appointments panel, and has no employment in any capacity with the Union.

The Board of Trustees meets at least four times a year to receive reports from individual Officers, sub-committees and the Chief Executive, to review the charity's performance and administration generally and to decide policy issues arising.

All the charity trustees receive an induction into their legal and administrative responsibilities, receiving the essential trustee guidance from the Charity Commission. Access to additional training is also provided throughout the year.

The Student Executive Officers are new to the Board most years, so they undergo a more intensive training period that allows them to fulfil both their trustee duties as well as their paid portfolio of work. The training starts during a handover period, immediately prior to them fully assuming office. This aims to ensure they are fully aware of their roles and responsibilities and can perform their duties to the best of their ability.

The Board of Trustees is assisted by three sub-committees, which focus on certain key aspects of ULSU's governance and management.

The **Finance & Audit Committee** monitors LSU's financial performance, appraises requests for capital expenditure, reviews our commercial performance, and manages the financial risk of the organisation.

The **Remuneration & HR Committee** examines issues relating to ULSU employees, including staff policies, changes to pay and matters relating to employee wellbeing.

The **Risk Management Committee** monitors ULSU's risk profile, risk management, compliance with relevant legislation and scrutinises progress in tackling identified areas of risk on the organisation's risk register.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)
TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2025

Structure, Governance & Management (continued)

During the governance review, we identified an opportunity to change our sub-committee structure in which we have added **Membership and Governance sub committee** which will focus on ensuring that the union is delivering its charitable purpose and membership activities as outlined in the strategic plan. This committee will start in the 25/26 academic year. Risk management will form a core part of all sub-committee meetings moving forwards.

LSU operates on democratic principles, with policy being acted upon by six selected trustees who form the Executive Committee. During the year, students have the opportunity to bring forward ideas through Leicester 100 or through our four student councils (Sports, Societies, Liberation, and Academic). These councils are a key leadership role within the SU where student's ideas and issues come through where we discuss and decide the best solution. It was agreed by board to introduce a new sustainability council for 25/26. The Leicester 100 and "ideas" system allows students to submit and present ideas in front of 100 demographically selected students. The Leicester 100 is the political decision-making body for the union and is overseen by the trustee board to manage risk or legal compliance.

Senior Leadership

The University of Leicester Students' Union employed a Chief Executive Officer (CEO), Liam Davis, who worked closely with the Student Executive Officers and Trustee Board to ensure effective management of the organisation. The Senior Management team is completed by the addition of Nicola Jarram (Director of Finance) and Ambalavanar Kumaran (Director of Membership Services).

The Strategic Leadership Team, made up of the Union's Managers, meets monthly to oversee the Union's regular activities. LSU also employs a number of non-student full time staff to manage and administer its activities. These staff members are accountable to the Chief Executive for the performance of their duties.

Relationship with University of Leicester

The relationship between the University and ULSU is established in the Regulations of the University and detailed in ULSU Rules approved by both organisations. LSU receives a Block Grant from the University, and leases most of the Percy Gee Building owned by the University. Utilities are also paid by the University. This non-monetary support is intrinsic to the relationship between the University and ULSU.

There is no reason to believe that substantial financial support from the University will not continue for the foreseeable future as outlined in the 1994 Education Act. This year we signed a revised memorandum of understanding with the institution which extended this financial support to cover the union for the usual 12 month period of funding with an additional commitment to support for a further 6 months of basic operating costs the following financial year.

Risk Management

Our Risk Management subcommittee of the Trustee Board is responsible for the overview of risk management and delegates that authority to the senior management and staff teams via the CEO. The most significant risks and a brief summary of their management is listed below.

Officer turnover – Our overall staff turnover is relatively consistent with sector. However, we saw two of five officers leave their roles mid-term which creates some operational challenges.

SUSS Pension Exit – This represented a significant risk to the organisation. To mitigate the risk and ensure we truly understood our exposure we employed the services of Mercers; pensions specialists, and Weightmans solicitors who had both gained recent experience in guiding other students' unions through a section 75 exit. This risk was overseen by the board who set clear limits of authority to proceed and additional approval stages from board. This exit passed without incident and delivered an excellent outcome.

Structure, Governance & Management (continued)

Governance Changes - As well as the usual work undertaken this year we amended the articles for 25/26 onwards which will alter the number of full time officers we have as well as providing the provision for a delivery of a more representative student council. This was approved by the student body at an all student general meeting in November 2024 with a 78% vote in favour of the special resolution. These changes were subsequently approved by the Trustee Board and University council before submission to the Charity Commission.

Funding - We continue to operate in an environment where we are heavily reliant on a single source of funding. As this funding source remains the University the risk of funding being removed is low, with the university being required to have a students' union under the Education Act. However, funding levels will be dependent on their financial performance and we are conscious of the challenging times many universities are facing at the moment. We continue to be mindful about how we allocate resources and continue to make decisions within the context.

Reputational - Due to the nature of our work, it remains that some of our larger risks include organised activity that occurs under our banner. We support over 200 student groups in self-organised activities. These activity levels vary throughout the year and can differ between groups in different years. These activities are a mixture between regular or annual cycles of activities and activities that happen in response to changing local, national or international issues. This year we continued to see significant protest from some of our student in regards to the ongoing conflict in the Middle East. This was challenging to navigate with us being stuck between the wishes of a cross section of our student body and charity law in regards to our campaigning work. As a result, one of our groups did disaffiliate in order to be able to pick up wider campaigning work. We continue to be mindful that we still have a wide range of views of students and as such we dedicated our time to mediating between student groups and between our protestors and the university.

We have made the decision to manage risk at each of our subcommittees to give the trustee board wider oversight of our risk mitigations within our finance department, with our people management and within our membership and governance processes/services. The Trustee Board looks at the full risk register at each of our meetings.

Affiliations

The Students' Union is affiliated to the National Union of Students (NUS UK) and NUS Charity. Affiliation to these organisations enables the Students' Union to shape their national policy decisions, input into national campaigning priorities as well as benefit from the support services provided to member organisations. Such support services include officer training programmes and staff networking opportunities. NUS Charity also provide support to unions in the event of crisis or press/PR issues. The cost of these affiliations in 2024/25 was £27,804.

Aims, Objectives & Activities

24/25 Highlights

We're looking back at what has been a fantastic year for the Students' Union with a multitude of developments and successes. The incredible work delivered by the Students' Union is testament to the hard work of our members, our amazing student leaders, our course, school and college reps, our full time and part-time officers and our brilliant staff team – all working together to ensure students have the best university experience possible.

This year, we embarked on implementing the outcomes of our governance review. For this, we successfully delivered the *Union 2.0* project, where we introduced significant and truly transformative changes to our governance, including the structure of our officer team- creating a raft of paid part-time jobs for students, ready for the 2025/26 academic year.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

**TRUSTEE'S REPORT (continued) FOR
THE YEAR ENDED 31 JULY 2025**

Aims, Objectives & Activities (continued)

We hit the ground running and brought forward the introduction of the Leicester 100 – the new model of our Student Council which enables students to discuss key issues affecting them, pass policy and put forward and vote on meaningful recommendations. We also reviewed our board effectiveness and have since restructured it to ensure we create additional opportunities for students to take on roles on the Trustee Board alongside their studies.

Strategic Planning

Work was undertaken from January 2025 to begin the development of a new strategic plan. This work focused on "vision and purpose" and addressing emerging strategic tensions. With the financial resource available to the union unlikely to grow significantly in the next strategic cycle it is critical that we are able to target our resources effectively on work that underpins our charitable purpose.

This work concluded at the end of July 2025 with final sign off from board expected early in the 25/26 academic year.

National Student Survey (NSS)

This years NSS results were really positive for the union. Once again LSU ranked high compared to other institutions nationally (19th). The SU score improved overall on 23/24 and we also saw our scores improved across 15 subject areas. This work would not be possible without the hard work of our staff team and the incredible student reps at course, school and college level who all put hours of work into effectively representing student voice.

Income Generation

Our business development has continued to diversify and grow throughout this year. We saw an increase of 12.5% on our Freshers income up to £54,000. Whilst our work on the housing fairs has continued to see increased income generation with it rising to £14,100, a 143% increase from 23/24.

Our Outputs & Impact

Our membership for clubs & societies reached 5,519, with 1,534 those being members of sports clubs. Early data analysis indicates that those students who are active within sports clubs or societies are 15.2% more likely to progress to the next year of study and 10.6% more likely to graduate with a "good" honours degree (a 1st or 2:1). This data point has become a focal point of the theory we intend to test and subsequently prove within the next strategic cycle – that students who are engaged with their students union are happier, have more friends and end up with better academic outcomes.

Our peer mentoring scheme continues to grow year on year and this year was no different. We saw 4,618 students matched with a mentor, which is the highest number of mentees we have ever achieved. With over 456 mentors recruited and 243 "meet you mentor" events held, the programme is showing an growing engagement. We intend to expand the scheme in the coming years and hope to full impact assess it before the end of 2028.

Our advice team assisted 1034 students via specific casework from supporting individuals through appeals, mitigating circumstance claims or disciplinarys. The team also continued to run proactive campaign work to try to support students understanding of university rules and regulations.

Our officer team championed international students by successfully lobbying the university on fees associated with resits and resit timetables that made life for students on study visas additionally stressful. We had wins on gym memberships, rent guarantors, launched a food bank helped to guide the university's thinking on the UoL app. We led a hugely successful "distance learning day" which was supported by 21 other events developed by our DL part time officer for that community of students. We also held events that engaged students with sustainability, inclusion and awareness raising on topics like sexual health, student safety and neurodiversity.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

**TRUSTEE'S REPORT (continued) FOR
THE YEAR ENDED 31 JULY 2025**

Aims, Objectives & Activities (continued)

Our academic reps continued to partner with schools to work on projects aiming to enhance the student experience and we were delighted to see the depth of work advocating for students at college level by our College Reps. The work of our course, school and college reps alongside our Academic Representation team is without doubt why we have continued to see improving scores within the annual NSS.

Financial Review

ULSU's gross income from all sources this year totalled £2,974,651 (2024: £2,824,334). Total expenditure was £2,809,960 (2024: £2,589,581) resulting in a surplus for the year of £164,691 (2024: £234,753). Once the movement on the Unions membership of defined benefit pension schemes is taken into account, ULSU's total reserves increased to £1,994,575 (2024: £1,360,986). Of this, £1,634,002 (2024: £1,003,550) were unrestricted funds and £360,573 (2024: £357,436) were restricted.

Whilst the Union has continued to benefit from the recognition and support of the University. The annual block grant was £1,423,000 (2024: 1,368,000). There was also one additional grant received for project funding, last year totalling £55,700.

The Union's trading subsidiary generated a trading surplus of £194,904 (2024: £153,575) which is gift aided to the Union.

The University of Leicester Students' Union Trading Ltd holds a 50% ownership in Student Union Lettings Limited. The company is registered as a charitable company limited by guarantee. 50% of the net income and assets of the company have been included in these financial statements.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2025

Investment Policies

The Union aims to generate returns on the cash it holds in the bank at any given point. The purpose is to yield the best financial return within the level of risk considered acceptable - this return can then be spent on the charity's aims.

Delivery of our core services is met through the block grant funding received from the University, the commercial grant and any commercial partnerships in return for access to our members. Income generated on any invested reserves should not be required to support ongoing core activities of the Union.

The level of risk must always be identified and must fall within the acceptable levels stated by the Finance & Audit sub-committee. Investment risk should also be reduced by ensuring that the savings are diversified.

Before any funds are invested the Director of Finance must prepare a cash flow to ensure that the Union has enough cash to meet its working capital requirements. Any funds not required in the short term may then be invested short-term deposits and any funds not needed in the medium-long term can then be invested wisely in longer-term investments to generate a greater yield. Funds not needed for short term operational needs can be deposited with reputable institutions, provided that the agreed risk ratings and limits are adhered to. Deposits should always be split between UK based institutions with different banking licenses, to reduce the risk from institutional failure.

Where possible the Union seeks to diversify short-term deposits across different banking licenses, to reduce the exposure of the reserves from the failure of any one bank.

In order to generate a greater return, funds not required in the short term may be invested in longer term deposits which offer a higher yield. Funds may also be invested in other financial products, considered to be low risk and offered by regulated and reputable institutions.

It is important that the Union can gain access to its funds, should some urgent need arise; therefore investment products used must allow for fund withdrawals that cover a wide range of timescales in order to enable this.

Union policies precluding investments in certain organisations would be taken into account, when considering investments.

To consider opportunities for utilising available funds, the Union's trustees have established an Investment Working Group to consider opportunities available to improve the return generated on the cash we currently hold in the bank.

Funds & Reserves

The Union aims to hold, as a minimum, 3 months wages in free reserves, plus £30,000 to meet other mandatory obligations. This would enable an orderly winding down of the Union in the event of the organisation ceasing to operate in the future.

Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they 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.

The Board of Trustees confirms that ULSU has sufficient funds to meet all its obligations.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2025

Auditor

Knox Cropper LLP have indicated their willingness to be reappointed for another term. In accordance with the Companies Act 2006 a resolution proposing the reappointment of Knox Cropper LLP as Auditor will be put to the members.

Trustees' Responsibilities Statement

The Trustees (who are also directors of University of Leicester Students' Union for the purposes of company law) are responsible for preparing the Trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the Income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continued in operation.

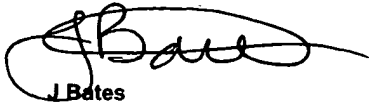
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose the reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial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

Statement of Disclosure to Auditor

So far as each Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware. Additionally, each Trustee has taken all the necessary steps that they ought to have taken as a Trustee in order to make themselves aware of all relevant audit information needed and to establish that the charitable group's auditor is aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

This report was approved by the Board of Trustees on 4th February 2026 and signed on their behalf by:



J Bates

Trustee

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
UNIVERSITY OF LEICESTER STUDENTS' UNION**

Opinion

We have audited the financial statements of University of Leicester Students' Union (the "Charitable Company") and its subsidiaries ("the Group") for the year ended 31 July 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charity Balance Sheets, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the charitable company's affairs as at 31 July 2025 and of the group's 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 and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or 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 Trustee's Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustee's 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)**

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 20, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- The group is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to correctly account for restricted funds is of key significance.
- We gained an understanding of how the group complied with its legal and regulatory framework, including the requirement to properly account for restricted funds through discussions with management and a review of the documented policies, procedures and controls.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)**

- The audit team, which is experienced in the audit of charities, considered the group's susceptibility to material misstatement and how fraud may occur. Our considerations include the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of the audit report

This report is made solely to the Charitable Company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken, so that we might state to the charitable company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members for our audit work, for this report or for the opinions we have formed.

Stephen Anderson (Senior Statutory Auditor)
For and on behalf of Knox Cropper LLP
Chartered Accountants
153-155 London Road
Hemel Hempstead
Hertfordshire HP3 9SQ

Date: 19th March 2026

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

**GROUP STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2025**

		Unrestricted funds 2025	Restricted funds 2025	Total Funds 2025	Total Funds 2024
	Notes	£	£	£	£
INCOME FROM CHARITABLE ACTIVITIES:					
Donations and legacies	2	1,921,435	-	1,921,435	1,853,441
Clubs and societies			623,873	623,873	544,876
Other trading activities	3	250,882	-	250,882	214,930
Investment income	4	178,461	-	178,461	201,087
Other income		-	-	-	10,000
TOTAL INCOME		2,350,778	623,873	2,974,651	2,824,334
EXPENDITURE					
Raising funds		55,978	-	55,978	61,355
Charitable activities		2,133,246	620,736	2,753,982	2,528,226
TOTAL EXPENDITURE	5	2,189,224	620,736	2,809,960	2,589,581
NET INCOME/(EXPENDITURE)		161,554	3,137	164,691	234,753
OTHER RECOGNISED GAINS/(LOSSES)					
Actuarial gains/(losses) on defined benefit schemes		468,898	-	468,898	107,357
NET MOVEMENT IN FUNDS	15	630,452	3,137	633,589	342,110
RECONCILIATION OF FUNDS					
Total funds brought forward		1,003,550	357,436	1,360,986	1,018,876
TOTAL FUNDS CARRIED FORWARD	15	1,634,002	360,573	1,994,575	1,360,986

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

Details of the comparative group statement of financial activities are included in note 21.

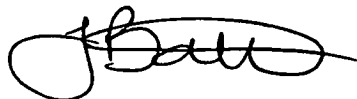
UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

GROUP BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2025

Company registration number 07303101

	Notes	£	2025 £	£	2024 £
FIXED ASSETS					
Tangible assets	10		81,913		138,285
Investments In joint ventures					
- Share of gross assets		1,226,203		1,083,737	
- Share of gross liabilities		(46,874)		(48,770)	
Share of net assets	11		1,179,329		1,034,967
			1,261,242		1,173,252
CURRENT ASSETS					
Debtors	13	84,331		108,087	
Cash at bank and in hand		744,297		1,991,580	
		828,628		2,099,667	
CREDITORS: amounts falling due within one year	14	(95,295)		(94,138)	
NET CURRENT ASSETS			733,333		2,005,529
TOTAL ASSETS LESS CURRENT LIABILITIES			1,994,575		3,178,781
Defined pension scheme liability	18		-		(1,817,795)
NET ASSETS			1,994,575		1,360,986
THE FUNDS OF THE CHARITY					
Restricted funds	15		360,573		357,436
Unrestricted funds	15				
General funds			-		456,313
Designated funds		1,634,002		2,365,032	
Pension reserve		-		(1,817,795)	
			1,634,002		1,003,550
TOTAL CHARITY FUNDS			1,994,575		1,360,986

The financial statements on pages 14 to 39 approved and authorised for issue by the Board of Trustees on 4th February 2026 and signed on their behalf, by:



J Bates
Trustee

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

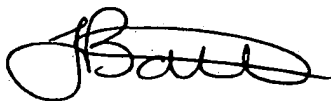
CHARITY BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2025

Company registration number 07303101

	Notes	£	2025 £	£	2024 £
FIXED ASSETS					
Tangible assets	10		81,913		138,285
Investments	11		2		2
			<u>81,915</u>		<u>138,287</u>
CURRENT ASSETS					
Debtors	13	65,830		97,871	
Cash at bank		744,297		1,991,580	
		<u>810,127</u>		<u>2,089,451</u>	
CREDITORS: amounts falling due within one year	14	(76,796)		(83,923)	
			<u>733,331</u>		<u>2,005,528</u>
NET CURRENT ASSETS					
			<u>815,246</u>		<u>2,143,815</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
Defined pension scheme liability	18		-		(1,817,795)
			<u>815,246</u>		<u>326,020</u>
NET ASSETS/(LIABILITIES)					
THE FUNDS OF THE CHARITY					
Restricted funds	15		360,573		357,436
Unrestricted funds	15				
General funds			-		456,314
Designated funds			454,673		1,330,065
Pension reserve			-		(1,817,795)
			<u>454,673</u>		<u>(31,416)</u>
TOTAL CHARITY FUNDS			<u>815,246</u>		<u>326,020</u>

As permitted by S408 Companies Act 2006, the charitable company has not presented its own statement of financial activities and related notes as it prepared group accounts. The charitable company's surplus for the year was £489,226 (2024: £217,589).

The financial statements on pages 14 to 39 approved and authorised for issue by the Board of Trustees on 4th February 2026 and signed on their behalf, by:



J Bates
Trustee

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2025

	Note	2025 £	2024 £
Cash flows from/(to) operating activities			
Net cash provided by/(used in) operating activities	17	79,096	65,658
Cash flows from investing activities:			
Interest received		34,099	76,566
Purchase of tangible fixed assets		(11,581)	(41,171)
Proceeds on disposal of tangible fixed assets		-	-
Net cash provided/(used in) by investing activities		22,518	35,395
Cash flows from financing activities:			
Payment of SUSS liability		(1,348,897)	-
		(1,348,897)	-
Change in cash and cash equivalents in the year		(1,247,283)	101,051
Cash and cash equivalents brought forward		1,991,580	1,890,529
Cash and cash equivalents carried forward		744,297	1,991,580

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

1. ACCOUNTING POLICIES

Charity Information

University of Leicester Students' Union is a private incorporated charitable company (company register number 07303101) limited by guarantee, incorporated in England and Wales. Its registered office and principal place of business is University of Leicester Students' Union, Percy Gee Building, University Road, Leicester, Leicestershire, LE1 7RH. The charitable company is also registered at the Charity Commission with a charity number of 1137811.

The main aims of the University of Leicester Students' Union are the advancement of the students at the university for the public benefit.

Basis of preparation of financial statements

Accounting convention

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

University of Leicester Students' Union meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements of the charitable company are consolidated in these financial statements of University of Leicester Students' Union and these financial statements are available from the registered office.

Basis of consolidation

The Statement of Financial Activities and Balance Sheet consolidate the financial statements of the charitable company and its subsidiary undertaking. The results are consolidated on a line by line basis, all intra-group transactions and balances with the subsidiary are eliminated on consolidation. Joint ventures and associates are stated at the group's share of net assets, to the extent this is not impaired, and the group's share of the net share of the profits or losses of the joint ventures and associates is included in the Statement of Financial Activities using the equity accounting basis. All the financial statements are made up to 31 July 2025.

No separate Statement of Financial Activities has been presented for the charitable company alone as permitted by section 408 of the Companies Act 2006 as it prepares group accounts and the charitable company's individual balance sheet shows the charitable company's net movement in funds in the financial year.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Company status

The charitable company is limited by guarantee. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
(continued) FOR THE YEAR ENDED 31 JULY 2025

1. ACCOUNTING POLICIES (continued)

Funding accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objective of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the charitable company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the Bank.

Grants

The recurrent block grant is receivable from the University of Leicester. The grant is credited to the income and expenditure account in the year to which it relates.

Project support grants are project based and include grants which are receivable from the University of Leicester and other funding bodies.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grant will be received.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs (including governance costs) which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the assets use.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
(continued) FOR THE YEAR ENDED 31 JULY 2025

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are initially recorded at cost and subsequently measured at cost, net of depreciation and any provision for impairment. Tangible fixed assets costing more than £1,000 are capitalised and all other expenditure is charged to the statement of financial activities in the year incurred.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and equipment	20% - 33% of cost
------------------------	-------------------

Investments

The charitable company's fixed asset investments are valued at cost which is the Trustees' best estimate of fair value, as these assets are not readily saleable and a reliable market value is not readily ascertainable.

- (i) **Subsidiary undertakings**
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) **Associated undertakings**
Investments in associates are valued at cost less provision for impairment.
- (iii) **Joint ventures**
Investments in the joint ventures are valued at cost less provision for impairment.

Impairment of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the charitable company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment losses are recognised in statement of financial activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in statement of financial activities. On reversal of an impairment loss, the depreciation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises of direct materials.

At each reporting date, the charitable company assesses whether stocks are impaired or if any impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in statement of financial activities.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

UNIVERSITY OF LEICESTER STUDENTS' UNION

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2025

1. ACCOUNTING POLICIES (continued)

Debtors

Trade and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade and other debtors and amounts owed by group undertakings are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash and cash equivalents

Cash and cash equivalents includes cash and monies on short-term deposits at the bank and other short-term liquid investments with original maturities of three months or less.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Pension costs and other post-retirement benefits

Students' Union Superannuation Scheme

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 most recent valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £106,697,000 with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £136,645,000.

The 2022 valuation recommended a monthly contribution requirement by each participating Union intended to clear the ongoing funding deficit ending in 2037, increasing by 5% each year. 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 FRS 102, where a scheme participates in a multi-employer defined benefit pension scheme that is in deficit and the employer has entered into an agreement to fund the deficit the entity shall recognize a liability for the contributions payable that arise from the agreement. As the agreement runs until 2037, a discount rate of 4.7% has been applied in determining the net present value of the contributions made in the period.

Universities Superannuation Scheme

The Union participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual unions and a scheme-wide contribution rate is set. The Union is therefore exposed to actuarial risks associated with other unions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the Union therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the Union has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the Union recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

The charitable company also contributes to the NUS Aegon Pension Scheme and the government approved NEST scheme. The annual contributions payable are charged to the statement of financial activities.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

1. ACCOUNTING POLICIES (continued)

Taxation

No provision for corporation tax has been made as the charitable company is exempt from corporation tax on its income and gains to the extent that these are applied to its charitable activities. The non-charitable subsidiaries will be subject to Corporation Tax on any profits not gift aided to the charitable parent within 9 months of the balance sheet date.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Critical accounting estimates and areas and Judgement

The charity makes estimates and assumptions concerning the future and acknowledges that the resulting accounting estimates and assumptions will, by definition, seldom equal to related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- (i) **Pension deficit contribution**
On 19th September 2024, the Union withdrew from the Student Union Superannuation Scheme and triggered the Section 75 debt. See note 18 for more information.
- (ii) **Donation of facilities by University of Leicester**
In accordance with the Charities SORP FRS 102, the Union and its trading subsidiary has valued the benefit it receives from occupying facilities owned by the University on a rent-free basis, at the trustees' estimate of market value at £498,435 (2024: £485,441).
- (iii) **Support costs**
Many of the costs incurred by the Union such as support staff costs and service costs are shared between activities. The Union's policy is to allocate these costs on the basis of assessed consumption.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations and University Grants	1,423,000	-	1,423,000	1,368,000
Grant of serviced accommodation	498,435	-	498,435	485,441
Total donations and legacies	1,921,435	-	1,921,435	1,853,441

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
(continued) FOR THE YEAR ENDED 31 JULY 2025

3. OTHER TRADING ACTIVITIES

The University of Leicester Student's Union owns 100% of the issued share capital of its subsidiary, University of Leicester Students' Union Trading Ltd, a company which is incorporated in England and Wales (company number 02821506). The registered office of University of Leicester Students' Union Trading Ltd is the same as University of Leicester Student's Union. The subsidiary participates in trading activities relating to the charitable company. Its taxable profits are donated to the charitable company. A summary of the subsidiary's results which are consolidated in these financial statements is shown below:

Statement of Income	2025 £	2024 £
Turnover	250,882	214,930
Cost of sales	(7,004)	(7,020)
Gross profit	243,878	207,910
Administrative expenses	(48,974)	(54,335)
Profit before and after taxation for the financial year	194,904	153,575
Distribution to parent charity under gift aid	(194,904)	(153,575)
Result for the financial year	-	-

The net assets of University of Leicester Students' Union Trading Ltd at 31 July 2025 amounts to £2 (2024: £2 net assets).

4. INCOME FROM INVESTMENTS

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Share of joint venture net income	144,362	144,362	124,521
Bank interest received	34,099	34,099	76,566
	178,461	178,461	201,087

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

5. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff Costs 2025 £	Depreciation 2025 £	Other Costs 2025 £	Total 2025 £	Total 2024 £
University of Leicester Students' Union Trading Ltd	46,500	-	9,478	55,978	61,355
Costs of raising funds	46,500	-	9,478	55,978	61,355
Support & representation	599,654	20,386	332,024	952,064	907,238
Engagement	166,178	13,591	170,006	349,775	359,831
Data & Insight	106,631	6,795	79,989	193,415	125,735
Communities	200,621	20,386	758,670	979,677	839,424
Sports & Societies Grant	31,811	-	100,551	132,362	148,881
Peer mentoring	52	-	1,072	1,124	348
Academic Representation	31,811	6,795	106,959	145,565	146,769
Costs of charitable Activities	1,136,758	67,953	1,549,271	2,753,982	2,528,226
	1,183,258	67,953	1,558,749	2,809,960	2,589,581

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

Certain central overhead support costs have been reallocated to the various activities as noted in the accounting policies. The effect of this reallocation on the various expenditure heading is shown here:

	Activities undertaken directly 2025 £	Support costs 2025 £	Total 2025 £	Total 2024 £
Support & representation	550,517	401,547	952,064	907,238
Welfare	-	-	-	-
Engagement	118,379	231,396	349,775	359,831
Data & Insight	77,716	115,699	193,415	125,735
Communities	795,936	183,741	979,677	839,424
Sports & Societies Grant	23,458	108,904	132,362	148,881
Peer mentoring	1,124	-	1,124	348
Academic Representation	29,866	115,699	145,565	146,769
Total	1,596,996	1,156,986	2,753,982	2,528,226

Support costs comprised:-

	2025 £	2024 £
Staff costs	318,114	282,708
Depreciation	67,953	61,996
Rent	498,435	485,441
Insurances	20,711	18,177
NUS Subscription	-	-
Pension Scheme Funding	-	88,065
Marketing costs	-	-
Stationery and telephone	501	1,259
Bank charges	2,681	2,401
Other support costs	248,591	193,554
Total	1,156,986	1,133,601

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

7. NET INCOME/(EXPENDITURE)

This is stated after charging

	2025 £	2024 £
--	-----------	-----------

Depreciation of tangible fixed assets: - owned by the charitable group	67,953	61,996
---	--------	--------

Fees payable in respect of both audit and non-audit services as are follows:

	2025 £	2024 £
Audit services - statutory audit of charitable company and consolidated accounts	21,360	20,400
	21,360	20,400

8. STAFF COSTS

	2025 £	2024 £
Staff costs were as follows:		
Wages and salaries	1,038,942	877,440
Social security costs	85,985	72,556
Other pension costs	58,333	58,630
	1,183,260	1,008,626

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

	2025 No.	2024 No.
Full time	30	35
Students staff	63	30
	93	65

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

	2025 No.	2024 No.
£60,001 - £70,000	1	2
£70,001 - £80,000	1	-
	2	2

Key management personnel of the charitable company are considered to be the trustees, the Director of Membership Services, Director of Finance and the Chief Executive Officer. During the year, key management personnel received remuneration (including employers national insurance contributions) of £306,414 (2024: £364,173).

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

9. TRUSTEES' REMUNERATION

TRUSTEE NAME	Salary £	Er NI £	Er pension £	Total 2025 £
C Cornou	2,038	243	-	2,281
M Schofield	2,038	243	-	2,281
R James	22,413	2,142	1,121	25,676
A Kote	24,529	2,385	-	26,914
S Mathari	4,042	338	-	4,380
A Murali Reddy	22,492	2,142	-	24,634
Total	77,552	7,493	1,121	86,166

There were no other trustee-benefits for the year (2024: £nil). Six (2024: Eight) trustees received reimbursement of expenses in relation to travel and subsistence totaling £3,167 (2024: £6,790).

10. TANGIBLE FIXED ASSETS

	Fixtures and equipment £
Group and Charity	
Cost	
At 1 August 2024	517,788
Additions	11,581
Disposals	(8,789)
At 31 July 2025	520,580
Depreciation	
At 1 August 2024	379,503
Charge for the year	67,953
Eliminated on disposal	(8,789)
At 31 July 2024	438,667
Net book value	
At 31 July 2025	81,913
At 31 July 2024	138,285

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

11. FIXED ASSET INVESTMENTS

	Investments in joint venture £
Group	
Share of net assets	
At 1 August 2024	1,034,967
Share of profit	144,362
At 31 July 2025	1,179,329

	GROUP		CHARITY	
	2025	2024	2025	2024
	£	£	£	£
University of Leicester Students' Union Trading Ltd	-	-	2	2

12. PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

a. Principal subsidiaries

University of Leicester Students' Union Trading Ltd

Subsidiary name	University of Leicester Students' Union Trading Ltd
Company registration number	02821506
Basis of control	Wholly owned subsidiary
Equity shareholding %	100%

b. Principal joint ventures

The University of Leicester Students' Union Trading Ltd, has a 50% joint ownership in the entity Student Union Lettings Limited, a charity which is registered in England and Wales.

The nature of the business is that of a student lettings agency and its registered office is First Floor Campus Centre Building, Mill Lane, Leicester, Leicestershire LE2 7DR.

Student Union Lettings Limited (trading as Sulets) is a company limited by guarantee and is therefore held as an Investment in University of Leicester Students' Union Trading Ltd at nil value, reflecting its recoverable value to University of Leicester Students' Union Trading Ltd and therefore its parent undertaking, University of Leicester Students' Union.

The group constitutes 50% of the ownership, therefore the group's share of income is £911,126 (2024: £869,851) and share of expenditure is £766,764 (2024: £745,331). The group's share of the total assets is £1,226,203 (2024: £1,083,739) and total liabilities of £46,874 (2024: £48,770).

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

13. DEBTORS	GROUP		CHARITY	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	17,267	57,796	8,514	41,193
Amounts owed by group undertakings	-	-	49,294	33,661
Other debtors	1,935	3,025	1,935	3,025
Prepayments and accrued income	65,129	47,266	6,087	19,992
	<u>84,331</u>	<u>108,087</u>	<u>65,830</u>	<u>97,871</u>

14. CREDITORS: Amounts falling due within one year	GROUP		CHARITY	
	2025 £	2024 £	2025 £	2024 £
Trade creditors	15,466	14,156	15,466	13,342
Other taxation and social security	24,016	27,095	20,535	22,844
Other creditors	7,902	12,572	7,902	12,572
Accruals and deferred income	47,911	40,315	32,893	35,165
	<u>95,295</u>	<u>94,138</u>	<u>76,796</u>	<u>83,923</u>

	GROUP		CHARITY	
	2025 £	2024 £	2025 £	2024 £
Deferred Income				
Deferred income at 1 August	3,150	280	-	-
Resources deferred during the year	6,525	3,150	-	-
Amounts released from previous years	(3,150)	(280)	-	-
Deferred income at 31 July	<u>6,525</u>	<u>3,150</u>	<u>-</u>	<u>-</u>

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

15. STATEMENT OF FUNDS

Group - current year

	Balance at 1 August 2024 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2025 £
Restricted funds					
Clubs and Societies	348,353	623,873	(620,421)	-	351,805
Peer Mentoring Fund	3,290	-	(315)	-	2,975
RFU Development Fund	5,793	-	-	-	5,793
	<u>357,436</u>	<u>623,873</u>	<u>(620,736)</u>	<u>-</u>	<u>360,573</u>
Unrestricted funds					
General reserves	456,313	2,206,416	(2,189,224)	(473,505)	-
	<u>456,313</u>	<u>2,206,416</u>	<u>(2,189,224)</u>	<u>(473,505)</u>	<u>-</u>
Designated funds					
Capital and strategic projects fund	1,330,065	-	-	(875,392)	454,673
Shares of net income from joint venture	1,034,967	144,362	-	-	1,179,329
Pension Reserve	(1,817,795)	-	468,898	1,348,897	-
	<u>547,237</u>	<u>144,362</u>	<u>468,898</u>	<u>473,505</u>	<u>1,634,002</u>
Total funds	<u>1,360,986</u>	<u>2,974,651</u>	<u>(2,341,062)</u>	<u>-</u>	<u>1,994,575</u>

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

15. STATEMENT OF FUNDS (continued)

Group - prior year

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2024 £
Restricted funds					
Clubs and Societies	295,975	544,876	(492,498)	-	348,353
Peer Mentoring Fund	3,290	-	-	-	3,290
RFU Development Fund	5,793	-	-	-	5,793
Centenary Fund	-	10,000	(10,000)	-	-
	<u>305,058</u>	<u>554,876</u>	<u>(502,498)</u>	<u>-</u>	<u>357,436</u>
Unrestricted funds					
General reserves	456,313	2,144,937	(1,999,018)	(145,919)	456,313
	<u>456,313</u>	<u>2,144,937</u>	<u>(1,999,018)</u>	<u>(145,919)</u>	<u>456,313</u>
Designated funds					
Capital and strategic projects fund	1,291,678	-	-	38,387	1,330,065
Shares of net income from joint venture	910,446	124,521	-	-	1,034,967
Pension Reserve	(1,944,619)	-	19,292	107,532	(1,817,795)
	<u>257,505</u>	<u>124,521</u>	<u>19,292</u>	<u>145,919</u>	<u>547,237</u>
Total funds	<u>1,018,876</u>	<u>2,824,334</u>	<u>(2,482,224)</u>	<u>-</u>	<u>1,360,986</u>

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

15. STATEMENT OF FUNDS (continued)

Charity – current year

	Balance at 1 August 2024 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2025 £
Restricted funds					
Clubs and Societies	348,353	623,873	(620,421)	-	351,805
Peer Mentoring Fund	3,290	-	(315)	-	2,975
RFU Development Fund	5,793	-	-	-	5,793
	357,436	623,873	(620,736)	-	360,573
Unrestricted funds					
General reserves	456,314	2,150,438	(2,133,247)	(473,505)	-
	456,314	2,150,438	(2,133,247)	(473,505)	-
Designated funds					
Capital and strategic projects fund	1,330,065	-	-	(875,392)	454,673
Pension Reserve	(1,817,795)	-	468,898	1,348,897	-
	(487,730)	-	468,898	473,505	454,673
Total funds	326,020	2,774,311	(2,285,085)	-	815,246

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

15. STATEMENT OF FUNDS (continued)

Charity – prior year

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2024 £
Restricted funds					
Clubs and Societies	295,975	544,876	(492,498)	-	348,353
Peer Mentoring Fund	3,290	-	-	-	3,290
RFU Development Fund	5,793	-	-	-	5,793
Centenary Fund	-	10,000	(10,000)	-	-
	<u>305,058</u>	<u>554,876</u>	<u>(502,498)</u>	<u>-</u>	<u>357,436</u>
Unrestricted funds					
General reserves	456,314	2,083,582	(1,937,663)	(145,919)	456,314
	<u>456,314</u>	<u>2,083,582</u>	<u>(1,937,663)</u>	<u>(145,919)</u>	<u>456,314</u>
Designated funds					
Capital and strategic projects fund	1,291,678	-	-	38,387	1,330,065
Pension Reserve	(1,944,619)	-	19,292	107,532	(1,817,795)
	<u>(652,941)</u>	<u>-</u>	<u>19,292</u>	<u>145,919</u>	<u>(487,730)</u>
Total funds	<u>108,431</u>	<u>2,638,458</u>	<u>(2,420,869)</u>	<u>-</u>	<u>326,020</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

15. STATEMENT OF FUNDS (continued)

The restricted funds relate to:

The Clubs and Societies Funds represent balances held for specific clubs and societies where the ultimate control would vest with the Union.

The Union and University have agreed to work in partnership to develop a university-wide peer mentoring scheme. The project will be managed as part of the overall volunteer support process, the University have agreed funding of £nil to support this scheme.

The RFU Development fund relates to monies received for the development of rugby at the University.

The designated funds relate to:

Pension designated funding relates to funds set aside for future contributions towards the scheme, in light of the revaluation and the known challenges faced by the scheme. On 19th September 2024, the Union withdrew from the Student Union Superannuation Scheme and triggered the Section 75 debt.

Capital and strategic projects designated funding represents the remaining funds designated for investment in strategic projects relating to the long-term development of the Union after taking account of the required funding needed to orderly wind down the Union in the event of the organisation ceasing to operate in the future in the light of the challenges facing the sector.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group – current year	Restricted funds	General funds	Designated funds	Pension reserve	Total funds
	2025	2025	2025	2025	2025
	£	£	£	£	£
Tangible fixed assets	-	-	81,913	-	81,913
Fixed asset investments	-	-	1,179,329	-	1,179,329
Current assets	360,573	-	468,055	-	828,628
Creditors due within one year	-	-	(95,295)	-	(95,295)
	360,573	-	1,634,002	-	1,994,575

Group – prior year	Restricted funds	General funds	Designated funds	Pension reserve	Total funds
	2024	2024	2024	2024	2024
	£	£	£	£	£
Tangible fixed assets	-	-	138,285	-	138,285
Fixed asset investments	-	-	1,034,967	-	1,034,967
Current assets	357,436	550,451	1,191,780	-	2,099,667
Creditors due within one year	-	(94,138)	-	-	(94,138)
Pension scheme liability	-	-	-	(1,817,795)	(1,817,795)
	357,436	456,313	2,365,032	(1,817,795)	1,360,986

Charity – current year	Restricted funds	General funds	Designated funds	Pension reserve	Total funds
	2025	2025	2025	2025	2025
	£	£	£	£	£
Tangible fixed assets	-	-	81,913	-	81,913
Fixed asset investments	-	2	-	-	2
Current assets	360,573	-	449,554	-	810,127
Creditors due within one year	-	(2)	(76,794)	-	(76,796)
	360,573	-	454,673	-	815,246

Charity – prior year	Restricted funds	General funds	Designated funds	Pension reserve	Total funds
	2024	2024	2024	2024	2024
	£	£	£	£	£
Tangible fixed assets	-	-	138,285	-	138,285
Fixed asset investments	-	2	-	-	2
Current assets	357,436	540,235	1,191,780	-	2,089,451
Creditors due within one year	-	(83,923)	-	-	(83,923)
Pension scheme liability	-	-	-	(1,817,795)	(1,817,795)
	357,436	456,314	1,330,065	(1,817,795)	326,020

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	164,691	234,753
Adjustment for:		
Depreciation	67,953	61,996
(Decrease)/Increase in pension deficit funding liability	-	(19,467)
Interest received	(34,099)	(76,566)
Decrease in stocks	-	-
(Increase)/decrease in debtors	23,756	(25,229)
Increase/(decrease) in creditors	1,157	14,692
Net income from joint ventures and associates	(144,362)	(124,521)
Net cash provided by/(used in) operating activities	<u>79,096</u>	<u>65,658</u>

18. PENSION COMMITMENTS

Students' Union Superannuation Scheme

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

The most recent valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £106,700,000 with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £136,600,000.

The assumptions which have the most significant effect upon the results of the Valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumption applied at 30 June 2022: -

- Discount rate: Bank of England gilt curve + 1.5% pa, linearly changing over a term of 13 years to gilts curve + 0.25% pa.
- Pension increases: A model of each increase, allowing for insurers' relative pricing of different caps and collars.

The 2022 Valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit by 1 May 2037 and will increase by at least 5% each year.

These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme of £5,038 pa. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

19. PENSION COMMITMENTS (continued)

The liability provided for in respect of the SUSS pension deficit decreased to £1,817,795 (2024: £1,817,795) at 31 July 2025.

	2025 £
Balance brought forward	1,817,795
Buy out payment made	(1,325,000)
Deficit funding contributions	(23,897)
Actuarial gain on buyout	(468,898)

On 19th September 2024, the Union withdrew from the Student Union Superannuation Scheme and triggered the Section 75 debt.

Universities Superannuation Scheme (USS)

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (the valuation date) and was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The company participates in the salary sacrifice pension scheme. The staff costs (note 4) shows the pensionable salary which includes the employee salary sacrifice element. The company contribution rate payable is currently 14.5% of pensionable salaries.

As at 31 July 2025 the Union had 3 active members participating in the scheme.

The total pension cost (excluding the salary sacrifice pension element, changes in assumptions for calculating the pension scheme liability and deficit funding contributions) for the company was £25,330 (2024: £28,468).

The charitable company also contributes to two defined contribution schemes:

The total contributions paid to The NUS Aegon Pension Scheme during the year amounted to £5,773 (2024: £5,697). At the year end, the charitable company owed £1,732 (2024: £830).

The total contributions paid to The National Employment Savings Trust (NEST) during the year amounted to £27,230 (2024: £25,059). At the year end, the charitable company owed £3,517 (2024: £3,686).

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

20. RELATED PARTY TRANSACTIONS

Company
University of Leicester Students' Union Trading Ltd

The wholly owned subsidiary, University of Leicester Students' Union Trading Ltd, is included within the consolidated accounts.

University of Leicester Students' Union Trading Ltd gift aided £194,904 in the year (2024: £153,575).

University of Leicester Students' Union Trading Ltd income and expenditure goes through the charitable company's bank account and also the charitable company has recharged for the use of staff amounting to £46,500 (2024: £51,766). At the year end, University of Leicester Students' Union Trading Ltd owed £49,294 (2024: £33,661) to the charitable company.

Group and company
University of Leicester

The majority of the Student Unions' funding is derived from the University of Leicester, which is a related party as the Student Unions' principal activities involve providing services to its student body.

The Student Union receives a block grant from the University of Leicester £1,423,000 (2024: £1,368,000). Additional grants are provided by the University for project support of nil (2024: nil).

During the year the group made sales of £9,040 (2024: £33,267) to the University of Leicester and made purchases of £30,596 (2024: £58,972) from the University of Leicester.

At the year end, the group were owed £4,000 (2024: £30,432) from the University of Leicester.

In addition, the Student Union occupies its building on a rent-free basis. This is under an informal license subject to the Student Union maintaining the building in a good state of repair. As a result, an estimated value to the Student Union for the free serviced accommodation has been included in the accounts. This has been valued at £498,435 (2024: £485,441) based on market prices within Leicester.

Student Union Lettings Limited

During the year the group made sales of £23,882 (2024: £18,049) to Student Union Lettings Limited.

Other related parties are the Sabbatical Officers and Trustees as detailed in the Trustees' report. Details of remuneration received by these individuals are shown in note 9. Remuneration of key management personnel is shown in note 8.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2025

21. COMPARATIVE GROUP STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total Funds 2024 £
INCOME FROM CHARITABLE ACTIVITIES:				
Donations and legacies	2	1,853,441	-	1,853,441
Clubs and societies			544,876	544,876
Other trading activities	3	214,930	-	214,930
Investment income	4	201,087	-	201,087
Other income		-	10,000	10,000
TOTAL INCOME		2,269,458	554,876	2,824,334
EXPENDITURE				
Raising funds		61,355	-	61,355
Charitable activities		2,025,728	502,498	2,528,226
TOTAL EXPENDITURE	5	2,087,083	502,498	2,589,581
NET INCOME/(EXPENDITURE)		182,375	52,378	234,753
OTHER RECOGNISED GAINS/(LOSSES)				
Actuarial gains/(losses) on defined benefit schemes		107,357	-	107,357
NET MOVEMENT IN FUNDS	15	289,732	52,378	342,110
RECONCILIATION OF FUNDS				
Total funds brought forward		713,818	305,058	1,018,876
TOTAL FUNDS CARRIED FORWARD		1,003,550	357,436	1,360,986



University of Leicester Students' Union Limited

Audit Findings Report

**Year Ended
31st July 2025**

University of Leicester Students' Union Limited
Audit Findings Report for the year ended 31st July 2025

The Board of Trustees

University of Leicester Students' Union Limited

8th January 2026

Dear Trustees,

Audit findings for the year ended 31st July 2025

This Audit Findings Report highlights the significant findings arising from the audit and sets out the key matters which we are required to formally report to those charged with governance in accordance with International Standard on Auditing (UK) 260.

As you will appreciate, our audit procedures are designed primarily to enable us to form an opinion on the accounts as a whole. Our procedures include such tests of the accounting records and internal control systems as are, in our opinion, necessary for audit purposes. Consequently, whilst our procedures may identify certain weaknesses which may exist, the audit procedures in themselves should not be relied upon to reveal all the weaknesses which may exist in the system.

This report has been prepared for your sole use and we assume no responsibility to any other party in respect of its contents. The report should not be disclosed to any third party without our prior written consent.

This report is not exhaustive and deals with only the more significant matters which came to our attention during the audit. Other matters of lesser significance have been discussed with the relevant staff during the course of our audit work.

In conclusion we would like to take this opportunity of expressing our appreciation to all your staff, particularly Nicola and Lindsey, for their assistance and co-operation during the course of our audit. If you have any queries on any of the points in this letter, please do not hesitate to contact us.

Yours Sincerely

Knox Cropper LLP

University of Leicester Students' Union Limited
Audit Findings Report for the year ended 31st July 2025

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Audit Overview

General

The purpose of our audit is to gather sufficient evidence to allow us to conclude that the transactions and balances disclosed in the accounts are unlikely to be materially misstated, to establish that disclosures reflected in the accounts comply with the requirements of legislation and relevant accounting standards, to assess whether the accounting policies adopted are appropriate and consistently applied and to assess whether judgements exercised and estimates made in the preparation of the accounts are fair and reasonable.

Audit Report

We confirm that we have completed the audit to our satisfaction and intend to issue an unqualified audit opinion on the Financial Statements. This means that we have no material reservations over the figures or information disclosed in the financial statements.

The wording of our audit report is in accordance with the standard text for unqualified audit reports prescribed by the Financial Reporting Council. Our report also includes a section which is specific to this audit setting out our response to the risk of material misstatement in respect of irregularities arising from non-compliance with laws and regulations, including fraud.

Estimates and Judgments

The estimates and judgments made by management affecting the financial statements are depreciation, accruals and prepayments.

We have concluded that management have exercised judgments and calculated estimates in a fair and reasonable way.

Accounting Policies and Disclosures

The accounting policies which have been adopted in the financial statements are in accordance with Generally Accepted Accounting Practice and are, in all material respects, appropriate to the organisation's operations and in compliance with FRS 102 and the Charity SORP 2019.

Adequate consideration was given to the potential impact of changes in legislation and accounting standards which arose during the year. No significant changes arose during the current year which affected the financial statements and therefore the form and content of the accounts are consistent with the preceding year.

Professional Ethics and Independence

We confirm our compliance with the Ethical Standard issued by the Financial Reporting Council.

We confirm that we have not carried out any non-audit work which could impair our independence and there are no other matters in relation to our audit engagement which we consider should be brought to your attention.

Other Audit Matters

In accordance with UK auditing standards, we confirm the following matters in relation to our audit of the financial statements:

- a) We have not identified or been made aware of any incidents of fraud or suspected fraud. We would emphasise that our work as auditor is not intended to identify any instances of fraud of a non-material nature and should not be relied upon for this purpose.
- b) We have not identified or been made aware of any incidents of non-compliance with laws and regulations which could have a material impact on the financial statements.
- c) We have not identified or been made aware of any related party transactions other than matters which have been disclosed in the financial statements.
- d) We have received all requested third-party confirmations which represent an essential element of our audit evidence.
- e) Apart from the matters set out in this report, there were no significant matters discussed with management during the audit which we are required to bring to your attention. There were no significant disagreements with management or any limitations placed on the scope of our work. No significant difficulties were encountered during the audit.

University of Leicester Students' Union Limited
Audit Findings Report for the year ended 31st July 2025

Materiality and Audit Adjustments

Materiality

Materiality is used both to plan the nature and extent of audit testing and to evaluate the effect of misstatement. In accordance with ISA (UK) 260 'Communication with those charged with governance', we are obliged to include details in this report of all unadjusted errors which are below materiality unless they are clearly trivial. Whilst our audit procedures are designed to identify misstatements which are material to our audit opinion, we also report to those charged with governance and management any uncorrected misstatements of lower value errors to the extent that our audit identifies these.

Omissions or misstatements are regarded as material if they would reasonably influence the users of the financial statements. The assessment of what is material is a matter of professional judgement.

Our assessment of materiality for the year ended 31st July 2025 was calculated as follows:

	£	Explanation
Overall Materiality for the Financial Statements	44,425	Accounts materially misstated where total errors exceed this value
Performance Materiality	33,319	Work performed to capture individual errors at this level.
Triviality Level	2,221	Unadjusted errors above this level are reported.

University of Leicester Students' Union Limited
Audit Findings Report for the year ended 31st July 2025

Audit Adjustments

All material adjustments arising from our audit work have been discussed with management and appropriately reflected in the financial statements. These adjustments were as follow:

Reconciliation to management accounts	Charity	ULSUTL	Total
	£	£	£
Surplus/(deficit) per management accounts	239,267	194,904	434,171
Clubs and societies income	623,873	-	623,873
Clubs and societies expenditure	(620,421)	-	(620,421)
USS actuarial gain (changes in assumptions) – scheme no longer in deficit	51,606	-	51,606
SU Lets surplus for year	144,362	-	144,362
Surplus/(deficit) per statutory accounts	438,687	194,904	633,591

We confirm that no misstatements were detected during the audit which remain uncorrected in the financial statements other than matters which are both individually and cumulatively clearly trivial.

University of Leicester Students' Union Limited
Audit Findings Report for the year ended 31st July 2025

Key Audit Risks and Conclusions

The following schedule sets out the key risks which we identified as part of our audit planning. It sets out our approach to ensuring that these risks did not give rise to any material misstatement in the financial statements and our audit findings.

Risk		Audit Approach	Audit Findings
1	Completeness of income Completeness of income is always considered high risk and audit procedures need to be devised to address this risk.	We carried out testing on the various income streams and the controls around them. We also performed analytical procedures for testing income trends.	We are satisfied following the review of income documentation and analytical procedures that income is not materially mis-stated within the accounts.
2	Classification of income Income received by the Charity could be subject to restrictions and therefore income may need to be treated as restricted income.	We reviewed the underlying supporting documentation for income to ascertain whether restrictions applied and we reviewed expenditure from these funds to ascertain whether the imposed restrictions were being adhered to.	This was tested as part of our income and expenditure testing. Classification of income appears to be fairly stated in the accounts.
3	Payroll costs Payroll expenditure is a substantial part of total expenditure therefore this is an area, which although not a high-risk area, will be thoroughly reviewed due to its materiality.	We performed a proof in total on the payroll costs by agreeing the payroll reports to the accounts. We also performed substantive testing on a sample of employees, including checking contracts of employment.	Payroll expenditure appears to be fairly stated in the accounts. However, there was an issue with the pension administration. We have included a point in the Internal Control Observations and Recommendations section below.

University of Leicester Students' Union Limited
Audit Findings Report for the year ended 31st July 2025

4 Management Override of Controls

This represents a key risk for all organisations and we are required to specifically check to ensure that there is no evidence of management override during the year.

We checked that controls were applied consistently throughout the year and reviewed a sample of journal adjustments to ensure they are valid.

We did not find any instances where management had overridden controls.

5 Related party transactions

Identification of all related party transactions conducted throughout the year.

We reviewed and assessed the controls in place to identify and disclose related party transactions and looked out for related party transactions during our review of the accounting records.

This was tested as part of our income and expenditure testing. We requested that related party declaration forms were completed by all trustees and senior management. No issues noted were noted.

6 Joint Venture

There is a risk that the joint venture has not been correctly accounted for and there is a risk of material misstatement in the joint ventures accounts.

We reviewed the audit file of the joint ventures auditor to ensure that we are satisfied that there are no material misstatements and that the audit work has been satisfactorily completed.

We are satisfied following the review of the audit file of the joint ventures auditor that the joint venture has been correctly recognised in the accounts.

University of Leicester Students' Union Limited
Audit Findings Report for the year ended 31st July 2025

Internal Control Observations and Recommendations

We are required to report to you, in writing, significant deficiencies in the internal controls and the internal control environment that we have identified during the course of our audit. These matters are limited to those which we have concluded are of sufficient importance to be reported to you. Our audit cannot necessarily be expected to disclose all deficiencies in the system and, as a result, the matters reported may not be the only ones which exist.

We have categorised the internal control deficiencies using a colour-scale rating system. The key to which is as follows:

Control weakness is not significant but we recommend that it be addressed to comply with good practice	
Control weakness is serious and needs to be addressed	
Control weakness is of critical importance and needs to be addressed as a priority	

Matters Brought Forward from the Previous Year

Updated Risk Rating	Observation	Recommendation	Management Response
	1 Personnel Records - Last year Part of our audit testing involved a review of personnel files. We do this to ensure that a valid contract of employment exists for all members of staff. In a few instances, personnel records held did not always contain a signed contract of employment or the contract was missing. Current year We are pleased to report that all employees tested this year had a signed contract.	Last year We recommend that the Union always hold the signed contract of employment on an employee's personnel file. An exercise should be undertaken to obtain signed contracts of employment for all employees. Current year This issue has been resolved.	

University of Leicester Students' Union Limited
Audit Findings Report for the year ended 31st July 2025

2 Bank reconciliations - Last year

During our testing we found that there were a few older reconciling items, which need to be resolved.

Included in the bank reconciliation at the year end is the payment for the July credit card statement, which reduces the actual bank balance and has created a negative bank balance in the accounts. The payment does not go through the bank account until 1st August 2024 and should not be a reconciling item.

Current year

We noted that the credit card payment was correctly not included in the bank reconciliation this year.

However, we found that there was one older reconciling item, which need to be resolved and there were items that were included in the bank reconciliation that have gone through the bank before the year end but have not been entered on Sage yet. These are not reconciling items.

Last year

We recommend that old reconciling items are reviewed and reconciled in a timely manner. Management should consider writing off old reconciling items after a set period.

The credit card payment from the current account to pay off the credit card should be posted on the date that it is paid.

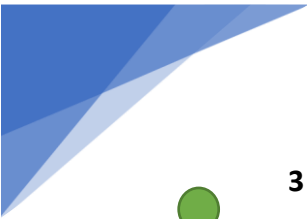
Current year

The above recommendation is still valid in relation to the outstanding reconciling items.

University of Leicester Students' Union Limited
Audit Findings Report for the year ended 31st July 2025

Matters Arising in the Current Year

Risk Rating	Observation	Recommendation	Management Response
	1 VAT review VAT does not appear to be materially misstated. However, there are a couple of areas that a VAT review would look at in more detail to ensure that the Union is recovering all input VAT that it can and that it is accounting for VAT on societies income correctly. VAT in the charity sector is complex and any changes to the Union's activities or changes in VAT regulations could impact on the VAT compliance of the Union.	Given the complex nature of VAT within the charity sector, we recommend that the Union considers having a VAT review undertaken.	
	2 Pension auto-enrolment obligations There were a couple of employees who had not been correctly auto-enrolled into the pension. One employee should have been auto-enrolled into the pension scheme because their pay was over the earnings threshold. However, they had not been enrolled because the annual threshold was used instead of monthly threshold. As the employee is paid monthly, this is the threshold to use. The other employee was enrolled into the scheme one month late.	Consideration should be given to put in extra checks of the payroll by the Union's payroll department to ensure that they are satisfied that the payroll and pensions have been correctly processed. We understand that management will review the payroll to ensure that there are no further issues with other members of staff.	



University of Leicester Students' Union Limited

Audit Findings Report for the year ended 31st July 2025



3 Funds review

The Union has total funds of £1,994,577 at the year end. £2,509,394 of these funds are designated, £1,179,329 relates to the share of net income from the joint venture and £1,330,065 has been designated for capital and strategic projects. As the designated funds are greater than the total reserves, the General reserves of the Union are now in deficit by £875,705.

We recommend that the designated funds are reviewed to ensure that they are still appropriate and can be justified.

Emerging Issues

Charity Legislation

Charities Act 2022

- The provisions of the Charities Act 2022 have now been fully implemented.
- The Act does not impose any additional obligations on charity trustees. Instead, it simplifies the administrative steps which trustees are required to take when making certain decisions.
- The main provisions which were implemented in October 2022 were:
 - The power to pay trustees for the supply of goods to the charity
 - A simplified process for dealing with situations where an appeal fails to raise sufficient funds or raises too much
 - The power to make certain ex-gratia payments without charity commission approval
- The main provisions which were implemented during 2023 were:
 - The power to spend small permanent endowments and borrow up to 25% from any permanent endowment
 - A relaxation of the requirements when charities are selling land, including a widening of the list of experts who can advise, and discretions on how to advertise.
- The main provision implemented in March 2024 was:
 - The power to make amendments to the charity's governing document without Charity Commission approval, except for 'regulated alterations' (such as a change to the objects) which will continue to require approval.

Company Law legislation: Companies House Reform

Economic Crime and Corporate Transparency Act

- The provisions of the Economic Crime and Corporate Transparency Act 2023 are in the process of being implemented, enhancing Companies House's role in ensuring the accuracy of the register.
- Under the provisions, Companies House has greater powers to query, challenge and remove information on the register which appears to be inaccurate or inconsistent.
- With effect from Autumn 2025, identification checks will be carried out on all existing directors, persons with significant control and officials with responsibility for filing with Companies House, such as a company secretaries. This will affect all charitable companies, trading subsidiaries, and corporate trustee companies.



University of Leicester Students' Union Limited

Audit Findings Report for the year ended 31st July 2025

- The provisions relating to the requirement to file all accounts using approved software is not expected to be implemented until late in 2026.

Employment and Payroll Legislation

- The salary costs of charities will have increased from April 2025 due to the increased rate and lower threshold for employers' national insurance and increases to the national minimum wage.
- A number of changes to employee rights have also already been implemented including the right to request flexible working hours, redundancy protection for employees on maternity leave and statutory right to a week's unpaid carers leave.
- **The Employment Rights Bill** contains provisions to provide employees with rights and protection from their first day of employment, including parental leave, sick pay and protection from unfair dismissal. Sick pay will also be reformed with no lower earnings limit or waiting period. Significant changes to zero hours contracts are also proposed.
- From 6 April 2027, all benefits will be required to be processed through the payroll instead of through P11Ds, with the exception of beneficial loans and living accommodation. This will require up to date and accurate information being available in real time.

Accounting and Reporting

Changes to Charity Financial Reporting

- **Financial Reporting Standard (FRS) 102** has been updated and is effective for accounting periods commencing on or after 1 January 2026. All charity Financial Statements are required to comply with FRS 102. The two principal changes in the updated standard are:
 - The requirement to account for most operating leases, including property leases, on the balance sheet. As a result, for those charities that lease assets, there will be an increase in assets and liabilities on the balance sheet.
 - The requirement to implement a five-step revenue recognition model for income derived from exchange contracts (trading/business income). Charities will need to carefully assess their revenue recognition accounting policies to ensure they are compliant with the new requirements.
- **The Charity Statement of Recommended Practice (SORP)** is in the process of being updated and a consultation draft was issued in March 2025 (available at [charitycorp.org](https://www.charitycorp.org)). Its effective implementation date will also be for accounting periods commencing on or after 1 January 2026. The draft revised SORP:
 - Incorporates the changes to FRS 102, referred to above.

University of Leicester Students' Union Limited

Audit Findings Report for the year ended 31st July 2025

- Categorises charities into 3 tiers, based on their income, which determines the amount of disclosure required. For example, in future, only charities with income exceeding £15m will be required to produce a cash flow statement.
- Substantially revises the reporting requirements of the Trustees Report with a greater focus on impact reporting and areas considered to be of key concern to stakeholders including sustainability reporting, going concern reporting, reserve reporting and additional details about volunteers.

Consultation on Charity Financial Thresholds

- In April 2025, the Department of Culture Media and Sport commenced a consultation into raising a number of financial thresholds to reflect inflation since the thresholds were first set. These thresholds include the financial thresholds above which charities must:
 - Register with the Charity Commission
 - Submit an annual return
 - Prepare accounts on the accruals basis
 - Have an independent examination of their financial statements
 - Have an audit of their financial statements
- The government response to the consultation is planned for September 2025.

The Charities (Annual Return) Regulations 2024

- These regulations came into force on 1 January 2025, outlining the information required for annual returns for financial years ending on or after this date. New questions include details on high-value donations and whether charity property is held by a holding trustee.

Recent Charity Commission Guidance

Updated Guidance on Charities and Investment (CC14)

- This revised guidance was drafted in August 2023 following the **Butler-Sloss** case.
- The guidance makes it clear that trustees have discretion to take other factors into account, apart from maximising financial return, when setting the investment policy. Such factors may include:
 - Avoiding investments which conflict with the charity's objects
 - Avoiding investments which might cause reputational damage
- However, trustees' personal opinions or preferences should not be taken into account.

University of Leicester Students' Union Limited

Audit Findings Report for the year ended 31st July 2025

Updated Guidance on Decision Making for Charity Trustees (CC27)

- This updated guidance, which was issued in September 2024, states that the trustee decision making process should follow 7 key principles.
- Trustees should clearly record their decisions and take responsibility for them, 'jointly' and 'collectively', even where delegated.

Updated Guidance on Trustee Meetings (CC48)

- Trustees should review their Governing Document to consider whether it needs to be updated in relation to Trustee Meetings, including procedures for on-line meetings and decision making by telephone and e-mail.
- Changes such as these to the Governing Document no longer need approval from the charity commission.

Guidance on Internal Controls (CC8)

- The restructured guidance, which was issued in April 2023, is now more concise and it covers issues that were not in existence or widely relevant to the sector when first drafted. New sections cover the use of mobile payments systems, such as Google Pay and Apple Pay, and the receipt of donations in the form of cryptoassets, such as cryptocurrency and NFTs.
- Existing advice on more traditional risks, including the risks relating to fundraising and public collections, making payments to related parties, and operating internationally has been updated. There is also a new section on accepting hospitality.

Guidance on Social Media Use

- This guidance, which was issued in September 2023, recognises the increasing importance of the use of social media to engage with beneficiaries and the wider public. However, it also highlights the risks and the need for mitigation.
- The guidance states that where social media is used by the charity, there should be a policy in place (appropriate for the size of the charity) to mitigate the risk of reputational damage and to assist the charity to promote its charitable purposes.

Guidance on Accepting or Refusing Donations

- Although there is an expectation that Charities will accept most donations, there may be occasions when Trustees refuse a donation. A decision to refuse a donation may be for operational reasons (for example, the conditions attached are unacceptable) or for reputational reasons (the donor may not be acceptable).
- Trustees should base any decision on the best interests of the charity and should not take into account personal opinions.

Cyber Security

The Charity Commission has issued further updated guidance on the measures Charities should take to mitigate the threat from cybercrime and on how to report incidents of suspected and actual cybercrime.

Governance Codes

Revised Charity Governance Code

A new version of the Charity Governance Code is expected in 2025, offering updated best practice guidelines. This will help charities review their governance structures, ensuring they are transparent and accountable. Charities should review the updated code upon its release while continuing to utilise the existing code.

<https://www.charitygovernancecode.org/en/front-page>

Review of the Code of Fundraising Practice

The Code of Fundraising Practice is undergoing a comprehensive review, with a 'soft launch' scheduled for 2025. The revised Code aims to be more principles-based, shorter, and easier to use, with new rules on unstaffed collections and fundraising platforms. A six-month transition period will follow the launch.

<https://www.fundraisingregulator.org.uk/more-from-us/get-involved/code-review-2022-24>

Letter of Representation

International auditing standards require us to obtain, from the trustees, a number of specific representations and also confirmation of any other material representation given to us during the course of our audit which forms part of our audit evidence. The representations should be made on the basis of enquiries of management and staff with relevant knowledge and expertise.

The following is the full list of representations which we will require to be formally provided to us in a letter, signed on behalf of the trustees, prior to signing our audit report.

Confirmation of Responsibilities

1. We have fulfilled our responsibilities as trustees under the Companies Act 2006 and the Charities Act 2011 ("the Act") for preparing financial statements, for the year ended 31st July 2025, which give a true and fair view in accordance with the financial reporting framework (FRS 102 and the Charity SORP).
2. We confirm that all accounting records have been made available to you for the purpose of your audit, in accordance with your terms of engagement, and that all the transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management and Trustees' meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain audit evidence and have provided any additional information that you have requested for the purposes of your audit.
3. We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that:
 - so far as each Trustee is aware, there is no relevant audit information of which you as auditors are unaware; and
 - each Trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Estimates and Judgments

4. We confirm that the methods, significant assumptions and source data used by us in making accounting estimates, and their disclosure in the financial statements, are appropriate and in compliance with the recognition, measurement and disclosure requirements of FRS 102.
5. We confirm that all known actual or possible litigation and claims, the implication of which should be considered when preparing the financial statements, have been disclosed to you and have been accounted for and disclosed in accordance with FRS102 and the Act.

University of Leicester Students' Union Limited

Audit Findings Report for the year ended 31st July 2025

Post Balance Sheet Events and Commitments

6. We confirm that there have been no events since the balance sheet date which necessitate revision of the figures in the financial statements, or inclusion of a note thereto, other than those matters which have already been disclosed or included in the financial statements.
7. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.
8. We confirm that we have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Related Parties

9. All grants, donations and other incoming resources, receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms and conditions in the application of such incoming resources.

Related Parties

10. We confirm that we are aware of the definition of a related party as set out in FRS102 and the charity SORP.
11. We confirm that we have disclosed to you all related parties and related party transactions relevant to the charity and that we are not aware of further related party transactions other than those already disclosed in the financial statements in accordance with the requirements of FRS102 and the Act.
12. We confirm that the charity has not had, at any time during the year, an arrangement, transaction or agreement to provide credit facilities for trustees, nor to provide guarantees of any kind on behalf of the trustees, except as disclosed in the financial statements.

Laws, Regulations and Contractual Agreements

13. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity conducts its operations, non-compliance with which could affect the financial statements.
14. The charity has complied with all aspects of contractual and other agreements that could have a material effect on the financial statements in the event of non-compliance.



University of Leicester Students' Union Limited

Audit Findings Report for the year ended 31st July 2025

Internal Control and Fraud

15. We acknowledge our responsibility for the design and implementation of controls to prevent and detect fraud and we confirm that we have assessed the risk that the financial statements may be materially misstated as a result of fraud and that we have made this assessment available to you. We also confirm that, to the best of our knowledge and belief, there have been no significant deficiencies in internal control during the year.
16. We confirm that we have disclosed to you our knowledge of any actual or suspected instances of fraud involving management, employees with a significant role in internal control, and others where the fraud could have a material effect on the financial statements. We also confirm that we have disclosed to you our knowledge of any allegations of fraud or suspected fraud, affecting the financial statements, which have been communicated by employees, former employees, regulators or others.

Going Concern

17. We confirm that, having considered financial projections which reflect the charity's expectations and intentions for a period of at least twelve months from the date on which the financial statements are expected to be approved, in our opinion, the charity's financial statements should be prepared on the going concern basis.

Uncorrected Misstatements

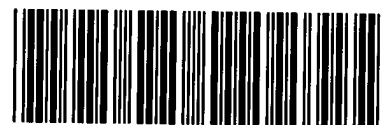
18. We confirm that, in our opinion, the effects of any uncorrected misstatements which have been set out in the Audit Findings Report, are immaterial, both individually and in aggregate, to the financial statements as a whole.

Accounts

Company registration number: 07303101
Charity number: 1137811

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

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COMPANIES HOUSE

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 JULY 2024

Charitable Status

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The company and the group is constituted under a Memorandum of Association and is a registered charity number 1137811.

University of Leicester Students' Union also has internal regulations or Rules approved by the Board of Trustees and regulated by the governing body of the University of Leicester (the University) in accordance with 1994 Education Act and the Charity Commission.

Registered Address

University of Leicester Students' Union, Percy Gee Building, University Road, Leicester, Leicestershire, LE1 7RH

Board Of Trustees

Executive Officer Trustees

P Bhatt (resigned 1 July 2024)
 J Hyett (resigned 1 July 2024)
 R James (appointed 1 June 2024)
 A Kote (appointed 1 June 2024)
 S Mathari (appointed 1 June 2024 – resigned 20 September 2024)
 J McDonald (resigned 1 July 2024)
 A Murali Reddy (appointed 1 June 2024)
 H Pathan (resigned 30 September 2023)
 A Robinson (resigned 1 July 2024)
 J Thomas (resigned 14 June 2024)
 J Venkataraman (appointed 2 September 2024)

Student Trustee

L Ruddock (resigned 7 October 2024)

External Trustees

J Bates
 A Black (resigned 24 July 2024)
 N Hurley (appointed 20 December 2024)
 R Kodakandala (resigned 31 August 2024)
 D Moore
 P Smith

Independent Auditor

Knox Cropper LLP, Chartered Accountants, 153-155 London Road, Hemel Hempstead, Hertfordshire HP3 9SQ

Bankers

National Westminster Bank Plc, Granby Street, Leicester, LE1 9GT

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

STATEMENT BY THE CHAIR AND DEPUTY CHAIR
FOR THE YEAR ENDED 31 JULY 2024

It is only upon reflection each year that we get a really good opportunity to step back and look at the progress we have made as an organisation. Alongside our core business advocating for students, supporting student led groups and events and representing students at all levels across the institution we have embarked on a radical and exciting review of our student voice work and corporate governance. We have a set of recommendations of which we are excited to see delivered in the coming years. In the following report we will provide a snapshot of this exciting future.

Again we have ranked highly in the National Student Survey (NSS) which has again ranked us amongst some of the best students' unions in the country. This recognition is so pleasing as our student voice work remains critical to our core purpose. It was especially pleasing to see this success in our centenary year which saw us welcome back officers, staff and supporters for a 100th Birthday celebration in February!

It should be noted that it has been a challenging year in part for many of our students who were affected by the ongoing conflict in the Middle East. As a charity it has been essential for us to carefully navigate our response and to provide the support needed for students with personal connections or political views across a range of opinions. The union has worked hard to ensure student voice was represented and that all of our students felt supported.

This year we are delighted to have elected a bright and diverse range of students into our executive officer roles with 4 of 5 being International Post Graduate students. This will give us a great and fresh perspective of the student journey from a growing cohort of students who are arriving in growing numbers at different entry points including less traditional January and April starts. We will need to begin to think and act as a 12 month operation as opposed to the more traditional September to June academic year.

Financially the union achieved a surplus of £198,297 after taking into account the actuarial movements on the Unions pension schemes and share of SU Lets profits year against an initial budgeted deficit of £87,000. This is in part due to increased departmental and project savings as well as some increased income and larger than expected interest received from our reserves which were held longer than expected as we navigated an exit from the SUSS Pension Scheme. We are delighted to say that we have continued to provide a large number of students with opportunities for paid work and in the last year paid out £75,681.90 to our members by way of part time work. Moving forwards we are trialing two roles which became vacant over summer as bespoke graduate positions which we believe further demonstrates our desire to have University of Leicester students at the heart of our work.

We give thanks to all of our wonderful, hard working staff and our amazing student leaders, volunteers, reps, mentors and absolutely everyone who was involved in our work last year.

Julia Bates
 Chair of the Board of Trustees

Joshitha Venkataraman
 Deputy Chair of the Board of Trustees
 Students' Union President

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 JULY 2024

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of University of Leicester Students' Union (ULSU) (the company) for the year ended 31 July 2023. The Trustees confirm that the Annual Report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice, Charities SORP (FRS 102), "Accounting and Reporting by Charities" effective 1 January 2019.

The Annual Report and Trustees' Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

Structure, Governance & Management

ULSU's charitable objects are:

The advancement of education of Students at the University for the Public Benefit by:

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

ULSU is administered by its Board of Trustees of up to six students elected annually by cross campus secret ballot of the ULSU membership (and are full time, or 'sabbatical', posts remunerated as authorised by the 1994 Education Act and cannot exceed two years duration for each holder); up to five external trustees appointed for up to eight years (two terms of up to four years) by an appointments panel, and a student that is appointed by the appointments panel, and has no employment in any capacity with the Union.

The Board of Trustees meets at least four times a year to receive reports from individual Officers, sub-committees and the Chief Executive, to review the charity's performance and administration generally and to decide policy issues arising.

All the charity trustees receive an induction into their legal and administrative responsibilities, receiving the essential trustee guidance from the Charity Commission. Access to additional training is also provided throughout the year.

The Student Executive Officers are new to the Board most years, so they undergo a more intensive training period that allows them to fulfil both their trustee duties as well as their paid portfolio of work. The training starts during a handover period, immediately prior to them fully assuming office. This aims to ensure they are fully aware of their roles and responsibilities and can perform their duties to the best of their ability.

The Board of Trustees is assisted by three sub-committees, which focus on certain key aspects of ULSU's governance and management.

The **Finance & Audit Committee** monitors ULSU's financial performance, appraises requests for capital expenditure and reviews our commercial performance. The Committee also reviews the annual budget, scrutinises the annual accounts and meets with external auditors.

The **Remuneration & HR Committee** examines issues relating to ULSU employees, including staff policies, changes to pay and matters relating to employee wellbeing.

The **Risk Management Committee** monitors ULSU's risk profile, risk management, compliance with relevant legislation and scrutinises progress in tackling identified areas of risk on the organisation's risk register.

UNIVERSITY OF LEICESTER STUDENTS' UNION
 (A company limited by guarantee)
TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2024

Structure, Governance & Management (continued)

ULSU operates on democratic principles, with policy being acted upon by the six selected trustees who form the Executive Committee. During the year, members have the opportunity to bring forward ideas through Union Council or our three networks to drive student-led change. Networks are based on principles of deliberative and direct democracy. The Union's Student Ideas system also creates simple and direct opportunities for students to suggest change ideas to Union Council. Union Council also have the ability to call an all-student referendum on matters of wider importance, where required.

Senior Leadership

The University of Leicester Students' Union employed a Chief Executive Officer (CEO), Liam Davis, who worked closely with the Student Executive Officers and Trustee Board to ensure effective management of the organisation. The Senior Management team is completed by the addition of Nicola Jarram (Director of Finance) and Ambalavanar Kumaran (Director of Membership Services).

The Strategic Leadership Team, made up of the Union's Managers, meets monthly to oversee the Union's regular activities. ULSU also employs a number of non-student full time staff to manage and administer its activities. These staff members are accountable to the Chief Executive for the performance of their duties.

Relationship with University of Leicester

The relationship between the University and ULSU is established in the Regulations of the University and detailed in ULSU Rules approved by both organisations. ULSU receives a Block Grant from the University, and leases most of the Percy Gee Building owned by the University. Utilities are also paid by the University. This non-monetary support is intrinsic to the relationship between the University and ULSU. An estimated value to ULSU for this free serviced accommodation has been included in the accounts, valued at £485,441.

There is no reason to believe that substantial financial support from the University will not continue for the foreseeable future as outlined in the 1994 Education Act. For 24/25 the university have agreed to a 2.5% uplift in grant.

Risk Management

Our Risk Management subcommittee of the Trustee Board is responsible for the overview of risk management and delegates that authority to the senior management and staff teams via the CEO. The most significant risks and a brief summary of their management is listed below.

Officer turnover – Our overall staff turnover has reduced down to a manageable level following the implementation of the pay framework. However, due to the nature of students' unions, up to 6 sabbatical officers take up 1 year contracts which creates some annual turbulence for the organisation both operationally and at Board level especially if we factor in occasional resignations or departures within these roles too. This year's officer handover was refreshed and was delivered by a wider variety of our management team and supported by the outgoing officers. The process also saw dedicated time for university stakeholders and a dedicated Trustee training day. We believe that both of these changes will have a positive benefit for the organisation and significantly reduces risk in this area.

Our legacy pension obligations administered through the Students Union Superannuation Scheme (SUSS) sees us paying significant sums to fund the SUSS' systemic deficit. Whilst a large number of other students' unions find themselves in this position it does not mitigate the general overall risk associated with this pension deficit. At the end of this year we had created a timeline to facilitate our exit and we are hopeful that we will have entirely removed this risk by the start of the first term in 24/25.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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**TRUSTEE'S REPORT (continued) FOR
THE YEAR ENDED 31 JULY 2024**

Structure, Governance & Management (continued)

Due to the nature of our work, it remains that some of our larger risks include organised activity that occurs under our banner. We support over 250 student groups in self-organised activities. These activity levels vary throughout the year and can differ between groups in different years. These activities are a mixture between regular or annual cycles of activities and activities that happen in response to changing local, national or international issues. This year we saw significant protest from some of our student groups in regards to the ongoing conflict in the Middle East. This was challenging to navigate with us being stuck between the wishes of a cross section of our student body and charity law in regards to our campaigning work. We were also mindful that we also had a wide range of views of students and as such we dedicated our time to mediating between student groups and between our protestors and the university.

As a charity which engages with its members primarily in the digital space the Union must respond to risks posed by changing guidance from the charity commission in terms of the use of social media. This year we updated our social media policy in line with updated guidance from the Charity Commission.

We continue to operate in an environment where we are heavily reliant on a single source of funding. As this funding source remains the University the risk of funding being removed is low, with the university being required to have a students' union under the Education Act. However, funding levels will be dependent on their financial performance and we are conscious of the challenging times many universities are facing at the moment and will need to be agile in future if funding pressures should result in changes to our grant funding, especially should we spend a portion of our reserves on a SUSS pension exit.

Affiliations

The Students' Union is affiliated to the National Union of Students (NUS UK) and NUS Charity. Affiliation to these organisations enables the Students' Union to shape their national policy decisions, input into national campaigning priorities as well as benefit from the support services provided to member organisations. Such support services include officer training programmes and staff networking opportunities. NUS Charity also provide support to unions in the event of crisis or press/PR issues. The cost of these affiliations in 2023/24 was £23,625.

- NUS UK - £18,900
- NUS Charity - £4,725

Aims, Objectives & Activities

23/24 Highlights

Governance Review

At the start of the year we underwent a full review of our governance. As a result we have a set of recommendations for the implementation of a series of exciting changes to be made next year and fully implemented by 25/26. These include;

- A change to the number of full time officers to accommodate a larger number of paid, part time elected representatives from some of our most hard to reach groups.
- An increase to the number of students who will sit on our trustee board.
- The implementation of new ways of deciding and setting our representative policy designed to ensure decision making is made by a selection of students that is illustrative of our student body.
- The delivery of a plethora of work designed to ensure Trustee Board effectiveness.
- Changes to our corporate governance designed to modernise and safeguard the organisation from risk.

Teaching Excellence Framework (TEF) & National Student Survey (NSS)

We were delighted to find that the university had received Gold recognition in the TEF. We were told that

UNIVERSITY OF LEICESTER STUDENTS' UNION
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**TRUSTEE'S REPORT (continued) FOR
THE YEAR ENDED 31 JULY 2024**

Aims, Objectives & Activities (continued)

the Student Written Submission which was produced by the 22/23 officer team alongside our student voice team was a key part of the success. This year we have continued our work to develop student voice across the institution and have committed to a more targeted use of data collection and analysis to support future submissions.

We were delighted by this years NSS results. As part of the NSS students nationally are asked how well they feel their students' union represents their academic interests. Our scores improved again on last year and placed us 11th nationally and 2nd best in the region. This is a testament to the work we're doing in our student voice department but we should also acknowledge union wide efforts to ensure students engaged in the union are broadly seen to be satisfied.

Items to Note

Our annual membership wide elections were held and once again saw an uplift in voter turnout (+10%). We also saw record numbers of candidates with double the number of people standing for the full time officer roles compared to last year.

We were pleased to introduce new roles within the union to give us better delegated authority of key tasks. As such we saw changes in the Advice team including the appointment of a full time manager. We employed a new Data and Insight Manager to lead on work moving forward designed to ensure we're a data led organisation.

Our Advice team assisted 2518 students in the last year including 453 students supported with academic appeals. 6585 student members of clubs and societies was logged in activities led by 1636 student leaders in 214 student-led groups.

Finally we are delighted to have agreed to begin work on a new organisational strategy in 24/25.

Financial Review

ULSU's gross income from all sources this year totalled £2,824,334 (2023: £2,359,503). Total expenditure was £2,589,581 (2023: £2,183,900) resulting in a surplus for the year of £234,753 (2023: £175,603 surplus). Once the movement on the Unions membership of defined benefit pension schemes is taken into account, ULSU's total reserves increased to £1,360,986 (2023: £1,018,876). Of this, £1,003,550 (2023: £713,818) were unrestricted funds and £357,436 (2023: £305,058) were restricted.

Whilst the Union has continued to benefit from the recognition and support of the University. The annual block grant was £1,368,000, increased from £1,225,411 in 2023. There was also one additional grant received for project funding, last year totalling £55,700.

The Union's trading subsidiary generated a trading surplus of £153,575 (2023: £173,453) which is gift aided to the Union.

The University of Leicester Students' Union Trading Ltd holds a 50% ownership in Student Union Lettings Limited. The company is registered as a charitable company limited by guarantee. 50% of the net income and assets of the company have been included in these financial statements.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2024

Investment Policies

The Union aims to generate returns on the cash it holds in the bank at any given point. The purpose is to yield the best financial return within the level of risk considered acceptable - this return can then be spent on the charity's aims.

Delivery of our core services is met through the block grant funding received from the University, the commercial grant and any commercial partnerships in return for access to our members. Income generated on any invested reserves should not be required to support ongoing core activities of the Union.

The level of risk must always be identified and must fall within the acceptable levels stated by the Finance & Audit sub-committee. Investment risk should also be reduced by ensuring that the savings are diversified.

Before any funds are invested the Director of Finance must prepare a cash flow to ensure that the Union has enough cash to meet its working capital requirements. Any funds not required in the short term may then be invested short-term deposits and any funds not needed in the medium-long term can then be invested wisely in longer-term investments to generate a greater yield. Funds not needed for short term operational needs can be deposited with reputable institutions, provided that the agreed risk ratings and limits are adhered to. Deposits should always be split between UK based institutions with different banking licenses, to reduce the risk from institutional failure.

Where possible the Union seeks to diversify short-term deposits across different banking licenses, to reduce the exposure of the reserves from the failure of any one bank.

In order to generate a greater return, funds not required in the short term may be invested in longer term deposits which offer a higher yield. Funds may also be invested in other financial products, considered to be low risk and offered by regulated and reputable institutions.

It is important that the Union can gain access to its funds, should some urgent need arise; therefore investment products used must allow for fund withdrawals that cover a wide range of timescales in order to enable this.

Union policies precluding investments in certain organisations would be taken into account, when considering investments.

To consider opportunities for utilising available funds, the Union's trustees have established an Investment Working Group to consider opportunities available to improve the return generated on the cash we currently hold in the bank.

Funds & Reserves

The Union aims to hold 6 months wages in free reserves, plus £25,000 of operating costs in the current year. This would enable an orderly winding down of the organisation in the event it was necessary.

Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they 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.

The Board of Trustees confirms that ULSU has sufficient funds to meet all its obligations.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2024

Auditor

Knox Cropper LLP have indicated their willingness to be reappointed for another term. In accordance with the Companies Act 2006 a resolution proposing the reappointment of Knox Cropper LLP as Auditor will be put to the members.

Trustees' Responsibilities Statement

The Trustees (who are also directors of University of Leicester Students' Union for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the Income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continued in operation.

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

Statement of Disclosure to Auditor

So far as each Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware. Additionally, each Trustee has taken all the necessary steps that they ought to have taken as a Trustee in order to make themselves aware of all relevant audit information needed and to establish that the charitable group's auditor is aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

This report was approved by the Board of Trustees on 4th February 2025 and signed on their behalf by:

Joshiitha

Joshiitha

28/03/2025

J Venkataraman

Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF LEICESTER STUDENTS' UNION

Opinion

We have audited the financial statements of University of Leicester Students' Union (the "Charitable Company") and its subsidiaries ("the Group") for the year ended 31 July 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charity Balance Sheets, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the charitable company's affairs as at 31 July 2024 and of the group's 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 and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or 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 Trustee's Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustee's 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 20, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting Irregularities, Including fraud
Irregularities, 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:

- The group is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to correctly account for restricted funds is of key significance.
- We gained an understanding of how the group complied with its legal and regulatory framework, including the requirement to properly account for restricted funds through discussions with management and a review of the documented policies, procedures and controls.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)**

- The audit team, which is experienced in the audit of charities, considered the group's susceptibility to material misstatement and how fraud may occur. Our considerations include the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of the audit report

This report is made solely to the Charitable Company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken, so that we might state to the charitable company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members for our audit work, for this report or for the opinions we have formed.

S Anderson

Stephen Anderson

31/03/2025

Stephen Anderson (Senior Statutory Auditor)
For and on behalf of Knox Cropper LLP
Chartered Accountants
153-155 London Road
Hemel Hempstead
Hertfordshire HP3 9SQ

Date: 4th February 2025

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

**GROUP STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2024**

		Unrestricted funds 2024	Restricted funds 2024	Total Funds 2024	Total Funds 2023
	Notes	£	£	£	£
INCOME FROM CHARITABLE ACTIVITIES:					
Donations and legacies	2	1,853,441	-	1,853,441	1,510,551
Clubs and societies			544,876	544,876	487,942
Other trading activities	3	214,930	-	214,930	242,507
Investment income	4	201,087	-	201,087	117,545
Other income		-	10,000	10,000	958
TOTAL INCOME		2,269,458	554,876	2,824,334	2,359,503
EXPENDITURE					
Raising funds		61,355	-	61,355	69,054
Charitable activities		2,025,728	502,498	2,528,226	2,114,846
TOTAL EXPENDITURE	5	2,087,083	502,498	2,589,581	2,183,900
NET INCOME/(EXPENDITURE)		182,375	52,378	234,753	175,603
OTHER RECOGNISED GAINS/(LOSSES)					
Actuarial gains/(losses) on defined benefit schemes		107,357	-	107,357	(131,203)
NET MOVEMENT IN FUNDS	15	289,732	52,378	342,110	44,400
RECONCILIATION OF FUNDS					
Total funds brought forward		713,818	305,058	1,018,876	974,476
TOTAL FUNDS CARRIED FORWARD	15	1,003,550	357,436	1,360,986	1,018,876

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

Details of the comparative group statement of financial activities are included in note 21.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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GROUP BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2024

Company registration number 07303101

	Notes	£	2024 £	£	2023 £
FIXED ASSETS					
Tangible assets	10		138,285		159,110
Investments In joint ventures					
- Share of gross assets		1,083,737		955,285	
- Share of gross liabilities		(48,770)		(44,839)	
Share of net assets	11		1,034,967		910,446
			1,173,252		1,069,556
CURRENT ASSETS					
Debtors	13	108,087		82,858	
Cash at bank and in hand		1,991,580		1,890,527	
		2,099,667		1,973,385	
CREDITORS: amounts falling due within one year	14	(94,138)		(79,446)	
NET CURRENT ASSETS			2,005,529		1,893,949
TOTAL ASSETS LESS CURRENT LIABILITIES			3,178,781		2,963,495
Defined pension scheme liability	18	(1,817,795)		(1,944,619)	
NET ASSETS			1,360,986		1,018,876
THE FUNDS OF THE CHARITY					
Restricted funds	15		357,436		305,058
Unrestricted funds	15				
General funds			456,313		1,366,759
Designated funds			2,365,032		1,291,678
Pension reserve			(1,817,795)		(1,944,619)
			1,003,550		713,818
TOTAL CHARITY FUNDS			1,360,986		1,018,876

The financial statements on pages 16 to 42 approved and authorised for issue by the Board of Trustees on 4th February 2025 and signed on their behalf, by:

Joshitha

Joshitha

28/03/2025

J Venkataraman
Trustee

UNIVERSITY OF LEICESTER STUDENTS' UNION
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CHARITY BALANCE SHEET

FOR THE YEAR ENDED 31 JULY 2024

Company registration number 07303101

	Notes	£	2024 £	£	2023 £
FIXED ASSETS					
Tangible assets	10		138,285		159,110
Investments	11		2		2
			<u>138,287</u>		<u>159,112</u>
CURRENT ASSETS					
Debtors	13	97,871		79,167	
Cash at bank		1,991,580		1,890,527	
		<u>2,089,451</u>		<u>1,969,694</u>	
CREDITORS: amounts falling due within one year	14	(83,923)		(75,756)	
NET CURRENT ASSETS			<u>2,005,528</u>		<u>1,893,938</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,143,815</u>		<u>2,053,050</u>
Defined pension scheme liability	18	(1,817,795)		(1,944,619)	
NET ASSETS/(LIABILITIES)			<u>326,020</u>		<u>108,431</u>
THE FUNDS OF THE CHARITY					
Restricted funds	15		357,436		305,058
Unrestricted funds	15				
General funds			456,314		456,314
Designated funds			1,330,065		1,291,678
Pension reserve			(1,817,795)		(1,944,619)
			<u>(31,416)</u>		<u>(196,627)</u>
TOTAL CHARITY FUNDS			<u>326,020</u>		<u>108,431</u>

As permitted by S408 Companies Act 2006, the charitable company has not presented its own statement of financial activities and related notes as it prepared group accounts. The charitable company's surplus for the year was £217,588 (2023: £165,211 deficit).

The financial statements on pages 16 to 42 approved and authorised for issue by the Board of Trustees on 4th February 2025 and signed on their behalf, by:

Joshitha

Joshitha

28/03/2025

J Venkataraman
Trustee

UNIVERSITY OF LEICESTER STUDENTS' UNION
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GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024

	Note	2024 £	2023 £
Cash flows from/(to) operating activities			
Net cash provided by/(used in) operating activities	17	65,658	108,143
Cash flows from investing activities:			
Interest received		76,566	27,767
Purchase of tangible fixed assets		(41,171)	(53,748)
Proceeds on disposal of tangible fixed assets		-	-
Net cash provided/(used in) by investing activities		35,395	(25,981)
Change in cash and cash equivalents in the year		101,053	82,162
Cash and cash equivalents brought forward		1,890,529	1,808,367
Cash and cash equivalents carried forward		1,991,582	1,890,529

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES

Charity Information

University of Leicester Students' Union is a private incorporated charitable company (company register number 07303101) limited by guarantee, incorporated in England and Wales. Its registered office and principal place of business is University of Leicester Students' Union, Percy Gee Building, University Road, Leicester, Leicestershire, LE1 7RH. The charitable company is also registered at the Charity Commission with a charity number of 1137811.

The main aims of the University of Leicester Students' Union are the advancement of the students at the university for the public benefit.

Basis of preparation of financial statements

Accounting convention

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

University of Leicester Students' Union meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements of the charitable company are consolidated in these financial statements of University of Leicester Students' Union and these financial statements are available from the registered office.

Basis of consolidation

The Statement of Financial Activities and Balance Sheet consolidate the financial statements of the charitable company and its subsidiary undertaking. The results are consolidated on a line by line basis, all intra-group transactions and balances with the subsidiary are eliminated on consolidation. Joint ventures and associates are stated at the group's share of net assets, to the extent this is not impaired, and the group's share of the net share of the profits or losses of the joint ventures and associates is included in the Statement of Financial Activities using the equity accounting basis. All the financial statements are made up to 31 July 2023.

No separate Statement of Financial Activities has been presented for the charitable company alone as permitted by section 408 of the Companies Act 2006 as it prepares group accounts and the charitable company's individual balance sheet shows the charitable company's net movement in funds in the financial year.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Company status

The charitable company is limited by guarantee. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
(continued) FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES (continued)

Funding accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objective of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the charitable company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other Income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the Bank.

Grants

The recurrent block grant is receivable from the University of Leicester. The grant is credited to the income and expenditure account in the year to which it relates.

Project support grants are project based and include grants which are receivable from the University of Leicester and other funding bodies.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grant will be received.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs (including governance costs) which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the assets use.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS
(continued) FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are initially recorded at cost and subsequently measured at cost, net of depreciation and any provision for impairment. Tangible fixed assets costing more than £1,000 are capitalised and all other expenditure is charged to the statement of financial activities in the year incurred.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and equipment	20% - 33% of cost
------------------------	-------------------

Investments

The charitable company's fixed asset investments are valued at cost which is the Trustees' best estimate of fair value, as these assets are not readily saleable and a reliable market value is not readily ascertainable.

- (i) **Subsidiary undertakings**
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) **Associated undertakings**
Investments in associates are valued at cost less provision for impairment.
- (iii) **Joint ventures**
Investments in the joint ventures are valued at cost less provision for impairment.

Impairment of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the charitable company estimates the recoverable amount of the asset.

Shortfalls between the carrying value affixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment losses are recognised in statement of financial activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in statement of financial activities. On reversal of an impairment loss, the depreciation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises of direct materials.

At each reporting date, the charitable company assesses whether stocks are impaired or if any impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in statement of financial activities.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

UNIVERSITY OF LEICESTER STUDENTS' UNION**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024**

1. ACCOUNTING POLICIES (continued)**Debtors**

Trade and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade and other debtors and amounts owed by group undertakings are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash and cash equivalents

Cash and cash equivalents includes cash and monies on short-term deposits at the bank and other short-term liquid investments with original maturities of three months or less.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Pension costs and other post-retirement benefits**Students' Union Superannuation Scheme**

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 most recent valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £106,697,000 with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £136,645,000.

The 2022 valuation recommended a monthly contribution requirement by each participating Union intended to clear the ongoing funding deficit ending in 2037, increasing by 5% each year. 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 FRS 102, where a scheme participates in a multi-employer defined benefit pension scheme that is in deficit and the employer has entered into an agreement to fund the deficit the entity shall recognize a liability for the contributions payable that arise from the agreement. As the agreement runs until 2037, a discount rate of 4.7% has been applied in determining the net present value of the contributions made in the period.

Universities Superannuation Scheme

The Union participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual unions and a scheme-wide contribution rate is set. The Union is therefore exposed to actuarial risks associated with other unions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the Union therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the Union has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the Union recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

The charitable company also contributes to the NUS Aegon Pension Scheme and the government approved NEST scheme. The annual contributions payable are charged to the statement of financial activities.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

1. ACCOUNTING POLICIES (continued)

Taxation

No provision for corporation tax has been made as the charitable company is exempt from corporation tax on its income and gains to the extent that these are applied to its charitable activities. The non-charitable subsidiaries will be subject to Corporation Tax on any profits not gift aided to the charitable parent within 9 months of the balance sheet date.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Critical accounting estimates and areas and Judgement

The charity makes estimates and assumptions concerning the future and acknowledges that the resulting accounting estimates and assumptions will, by definition, seldom equal to related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- (i) **Pension deficit contribution**
The charity has entered into a commitment to provide deficit funding to the Students' Union Superannuation Pension Scheme and the Universities Superannuation Scheme, of which it is a contributing employer.

Under FRS 102, the fair value of the commitment is recognised. The calculation of the fair value of the commitment is subject to an assumption of the discount rate. This discount rate is determined by reference to market yields at the reporting date on high quality corporate bonds. The commitment included in the balance sheet at the balance sheet date is £1,817,706 (2023: £1,044,619).

- (ii) **Donation of facilities by University of Leicester**
In accordance with the Charities SORP FRS 102, the Union and its trading subsidiary has valued the benefit it receives from occupying facilities owned by the University on a rent-free basis, at the trustees' estimate of market value at £485,441 (2023: £229,440).

- (iii) **Support costs**
Many of the costs incurred by the Union such as support staff costs and service costs are shared between activities. The Union's policy is to allocate these costs on the basis of assessed consumption.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations and University Grants	1,368,000	-	1,368,000	1,281,111
Grant of serviced accommodation	485,441	-	485,441	229,440
Total donations and legacies	1,853,441	-	1,853,441	1,510,551

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS
(continued) FOR THE YEAR ENDED 31 JULY 2024

3. OTHER TRADING ACTIVITIES

The University of Leicester Student's Union owns 100% of the issued share capital of its subsidiary, University of Leicester Students' Union Trading Ltd, a company which is incorporated in England and Wales (company number 02821506). The registered office of University of Leicester Students' Union Trading Ltd is the same as University of Leicester Student's Union. The subsidiary participates in trading activities relating to the charitable company. Its taxable profits are donated to the charitable company. A summary of the subsidiary's results which are consolidated in these financial statements is shown below:

Statement of income	2024 £	2023 £
Turnover	214,930	242,507
Cost of sales	(7,020)	(22,998)
Gross profit	207,910	219,509
Administrative expenses	(54,335)	(46,056)
Profit before and after taxation for the financial year	153,575	173,453
Distribution to parent charity under gift aid	(153,575)	(173,453)
Result for the financial year	-	-

The net assets of University of Leicester Students' Union Trading Ltd at 31 July 2024 amounts to £2 (2023: £2 net assets).

4. INCOME FROM INVESTMENTS

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Share of joint venture net income	124,521	124,521	89,778
Bank interest received	76,566	76,566	27,767
	201,087	201,087	117,545

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

5. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff Costs 2024 £	Depreciation 2024 £	Other Costs 2024 £	Total 2024 £	Total 2023 £
University of Leicester Students' Union Trading Ltd	51,766	-	9,589	61,355	69,054
Costs of raising funds	51,766	-	9,589	61,355	69,054
Support & representation	553,897	18,599	334,742	907,238	606,260
Welfare	-	-	-	-	165,809
Engagement	175,138	12,399	172,294	359,831	255,346
Data & Insight	40,452	6,200	79,083	125,735	-
Communities	185,106	18,599	635,719	839,424	1,054,789
Sports & Societies Grant	28,271	-	120,610	148,881	-
Peer mentoring	-	-	348	348	32,642
Academic Representation	28,271	6,201	112,297	146,769	-
Costs of charitable Activities	1,011,135	61,998	1,455,093	2,528,226	2,114,846
	1,062,901	61,998	1,464,682	2,589,581	2,183,900

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

Certain central overhead support costs have been reallocated to the various activities as noted in the accounting policies. The effect of this reallocation on the various expenditure heading is shown here:

	Activities undertaken directly 2024 £	Support costs 2024 £	Total 2024 £	Total 2023 £
Support & representation	513,578	393,660	907,238	606,260
Welfare	-	-	-	165,809
Engagement	133,112	226,719	359,831	255,346
Data & Insight	12,374	113,360	125,734	-
Communities	660,085	179,339	839,424	1,054,789
Sports & Societies Grant	41,720	107,161	148,881	-
Peer mentoring	348	-	348	32,642
Academic Representation	33,408	113,362	146,768	-
Total	1,394,625	1,133,601	2,528,226	2,114,846

Support costs comprised:-

	2024 £	2023 £
Staff costs	282,708	586,925
Depreciation	61,996	51,351
Rent	485,441	229,440
Insurances	18,177	15,689
NUS Subscription	-	24,469
Pension Scheme Funding	88,065	61,979
Marketing costs	-	8,131
Stationery and telephone	1,259	1,442
Bank charges	2,401	3,064
Other support costs	193,554	148,959
Total	1,133,601	1,131,449

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

7. NET INCOME/(EXPENDITURE)

This is stated after charging	2024	2023
	£	£

Depreciation of tangible fixed assets: - owned by the charitable group	61,996	51,351
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Fees payable in respect of both audit and non-audit services as are follows:

	2024	2023
	£	£
Audit services - statutory audit of charitable company and consolidated accounts	20,400	18,400
	<u>20,400</u>	<u>18,400</u>

8. STAFF COSTS

Staff costs were as follows:	2024	2023
	£	£

Wages and salaries	877,439	851,821
Social security costs	72,556	64,765
Other pension costs	58,630	51,568
	<u>1,008,626</u>	<u>968,154</u>

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

	2024	2023
	No.	No.
Full time	35	29
Students staff	30	27
	<u>65</u>	<u>56</u>

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

	2024	2023
	No.	No.
£60,001 - £70,000	2	-
£80,001 - £90,000	-	1
	<u>2</u>	<u>1</u>

Key management personnel of the charitable company are considered to be the trustees, the Director of Membership Services, Director of Finance and the Chief Executive Officer. During the year, key management personnel received remuneration (including employers national insurance contributions) of £364,173 (2023: £323,239).

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31, JULY 2024

9. TRUSTEES' REMUNERATION

TRUSTEE NAME	Salary £	Er NI £	Er pension £	Total 2024 £
J McDonald	22,360	1,935	1,118	25,413
A Robinson	22,360	1,935	99	24,394
P Bhatt	21,944	1,860	1,097	24,901
J Thomas	22,276	1,923	1,114	25,313
J Hyett	22,360	1,935	1,118	25,413
H Pathan	8,826	904	441	10,171
R James	3,956	337	198	4,491
A Kote	3,956	337	99	4,392
S Mathari	3,956	337	99	4,392
A Murali Reddy	3,956	337	99	4,392
Total	135,950	11,840	5,482	153,272

There were no other trustee-benefits for the year (2023: £nil). Eight (2023: Eight) trustees received reimbursement of expenses in relation to travel and subsistence totaling £6,790 (2023: £2,182).

10. TANGIBLE FIXED ASSETS

	Fixtures and equipment £
Group and Charity	
Cost	
At 1 August 2023	476,617
Additions	41,171
Disposals	-
At 31 July 2024	517,788
Depreciation	
At 1 August 2023	317,507
Charge for the year	61,996
Eliminated on disposal	-
At 31 July 2023	379,503
Net book value	
At 31 July 2024	138,285
At 31 July 2023	159,110

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

11. FIXED ASSET INVESTMENTS

	Investments In joint venture £			
Group				
Share of net assets				
At 1 August 2023			910,446	
Share of profit			124,521	
At 31 July 2024			1,034,967	
	GROUP		CHARITY	
	2024	2023	2024	2023
	£	£	£	£
University of Leicester Students' Union Trading Ltd	-	-	2	2

12. PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

a. Principal subsidiaries

University of Leicester Students' Union Trading Ltd

Subsidiary name	University of Leicester Students' Union Trading Ltd
Company registration number	02821506
Basis of control	Wholly owned subsidiary
Equity shareholding %	100%

b. Principal joint ventures

The University of Leicester Students' Union Trading Ltd, has a 50% joint ownership in the entity Student Union Lettings Limited, a charity which is registered in England and Wales.

The nature of the business is that of a student lettings agency and its registered office is First Floor Campus Centre Building, Mill Lane, Leicester, Leicestershire LE2 7DR.

Student Union Lettings Limited (trading as Sulets) is a company limited by guarantee and is therefore held as an Investment in University of Leicester Students' Union Trading Ltd at nil value, reflecting its recoverable value to University of Leicester Students' Union Trading Ltd and therefore its parent undertaking, University of Leicester Students' Union.

The group constitutes 50% of the ownership, therefore the group's share of income is £869,851 (2023: £742,794) and share of expenditure is £745,331 (2023: £653,016). The group's share of the total assets is £1,083,739 (2023: £955,285) and total liabilities of £48,770 (2023: £44,839).

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

13. DEBTORS	GROUP		CHARITY	
	2024 £	2023 £	2024 £	2023 £
Trade debtors	57,796	12,582	41,193	9,820
Amounts owed by group undertakings	-	-	33,661	28,854
Other debtors	3,025	2,522	3,025	2,522
Prepayments and accrued income	47,266	67,754	19,992	37,971
	<u>108,087</u>	<u>82,858</u>	<u>97,871</u>	<u>79,167</u>

14. CREDITORS: Amounts falling due within one year	GROUP		CHARITY	
	2024 £	2023 £	2024 £	2023 £
Trade creditors	14,156	18,895	13,342	18,895
Other taxation and social security	27,095	16,065	22,844	14,724
Other creditors	12,572	3,462	12,572	3,462
Accruals and deferred income	40,315	41,024	35,165	38,675
	<u>94,138</u>	<u>79,446</u>	<u>83,923</u>	<u>75,756</u>

	GROUP		CHARITY	
	2024 £	2023 £	2024 £	2023 £
Deferred income				
Deferred income at 1 August	280	50,832	-	-
Resources deferred during the year	3,150	280	-	-
Amounts released from previous years	(280)	(50,832)	-	-
Deferred income at 31 July	<u>3,150</u>	<u>280</u>	<u>-</u>	<u>-</u>

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

15. STATEMENT OF FUNDS

Group - current year

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2024 £
Restricted funds					
Clubs and Societies	295,975	544,876	(492,498)	-	348,353
Peer Mentoring Fund	3,290	-	-	-	3,290
RFU Development Fund	5,793	-	-	-	5,793
Centenary Fund	-	10,000	(10,000)	-	-
	<u>305,058</u>	<u>554,876</u>	<u>(502,498)</u>	<u>-</u>	<u>357,436</u>
Unrestricted funds					
General reserves	456,313	2,144,937	(1,999,018)	(145,919)	456,313
	<u>456,313</u>	<u>2,144,937</u>	<u>(1,999,018)</u>	<u>(145,919)</u>	<u>456,313</u>
Designated funds					
Capital and strategic projects fund	1,291,678	-	-	38,387	1,330,065
Shares of net income from joint venture	910,446	124,521	-	-	1,034,967
Pension Reserve	(1,944,619)	-	19,292	107,532	(1,817,795)
	<u>257,505</u>	<u>124,521</u>	<u>19,292</u>	<u>145,919</u>	<u>547,237</u>
Total funds	<u>1,018,876</u>	<u>2,824,334</u>	<u>(2,482,224)</u>	<u>-</u>	<u>1,360,986</u>

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

15. STATEMENT OF FUNDS (continued)

Group – prior year (as restated)

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2023 £
Restricted funds					
Clubs and Societies	279,803	485,942	(469,770)	-	295,975
Peer Mentoring Fund	3,290	-	-	-	3,290
RFU Development Fund	3,793	2,000	-	-	5,793
	286,886	487,942	(469,770)	-	305,058
Unrestricted funds					
General reserves	456,313	1,781,783	(1,652,150)	(129,633)	456,313
Shares of net income from joint venture	820,668	89,778	-	-	910,446
	1,276,981	1,871,561	(1,652,150)	(129,633)	1,366,759
Designated funds					
LSP fund	275,000	-	-	(275,000)	-
Capital and strategic projects fund	887,045	-	-	404,633	1,291,678
Pension Reserve	(1,751,436)	-	(193,183)	-	(1,944,619)
	(589,391)	-	152,898	129,633	(652,941)
Total funds	974,476	2,359,503	(1,581,299)	-	1,018,876

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

15. STATEMENT OF FUNDS (continued)

Charity – current year

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2024 £
Restricted funds					
Clubs and Societies	295,975	544,876	(492,498)	-	348,353
Peer Mentoring Fund	3,290	-	-	-	3,290
RFU Development Fund	5,793	-	-	-	5,793
Centenary Fund	-	10,000	(10,000)	-	-
	<u>305,058</u>	<u>554,876</u>	<u>(502,498)</u>	<u>-</u>	<u>357,436</u>
Unrestricted funds					
General reserves	456,314	2,144,937	(1,999,018)	(145,919)	456,314
	<u>456,314</u>	<u>2,144,937</u>	<u>(1,999,018)</u>	<u>(145,919)</u>	<u>456,314</u>
Designated funds					
Capital and strategic projects fund	1,291,678	-	-	38,387	1,330,065
Pension Reserve	(1,944,619)	-	19,292	107,532	(1,817,795)
	<u>(652,941)</u>	<u>-</u>	<u>19,292</u>	<u>145,919</u>	<u>(487,730)</u>
Total funds	<u>108,431</u>	<u>2,699,813</u>	<u>(2,482,224)</u>	<u>-</u>	<u>326,020</u>

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

15. STATEMENT OF FUNDS (continued)

Charity – prior year (as restated)

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2023 £
Restricted funds					
Clubs and Societies	279,803	485,942	(469,770)	-	295,975
Peer Mentoring Fund	3,290	-	-	-	3,290
RFU Development Fund	3,793	2,000	-	-	5,793
	286,886	487,942	(469,770)	-	305,058
Unrestricted funds					
General reserves	445,313	1,781,783	(1,652,149)	(129,663)	456,313
	445,313	1,781,783	(1,652,149)	(129,633)	456,313
Designated funds					
LSP fund	275,000	-	-	(275,000)	-
Capital and strategic projects fund	887,045	-	-	404,633	1,291,678
Pension Reserve	(1,751,436)	-	(193,183)	-	(1,944,619)
	(589,391)	-	(193,183)	129,633	(652,941)
Total funds	(153,808)	2,269,725	(2,315,102)	-	108,431

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

15. STATEMENT OF FUNDS (continued)

The restricted funds relate to:

The Clubs and Societies Funds represent balances held for specific clubs and societies where the ultimate control would vest with the Union.

The Union and University have agreed to work in partnership to develop a university-wide peer mentoring scheme. The project will be managed as part of the overall volunteer support process, the University have agreed funding of £nil to support this scheme.

The RFU Development fund relates to monies received for the development of rugby at the University.

The designated funds relate to:

Pension designated funding relates to funds set aside for future contributions towards the scheme, in light of the revaluation and the known challenges faced by the scheme.

Capital and strategic projects designated funding represents the remaining funds designated for investment in strategic projects relating to the long-term development of the Union after taking account of the required funding needed to orderly wind down the Union in the event of the organisation ceasing to operate in the future in the light of the challenges facing the sector.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group – current year	Restricted funds	General funds	Designated funds	Pension reserve	Total funds
	2024	2024	2024	2024	2024
	£	£	£	£	£
Tangible fixed assets	-	-	138,285	-	138,285
Fixed asset investments	-	-	1,034,967	-	1,034,967
Current assets	357,436	550,451	1,191,780	-	2,099,667
Creditors due within one year	-	(94,138)	-	-	(94,138)
Pension scheme liabilities	-	-	-	(1,817,795)	(1,817,795)
	357,436	456,313	2,365,032	(1,817,795)	1,360,986
Group – prior year (as restated)	Restricted funds	General funds	Designated funds	Pension reserve	Total funds
	2023	2023	2023	2023	2023
	£	£	£	£	£
Tangible fixed assets	-	-	159,110	-	159,110
Fixed asset investments	-	910,446	-	-	910,446
Current assets	305,058	535,759	1,132,568	-	1,973,385
Creditors due within one year	-	(79,446)	-	-	(79,446)
Pension scheme liability	-	-	-	(1,944,619)	(1,944,619)
	305,058	1,366,759	1,291,678	(1,944,619)	1,018,876
Charity – current year	Restricted funds	General funds	Designated funds	Pension reserve	Total funds
	2024	2024	2024	2024	2024
	£	£	£	£	£
Tangible fixed assets	-	-	138,285	-	138,285
Fixed asset investments	-	2	-	-	2
Current assets	357,436	540,235	1,191,780	-	2,089,451
Creditors due within one year	-	(83,923)	-	-	(83,923)
Pension scheme liability	-	-	-	(1,817,795)	(1,817,795)
	357,436	456,314	1,330,065	(1,817,795)	326,020
Charity – prior year (as restated)	Restricted funds	General funds	Designated funds	Pension reserve	Total funds
	2023	2023	2023	2023	2023
	£	£	£	£	£
Tangible fixed assets	-	-	159,110	-	159,110
Fixed asset investments	-	2	-	-	2
Current assets	305,058	532,068	1,132,568	-	1,969,694
Creditors due within one year	-	(75,756)	-	-	(75,756)
Pension scheme liability	-	-	-	(1,944,619)	(1,944,619)
	305,058	456,314	1,291,678	(1,944,619)	108,431

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	234,753	175,603
Adjustment for:		
Depreciation	61,996	51,549
(Decrease)/Increase in pension deficit funding liability	(19,467)	61,980
Interest received	(76,566)	(27,767)
Decrease in stocks	-	-
(Increase)/decrease in debtors	(25,229)	6,232
Increase/(decrease) in creditors	14,692	(69,676)
Net income from joint ventures and associates	(124,521)	(89,778)
Net cash provided by/(used in) operating activities	<u>65,658</u>	<u>108,143</u>

18. PENSION COMMITMENTS

Students' Union Superannuation Scheme

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

The most recent valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £106,700,000 with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £136,600,000.

The assumptions which have the most significant effect upon the results of the Valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumption applied at 30 June 2022: -

- Discount rate: Bank of England gilt curve + 1.5% pa, linearly changing over a term of 13 years to gilts curve + 0.25% pa.
- Pension increases: A model of each increase, allowing for insurers' relative pricing of different caps and collars.

The 2022 Valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit by 1 May 2037 and will increase by at least 5% each year.

These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme of £5,038 pa. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

19. PENSION COMMITMENTS (continued)

The liability provided for in respect of the SUSS pension deficit decreased to £1,817,795 (2023: £1,873,723) at 31 July 2024.

	2024
	£
Balance brought forward	1,873,723
Unwinding of discount applied	88,065
Deficit funding contributions	(107,532)
Changes in assumptions in year	(36,461)
	<u>1,817,795</u>

Universities Superannuation Scheme (USS)

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (the valuation date) and was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The company participates in the salary sacrifice pension scheme. The staff costs (note 4) shows the pensionable salary which includes the employee salary sacrifice element. The company contribution rate payable is currently 14.5% of pensionable salaries.

As at 31 July 2024 the Union had 3 active members participating in the scheme.

The total pension cost (excluding the salary sacrifice pension element, changes in assumptions for calculating the pension scheme liability and deficit funding contributions) for the company was £28,468 (2023: £23,875).

The charitable company also contributes to two defined contribution schemes:

The total contributions paid to The NUS Aegon Pension Scheme during the year amounted to £5,697 (2023: £5,070). At the year end, the charitable company owed £Nil (2022: £Nil).

The total contributions paid to The National Employment Savings Trust (NEST) during the year amounted to £25,059 (2023: £24,404). At the year end, the charitable company owed £Nil (2022: £Nil).

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

20. RELATED PARTY TRANSACTIONS

Company

University of Leicester Students' Union Trading Ltd

The wholly owned subsidiary, University of Leicester Students' Union Trading Ltd, is included within the consolidated accounts.

University of Leicester Students' Union Trading Ltd gift aided £153,575 in the year (2023: £173,453).

University of Leicester Students' Union Trading Ltd income and expenditure goes through the charitable company's bank account and also the charitable company has recharged for the use of staff amounting to £51,766 (2023: £44,111). At the year end, University of Leicester Students' Union Trading Ltd owed £33,661 (2023: £28,854) to the charitable company.

Group and company

University of Leicester

The majority of the Student Unions' funding is derived from the University of Leicester, which is a related party as the Student Unions' principal activities involve providing services to its student body.

The Student Union receives a block grant from the University of Leicester £1,368,000 (2023: £1,225,411). Additional grants are provided by the University for project support of nil (2023: £55,700).

During the year the group made sales of £33,267 (2023: £8,272) to the University of Leicester and made purchases of £58,972 (2023: £18,392) from the University of Leicester.

At the year end, the group were owed £30,432 (2023: £6,896) from the University of Leicester.

In addition, the Student Union occupies its building on a rent-free basis. This is under an informal license subject to the Student Union maintaining the building in a good state of repair. As a result, an estimated value to the Student Union for the free serviced accommodation has been included in the accounts. This has been valued at £485,441 (2023: £229,440) based on market prices within Leicester.

Student Union Lettings Limited

During the year the group made sales of £18,049 (2023: £13,633) to Student Union Lettings Limited.

Other related parties are the Sabbatical Officers and Trustees as detailed in the Trustees' report. Details of remuneration received by these individuals are shown in note 9. Remuneration of key management personnel is shown in note 8.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2024

21. COMPARATIVE GROUP STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total Funds 2023 £
INCOME FROM CHARITABLE ACTIVITIES:				
Donations and legacies	2	1,510,551	-	1,510,551
Clubs and societies			487,942	487,942
Other trading activities	3	242,507	-	242,507
Investment income	4	117,545	-	117,545
Other income		958	-	958
TOTAL INCOME		1,871,561	487,942	2,359,503
EXPENDITURE				
Raising funds		69,054	-	69,054
Charitable activities		1,645,076	469,770	2,114,846
TOTAL EXPENDITURE	5	1,714,130	469,770	2,183,900
NET INCOME/(EXPENDITURE)		157,431	18,172	175,603
OTHER RECOGNISED GAINS/(LOSSES)				
Actuarial gains/(losses) on defined benefit schemes		(131,203)	-	(131,203)
NET MOVEMENT IN FUNDS	15	26,228	18,172	44,400
RECONCILIATION OF FUNDS				
As previously reported		776,272	286,886	1,063,158
Prior year adjustment		(88,682)	-	(88,682)
Total funds brought forward – as restated		687,590	286,886	974,476
TOTAL FUNDS CARRIED FORWARD	15	713,818	305,058	1,018,876

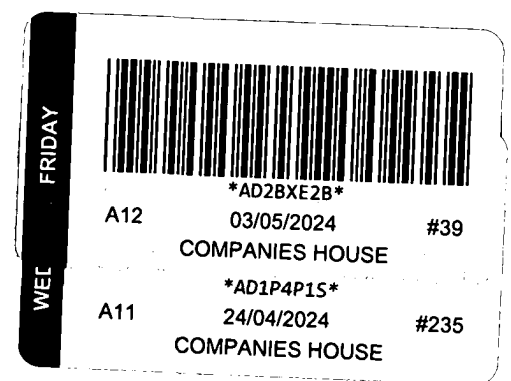
22. POST BALANCE SHEET EVENT

On 19th September 2024, the Union withdrew from the Student Union Superannuation Scheme and triggered the Section 75 debt. The amount paid was £1,417,046.

Accounts

Company registration number: 07303101
Charity number: 1137811

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023



UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 JULY 2023

Charitable Status

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The company and the group is constituted under a Memorandum of Association and is a registered charity number 1137811.

University of Leicester Students' Union also has internal regulations or Rules approved by the Board of Trustees and regulated by the governing body of the University of Leicester (the University) in accordance with 1994 Education Act and the Charity Commission.

Registered Address

University of Leicester Students' Union, Percy Gee Building, University Road, Leicester, Leicestershire, LE1 7RH

Board Of Trustees

Executive Officer Trustees

P Bhatt (appointed 1 July 2023)
A Deeb (resigned 30 June 2023)
N Farmer (resigned 30 June 2023)
J Hyett (appointed 1 July 2023)
R Jenkins (resigned 30 June 2023)
J McDonald (appointed 1 July 2022)
H Pathan (resigned 30 September 2023)
J Thomas (appointed 1 July 2023)

Student Trustee

L Ruddock (resigned 1 July 2023)

External Trustees

A Bacon (resigned June 2023)
J Bates (appointed July 2023)
A Black (appointed July 2023)
S. Knowles (resigned June 2023)
R Kodakandala (appointed Aug 2023)
D Moore (appointed July 2018)
P Smith (appointed Dec 2023)

Independent Auditor

Knox Cropper LLP, Chartered Accountants, 153-155 London Road, Hemel Hempstead, Hertfordshire HP3 9SQ

Bankers

National Westminster Bank Plc, Granby Street, Leicester, LE1 9GT

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

STATEMENT BY THE CHAIR AND DEPUTY CHAIR
FOR THE YEAR ENDED 31 JULY 2023

It has been a positive year for the Union having seen some excellent levels of engagement with our community and stakeholders. Supported by the joint working group between the University and the Students' Union the "sticky campus" project has assisted in seeing many of our services and provisions back to near pre pandemic levels and campus appears to be returning to being the busy and vibrant place we always remembered it to be.

In March of this year, and after 6 years with us CEO Gareth Oughton advised that he was stepping down from his role. Gareth left with the blessings and thanks of the board for his service. The Union undertook a recruitment process at the end of the 22-23 academic year and appointed Liam Davis to the CEO role. We wish Liam the best of luck and look forward to supporting him as he leads the Union forward with an exciting vision of what the future looks like.

We were delighted to see the results of the 2023 National Student Survey (NSS) which, amongst other positives, highlights LSU as a top 10 students' union in terms of students feeling that they are well represented. This is fundamental to our purpose and the first priority within our strategic plan. We will continue to place emphasis on this work to ensure that our members continue to receive the level of academic representation they need.

It was of further great satisfaction to see that the University received a Gold TEF (Teaching Excellence Framework) rating which was heavily aided by the strength of our student submission as part of this process. It is likely that the Union won't need to complete another submission until 2027 but as per our strategic plan we will continue to work towards building a strong understanding of student needs and working with and influencing our partners at the University in line with our learnings of those requirements. When we are next required to support submissions to the OfS (Office for Students) our on-going work will support us in providing any evidence required. Most importantly it will empower us to continue our work as a representative body and as an effective Union and charitable body.

One of the more significant strategic developments in 23/24 was to secure funding from the University that enables the introduction of a system of paid student representatives in the form of "College Reps." The introduction of these four part time paid student representatives will see an added level of representation on key project and working groups as well as supporting the work of our other elected student reps, officers and volunteers.

Financially the Union has hit a number of key targets and despite starting the year with a budget that projected a deficit of £79,445 (excluding SuLets and pension deficit funding adjustments) funded through our reserves - we finished the year significantly ahead with a surplus of £85,825 (excluding SuLets and pension deficit funding adjustments). Once the results of SuLets and the pension deficit changes were taken into account the Union achieved a surplus of £44,400. This is due in part to departmental savings as well as increased levels of interest being accrued from our reserves. Now that the Union has successfully navigated itself out of the problems posed by the pandemic, an investments working group has been established to begin discussions about the most effective utilisation of our existing reserves.

Julia Bates
Chair of the Board of Trustees

Archie Robinson
Deputy Chair of the Board of Trustees
Students' Union President

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 JULY 2023

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of University of Leicester Students' Union (ULSU) (the company) for the year ended 31 July 2023. The Trustees confirm that the Annual Report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice, Charities SORP (FRS 102), "Accounting and Reporting by Charities" effective 1 January 2019.

The Annual Report and Trustees' Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

Structure, Governance & Management

ULSU's charitable objects are:

The advancement of education of Students at the University for the Public Benefit by:

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

ULSU is administered by its Board of Trustees of up to six students elected annually by cross campus secret ballot of the ULSU membership (and are full time, or 'sabbatical', posts remunerated as authorised by the 1994 Education Act and cannot exceed two years duration for each holder); up to five external trustees appointed for up to eight years (two terms of up to four years) by an appointments panel, and a student that is appointed by the appointments panel, and has no employment in any capacity with the Union.

The Board of Trustees meets at least four times a year to receive reports from individual Officers, sub-committees and the Chief Executive, to review the charity's performance and administration generally and to decide policy issues arising.

All the charity trustees receive an induction into their legal and administrative responsibilities, receiving the essential trustee guidance from the Charity Commission. Access to additional training is also provided throughout the year.

The Student Executive Officers are new to the Board most years, so they undergo a more intensive training period that allows them to fulfil both their trustee duties as well as their paid portfolio of work. The training starts during a handover period, immediately prior to them fully assuming office. This aims to ensure they are fully aware of their roles and responsibilities and can perform their duties to the best of their ability.

The Board of Trustees is assisted by three sub-committees, which focus on certain key aspects of ULSU's governance and management.

The **Finance & Audit Committee** monitors ULSU's financial performance, appraises requests for capital expenditure and reviews our commercial performance. The Committee also reviews the annual budget, scrutinises the annual accounts and meets with external auditors.

The **Remuneration & HR Committee** examines issues relating to ULSU employees, including staff policies, changes to pay and matters relating to employee wellbeing.

The **Risk Management Committee** monitors ULSU's risk profile, risk management, compliance with relevant legislation and scrutinises progress in tackling identified areas of risk on the organisation's risk register.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)
TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2023

Structure, Governance & Management (continued)

ULSU operates on democratic principles, with policy being acted upon by the six selected trustees who form the Executive Committee. During the year, members have the opportunity to bring forward ideas through Union Council or our three networks to drive student-led change. Networks are based on principles of deliberative and direct democracy. The Union's Student Ideas system also creates simple and direct opportunities for students to suggest change ideas to Union Council. Union Council also have the ability to call an all-student referendum on matters of wider importance, where required.

Senior Leadership

The University of Leicester Students' Union employed a Chief Executive Officer (CEO), Gareth Oughton, who worked closely with the Student Executive Officers and Trustee Board to ensure effective management of the organisation. The CEO resigned in March 2023 subsequent to which an appointment process to recruit a successor was put in place resulting in the selection and appointment of Liam Davis who commenced his employment in September 2023. Member of the Senior Management Team Ambalavanar Kumaran (Director of Membership Services) stepped up to deliver key CEO tasks until the new CEO took up his position. The Senior Management team is completed by the addition of Nicola Jarrah (Director of Finance).

The Strategic Leadership Team, made up of the Union's Managers, meets monthly to oversee the Union's regular activities. ULSU also employs a number of non-student full time staff to manage and administer its activities. These staff members are accountable to the Chief Executive for the performance of their duties.

Staff Pay

The Union agreed a pay review in 22/23 that came into effect on 1st August 2023. It is hoped that this will resolve some issues we have had around staff retention and to ensure that we are offering competitive rates of pay in an ongoing cost of living crisis.

Relationship with University of Leicester

The relationship between the University and ULSU is established in the Regulations of the University and detailed in ULSU Rules approved by both organisations. ULSU receives a Block Grant from the University, and leases most of the Percy Gee Building owned by the University. Utilities are also paid by the University. This non-monetary support is intrinsic to the relationship between the University and ULSU. An estimated value to ULSU for this free serviced accommodation has been included in the accounts, valued at £229,440.

There is no reason to believe that substantial financial support from the University will not continue for the foreseeable future as outlined in the 1994 Education Act.

Risk Management

Our Risk Management subcommittee of the Trustee Board is responsible for the overview of risk management and delegates that authority to the senior management and staff teams via the CEO. The most significant risks and a brief summary of their management is listed below.

Staff & officer turnover – we have experienced a large number of staff leaving their roles as the labour market lurched back into action after the pandemic. We have completed a pay review which has resulted in a more competitive remuneration offer moving forwards. We have also committed to reviewing the staff benefits more broadly in the coming year. Due to the nature of the Students' Unions, up to 6 sabbatical officers take up 1 year contracts which can increase pressure created by high turnover. This year's officer handover and induction was much more thorough than previously had been the case and we hope this will have set a new high bar and will help to reduce the impact of officer turnover.

Our legacy pension obligations administered through the Students Union Superannuation Scheme (SUSS) sees us paying significant sums to fund the SUSS' systemic deficit. Whilst a large number of other students' unions find themselves in this position it does not mitigate the general overall risk associated with this pension deficit. We have begun work which will continue into 23/24 in evaluating a number of identified options to de-risk our current position with regard to our participation in the SUSS.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2023

Structure, Governance & Management (continued)

Due to the nature of our work, it remains that some of our larger risks include organised activity that occurs under our banner. We support over 250 student groups in self-organised activities. These activity levels vary throughout the year and can differ between groups in different years. These activities are a mixture between regular or annual cycles of activities and activities that happen in response to changing local, national or international issues. We are aware of our duties to support freedom of speech as well as our duties to protect the wellbeing of students and as legislation in this area changes, we will have to be aware of how this may impact our risk portfolio and associated management.

As a charity which engages with its members primarily in the digital space the Union must respond to risks posed by changing guidance from the charity commission in terms of the use of social media. We will review our policy as required and will need to provide staff, officers and trustees with training.

We continue to operate in an environment where we are heavily reliant on a single source of funding. As this funding source remains the University the risk of funding being removed is low, with the University being required to have a students' union under the Education Act. However, funding levels will be dependent on their financial performance and including the recruitment of international students. Overall, the risks associated with any potential funding cuts remains low and are offset further by our strong reserves position. We are continuing to review and evaluate our ability to develop our own commercial income streams.

Affiliations

The Students' Union is affiliated to the National Union of Students (NUS UK) and NUS Charity. Affiliation to these organisations enables the Students' Union to shape their national policy decisions, input into national campaigning priorities as well as benefit from the support services provided to member organisations. Such support services include officer training programmes and staff networking opportunities. NUS Charity also provide support to unions in the event of crisis or press/PR issues. The cost of these affiliations in 2022/23 was £22,500.

- NUS UK - £18,000
- NUS Charity - £4,500

As a values-led organisation, the Students' Union operates a list of suppliers we prefer not to do business with or take commercial bookings from. This list is directly informed by discussion and debate from political leaders of the organisation. Where possible, we prefer to do business with similarly ethical organisations who are clear about their ethical grounding. Accordingly, this informs relationships we have with ongoing commercial arrangements we have with regular suppliers such as our principal promotional goods supplier. Further steps will be taken in the coming year to strengthen diligence regarding strengthening our supply chain to ensure suppliers are actively working to combat modern slavery, take positive environmental action and are committed to EDI.

Aims, Objectives & Activities

Our purpose is clear in our constitution, "The Union is devoted to the educational interests and welfare of its Members" and will seek at all times to:

- Ensure that the diversity of its Membership is recognised and that equal access is available to all Members of whatever origin or orientation
- Pursue its aims and objectives independent of any political party or religious group
- Pursue equal opportunities by taking positive action within the law to facilitate participation of groups discriminated against by society.

The Trustees have considered this matter, in conjunction with the guidance contained in the Charity Commission's general guidance on public benefit and have concluded that as a registered charity and Students Union, our work directly supports and benefits the students registered to study at the University of Leicester. In planning our work, we believe that the primary goals of all our activities are linked to our core aims and therefore are for the direct benefit of our member students.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2023

Aims, Objectives & Activities (continued)

Strategic Plan

Mission:

To represent and empower students in achieving their full potential.

Vision:

By 2026, students will see us as an empowering, outstanding union that effectively represents their interests.

Values:

Our aspirations are about enhancing students' lives. Our work to achieve these aspirations is underpinned by our values:

- **We are led by students.** We believe students make the best decisions about what impacts them.
- **We remove barriers.** The full diversity of students should be supported by everything we do.
- **We are proudly radical.** We are bold, innovative and challenge the status quo.

Strategic Priorities & Our Work

Strategic Theme – Students Leading Education		In 2022/2023
Our Goal By 2026	65% of students will agree the Union effectively represents their academic interests	75% of students will responded positively to the NSS question on the Union effectively representing students academic interests

Priority 1 – Transforming Students Education		In 2022/2023 we...
Our Goal By 2026	We will produce an annual impact report across the lifecycle of this plan, demonstrating how the learner voice has been enhanced by the work of student representatives	Published our first impact report to all students, that detailed the changes brought about by representatives at an institutional level. We secured funding for 23/24 to employ 3 students to act as "College Reps" which will significantly help us to develop this area of fundamental work.
	We will develop student-led visions for the future of education within each school, to shape the learning of future generations of students.	Ran a pilot scheme within 3 schools where staff and representatives agreed a joint action plan for term one and two

Priority 2 – An Inclusive Curriculum		In 2022/2023 we...
Our Goal By 2026	We will build a case for a liberated curriculum, reflecting on the diversity of programmes and the best environment in which diverse students can learn.	Developed a curriculum consultant project, whereby 90% achieve their established outcomes by year-end
Our Goal By 2026	We will undertake a member-led review of assessment methodology, so students can shape the reformation of assessment practices so they fully support student success	Undertook research to identify students' views on assessment methodology at a local level and presented findings to the University

UNIVERSITY OF LEICESTER STUDENTS' UNION
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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2023

Aims, Objectives & Activities (continued)

Priority 3 – Transforming Students Education		In 2022/2023 we...
Our Goal By 2026	We will develop student-led annual program review program schemes for academic programmes, to influence future student written submissions to the Teaching Excellence Framework.	Secured a formal role for the Union in the University's annual program review process
Our Goal By 2026	We will create capacity to develop educational support provided by the Union to the postgraduate research community	Identified models of best practice in the sector and identified opportunities for adaption to our existing representative model. We hope to feed this into next years governance and representation review!

Strategic Theme – Vibrant Student Communities		In 2022/2023...
Our Goal By 2026	Over 60% of students will have been a member of at least one group during their time at Leicester	Just under 50% of students been a member of at least one group during their time at Leicester. Growing student numbers do present a challenge in this area.

Priority 1 – Championing International Student Engagement		2022/2023 we...
Our Goal By 2026	We will enhance tailored support and funding for national and cultural societies in broadening their reach and their ability to host regular showcase events	Developed tailored training, leading to in excess of 20% increase in successful funding applications
Our Goal By 2026	We will develop an international students strategy which builds strong networks and support to keep up with University recruitment growth	Undertook international student research to establish baseline level of international student satisfaction with Union provision.

Priority 2 - Delivering On Students' Interests		In 2022/2023 we...
Our Goal By 2026	We will ensure each student's interests are represented in an activity supported by the Union	Streamlined society search functionality on our website and made it easier for students to find things that interest them specifically
Our Goal By 2026	We will develop a tiered student group development programme and committee mentoring scheme, to assist with leadership continuity across years	Developed a pilot scheme for ten student groups – (the objective has been changed to Associations Program)

UNIVERSITY OF LEICESTER STUDENTS' UNION
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**TRUSTEE'S REPORT (continued) FOR
THE YEAR ENDED 31 JULY 2023**

Aims, Objectives & Activities (continued)

Priority 3 - Making A Powerful Local Impact		In 2022/2023 we...
Our Goal By 2026	Student volunteers will have a regular, powerful impact in their local community	Establish a free micro-volunteering programme to enable students who wanted to actively contribute to their local community with the limited time they have. We secured additional funding to recruit a volunteering coordinator.
Our Goal By 2026	Develop community organising capacity, to ensure students have opportunities to harness their skills and work with local partners to solve problems faced by all Leicester citizens	Undertook a stakeholder mapping exercise with local decision makers and potential partners in the community, to build our understanding and support problem solving of the issues most commonly facing our members
Strategic Theme - A Fairer Student Life		In 2022/2023 we...
Our Goal By 2026	Leicester students' wellbeing will track comparably to the Warwick-Edinburgh Mental Wellbeing Scale for 16-24 year olds nationally	Missed our target to for Leicester students' mean score on the WEMWBS to be 50.6. We believe that the continued post pandemic recovery and associated cost of living crisis contributed significantly to this score.
Priority 1 - Leading The Fight Against Sexual Violence		2022/2023 we...
Our Goal By 2026	We will hold termly meetings with stakeholders from local authorities to influence steps needed to enhance student safety in the local night-time economy	Undertook a stakeholder mapping exercise with local night time economy service providers and licensing authorities, to identify key partners in building our reach
Our Goal By 2026	We will secure dedicated funding to enhance the range of support options available to survivors of sexual violence	Mapped existing provisions and undertook research to identify gaps in provision
Priority 2 - A Champion For Students' Rights		In 2022/2023 we...
Our Goal By 2026	We will develop the Advice Service to improve awareness of students' rights with regard to OfS, CMA, employment law and tenancy frameworks	Undertook research to establish the level of understanding amongst students when it comes to their rights as employees, tenants, learners and consumers
Our Goal By 2026	We will develop a comprehensive, student-led review of complaints and disciplinary processes on campus	Undertook sector-wide research into examples of best practice regarding Union complaints and disciplinary processes. We supported the University in reviewing a number of their own processes in this area too.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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**TRUSTEE'S REPORT (continued) FOR
THE YEAR ENDED 31 JULY 2023**

Aims, Objectives & Activities (continued)

Priority 3 - A Financially Accessible Student Experience		In 2022/2023 we...
<i>Our Goal By 2026</i>	We will produce a College-by-College cost of living guide for students, in order to target support where it's most needed	Launched a fully researched cost of living guide for all schools within the College of Social Sciences, Arts & Humanities
<i>Our Goal By 2026</i>	We will establish a tool for the sector to benchmark the cost of University-owned accommodation, in order to establish a fair set of metrics for any changes to	Published in-depth financial research into the operational costs of halls, to develop students' understanding of their value for money

Financial Review

ULSU's gross income from all sources this year totalled £2,359,503 (2022: £1,829,128). Total expenditure was £2,183,900 (2022: £1,513,198) resulting in a surplus for the year of £175,603 (2022: £315,930 surplus), increasing ULSU's total reserves to £1,018,876 (2022: £974,476). Of this, £713,818 (2022: £687,590) were unrestricted funds and £305,058 (2022: £286,886) were restricted.

Whilst the Union has continued to benefit from the recognition and support of the University. The annual block grant was £1,225,411, increased from £907,500 in 2022. There was one additional grant received for project funding, totalling £55,700 (2022: £7,500).

The Union's trading subsidiary generated a trading surplus of £173,453 (2022: £142,945) which is gift aided to the Union.

The University of Leicester Students' Union Trading Ltd holds a 50% ownership in Student Union Lettings Limited. The company is registered as a charitable company limited by guarantee. 50% of the net income and assets of the company have been included in these financial statements.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2023

Investment Policies

The Union aims to generate returns on the cash it holds in the bank at any given point. The purpose is to yield the best financial return within the level of risk considered acceptable - this return can then be spent on the charity's aims.

Delivery of our core services is met through the block grant funding received from the University, the commercial grant and any commercial partnerships in return for access to our members. Income generated on any invested reserves should not be required to support ongoing core activities of the Union.

The level of risk must always be identified and must fall within the acceptable levels stated by the Finance & Audit sub-committee. Investment risk should also be reduced by ensuring that the savings are diversified.

Before any funds are invested the Director of Finance must prepare a cash flow to ensure that the Union has enough cash to meet its working capital requirements. Any funds not required in the short term may then be invested short-term deposits and any funds not needed in the medium-long term can then be invested wisely in longer-term investments to generate a greater yield. Funds not needed for short term operational needs can be deposited with reputable institutions, provided that the agreed risk ratings and limits are adhered to. Deposits should always be split between UK based institutions with different banking licenses, to reduce the risk from institutional failure.

Where possible the Union seeks to diversify short-term deposits across different banking licenses, to reduce the exposure of the reserves from the failure of any one bank.

In order to generate a greater return, funds not required in the short term may be invested in longer term deposits which offer a higher yield. Funds may also be invested in other financial products, considered to be low risk and offered by regulated and reputable institutions.

It is important that the Union can gain access to its funds, should some urgent need arise; therefore investment products used must allow for fund withdrawals that cover a wide range of timescales in order to enable this.

Union policies precluding investments in certain organisations would be taken into account, when considering investments.

To consider opportunities for utilising available funds, the Union's trustees have established an Investment Working Group to consider opportunities available to improve the return generated on the cash we currently hold in the bank.

Funds & Reserves

The Union aims to hold 6 months wages in free reserves, plus £25,000 of operating costs in the current year. This would enable an orderly winding down of the organisation in the event it was necessary.

Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they 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.

The Board of Trustees confirms that ULSU has sufficient funds to meet all its obligations.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2023

Auditor

Knox Cropper LLP have indicated their willingness to be reappointed for another term. In accordance with the Companies Act 2006 a resolution proposing the reappointment of Knox Cropper LLP as Auditor will be put to the members.

Trustees' Responsibilities Statement

The Trustees (who are also directors of University of Leicester Students' Union for the purposes of company law) are responsible for preparing the Trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the Income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continued in operation.

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

Statement of Disclosure to Auditor

So far as each Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware. Additionally, each Trustee has taken all the necessary steps that they ought to have taken as a Trustee in order to make themselves aware of all relevant audit information needed and to establish that the charitable group's auditor is aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

This report was approved by the Board of Trustees on 8th April 2024 and signed on their behalf by:



A Robinson
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF LEICESTER STUDENTS' UNION

Opinion

We have audited the financial statements of University of Leicester Students' Union (the "Charitable Company") and its subsidiaries ("the Group") for the year ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charity Balance Sheets, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the charitable company's affairs as at 31 July 2023 and of the group's 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 and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or 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 Trustee's Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustee's 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)**

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 20, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting Irregularities, Including fraud
Irregularities, 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:

- The group is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to correctly account for restricted funds is of key significance.
- We gained an understanding of how the group complied with its legal and regulatory framework, including the requirement to properly account for restricted funds through discussions with management and a review of the documented policies, procedures and controls.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)**

- The audit team, which is experienced in the audit of charities, considered the group's susceptibility to material misstatement and how fraud may occur. Our considerations include the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of the audit report

This report is made solely to the Charitable Company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken, so that we might state to the charitable company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members for our audit work, for this report or for the opinions we have formed.

Stephen Anderson

Stephen Anderson (Senior Statutory Auditor)
For and on behalf of Knox Cropper LLP
Chartered Accountants
153-155 London Road
Hemel Hempstead
Hertfordshire HP3 9SQ

Date: 8th April 2024

UNIVERSITY OF LEICESTER STUDENTS' UNION
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**GROUP STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2023**

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Funds 2023 £	Total Funds 2022 as restated £
INCOME FROM CHARITABLE ACTIVITIES:					
Donations and legacies	2	1,510,551	-	1,510,551	1,136,940
Clubs and societies			487,942	487,942	409,488
Other trading activities	3	242,507	-	242,507	196,188
Investment income	4	117,545	-	117,545	67,949
Other income		958	-	958	18,563
TOTAL INCOME		1,871,561	487,942	2,359,503	1,829,128
EXPENDITURE					
Raising funds		69,054	-	69,054	53,243
Charitable activities		1,645,076	469,770	2,114,846	1,459,955
TOTAL EXPENDITURE	5	1,714,130	469,770	2,183,900	1,513,198
NET INCOME/(EXPENDITURE)		157,431	18,172	175,603	315,930
OTHER RECOGNISED GAINS/(LOSSES)					
Actuarial gains/(losses) on defined benefit schemes		(131,203)	-	(131,203)	(68,101)
NET MOVEMENT IN FUNDS	15	26,228	18,172	44,400	247,829
RECONCILIATION OF FUNDS					
As previously reported		776,272	286,886	1,063,158	-
Prior year adjustment		(88,682)	-	(88,682)	-
Total funds brought forward – as restated		687,590	286,886	974,476	726,647
TOTAL FUNDS CARRIED FORWARD	15	713,818	305,058	1,018,876	974,476

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

Details of the comparative group statement of financial activities are included in note 21.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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**GROUP BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2023**

Company registration number 07303101

	Notes	£	2023 £	£	2022 as restated £
FIXED ASSETS					
Tangible assets	10		159,110		156,909
Investments In joint ventures					
- Share of gross assets		955,285		878,623	
- Share of gross liabilities		(44,839)		(57,955)	
Share of net assets	11		910,446		820,668
			1,069,556		977,577
CURRENT ASSETS					
Debtors	13	82,858		89,090	
Cash at bank and in hand		1,890,527		1,808,367	
			1,973,385	1,897,457	
CREDITORS: amounts falling due within one year	14	(79,446)		(149,122)	
NET CURRENT ASSETS			1,893,939		1,748,335
TOTAL ASSETS LESS CURRENT LIABILITIES			2,963,495		2,725,912
Defined pension scheme liability	18	(1,944,619)		(1,751,436)	
NET ASSETS			1,018,876		974,476
THE FUNDS OF THE CHARITY					
Restricted funds	15	305,058		286,886	
Unrestricted funds	15				
General funds			1,496,392	1,276,981	
Designated funds			1,162,045	1,162,045	
Pension reserve			(1,944,619)	(1,751,436)	
			713,818	687,590	
TOTAL CHARITY FUNDS			1,018,876	974,476	

The financial statements on pages 16 to 42 were approved and authorised for issue by the Board of Trustees on 8th April 2024 and signed on their behalf, by:

A Robinson

A Robinson
Trustee

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

**CHARITY BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2023**

Company registration number 07303101

	Notes	£	2023 £	£	2022 as restated £
FIXED ASSETS					
Tangible assets	10		159,110		156,909
Investments	11		2		2
			<u>159,112</u>		<u>156,911</u>
CURRENT ASSETS					
Debtors	13	79,167		25,381	
Cash at bank		1,890,527		1,808,367	
		<u>1,969,694</u>		<u>1,833,748</u>	
CREDITORS: amounts falling due within one year	14	(75,756)		(85,415)	
		<u></u>	<u>1,893,938</u>	<u></u>	<u>1,748,333</u>
NET CURRENT ASSETS					
			<u>2,053,050</u>		<u>1,905,244</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
Defined pension scheme liability	18	(1,944,619)		(1,751,436)	
		<u></u>	<u>108,431</u>	<u></u>	<u>153,808</u>
NET ASSETS/(LIABILITIES)					
THE FUNDS OF THE CHARITY					
Restricted funds	15	305,058		286,886	
Unrestricted funds	15				
General funds		585,947		456,313	
Designated funds		1,162,045		1,162,045	
Pension reserve		(1,944,619)		(1,751,436)	
		<u>(196,627)</u>	<u>(196,627)</u>	<u>(133,078)</u>	
TOTAL CHARITY FUNDS		<u>108,431</u>	<u>108,431</u>	<u>153,808</u>	

As permitted by S408 Companies Act 2006, the charitable company has not presented its own statement of financial activities and related notes as it prepared group accounts. The charitable company's deficit for the year was £134,062 (2022: £250,112 surplus).

The financial statements on pages 16 to 42 approved and authorised for issue by the Board of Trustees on 8th April 2024 and signed on their behalf, by:

A Robinson

A Robinson
Trustee

UNIVERSITY OF LEICESTER STUDENTS' UNION
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GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2023

	Note	2023 £	2022 £
Cash flows from/(to) operating activities			
Net cash provided by/(used in) operating activities	17	108,143	54,455
Cash flows from investing activities:			
Interest received		27,767	2,231
Purchase of tangible fixed assets		(53,748)	(164,242)
Proceeds on disposal of tangible fixed assets		-	17,986
Net cash (used in)/provided by investing activities		(25,981)	(144,025)
Change in cash and cash equivalents in the year		82,162	(89,570)
Cash and cash equivalents brought forward		1,808,367	1,897,937
Cash and cash equivalents carried forward		1,890,529	1,808,367

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

1. ACCOUNTING POLICIES

Charity Information

University of Leicester Students' Union is a private incorporated charitable company (company register number 07303101) limited by guarantee, incorporated in England and Wales. Its registered office and principal place of business is University of Leicester Students' Union, Percy Gee Building, University Road, Leicester, Leicestershire, LE1 7RH. The charitable company is also registered at the Charity Commission with a charity number of 1137811.

The main aims of the University of Leicester Students' Union are the advancement of the students at the university for the public benefit.

Basis of preparation of financial statements

Accounting convention

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

University of Leicester Students' Union meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements of the charitable company are consolidated in these financial statements of University of Leicester Students' Union and these financial statements are available from the registered office.

Basis of consolidation

The Statement of Financial Activities and Balance Sheet consolidate the financial statements of the charitable company and its subsidiary undertaking. The results are consolidated on a line by line basis, all intra-group transactions and balances with the subsidiary are eliminated on consolidation. Joint ventures and associates are stated at the group's share of net assets, to the extent this is not impaired, and the group's share of the net share of the profits or losses of the joint ventures and associates is included in the Statement of Financial Activities using the equity accounting basis. All the financial statements are made up to 31 July 2023.

No separate Statement of Financial Activities has been presented for the charitable company alone as permitted by section 408 of the Companies Act 2006 as it prepares group accounts and the charitable company's individual balance sheet shows the charitable company's net movement in funds in the financial year.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Company status

The charitable company is limited by guarantee. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
(continued) FOR THE YEAR ENDED 31 JULY 2023

1. ACCOUNTING POLICIES (continued)

Funding accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objective of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the charitable company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the Bank.

Grants

The recurrent block grant is receivable from the University of Leicester. The grant is credited to the income and expenditure account in the year to which it relates.

Project support grants are project based and include grants which are receivable from the University of Leicester and other funding bodies.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grant will be received.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs (including governance costs) which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the assets use.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
(continued) FOR THE YEAR ENDED 31 JULY 2023

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are initially recorded at cost and subsequently measured at cost, net of depreciation and any provision for impairment. Tangible fixed assets costing more than £1,000 are capitalised and all other expenditure is charged to the statement of financial activities in the year incurred.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and equipment	20% - 33% of cost
------------------------	-------------------

Investments

The charitable company's fixed asset investments are valued at cost which is the Trustees' best estimate of fair value, as these assets are not readily saleable and a reliable market value is not readily ascertainable.

- (i) **Subsidiary undertakings**
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) **Associated undertakings**
Investments in associates are valued at cost less provision for impairment.
- (iii) **Joint ventures**
Investments in the joint ventures are valued at cost less provision for impairment.

Impairment of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the charitable company estimates the recoverable amount of the asset.

Shortfalls between the carrying value affixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment losses are recognised in statement of financial activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in statement of financial activities. On reversal of an impairment loss, the depreciation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises of direct materials.

At each reporting date, the charitable company assesses whether stocks are impaired or if any impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in statement of financial activities.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

UNIVERSITY OF LEICESTER STUDENTS' UNION

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NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES (continued)

Debtors

Trade and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade and other debtors and amounts owed by group undertakings are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash and cash equivalents

Cash and cash equivalents includes cash and monies on short-term deposits at the bank and other short-term liquid investments with original maturities of three months or less.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Pension costs and other post-retirement benefits

Students' Union Superannuation Scheme

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 most recent valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £106,697,000 with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £136,645,000.

The 2022 valuation recommended a monthly contribution requirement by each participating Union intended to clear the ongoing funding deficit ending in 2037, increasing by 5% each year. 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 FRS 102, where a scheme participates in a multi-employer defined benefit pension scheme that is in deficit and the employer has entered into an agreement to fund the deficit the entity shall recognize a liability for the contributions payable that arise from the agreement. As the agreement runs until 2037, a discount rate of 4.7% has been applied in determining the net present value of the contributions made in the period.

Universities Superannuation Scheme

The Union participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual unions and a scheme-wide contribution rate is set. The Union is therefore exposed to actuarial risks associated with other unions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the Union therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the Union has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the Union recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

The charitable company also contributes to the NUS Aegon Pension Scheme and the government approved NEST scheme. The annual contributions payable are charged to the statement of financial activities.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

1. ACCOUNTING POLICIES (continued)

Taxation

No provision for corporation tax has been made as the charitable company is exempt from corporation tax on its income and gains to the extent that these are applied to its charitable activities. The non-charitable subsidiaries will be subject to Corporation Tax on any profits not gift aided to the charitable parent within 9 months of the balance sheet date.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Critical accounting estimates and areas and Judgement

The charity makes estimates and assumptions concerning the future and acknowledges that the resulting accounting estimates and assumptions will, by definition, seldom equal to related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- (i) **Pension deficit contribution**
The charity has entered into a commitment to provide deficit funding to the Students' Union Superannuation Pension Scheme and the Universities Superannuation Scheme, of which it is a contributing employer.

Under FRS 102, the fair value of the commitment is recognised. The calculation of the fair value of the commitment is subject to an assumption of the discount rate. This discount rate is determined by reference to market yields at the reporting date on high quality corporate bonds. The commitment included in the balance sheet at the balance sheet date is £1,944,619 (2022: £1,751,436).
- (ii) **Donation of facilities by University of Leicester**
In accordance with the Charities SORP FRS 102, the Union and its trading subsidiary has valued the benefit it receives from occupying facilities owned by the University on a rent-free basis, at the trustees' estimate of market value at £229,440 (2022: £229,440).
- (iii) **Support costs**
Many of the costs incurred by the Union such as support staff costs and service costs are shared between activities. The Union's policy is to allocate these costs on the basis of assessed consumption.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations and University Grants	1,281,111	-	1,281,111	907,500
Grant of serviced accommodation	229,440	-	229,440	229,440
Total donations and legacies	1,510,551	-	1,510,551	1,136,940

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS
(continued) FOR THE YEAR ENDED 31 JULY 2023

3. OTHER TRADING ACTIVITIES

The University of Leicester Student's Union owns 100% of the issued share capital of its subsidiary, University of Leicester Students' Union Trading Ltd, a company which is incorporated in England and Wales (company number 02821506). The registered office of University of Leicester Students' Union Trading Ltd is the same as University of Leicester Student's Union. The subsidiary participates in trading activities relating to the charitable company. Its taxable profits are donated to the charitable company. A summary of the subsidiary's results which are consolidated in these financial statements is shown below:

Statement of income	2023 £	2022 £
Turnover	242,507	196,188
Cost of sales	(22,998)	(14,251)
Gross profit	219,509	181,937
Administrative expenses	(46,056)	(38,992)
Profit before and after taxation for the financial year	173,453	142,945
Distribution to parent charity under gift aid	(173,453)	(142,945)
Result for the financial year	-	-

The net assets of University of Leicester Students' Union Trading Ltd at 31 July 2023 amounts to £2 (2022: £2 net assets).

4. INCOME FROM INVESTMENTS

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Share of joint venture net income	89,778	89,778	65,718
Bank interest received	27,767	27,767	2,231
	117,545	117,545	67,949

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

5. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff Costs 2023 £	Depreciation 2023 £	Other Costs 2023 £	Total 2023 £	Total 2022 £
University of Leicester Students' Union Trading Ltd	44,111	-	24,943	69,054	53,243
Costs of raising funds	44,111	-	24,943	69,054	53,243
Education & representation	441,329	12,709	152,222	606,260	436,451
Welfare	83,578	7,574	74,657	165,809	98,537
Campaigns and Communications	148,139	10,142	97,065	255,346	157,409
Societies & clubs	295,106	20,925	738,758	1,054,789	738,665
Sports grant	-	-	32,642	32,642	2,140
Peer mentoring	-	-	-	-	26,753
Training	-	-	-	-	-
Costs of charitable activities	968,152	51,350	1,095,344	2,114,846	1,459,955
	1,012,263	51,350	1,120,287	2,183,900	1,513,198

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

Certain central overhead support costs have been reallocated to the various activities as noted in the accounting policies. The effect of this reallocation on the various expenditure heading is shown here:

	Activities undertaken directly 2023 £	Support costs 2023 £	Total 2023 £	Total 2022 £
Education & representation	413,977	192,283	606,260	436,451
Welfare	-	165,809	165,809	98,537
Campaigns 'and communications	-	255,346	255,346	157,409
Societies & clubs	536,778	518,011	1,054,789	738,665
Peer mentoring	32,642	-	32,642	2,140
Training	-	-	-	26,753
Total	983,397	1,131,449	2,114,846	1,459,955

Support costs comprised:-

	2023 £	2022 £
Staff costs	586,925	471,221
Depreciation	51,351	26,961
Rent	229,440	229,440
Insurances	15,689	15,708
NUS Subscription	24,469	25,302
Pension Scheme Funding	61,979	(234,553)
Marketing costs	8,131	5,714
Stationery and telephone	1,442	1,439
Bank charges	3,064	2,120
Other support costs	148,959	124,820
Loss on disposal of fixed assets	-	-
Total	1,131,449	668,172

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

7. NET INCOME/(EXPENDITURE)

This is stated after charging	2023	2022
	£	£

Depreciation of tangible fixed assets: - owned by the charitable group	51,351	26,961
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Fees payable in respect of both audit and non-audit services as are follows:

	2023	2022
	£	£
Audit services - statutory audit of charitable company and consolidated accounts	18,400	35,900
	<u>18,400</u>	<u>35,900</u>

8. STAFF COSTS

Staff costs were as follows:	2023	2022
	£	£

Wages and salaries	851,821	735,545
Social security costs	64,765	61,829
Other pension costs	51,568	49,187
	<u>968,154</u>	<u>846,561</u>

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

	2023	2022
	No.	No.
Full time	29	27
Students staff	27	13
	<u>56</u>	<u>40</u>

No employees received remuneration of more than £60,000 during the current or prior year.

Key management personnel of the charitable company are considered to be the trustees, the Director of Membership Services, Director of Finance and the Chief Executive Officer. During the year, key management personnel received remuneration (including employers national insurance contributions) of £298,263 (2022: £289,127).

UNIVERSITY OF LEICESTER \$TUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31,JULY 2023

9. TRUSTEES' REMUNERATION

TRUSTEE NAME	Salary £	Pension £	Total 2023 £	Total 2022 £
H Pathan (appointed 1 July 2022)	24,289	1,114	25,403	3,626
R Jenkins (resigned 30 June 2023)	23,118	1,056	24,174	22,289
J McDonald (appointed 1 July 2022)	24,289	1,114	25,403	3,715
N Farmer (resigned 30 June 2023)	22,432	1,022	23,454	22,289
A Robinson (appointed 1 July 2022)	24,289	1,114	25,403	3,626
A Deeb (resigned 30 June 2023)	22,432	-	22,432	21,228
K Wagener (resigned 30 June 2022)	-	-	-	20,432
M Kanikanti (resigned 30 June 2022)	-	-	-	20,432
G Henton (resigned 30 June 2022)	-	-	-	20,432
Total	140,849	5,420	146,269	138,069

There were no other trustee-benefits for the year (2022: £nil). Eight (2022: Eight) trustees received reimbursement of expenses in relation to travel and subsistence totaling £2,182 (2022: £2,945).

10. TANGIBLE FIXED ASSETS

	Fixtures and equipment £
Group and Charity	
Cost	
At 1 August 2022	424,552
Additions	53,748
Disposals	(1,683)
At 31 July 2023	476,617
Depreciation	
At 1 August 2022	267,643
Charge for the year	51,351
Eliminated on disposal	(1,487)
At 31 July 2023	317,507
Net book value	
At 31 July 2023	159,110
At 31 July 2022	156,909

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

11. FIXED ASSET INVESTMENTS

	Investments in joint venture £			
Group				
Share of net assets				
At 1 August 2022			820,668	
Share of profit			89,778	
At 31 July 2023			910,446	
	GROUP		CHARITY	
	2023	2022	2023	2022
	£	£	£	£
University of Leicester Students' Union Trading Ltd	-	-	2	2

12. PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

a. Principal subsidiaries

University of Leicester Students' Union Trading Ltd

Subsidiary name	University of Leicester Students' Union Trading Ltd
Company registration number	02821506
Basis of control	Wholly owned subsidiary
Equity shareholding %	100%

b. Principal joint ventures

The University of Leicester Students' Union Trading Ltd, has a 50% joint ownership in the entity Student Union Lettings Limited, a charity which is registered in England and Wales.

The nature of the business is that of a student lettings agency and its registered office is First Floor Campus Centre Building, Mill Lane, Leicester, Leicestershire LE2 7DR.

Student Union Lettings Limited (trading as Sulets) is a company limited by guarantee and is therefore held as an Investment in University of Leicester Students' Union Trading Ltd at nil value, reflecting its recoverable value to University of Leicester Students' Union Trading Ltd and therefore its parent undertaking, University of Leicester Students' Union.

The group constitutes 50% of the ownership, therefore the group's share of income is £742,794 (2022: £729,746) and share of expenditure is £653,016 (2022: £664,028). The group's share of the total assets is £955,285 (2022: £878,623) and total liabilities of £44,839 (2022: £57,955).

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

13. DEBTORS	GROUP		CHARITY	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	12,582	9,975	9,820	2,347
Amounts owed by group undertakings	-	-	28,854	-
Other debtors	2,522	2,202	2,522	2,200
Prepayments and accrued income	67,754	82,913	37,971	20,834
	<u>82,858</u>	<u>89,090</u>	<u>79,167</u>	<u>25,381</u>
14. CREDITORS: Amounts falling due within one year	GROUP		CHARITY	
	2023 £	2022 £	2023 £	2022 £
Trade creditors	18,895	17,073	18,895	16,563
Amounts owed to group undertakings	-	-	-	595
Other taxation and social security	16,065	15,500	14,724	13,783
Other creditors	3,462	229	3,462	229
Accruals and deferred income	41,024	116,320	38,675	54,245
	<u>79,446</u>	<u>149,122</u>	<u>75,756</u>	<u>85,415</u>
Deferred income	GROUP		CHARITY	
	2023 £	2022 £	2023 £	2022 £
Deferred income at 1 August	50,832	5,832	-	-
Resources deferred during the year	280	50,000	-	-
Amounts released from previous years	(50,832)	(5,000)	-	-
Deferred income at 31 July	<u>280</u>	<u>50,832</u>	<u>-</u>	<u>-</u>

Deferred income relates to amounts received in respect of multi-year contracts.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

15. STATEMENT OF FUNDS

Group - current year

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2023 £
Restricted funds					
Clubs and Societies	279,803	485,942	(469,770)	-	295,975
Peer Mentoring Fund	3,290	-	-	-	3,290
RFU Development Fund	3,793	2,000	-	-	5,793
	<u>286,886</u>	<u>487,942</u>	<u>(469,770)</u>	<u>-</u>	<u>305,058</u>
Unrestricted funds					
General reserves	456,313	1,781,783	(1,652,150)	(129,633)	456,313
Shares of net income from joint venture	820,668	89,778	-	-	910,446
	<u>1,276,981</u>	<u>1,871,561</u>	<u>(1,652,150)</u>	<u>(129,633)</u>	<u>1,366,759</u>
Designated funds					
LSP fund	275,000	-	-	(275,000)	-
Capital and strategic projects fund	887,045	-	-	404,633	1,291,678
Pension Reserve	(1,751,436)	-	(193,183)	-	(1,944,619)
	<u>(589,391)</u>	<u>-</u>	<u>(193,183)</u>	<u>129,633</u>	<u>(652,941)</u>
Total funds	<u>974,476</u>	<u>2,359,503</u>	<u>(2,315,103)</u>	<u>-</u>	<u>1,018,876</u>

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

15. STATEMENT OF FUNDS (continued)

Group – prior year (as restated)

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2022 £
Restricted funds					
Clubs and Societies	259,197	409,488	(388,882)	-	279,803
Peer Mentoring Fund	5,430	-	(2,140)	-	3,290
RFU Development Fund	3,793	-	-	-	3,793
	<u>268,420</u>	<u>409,488</u>	<u>(391,022)</u>	<u>-</u>	<u>286,886</u>
Unrestricted funds					
General reserves	445,566	1,353,922	(1,343,175)	-	456,313
Shares of net income from joint venture	754,950	65,718	-	-	820,668
	<u>1,200,516</u>	<u>1,419,640</u>	<u>(1,343,175)</u>	<u>-</u>	<u>1,276,981</u>
Designated funds					
LSP fund	275,000	-	-	-	275,000
Capital and strategic projects fund	900,599	-	(13,554)	-	887,045
Pension Reserve	(1,917,888)	-	166,452	-	(1,751,436)
	<u>(742,289)</u>	<u>-</u>	<u>152,898</u>	<u>-</u>	<u>(589,391)</u>
Total funds	<u>726,647</u>	<u>1,829,128</u>	<u>(1,581,299)</u>	<u>-</u>	<u>974,476</u>

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

15. STATEMENT OF FUNDS (continued)

Charity – current year

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2023 £
Restricted funds					
Clubs and Societies	279,803	485,942	(469,770)	-	295,975
Peer Mentoring Fund	3,290	-	-	-	3,290
RFU Development Fund	3,793	2,000	-	-	5,793
	<u>286,886</u>	<u>487,942</u>	<u>(469,770)</u>	<u>-</u>	<u>305,058</u>
Unrestricted funds					
General reserves	456,313	1,781,783	(1,652,149)	(129,633)	456,313
	<u>456,313</u>	<u>1,781,783</u>	<u>(1,652,149)</u>	<u>(129,633)</u>	<u>456,313</u>
Designated funds					
LSP fund	275,000	-	-	(275,000)	-
Capital and strategic projects fund	887,045	-	-	404,633	1,291,678
Pension Reserve	(1,751,436)	-	(193,183)	-	(1,944,619)
	<u>(589,391)</u>	<u>-</u>	<u>(193,183)</u>	<u>129,633</u>	<u>(652,941)</u>
Total funds	<u>153,808</u>	<u>2,269,725</u>	<u>(2,315,102)</u>	<u>-</u>	<u>108,431</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

15. STATEMENT OF FUNDS (continued)

Charity – prior year (as restated)

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2022 £
Restricted funds					
Clubs and Societies	259,197	409,488	(388,882)	-	279,803
Peer Mentoring Fund	5,430	-	(2,140)	-	3,290
RFU Development Fund	3,793	-	-	-	3,793
	<u>268,420</u>	<u>409,488</u>	<u>(391,022)</u>	<u>-</u>	<u>286,886</u>
Unrestricted funds					
General reserves	445,666	1,300,579	(1,289,932)	-	456,313
	<u>445,666</u>	<u>1,300,579</u>	<u>(1,289,932)</u>	<u>-</u>	<u>456,313</u>
Designated funds					
LSP fund	275,000	-	-	-	275,000
Capital and strategic projects fund	900,599	-	(13,554)	-	887,045
Pension Reserve	(1,917,888)	-	166,452	-	(1,751,436)
	<u>(742,289)</u>	<u>-</u>	<u>152,898</u>	<u>-</u>	<u>(589,391)</u>
Total funds	<u>(28,203)</u>	<u>1,710,067</u>	<u>(1,528,056)</u>	<u>-</u>	<u>153,808</u>

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

15. STATEMENT OF FUNDS (continued)

The restricted funds relate to:

The Clubs and Societies Funds represent balances held for specific clubs and societies where the ultimate control would vest with the Union.

The Union and University have agreed to work in partnership to develop a university-wide peer mentoring scheme. The project will be managed as part of the overall volunteer support process, the University have agreed funding of £nil to support this scheme.

The RFU Development fund relates to monies received for the development of rugby at the University.

The designated funds relate to:

LSP designation funding represents a year's commercial grant contributions, in light of the losses made by the associate company at present.

Pension designated funding relates to funds set aside for future contributions towards the scheme, in light of the revaluation and the known challenges faced by the scheme.

Capital and strategic projects designated funding represents the remaining funds designated for investment in strategic projects relating to the long-term development of the Union after taking account of the required funding needed to orderly wind down the Union in the event of the organisation ceasing to operate in the future in the light of the challenges facing the sector.

Transfers

A transfer has been made from the LSP designated fund to general reserves as this fund is no longer relevant. Reserves held in the event of the operation being wound up are now held in the Capital and strategic projects fund.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group – current year	Restricted funds	General funds	Designated funds	Pension reserve	Total funds
	2023	2023	2023	2023	2023
	£	£	£	£	£
Tangible fixed assets	-	-	159,110	-	159,110
Fixed asset investments	-	910,446	-	-	910,446
Current assets	305,058	535,759	1,132,568	-	1,973,385
Creditors due within one year	-	(79,446)	-	-	(79,446)
Pension scheme liabilities	-	-	-	(1,944,619)	(1,944,619)
	305,058	1,366,759	1,291,678	(1,944,619)	1018,876

Group – prior year (as restated)	Restricted funds	General funds	Designated funds	Pension reserve	Total funds
	2022	2022	2022	2022	2022
	£	£	£	£	£
Tangible fixed assets	-	9,281	147,628	-	156,909
Fixed asset investments	-	820,668	-	-	820,668
Current assets	286,886	596,154	1,014,417	-	1,897,457
Creditors due within one year	-	(149,122)	-	-	(149,122)
Pension scheme liability	-	-	-	(1,751,436)	(1,751,436)
	286,886	1,276,981	1,162,045	(1,751,436)	974,476

Charity – current year	Restricted funds	General funds	Designated funds	Pension reserve	Total funds
	2023	2023	2023	2023	2023
	£	£	£	£	£
Tangible fixed assets	-	-	159,110	-	159,110
Fixed asset investments	-	2	-	-	2
Current assets	305,058	532,068	1,132,568	-	1,969,694
Creditors due within one year	-	(75,756)	-	-	(75,756)
Pension scheme liability	-	-	-	(1,944,619)	(1,944,619)
	305,058	456,314	1,291,678	(1,944,619)	108,431

Charity – prior year (as restated)	Restricted funds	General funds	Designated funds	Pension reserve	Total funds
	2022	2022	2022	2022	2022
	£	£	£	£	£
Tangible fixed assets	-	9,281	147,628	-	156,909
Fixed asset investments	-	2	-	-	2
Current assets	286,886	532,445	1,014,417	-	1,833,748
Creditors due within one year	-	(85,415)	-	-	(85,415)
Pension scheme liability	-	-	-	(1,751,436)	(1,751,436)
	286,886	456,313	1,162,045	(1,751,436)	153,808

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	175,603	315,930
Adjustment for:		
Depreciation	51,351	26,961
Depreciation	198	
Increase/(Decrease) in pension deficit funding liability	61,980	(234,553)
(Profit)/loss on the sale of fixed assets	-	(6,637)
Interest received	(27,767)	(2,231)
Decrease in stocks	-	78
Decrease/(increase) in debtors	6,232	(55,039)
(Decrease/increase in creditors	(69,676)	75,664
Net income from joint ventures and associates	(89,778)	(65,718)
Net cash provided by/(used in) operating activities	108,143	54,455

18. PENSION COMMITMENTS

Students' Union Superannuation Scheme

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

The most recent valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £106,700,000 with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £136,600,000.

The assumptions which have the most significant effect upon the results of the Valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumption applied at 30 June 2022: -

- Discount rate: Bank of England gilt curve + 1.5% pa, linearly changing over a term of 13 years to gilts curve + 0.25% pa.
- Pension increases: A model of each increase, allowing for insurers' relative pricing of different caps and collars.

The 2022 Valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit by 1 May 2037 and will increase by at least 5% each year.

These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme of £5,038 pa. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

18. PENSION COMMITMENTS (continued)

The liability provided for in respect of the SUSS pension deficit increased to £1,873,723 (2022: £1,662,754) at 31 July 2023.

	2023
	£
Balance brought forward	1,662,754
Unwinding of discount applied	61,979
Changes in assumptions in year	148,990
	1,873,723

Universities Superannuation Scheme (USS)

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2020 (the valuation date), and was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The company participates in the salary sacrifice pension scheme. The staff costs (note 4) shows the pensionable salary which includes the employee salary sacrifice element. The company contribution rate payable is currently 21.6% of pensionable salaries, which decreases to 21.4 from 1 April 2024.

As at 31 July 2023 the Union had 2 active members participating in the scheme.

The total pension cost (excluding the salary sacrifice pension element, changes in assumptions for calculating the pension scheme liability and deficit funding contributions) for the company was £23,875 (2022: £22,857).

At 31 July 2023 the liability provided for in respect of the USS pension deficit amounted to £70,896 (2022: £88,682). A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

- Discount rate 4.7% (2022: 3.8%)
- Pensionable salary growth 5% for the year to 2024 and 2% thereafter (2022: 2.1%)

The charitable company also contributes to two defined contribution schemes:

The total contributions paid to The NUS Aegon Pension Scheme during the year amounted to £5,070 (2022: £4,687). At the year end, the charitable company owed £Nil (2022: £Nil).

The total contributions paid to The National Employment Savings Trust (NEST) during the year amounted to £24,404 (2022: £22,014). At the year end, the charitable company owed £Nil (2022: £Nil).

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

19. RELATED PARTY TRANSACTIONS

Company

University of Leicester Students' Union Trading Ltd

The wholly owned subsidiary, University of Leicester Students' Union Trading Ltd, is included within the consolidated accounts.

University of Leicester Students' Union Trading Ltd gift aided £173,453 in the year (2022: £142,945).

University of Leicester Students' Union Trading Ltd income and expenditure goes through the charitable company's bank account and also the charitable company has recharged for the use of staff amounting to £44,111 (2022: £28,423). At the year end, University of Leicester Students' Union Trading Ltd was owed £16,980 (2022: £595) by the charitable company.

Group and company

University of Leicester

The majority of the Student Unions' funding is derived from the University of Leicester, which is a related party as the Student Unions' principal activities involve providing services to its student body.

The Student Union receives a block grant from the University of Leicester £1,225,411 (2022: £900,000). Additional grants are provided by the University for project support of £55,700 (2022: £7,500).

During the year the group made sales of £8,272 (2022: £17,778) to the University of Leicester and made purchases of £18,392 (2022: £11,371) from the University of Leicester.

At the year end, the group were owed £6,896 from the University of Leicester (2022: £4,905 was owed to the University of Leicester).

In addition, the Student Union occupies its building on a rent-free basis. This is under an informal license subject to the Student Union maintaining the building in a good state of repair. As a result, an estimated value to the Student Union for the free serviced accommodation has been included in the accounts. This has been valued at £229,440 (2022: £229,440) based on market prices within Leicester.

Student Union Lettings Limited

During the year the group made sales of £13,633 (2022: £10,348) to Student Union Lettings Limited.

Other related parties are the Sabbatical Officers and Trustees as detailed in the Trustees' report. Details of remuneration received by these individuals are shown in note 9. Remuneration of key management personnel is shown in note 8.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2023

20. PRIOR YEAR ADJUSTMENT

In previous years the Union has not been complying with the requirements of Charities SORP 2019 (FRS 102) in respect of the treatment of its membership of Universities Superannuation Scheme (USS), a multi-employer defined benefit pension schemes that has a deficit funding agreement in place. As a result the Union's accounting policy on the recognition of USS has been changed. The comparative figures for the year ended 31 July 2022 have been restated in line with the new policy. The changes made have been set out below.

	Balance Sheet		
	SOFA £	£	Total £
Restatement of opening reserves at 1 August 2021 for USS pension liability		20,581	20,581
Adjustments for the year ended 31 July 2022			
USS liability movement in year	<u>(68,101)</u>	<u>68,101</u>	<u>-</u>
Effect on prior years results	<u>(68,101)</u>	<u>88,682</u>	<u>20,581</u>

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

21. COMPARATIVE GROUP STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2022

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
INCOME FROM:			
Donations and legacies	1,136,940	-	1,136,940
Charitable activities		409,488	409,488
Other trading activities	196,188	-	196,188
Investments:			
Share of joint venture net income	65,718	-	65,718
Interest received	2,231	-	2,231
Other income	18,563	-	18,563
TOTAL INCOME	1,419,640	409,488	1,829,128
EXPENDITURE ON:			
Raising funds	53,243	-	53,243
Charities activities	1,068,933	391,022	1,459,955
TOTAL EXPENDITURE	1,122,176	391,022	1,513,198
NET INCOME/(EXPENDITURE)	297,464	18,466	315,930
OTHER RECOGNISED GAINS/(LOSSES)			
Actuarial gains/(losses) on defined benefit schemes	(68,101)	-	(68,101)
NET MOVEMENT IN FUNDS	229,363	18,466	247,829
Total funds brought forward	458,227	268,420	726,647
TOTAL FUNDS CARRIED FORWARD	687,590	286,886	974,476

Accounts

Company registration number: 07303101
Charity number: 1137811

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

THURSDAY



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COMPANIES HOUSE

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 JULY 2022

Charitable Status

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The company and the group is constituted under a Memorandum of Association and is a registered charity number 1137811.

University of Leicester Students' Union also has internal regulations or Rules approved by the Board of Trustees and regulated by the governing body of the University of Leicester (the University) in accordance with 1994 Education Act and the Charity Commission.

Registered Address

University of Leicester Students' Union, Percy Gee Building, University Road, Leicester, Leicestershire, LE1 7RH

Board Of Trustees

Executive Officer Trustees

J McDonald (appointed 1 July 2022)
H Pathan (appointed 1 July 2022)
A Robinson (appointed 1 July 2022)
K Wagener (resigned 30 June 2022)
R Jenkins
M Kanikanti (resigned 30 June 2022)
N Farmer
G Henton (resigned 30 June 2022)
A Deeb

Student Trustee

J Lin (resigned 30 June 2022)

External Trustees

S Knowles
D Moore
S Murad (resigned 30 June 2022)
A Bacon
S Harris (resigned 30 June 2022)

Independent Auditor

RSM UK Audit LLP, Chartered Accountants, Rivermead House, 7 Lewis Court, Grove Park, Leicester, Leicestershire, LE19 1SD

Bankers

National Westminster Bank Plc, Granby Street, Leicester, LE1 9GT

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

STATEMENT BY THE CHAIR AND DEPUTY CHAIR
FOR THE YEAR ENDED 31 JULY 2022

Once again, the sector faced a challenging year as everyone tried to rebuild after restrictions were completely lifted and students returned to campus full time. With campus busy and vibrant again, it has been great to see our staff team grow stronger than ever and deliver a fantastic student experience. We are confident that we've continued to deliver in spite of challenges, aided by the increased grant fund from the University. The growth in their support demonstrated the ability of the Students' Union to deliver and their faith in us as an essential part of the student experience.

While we had planned for a deficit budget, the efficiency and pragmatism of the team also allowed us to reduce that deficit and we hope that the continued work of our Business Development Lead will see that deficit shrink even more in future years. It has been brilliant to see the BDL take control of our revenue and engage with new external businesses to bring in income and add to the student experience, strengthening our capital outside of the University's grant.

An area of disappointment has been our high turnover of staff and we continue to recognise that staff retention is an area we need to address. Vacancies have left some teams operating with the tightest capacity but we are incredibly proud that the teams are always still enthusiastic and prioritise the student body above all else. We are committed to supporting our staff as much as we can, which is why we were so pleased to be able to offer cost of living support amidst the ongoing national crisis. Our ethos of support and engagement is best embodied by our staff team who always deliver on student experience.

The projects the staff have been vital in delivering have been received positively and we've seen an upwards trend in engagement across the board, from our annual Officer Elections to our Academic Representative systems. Although we continue to rely primarily on the University for income, the great relationship we have now codified with them in our Constitution has assured us that we will only be supported in continuing to grow from strength to strength in future years.

Stuart Knowles

Rhiannon Jenkins

Chair

President

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 JULY 2022

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of University of Leicester Students' Union (ULSU) (the company) for the year ended 31 July 2022. The Trustees confirm that the Annual Report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice, Charities SORP (FRS 102), "Accounting and Reporting by Charities" effective 1 January 2019.

The Annual Report and Trustees' Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

Structure, Governance & Management

ULSU's charitable objects are:

The advancement of education of Students at the University for the Public Benefit by:

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

ULSU is administered by its Board of Trustees of up to six students elected annually by cross campus secret ballot of the ULSU membership (and are full time, or 'sabbatical', posts remunerated as authorised by the 1994 Education Act and cannot exceed two years duration for each holder); up to five external trustees appointed for up to eight years (two terms of up to four years) by an appointments panel, and a student that is appointed by the appointments panel, and has no employment in any capacity with the Union.

The Board of Trustees meets at least four times a year to receive reports from individual Officers, sub-committees and the Chief Executive, to review the charity's performance and administration generally and to decide policy issues arising.

All the charity trustees receive an induction into their legal and administrative responsibilities, receiving the essential trustee guidance from the Charity Commission. Access to additional training is also provided throughout the year.

The Student Executive Officers are new to the Board every year, so they undergo a more intensive training period. The training starts during a handover period, immediately prior to them fully assuming office. This aims to ensure they are fully aware of their roles and responsibilities and can perform their duties to the best of their ability.

The Board of Trustees is assisted by three sub-committees, which focus on certain key aspects of ULSU's governance and management.

ULSU operates on democratic principles, with policy being acted upon by the six selected trustees who form the Executive Committee. During the year, members have the opportunity to bring forward ideas through Union Council or our three networks to drive student-led change. Networks are based on principles of deliberative and direct democracy. The Union's Student Ideas system also creates simple and direct opportunities for students to suggest change ideas to Union Council. Union Council also have the ability to call an all-student referendum on matters of wider importance, where required.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Structure, Governance & Management (continued)

Senior Leadership

The University of Leicester Students' Union employs a Chief Executive, Gareth Oughton, who works closely with the Student Executive Officers and Trustee Board to ensure effective management of the organisation. The Chief Executive is supported by Ambalavanar Kumaran, as Director of Membership Services.

The Strategic Leadership Team, made up of the Union's Managers, meets monthly to oversee the Union's regular activities. ULSU also employs a number of non-student full time staff to manage and administer its activities. These staff members are accountable to the Chief Executive for the performance of their duties.

Senior Staff Pay Policy

Remuneration & HR sub-committee will review pay across the organisation on an annual basis. Salary increases are at the discretion of the Union and are not a guaranteed outcome of the annual review process. Senior staff will receive the same annual pay increase as all other staff.

Relationship with University of Leicester

The relationship between the University and ULSU is established in the Regulations of the University and detailed in ULSU Rules approved by both organisations. ULSU receives a Block Grant from the University, and leases most of the Percy Gee Building owned by the University, which also pays for utilities. This non-monetary support is intrinsic to the relationship between the University and ULSU. An estimated value to ULSU for this free serviced accommodation has been included in the accounts, valued at £229,440.

Due to continuing financial pressures faced by the University, the Union worked to temporary restrictions on its core grant in 2021/22. The commitment to restore funding levels comparable to those of 2019/20 have been honoured, with the Union's funding from the institution almost back to the combined resource levels experienced pre-pandemic.

The strengthening of the partnership between the Students' Union and the University in 2021/22 means we continue to remain confident substantial financial support will continue into the future.

Risk Management

There are a number of significant risks affecting the Union. As we conclude the 2021/22 year, our risk register identified student group skills, voter turnout, organisational accountability, pension obligations, national policy changes and student misconduct as the areas of greatest concern.

Up until the end of the 2021/22 year, the greatest of risk faced by the Union has been the organisation's reliance on the University for financial stability; particularly in the context of historic tensions between the two parties. 2021/22 saw extensive efforts put into rebuilding relations and strengthening the effectiveness of the partnership, so that the student voice was effectively shared by the Union to the University.

The period between 2020-2022 saw the University's own financial challenges hit the Union's grant, leading to a profound impact to our financial position. As we move into the 2022/23 year, we are pleased to report that grant levels have been restored to a level that enables the Union to run on a stable footing. Whilst relations are strong and effective, the imbalance of grant funding: self-generated funding will always leave this matter as the largest existential threat to face the Union, no matter how strong relations are however.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Risk Management (continued)

As a result, we have taken steps to boost our own financial autonomy via investments made in our own Business Development function. In turn, this has already seen a rise in profit generated by our trading company, which can be reinvested in the charity to further extend the range of activities we can provide for our beneficiaries. As we move into the 2022/23 period, work has begun to start considering maximising potential returns we can generate through our reserves and whether opportunities exist to both further our charitable objects, whilst enabling us to benefit from a greater return from these funds.

A regularly updated risk register reflecting these areas and others is received and discussed at each board meeting.

Affiliations

The Students' Union is affiliated to the National Union of Students (NUS). Affiliation to the NUS enables the Students' Union to shape their national policy decisions, input into national campaigning priorities as well as benefit from the support services provided to member organisations. Such support services include officer training programmes and staff networking opportunities. The cost of this membership in 2021/22 was £25,303 and is anticipated to be £24,375 in 2022/23.

Commercial Partners

As a values-led organisation, the Students' Union operates a list of suppliers we prefer not to do business with or take commercial bookings from. This list is directly informed by discussion and debate from political leaders of the organisation. Where possible, we prefer to do business with similarly ethical organisations who are clear about their ethical grounding. Accordingly, this informs relationships we have with ongoing commercial arrangements we have with regular suppliers such as our principal promotional goods supplier. Further steps will be taken in the coming year to strengthen diligence regarding strengthening our supply chain to ensure suppliers are actively working to combat modern slavery, take positive environmental action and are committed to EDI.

Aims, Objectives & Activities

Our purpose is clear in our constitution, "The Union is devoted to the educational interests and welfare of its Members" and will seek at all times to:

- Ensure that the diversity of its Membership is recognised and that equal access is available to all Members of whatever origin or orientation
- Pursue its aims and objectives independent of any political party or religious group
- Pursue equal opportunities by taking positive action within the law to facilitate participation of groups discriminated against by society.

The Trustees have considered this matter, in conjunction with the guidance contained in the Charity Commission's general guidance on public benefit and have concluded that as a registered charity and Students Union, our work directly supports and benefits the students registered to study at the University of Leicester. In planning our work, we believe that the primary goals of all our activities are linked to our core aims and therefore are for the direct benefit of our member students.

2021/22 saw the Union complete the final year of our strategic cycle; one in which we worked with a clear mission to be an empowering and inclusive organisation, championing students' interests and providing a home away from home. In order to adapt to the unique and unanticipated challenges we faced in 2021/22, the core theme of our year was *Your Union, Rebuilding*.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Aims, Objectives & Activities (continued)

In planning for 2021/22, trustees recognised the year would be challenging for a variety of reasons. The permanent loss of the £275,000 commercial grant (introduced by the University to replace former commercial revenue generated by the Union), the temporary reduction in block grant funding levels and the termination of designated project funds (such as those for peer mentoring) meant the charity started the year with nearly £450,000 less in resource to allocate compared to the 2019/20 year.

Such a significant loss of funds inevitably led to a reduction in the scale of charitable operations, despite pandemic restrictions lifting and enabling near-normal operating conditions to return to campus. Difficult decisions to scale the size of operations in all areas were felt, with areas such as training and transport being ended in their former guise. These difficult decisions also resulted in a size and shape review of the charity's staffing structure, leading to a handful of roles being put at risk of redundancy and several vacant posts not replaced. Almost every department of the organisation saw capacity reduced or reorganised in a significant way.

The result of the changes to size and shape of operations concluded with a deficit budget for the 2021/22 year being approved by trustees, on the proviso that core operations opportunities could be delivered on a break-even basis in the 2022/23 year, excluding investment opportunities.

Despite the challenges we faced, the Senior Leadership Team and Board of Trustees are proud of the Union's staff for the way they have rallied around our priorities for the year; to deliver the best possible experience the organisation could for our members.

Priority areas were identified for each of our core themes, to help address the challenges faced by each area in reopening operations after the pandemic restrictions.

i. Opportunities

A lack of student-led activity delivered in person since February 2020, meant we faced a skills deficit amongst student groups committees in specialist areas of activity, as they moved into the new academic year. This was a natural effect of students having never experienced 'normal' in person activities run by these groups, let alone led them. A significant number of student groups began 2021/22 without core committee members in post, meaning we started the year with interim structures ('*adopt a society*') in place to help guide groups through the start of the academic year. Learning and development through student opportunities had to adapt to reflect this skills gap, equipping student groups to undertake a role in building friendships and creating community which had been eroded by Covid.

We anticipated challenges in rebuilding extracurricular engagement as a way of norm of University life, but entered the year assuming that students would embrace the return to in-person delivery. However, we hadn't anticipated the extent to which everyday campus life would need to be rebuilt; leading officers and staff to start development on the *Sticky Campus* project towards the latter end of the academic year; in order to proactively address a decline in footfall on campus compared to pre-pandemic levels.

Despite the sizeable challenges they had to overcome over the year, the area made significant progress against the key objectives identified during the planning process:

- Redeveloped a program of committee inductions to reflect the new operating climate of 2021/22 and the need to rebuild community on campus
- Returned Freshers' Fair to campus in September, with over 5,500 students attending each day and enabling them to swiftly engage in the activities of their choosing
- Delivered a Freshers' arrival program with over 250 student-led events, to ensure new students were welcomed to their new home away from home
- Ran our largest ever Refreshers Fair at the start of term two, catering for over 2,700 students and ensuring people had a second chance to join activities they may have missed in term one
- Distributed over £16,000 of grants to our affiliated groups against a revised set of funding criteria, enabling student-led activity to have the widest possible benefit to the Leicester experience

UNIVERSITY OF LEICESTER STUDENTS' UNION
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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Aims, Objectives & Activities (continued)

i. Opportunities (continued)

- Attracted over 11,000 student memberships to Union groups, creating opportunities for students to meet like-minded people and develop new skills
- Affiliated 47 new groups, ensuring the breadth of activity reflected the demand of the student community
- Provided operational support and development guidance for over 1,700 student-led events, enabling activity to take place safely and maximising the benefit to participants
- Initiated investment into a student media hub on the second floor of Percy Gee, creating a new home for student-led writing (with radio to follow in the future)
- Initiated the 'Be The Influence' project, leading a number of sessions including LGBT+ Awareness in Sport, Microaggressions and Anti-Racism workshops; ensuring student activities were run with inclusivity at the forefront of leaders' minds

Via our Opportunities strand, over £4,000 was fundraised for a wide range of local and national charities; ensuring the skills developed by students in running these activities had an additional benefit for organisations in wider society. The charities to benefit from student-led fundraising were:

- Beat
- Islamic Relief
- The Bridge Homelessness To Hope
- Rainbows Hospice
- Toilet Twinning
- Movember
- Menphys
- Guide Dogs For The Blind
- Mind
- One Ummah
- The Turing Trust
- Cleft
- Disasters Emergency Committee
- Women's Aid
- Papyrus UK Suicide Prevention

Nearly 12,000 volunteering hours were undertaken by student leaders working within the area, operating principally in University of Leicester premises but also leading activity in and around the local area. This voluntary activity was undertaken for a variety of purposes, with the principal aim of delivering a high-quality experience for their group's members.

ii. Voice

We needed to rebuild democratic engagement, following a drop in participation both at Leicester and across the wider Students' Union sector over the course of the pandemic-hit years. The resumption of in-person delivery and the return of students to campus created opportunities for the democratic services which drive decision making in our organisation to re-engage the levels of students formerly attracted in the last pre-pandemic year. Despite challenges to engagement levels, it was also vital that the voice function was able to ensure effective, digital approaches to digital representation weren't lost as returned to a more familiar operating context.

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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Aims, Objectives & Activities (continued)

II. Voice (continued)

Having experienced two pandemic-hit years of education, students' expectations of their University experience were fundamentally changed. Numerous aspects of approaches to teaching delivery, assessment methodology and support provision that were reimagined through necessity by the pandemic needed re-thinking once again; as Universities grappled with the challenges of blended learning in a world without Covid restrictions. In order to ensure the student voice was effectively put forward, we needed to ensure we had a robust program of representational excellence to ensure members' needs were sufficiently highlighted to key stakeholders. In order to ensure the Union was able to deliver for our members in the most effective way possible with our key external partner, extensive efforts were undertaken with the University to review the effectiveness of the working relations between both parties. Outputs from this led directly to the first set of collaborative priorities delivered between the Union's Executive Officers and the University's Executive Board

Despite the sizeable challenges they had to overcome over the year, the area made significant progress against the key objectives identified during the planning process:

- Provided training and support for over 330 course representatives, bringing levels back to pre-pandemic levels and ensuring students' views on their courses were effectively put forward to the University
- Ran the 2021 Student Leaders Conference for a record 145 attendees, ensuring representatives began the year empowered and aware of the key issues facing the student experience
- Facilitated a revised academic representation forum, featuring participation from over 130 students since the start of the year and ensuring the learner voice could be built into the University's systems
- Over 3,600 students engaged in an elections process, ensuring students had simple opportunities to choose leaders of activity across campus
- Engaged over 250 students in the Ideas system, ensuring students could contribute thoughts on how the student experience could be improved
- Delivery of two polls on the UCU strike action, enabling nearly 800 to directly shape the Union position on the matter
- Launched the Blended Learning Benchmark, to ensure students had clarity regarding academic expectations in a post-pandemic landscape
- Successfully concluded a five-year audit of the Union's governing documentation, ensuring key University decision makers were satisfied with the rigour and robustness of the organisation's processes
- 484 submissions received as part of the Superstar Award to recognise the contributions of teaching and support staff, representing a 10% compared to last year's previous record
- 141 student staff committees conducted, with over 600 issues raised for resolution and improvement by University partners
- New campaigning model embedded to help officer projects through to completion; delivering notable success on the Blended Learning Benchmark, 24 hour library opening, online assessment accessibility, sanitary products within the University, mitigating circumstances policy development for students and many others
- 90% of curriculum consultancy projects delivered their goals, to ensure that students had a chance to develop a learning experience that was inclusive and reflective of students' learning needs

Nearly 10,500 volunteering hours were undertaken by student leaders working within the area, operating principally in University of Leicester premises. This voluntary activity was undertaken for a variety of purposes, with the principal aim of effectively representing the views of their peers to the University and other local stakeholders.

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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Aims, Objectives & Activities (continued)

iii. Support

We anticipated significant levels of mental health challenge amongst the student community as a result of the impact Covid has had on their tertiary and/or higher education experience, as well as their broader personal lives. To add further complexity to this, we anticipate significant levels of social anxiety amongst students, who haven't come together in large groups since February 2020.

A real concern within the staff team existed over an increased number of students 'falling through the cracks' during the Freshers' period. The importance of the Peer Mentoring program remained critical to the student experience, but mentors themselves will be providing support having gone almost 18 months without a 'normal' university experience to use as a guide for their mentees.

Beyond Peer Mentoring, we anticipated demand on the Advice Service continuing to grow, as it had for each of the last three years. Casework regarding housing, plagiarism and other areas of academic misconduct remained areas of notable concern throughout the pandemic-hit years.

The financial challenges faced by the Union regrettably meant we started the year without proactive programs of student support development and the safety minibus, both of which we intended to keep a watching brief on in case of opportunities to develop alternatives in the future.

Despite the sizeable challenges they had to overcome over the year, the area made significant progress against the key objectives identified during the planning process:

- Advised a record-breaking 1,758 unique cases within Advice, ensuring students were given the support and guidance they needed in our key areas of housing, complaints and misconduct
- Supported an additional 1,907 Advice Reception enquiries (in addition to unique cases), as the Percy Gee building reacted to student challenges with wayfinding
- 98% of Advice Service users would rate the service 'good' or 'very good', demonstrating the high levels of satisfaction students felt the service provided them
- Recruited all bar eleven members of the first year undergraduate cohort to the Peer Mentoring program, ensuring that new students had the opportunity to be introduced to and be supported by an existing student with experience of life at Leicester
- Facilitated the Meet Your Mentor induction program for over 1,600 students, enabling new students to meet their mentors in a facilitated way
- 100% of Mentors would recommend becoming a Mentor to their friends and 96% of Mentees say they would recommend the scheme to other students, demonstrating the value students place in the benefit of the scheme
- Launched the first study abroad strand of the Peer Mentoring program, broadening the scope of the project and ensuring that students embarking on a very different phase of their student journey received the guidance from someone who'd previously been in the same boat
- Launched the first International Student Mentor strand of the program in January to support mid-year arrivals, attracting over 525 students and ensuring that the growing numbers of international PGT students arriving at the University were better familiarised with a student community that they were joining part-way through the year
- Relaunched a weekly program of externally facilitated support clinics, including dog therapy, victim support and the c-card scheme, in order to broaden the range of services accessible to the student community
- Ran the Union's first large-scale housing fair, attracting nearly 1,000 student visitors and providing initial housing contract guidance support for students who may have anxieties regarding finding suitable accommodation for the following year

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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Collaborative Officer Priorities: 2021/22

The officers worked in collaboration to present a series of joined-up priorities for the University to work on in the 2021/22 year. These were as follows:

a. Fulfilling Education Standards

- Delivery of Ignite
 - *Ensuring promises are delivered and there's a blended learning standard across schools.*
 - *Developing provision for remote learners with extra welfare and accessibility support in place.*
 - *Facilitating forums to productively understand student concerns as they appear.*
- Teaching Staff Accountability
 - *Ensuring an adherence to standards from teaching staff and following proper process re: returning feedback and communicating.*
 - *In the same way students are held to deadlines, there should be clear accountability routes in cases of dissatisfaction.*
- Consistency Across Schools
 - *Utilising SSCs appropriately to ensure communication, provision and quality is equal across all Schools and Colleges.*
- Shaping for Excellence Impact
 - *Demonstrating the positive impact the University's restructure will have on students' learning and experience.*

b. Sustainability

- Sustainability Framework
 - *Developing a sustainability framework to be considered alongside the EDI framework to inform university and union decision making.*
 - *Working towards a transparent investment policy that demonstrates commitment to divestment and improvement.*
- University Governance
 - *Making sure the university is representative of its student and local population and increasing student representation in governance.*
 - *Lobbying together for a changed approach to the University's remuneration committee membership.*
- Transparent Climate Action
 - *Working alongside the Social Impact team to acknowledge the climate emergency.*
- Sustainable Education
 - *Increasing student opportunity to work with sustainable companies.*
 - *Improving knowledge of the climate crisis and environment.*
 - *Carrying out a sustainability audit on teaching syllabi.*

c. Employability & Careers

- Skills Log Development
 - *Providing students with tools to translate transferable skills onto their CV.*
 - *Promoting the My Student Journey system.*
- Alumni Network
 - *Connecting societies and students to alumni with industry expertise to provide interest-relevant support and mentoring opportunities.*
 - *Working on the Citizens in Residence program.*
- Course Employability
 - *Growing placement and industry opportunities for students across all subject areas which promote transferable skills, research and personal development.*
- RAG & Volunteering
 - *Developing volunteer baseline and working with local charities to connect society efforts.*

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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Collaborative Officer Priorities: 2021/22 (continued)

d. Inclusion

- Intersectionality
 - *Recognising the many intersectional identities that make up our community and improving the education about their experiences, as well as offering nuanced support.*
- Funding Availability
 - *Increasing financial support available for marginalised students.*
 - *Supporting liberation driven work and research.*
- Safe Spaces
 - *Developing safe spaces for marginalised students to fully participate and ringfencing funding (particularly in sport).*
 - *Increasing support for students with caring responsibilities.*
- Appropriate Training
 - *Reviewing and improving the current standard of training given to support and teaching staff to ensure there's a standard level of liberation competency.*

e. Welfare

- Counselling Services
 - *Improving the availability and resources of the counselling service.*
 - *Outsourcing counselling that requires nuance and expertise for liberation groups.*
 - *Offering specialised counselling for trauma.*
- Survivor Support
 - *Continuing to improve sexual violence reporting systems and providing survivor focused support.*
 - *Working to improve the safety of Victoria Park and the available support on nights out.*
- Wellbeing Projects
 - *Financially supporting projects that promote the welfare of students, such as the Locker Room and Wellbeing Wednesday.*
- Behaviour Standards
 - *Creating behaviour standards within the sporting community to improve local relationships.*
 - *Incorporating and providing nuance to consent and active bystander training.*

f. Accessibility & Affordability

- Tuition Fee Transparency
 - *Nationally advocating for better tuition fee provision and support.*
 - *Locally continuing to improve the transparency of where students' fees go.*
 - *Addressing course disparities.*
- Accessibility Audit
 - *Outsourcing the audit which will centre the needs of disabled students.*
 - *Prioritising the review of physical and online spaces to ensure safety for students with visible and invisible disabilities.*
- Accommodation Costs
 - *Looking at accommodation costs and ensuring accessible need don't come at an extra price.*
 - *Working to remove hidden costs in accommodation.*
- Inclusion & Hardship Fund
 - *Removing participation barriers in academia and sports to ensure a fully representative student community.*

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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Looking Ahead

We're proud to present our strategic plan for 2022-2026

Mission:

To represent and empower students in achieving their full potential.

Vision:

By 2026, students will see us as an empowering, outstanding union that effectively represents their interests.

Values:

Our aspirations are about enhancing students' lives. Our work to achieve these aspirations is underpinned by our values:

- **We are led by students.** We believe students make the best decisions about what impacts them.
- **We remove barriers.** The full diversity of students should be supported by everything we do.
- **We are proudly radical.** We are bold, innovative and challenge the status quo.

Strategic Priorities:

The priorities identified below set out the core programs of work the Union intends to embark upon from 2022/23 – 2025/2026.

Strategic Theme 1 – Students Leading Education

We make sure every student feels engaged with their education, is connected to a learning community and is supported to fulfil their academic potential. We will enable students to think critically about their education and shape discussions about how it could be improved.

- **Our Goal By 2026:**

We'll build a coherent voice for students' academic interests, by being the critical friend of the University and improving members' education, with 65% of students agreeing the Union effectively represents their academic interests.

Strategic Theme 2 – Vibrant Student Communities

We're invested in creating an environment where student-led activities thrive. We'll help make the wider student experience at Leicester outstanding by giving students power and opportunity to shape their own communities.

- **Our Goal By 2026:**

We will widen the breadth of engagement with students in the extracurricular experience at Leicester, with 62% of students being a member of one group during their time at Leicester.

Strategic Theme 3 – A Fairer Student Life

We want students to be able to enjoy their time at Leicester; not have their time marred by injustice. We will work tirelessly to reduce the cost of the Leicester experience, ensure students live in affordable housing and we will fight to remove the barriers faced by our members.

- **Our Goal By 2026:**

To build an ongoing conversation amongst members about their student lives and drive continuous improvement in their personal wellbeing, with Leicester students' mean score on the Warwick-Edinburgh mental wellbeing scale tracking favourably to the 16-24 year old national mean average.

Supporting Enablers:

The areas of work identified below will help us in achieving our three core priorities.

Supporting Enabler 1 – People

We aim to be an employer of choice by developing forward thinking people policies and creating an organisation staff want to join and stay part of, with the Union having an employee net promoter score of 25.

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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Looking Ahead (continued)

Supporting Enabler 2 - Finances

We will secure a block grant that compares favourably with the University's Students' Union benchmark group and support continued growth to our independently generated funds; achieving a block grant of £85 per FTE student by 2026 and over £200k of business development profit.

Supporting Enabler 3 – Communications

In order to communicate and engage effectively, we will develop a robust segmentation model to tailor messages based on the needs of our members, with 85% of students saying the Union communicates well with them.

Strategic Theme – Students Leading Education		In 2022/2023 we will
Our Goal By 2026	65% of students will agree the Union effectively represents their academic interests	56% of students will agree the Union effectively represents their academic interests

Priority 1 – Transforming Students Education		In 2022/2023 we will
Our Goal By 2026	We will produce an annual impact report across the lifecycle of this plan, demonstrating how the learner voice has been enhanced by the work of student representatives	Publish our first impact report to all students, detailing the change to the learner voice brought about by representatives at an institutional level
Our Goal By 2026	We will develop student-led visions for the future of education within each school, to shape the learning of future generations of students	Run a pilot scheme within 3 schools where staff and representatives will agree a joint action plan for term one and two

Priority 2 – An Inclusive Curriculum		In 2022/2023 we will
Our Goal By 2026	We will build a case for a liberated curriculum, reflecting on the diversity of programmes and the best environment in which diverse students can learn	Develop the output of the curriculum consultant project, whereby 90% achieve their established outcomes by year-end
Our Goal By 2026	We will undertake a member-led review of assessment methodology, so students can shape the reformation of assessment practices so they fully support student success	Undertake research to identify students' views on assessment methodology at a local level and present findings

Priority 3 – Transforming Students Education		In 2022/2023 we will
Our Goal By 2026	We will develop student-led annual program review schemes for academic programmes, to influence future student written submissions to the Teaching Excellence Framework	Secure a formal role for the Union in the University's annual program review process
Our Goal By 2026	We will create capacity to develop educational support provided by the Union to the postgraduate research community	Identify models of best practice in the sector and identify simple opportunities for adaption to our existing representative model

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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Looking Ahead (continued)

Strategic Theme – Vibrant Student Communities		In 2022/2023 we will
Our Goal By 2026	Over 60% of students will have been a member of at least one group during their time at Leicester	53% of students will have been a member of at least one group during their time at Leicester

Priority 1 – Championing International Student Engagement		In 2022/2023 we will
Our Goal By 2026	We will enhance tailored support and funding for national and cultural societies in broadening their reach and their ability to host regular showcase events	Develop tailored training, leading to 20% increase in successful funding applications
Our Goal By 2026	We will develop an international students strategy which builds strong networks and support to keep up with University recruitment growth	Undertake international student research to establish baseline level of international student satisfaction with Union provision and develop international student engagement strategy

Priority 2 – Delivering On Students' Interests		In 2022/2023 we will
Our Goal By 2026	We will ensure each student's interests are represented in an activity supported by the Union	Streamline society search function and make it easier to understand what student groups provide
Our Goal By 2026	We will develop a tiered student group development programme and committee mentoring scheme, to assist with leadership continuity across years	Develop a pilot scheme for ten student groups

Priority 3 – Making A Powerful Local Impact		In 2022/2023 we will
Our Goal By 2026	Student volunteers will have a regular, powerful impact in their local community	We will establish a free micro-volunteering programme to enable students who want to actively contribute to their local community with the limited time they have, with 5 one-off projects
Our Goal By 2026	Develop community organising capacity, to ensure students have opportunities to harness their skills and work with local partners to solve problems faced by all Leicester citizens	Undertake a stakeholder mapping exercise with local decision makers and potential partners in the community, to build our understanding of problem solving the issues most commonly facing our members

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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Looking Ahead (continued)

Strategic Theme – A Fairer Student Life		In 2022/2023 we will
Our Goal By 2026	Leicester students' wellbeing will track comparably to the Warwick-Edinburgh Mental Wellbeing Scale for 16-24 year olds nationally	Leicester students' mean score on the WEMWBS will be 50.5

Priority 1 – Leading The Fight Against Sexual Violence		In 2022/2023 we will
Our Goal By 2026	We will hold termly meetings with stakeholders from local authorities to influence steps needed to enhance student safety in the local night-time economy	Undertake a stakeholder mapping exercise with local night time economy service providers and licensing authorities, to identify key partners in building our reach
Our Goal By 2026	We will secure dedicated funding to enhance the range of support options available to survivors of sexual violence	Mapping existing provisions and undertaking research with students to identify gaps in provision

Priority 2 – A Champion For Students' Rights		In 2022/2023 we will
Our Goal By 2026	We will develop the Advice Service to improve awareness of students' rights with regard to OfS, CMA, employment law and tenancy frameworks	We'll undertake research to establish the level of understanding amongst students when it comes to their rights as employees, tenants, learners and consumers
Our Goal By 2026	We will develop a comprehensive, student-led review of complaints and disciplinary processes on campus	We will undertake sector-wide research into examples of best practice regarding Union complaints and disciplinary processes, to implement change

Priority 3 – A Financially Accessible Student Experience		In 2022/2023 we will
Our Goal By 2026	We will produce a College-by-College cost of living guide for students, in order to target support where it's most needed	We will launch a fully researched cost of living guide for all schools within the College of Social Sciences, Arts & Humanities
Our Goal By 2026	We will establish a tool for the sector to benchmark the cost of University-owned accommodation, in order to establish a fair set of metrics for any changes to	We will publish in-depth financial research into the operational costs of halls, to develop students' understanding of their value for money

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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Collaborative Officer Priorities: 2022/23

a. Education

- Teaching Excellence Framework
 - *Produce a high quality student-written submission*
 - *Utilise survey data to ensure the majority of student views are heard through the process*
- Academic Representation Payment
 - *Implementing a new reward scheme to support student representatives*
 - *Facilitate busy forums with each academic school represented*
- Post-Pandemic Benchmark
 - *Revamp the Blended Learning Benchmark and support the introduction of a personal tutor benchmark*
 - *Give students and staff more accountability*

b. Sport

- Team Leicester Representation
 - *Increase the number of Sports Council roles, to improve representation and engagement*
 - *Publish the costs associated with joining a sport, broken down by each club*
 - *Improve the accessibility of the returning hardship fund*
- Para Sports Week
 - *Ensure 30% of Team Leicester clubs support delivery*
 - *Increase the awareness of para sports*
 - *Improve the provision available to disabled students*

c. Wellbeing

- Cost of Living
 - *Review the accessibility of hardship funds*
 - *Ensure ring-fenced and targeted support for international students*
 - *Introduce free daily breakfasts on campus*
 - *Undertake a hidden costs audit*
 - *Produce a financial toolkit for student skill building*
- Accessible Spaces
 - *Ensure the recommendations of the accessibility audit are implemented*
 - *Introduce a sensory room on campus*
 - *Work to provide a wider range of alternative, inclusive social opportunities*

d. Liberation

- #Leics Decolonise
 - *Produce a five year plan as legacy project for following officers*
 - *Launch #LeicsDecolonise fest with safe spaces, educational talks and celebratory events*
 - *Shifting culture around understanding decolonisation education protocol*
 - *Decolonising education protocol*
- Student Support
 - *Running an LGBTQ+ housing survey*
 - *Addressing gender options on MyStudentRecord*
 - *Creating a black student experience working group*

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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Collaborative Officer Priorities: 2022/23 (continued)

e. Democracy & Union Development

- Engagement
 - *Creating a passport scheme, with 90% of student groups engaged*
 - *Rewarding participation to increase awareness of opportunities*
 - *Delivering the sticky campus project and facilitating an event in November to check in on student pulse*
- Union Transparency
 - *Introduce officer surgeries*
 - *Publish Council agenda ahead of time, built on student feedback*
 - *Promote scrutiny process through videos*

f. Activities

- Engagement
 - *Review communication channels to students to improve efficiency*
 - *Review room booking service to give students and staff more control*
 - *Improve support for new student groups to help their establishment*
 - *Improve the visibility of the work done by student groups and the opportunities offered*
- Raising and Giving
 - *Introduce RAG month to focus student engagement across a series of awareness weeks*
 - *Deliver a successful Movember with campus-wide competition*
 - *Return the amount fundraised to pre-pandemic levels*

Financial Review

ULSU's gross income from all sources this year totalled £1,829,128 (2021: £1,695,205). Total expenditure was £1,513,198 (2021: £1,922,325) resulting in a surplus for the year of £315,930 (2020: £227,120 deficit), increasing ULSU's total reserves to £1,063,158 (2021: £747,228). Of this, £776,272 (2021: £478,808) were unrestricted funds and £286,886 (2021: £268,420) were restricted.

Whilst the Union has continued to benefit from the recognition and support of the University, the annual block grant remained at a constricted level of £900,000, decreased to £809,685 in 2021 because of financial challenges posed to the University by the pandemic. Unlike in previous years, there were no additional grants received for project funding, barring a modest £7,500 pot for liberation activities (2021: £386,736).

The Union's trading subsidiary generated a trading surplus of £142,945 (2021: £12,537) which is gift aided to the Union.

The Board of Trustees approved a deficit budget for the 2021/22 year, in order to ensure the Union could rebuild from the pandemic and tackle a restructure that would help ensure the charity could operate on a stable financial footing when grant levels returned to previous levels, as they have done for the 2022/23 financial year.

The University of Leicester Students' Union Trading Ltd holds a 50% ownership in Student Union Lettings Limited. The company is registered as a charitable company limited by guarantee. 50% of the net income and assets of the company have been included in these financial statements.

Financial Statements

The financial statements for the year ended 31 July 2022 are set out on pages 25-50. These were prepared applying the Accounting Policies set out on pages 29-33.

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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Investment Policies

The Union aims to generate returns on the cash it holds in the bank at any given point. The purpose is to yield the best financial return within the level of risk considered acceptable - this return can then be spent on the charity's aims.

Delivery of our core services is met through the block grant funding received from the University, the commercial grant and any commercial partnerships in return for access to our members. Income generated on any invested reserves should not be required to support ongoing core activities of the Union.

The level of risk must always be identified and must fall within the acceptable levels stated by the Finance & Audit sub-committee. Investment risk should also be reduced by ensuring that the savings are diversified.

Before any funds are invested the Finance Manager must prepare a cash flow to ensure that the Union has enough cash to meet its working capital requirements. Any funds not required in the short term may then be invested short-term deposits and any funds not needed in the medium-long term can then be invested wisely in longer-term investments to generate a greater yield. Funds not needed for short term operational needs can be deposited with reputable institutions, provided that the agreed risk ratings and limits are adhered to. Deposits should always be split between UK based institutions with different banking licenses, to reduce the risk from institutional failure.

Where possible the Union seeks to diversify short-term deposits across different banking licenses, to reduce the exposure of the reserves from the failure of any one bank.

In order to generate a greater return, funds not required in the short term may be invested in longer term deposits which offer a higher yield. Funds may also be invested in other financial products, considered to be low risk and offered by regulated and reputable institutions.

It is important that the Union can gain access to its funds, should some urgent need arise; therefore investment products used must allow for fund withdrawals that cover a wide range of timescales in order to enable this.

Union policies precluding investments in certain organisations would be taken into account, when considering investments.

To consider opportunities for utilising of available funds, the Union's trustees have established an Investment Working Group to consider opportunities available to improve the return generated on the cash we currently hold in the bank.

Funds & Reserves

The Union aims to hold 6 months wages in free reserves, plus £25,000 of operating costs in the current year. This would enable an orderly winding down of the organisation in the event it was necessary.

The Board of Trustees have agreed to hold £275,000 to protect the charity regarding the Leicester Services commercial grant which came to an end in 2021/22. All remaining free reserves are held as a designated fund for capital and strategic projects to transform the student experience.

Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they 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.

The Board of Trustees confirms that ULSU has sufficient funds to meet all its obligations. The block grant for 2022/23 has been confirmed at £1,225,411.

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TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2022

Auditor

RSM UK Audit LLP have indicated their willingness to be reappointed for another term. In accordance with the Companies Act 2006 a resolution proposing the reappointment of RSM Audit LLP as Auditor will be put to the members.

Trustees' Responsibilities Statement

The Trustees (who are also directors of University of Leicester Students' Union for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continued in operation.

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

Statement of Disclosure to Auditor

So far as each Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware. Additionally, each Trustee has taken all the necessary steps that they ought to have taken as a Trustee in order to make themselves aware of all relevant audit information needed and to establish that the charitable group's auditor is aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

This report was approved by the Board of Trustees on 27/03/23 and signed on their behalf by:



R Jenkins
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF LEICESTER STUDENTS' UNION

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 July 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Trustee's Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustee's 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; 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 exemption from the requirement to prepare a Strategic Report in preparing the Trustees' Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 20, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)

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

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

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

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

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

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the employment regulations, Equality Act 2010, GDPR and data protection act, and health and safety regulations. We performed audit procedures to inquire of management whether the group is in compliance with these laws and regulations and inspected correspondence with regulatory authorities

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Gareth Jones (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Rivermead House
7 Lewis Court
Grove Park
Leicester
Leicestershire
LE19 1SD

Date: 29/03/2023

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

**GROUP STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2022**

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:					
Donations and legacies	2	1,136,940	-	1,136,940	1,434,787
Charitable activities		-	409,488	409,488	109,079
Other trading activities	3	196,188	-	196,188	38,364
Investments:	4				
Share of joint venture net income		65,718	-	65,718	103,279
Interest received		2,231	-	2,231	1,366
Other income		18,563	-	18,563	8,330
TOTAL INCOME		1,419,640	409,488	1,829,128	1,695,205
EXPENDITURE ON:					
Raising funds		53,243	-	53,243	27,827
Charities activities		1,068,933	391,022	1,459,955	1,894,498
TOTAL EXPENDITURE	5	1,122,176	391,022	1,513,198	1,922,325
NET INCOME/(EXPENDITURE)		297,464	18,466	315,930	(227,120)
NET MOVEMENT IN FUNDS	16	297,464	18,466	315,930	(227,120)
RECONCILIATION OF FUNDS:					
Total funds brought forward	16	478,808	268,420	747,228	974,348
TOTAL FUNDS CARRIED FORWARD	16	776,272	286,886	1,063,158	747,228

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

Details of the comparative group statement of financial activities are included in note 21.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

GROUP BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2022

Company registration number 07303101

	Notes	£	2022 £	£	2021 £
FIXED ASSETS					
Tangible assets	10		156,909		30,977
Investments in joint ventures					
- Share of gross assets		878,623		841,015	
- Share of gross liabilities		(57,955)		(86,065)	
Share of net assets	11		820,668		754,950
Investments in associates	11		-		-
			<u>977,577</u>		<u>785,927</u>
CURRENT ASSETS					
Stocks	13	-		78	
Debtors	14	89,090		34,051	
Cash at bank and in hand		1,808,367		1,897,937	
			<u>1,897,457</u>	<u>1,932,066</u>	
CREDITORS: amounts falling due within one year	15	(149,122)		(73,458)	
NET CURRENT ASSETS			<u>1,748,335</u>		<u>1,858,608</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,725,912</u>		<u>2,644,535</u>
Defined pension scheme liability	19	(1,662,754)		(1,897,307)	
NET ASSETS			<u>1,063,158</u>		<u>747,228</u>
THE FUNDS OF THE CHARITY					
Restricted funds	16	286,886		268,420	
Unrestricted funds	16				
General funds		1,276,981		1,200,516	
Designated funds		1,162,045		1,175,599	
Pension reserve		(1,662,754)		(1,897,307)	
			<u>776,272</u>	<u>478,808</u>	
TOTAL CHARITY FUNDS			<u>1,063,158</u>		<u>747,228</u>

The financial statements on pages 25 to 50 were approved and authorised for issue by the Board of Trustees on 27/03/23 and signed on their behalf, by:



R Jenkins
Trustee

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

CHARITY BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2022

Company registration number 07303101

	Notes	£	2022 £	£	2021 £
FIXED ASSETS					
Tangible assets	10		156,909		30,977
Investments	11		2		2
Investments in associates	11		-		100
			<u>156,911</u>		<u>31,079</u>
CURRENT ASSETS					
Stocks	13	-		78	
Debtors	14	25,381		33,745	
Cash at bank		1,808,367		1,897,937	
			<u>1,833,748</u>	<u>1,931,760</u>	
CREDITORS: amounts falling due within one year	15	(85,415)		(73,154)	
NET CURRENT ASSETS			<u>1,748,333</u>		<u>1,858,606</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,905,244</u>		<u>1,889,685</u>
Defined pension scheme liability	19		(1,662,754)		(1,897,307)
NET ASSETS/(LIABILITIES)			<u>242,490</u>		<u>(7,622)</u>
THE FUNDS OF THE CHARITY					
Restricted funds	16		286,886		268,420
Unrestricted funds	16				
General funds			456,313		445,666
Designated funds			1,162,045		1,175,599
Pension reserve			(1,662,754)		(1,897,307)
			<u>(44,396)</u>		<u>(276,042)</u>
TOTAL CHARITY FUNDS			<u>242,490</u>		<u>(7,622)</u>

As permitted by S408 Companies Act 2006, the charitable company has not presented its own statement of financial activities and related notes as it prepared group accounts. The charitable company's surplus for the year was £250,112 (2021 : £(330,399) deficit).

The financial statements on pages 25 to 50 approved and authorised for issue by the Board of Trustees on 27/03/23 and signed on their behalf, by:

R Jenkins
Trustee



UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2022

	Note	2022 £	2021 £
Cash flows from/(to) operating activities			
Net cash provided by/(used in) operating activities	18	54,455	(371,829)
Cash flows from investing activities:			
Interest received		2,231	1,366
Purchase of tangible fixed assets		(164,242)	-
Proceeds on disposal of tangible fixed assets		17,986	-
Net cash (used in)/provided by investing activities		(144,025)	1,366
Change in cash and cash equivalents in the year		(89,570)	(370,463)
Cash and cash equivalents brought forward		1,897,937	2,268,400
Cash and cash equivalents carried forward		1,808,367	1,897,937

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES

Charity Information

University of Leicester Students' Union is a private incorporated charitable company (company register number 07303101) limited by guarantee, incorporated in England and Wales. Its registered office and principal place of business is University of Leicester Students' Union, Percy Gee Building, University Road, Leicester, Leicestershire, LE1 7RH. The charitable company is also registered at the Charity Commission with a charity number of 1137811.

The main aims of the University of Leicester Students' Union are the advancement of the students at the university for the public benefit.

Basis of preparation of financial statements

Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)) (effective 1 January 2019) the Financial Reporting Standard applicable in the UK and Republic of Ireland including adoption of the amendments issued in December 2017 (FRS 102) and the requirement of Company's Act 2016.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

University of Leicester Students' Union meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

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

The financial statements of the charitable company are consolidated in these financial statements of University of Leicester Students' Union and these financial statements are available from the registered office.

Basis of consolidation

The Statement of Financial Activities and Balance Sheet consolidate the financial statements of the charitable company and its subsidiary undertaking. The results are consolidated on a line by line basis, all intra-group transactions and balances with the subsidiary are eliminated on consolidation. Joint ventures and associates are stated at the group's share of net assets, to the extent this is not impaired, and the group's share of the net share of the profits or losses of the joint ventures and associates is included in the Statement of Financial Activities using the equity accounting basis. All the financial statements are made up to 31 July 2022.

No separate Statement of Financial Activities has been presented for the charitable company alone as permitted by section 408 of the Companies Act 2006 as it prepares group accounts and the charitable company's individual balance sheet shows the charitable company's net movement in funds in the financial year.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES (continued)

Going concern

Following the financial impact of the Covid-19 pandemic, the Students' Union has continued on a phased business continuity plan to respond to the changed environment. A restructure of the staffing team in the summer of 2021, alongside forecasts for the coming three years have modelled how a fall in University funding will impact the Students' Union. These forecasts are based on known information at the time of compiling and will be monitored and modified on an ongoing basis. Based on this and the available cash reserves, the trustees consider that the group has adequate funds and sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts. The trustees also consider that its anticipated future objectives can be met and have therefore prepared the financial statements on the going concern basis

Company status

The charitable company is limited by guarantee. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

Funding accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objective of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the charitable company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the Bank.

Grants

The recurrent block grant is receivable from the University of Leicester. The grant is credited to the income and expenditure account in the year to which it relates.

Project support grants are project based and include grants which are receivable from the University of Leicester and other funding bodies.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grant will be received.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs (including governance costs) which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the assets use.

Tangible fixed assets and depreciation

Tangible fixed assets are initially recorded at cost and subsequently measured at cost, net of depreciation and any provision for impairment. Tangible fixed assets costing more than £1,000 are capitalised and all other expenditure is charged to the statement of financial activities in the year incurred.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and equipment - 20% - 33% of cost

Investments

The charitable company's fixed asset investments are valued at cost which is the Trustees' best estimate of fair value, as these assets are not readily saleable and a reliable market value is not readily ascertainable.

- (i) **Subsidiary undertakings**
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) **Associated undertakings**
Investments in associates are valued at cost less provision for impairment.
- (iii) **Joint ventures**
Investments in the joint ventures are valued at cost less provision for impairment.

Impairment of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the charitable company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment losses are recognised in statement of financial activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in statement of financial activities. On reversal of an impairment loss, the depreciation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES (continued)

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises of direct materials.

At each reporting date, the charitable company assesses whether stocks are impaired or if any impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in statement of financial activities.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade and other debtors and amounts owed by group undertakings are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash and cash equivalents

Cash and cash equivalents includes cash and monies on short-term deposits at the bank and other short-term liquid investments with original maturities of three months or less.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Pensions

The Union participates in the Students' Union Superannuation Scheme, which is a defined benefit pension 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 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. However, the Union has entered into an arrangement to clear the scheme deficit over a 20 year period. The Net Present Value of the Union's contributions as part of this plan are reflected as a liability on the balance sheet, which will reduce as they are paid.

The charitable company also contributes to the NUS Aegon Pension Scheme and the government approved NEST scheme. The annual contributions payable are charged to the statement of financial activities.

Taxation

No provision for corporation tax has been made as the charitable company is exempt from corporation tax on its income and gains to the extent that these are applied to its charitable activities. The non-charitable subsidiaries will be subject to Corporation Tax on any profits not gift aided to the charitable parent within 9 months of the balance sheet date.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

1. ACCOUNTING POLICIES (continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Critical accounting estimates and areas and judgement

The charity makes estimates and assumptions concerning the future and acknowledges that the resulting accounting estimates and assumptions will, by definition, seldom equal to related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- (i) **Pension deficit contribution**
The charity has entered into a commitment to provide deficit funding to the Students' Union Superannuation Pension Scheme, of which it is a contributing employer.

Under FRS 102, the fair value of the commitment is recognised. The calculation of the fair value of the commitment is subject to an assumption of the discount rate. This discount rate is determined by reference to market yields at the reporting date on high quality corporate bonds. The commitment included in the balance sheet at the balance sheet date is £1,662,754 (2021: £1,897,307).
- (ii) **Donation of facilities by University of Leicester**
In accordance with the Charities SORP FRS 102, the Union and its trading subsidiary has valued the benefit it receives from occupying facilities owned by the University on a rent-free basis, at the trustees' estimate of market value at £229,440 (2021: £229,440).
- (iii) **Support costs**
Many of the costs incurred by the Union such as support staff costs and service costs are shared between activities. The Union's policy is to allocate these costs on the basis of assessed consumption.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations and University Grants	907,500	-	907,500	1,111,343
Grant of serviced accommodation	229,440	-	229,440	229,440
Peer mentoring funds restricted income	-	-	-	48,000
Sports grant	-	-	-	34,794
Job retention scheme grants	-	-	-	11,210
Total donations and legacies	1,136,940	-	1,136,940	1,434,787

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

3. OTHER TRADING ACTIVITIES

The University of Leicester Student's Union owns 100% of the issued share capital of its subsidiary, University of Leicester Students' Union Trading Ltd, a company which is incorporated in England and Wales (company number 02821506). The registered office of University of Leicester Students' Union Trading Ltd is the same as University of Leicester Student's Union. The subsidiary participates in trading activities relating to the charitable company. Its taxable profits are donated to the charitable company. A summary of the subsidiary's results which are consolidated in these financial statements is shown below:

Statement of income	2022 £	2021 £
Turnover	196,188	38,364
Cost of sales	(14,251)	(781)
Gross profit	181,937	37,583
Administrative expenses	(38,992)	(27,046)
Other operating income	-	2,000
Profit before and after taxation for the financial year	142,945	12,537
Distribution to parent charity under gift aid	(142,945)	(12,537)
Result for the financial year	-	-

The net assets of University of Leicester Students' Union Trading Ltd at 31 July 2022 amounts to £2 (2021: £2 net assets), being current assets of £64,304 (2021: £14,954) less creditors within one year of £64,302 (2021: £14,952).

4. INCOME FROM INVESTMENTS	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Share of joint venture net income	65,718	65,718	103,279
Bank interest received	2,231	2,231	1,366
	67,949	67,949	104,645

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

5. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff Costs 2022 £	Depreciation 2022 £	Other Costs 2022 £	Total 2022 £	Total 2021 £
University of Leicester Students' Union Trading Ltd	28,423	-	24,820	53,243	27,827
Costs of raising funds	28,423	-	24,820	53,243	27,827
Education & representation	366,328	6,673	63,450	436,451	601,118
Welfare	67,102	3,977	27,458	98,537	211,030
Campaigns and Communications	118,935	5,325	33,149	157,409	269,165
Societies & clubs	236,930	10,986	490,749	738,665	687,838
Sports grant	-	-	-	-	34,794
Peer mentoring	2,090	-	50	2,140	42,570
Training	26,753	-	-	26,753	47,983
Costs of charitable activities	818,138	26,961	614,856	1,459,955	1,894,498
	846,561	26,961	639,676	1,513,198	1,922,325

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

Certain central overhead support costs have been reallocated to the various activities as noted in the accounting policies. The effect of this reallocation on the various expenditure heading is shown here:

	Activities undertaken directly 2022 £	Support costs 2022 £	Total 2022 £	Total 2021 £
Education & representation	342,711	93,740	436,451	601,118
Welfare	(25)	98,562	98,537	211,030
Campaigns and communications	-	157,409	157,409	269,165
Societies & clubs	420,204	318,461	738,665	687,838
Sports grant	-	-	-	34,794
Peer mentoring	2,140	-	2,140	42,570
Training	26,753	-	26,753	47,983
Total	791,783	668,172	1,459,955	1,894,498

Support costs comprised:-

	2022 £	2021 £
Staff costs	471,221	506,584
Depreciation	26,961	32,528
Rent	229,440	229,440
Insurances	15,708	14,609
NUS Subscription	25,302	25,303
Pension Scheme Funding	(234,553)	358,468
Marketing costs	5,714	8,065
Stationery and telephone	1,439	2,756
General building repairs and cleaning	-	4,551
Bank charges	2,120	1,932
Other support costs	124,820	123,695
Loss on disposal of fixed assets	-	249
Total	668,172	1,308,180

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

7. NET INCOME/(EXPENDITURE)

This is stated after charging	2022	2021
	£	£
Depreciation of tangible fixed assets: - owned by the charitable group	26,961	32,528
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services as are follows:		
	2022	2021
	£	£
Audit services – statutory audit of charitable company and consolidated accounts	22,275	16,650
Other services:		
Audit services – statutory audit of associates of the charitable company	2,475	1,950
Taxation compliance service	2,650	2,500
All other non-audit services	8,500	5,250
	35,900	26,350

8. STAFF COSTS

Staff costs were as follows:	2022	2021
	£	£
Wages and salaries	735,545	799,178
Social security costs	61,829	67,234
Other pension costs	49,187	52,511
	846,561	918,923

During the year, the charitable company made three (2021: two) redundancy and termination payments amounting to £30,574 (2021: £17,695).

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

	2022	2021
	No.	No.
Full time	27	30
Students – term time only	13	21
	40	51

No employees received remuneration of more than £60,000 during the current or prior year.

Key management personnel of the charitable company are considered to be the trustees, the Director of membership services and the Chief Executive Officer. During the year, key management personnel received remuneration (including employers national insurance contributions) of £289,127 (2021: £285,630).

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

9. TRUSTEES' REMUNERATION

TRUSTEE NAME	Salary £	Pension £	Total 2022 £	Total 2021 £
A Magala (resigned 19 June 2021)	-	-	-	19,723
A Rahman (resigned 30 June 2021)	-	-	-	20,031
M Nembhard (resigned 30 June 2021)	-	-	-	19,885
H Belcher (resigned 30 June 2021)	-	-	-	20,031
K Wagener (resigned 30 June 2022)	19,459	973	20,432	21,852
H Pathan (appointed 1 July 2022)	3,538	88	3,626	-
R Jenkins	21,228	1,061	22,289	1,821
E Phipps (resigned 30 June 2021)	-	-	-	19,077
M Kanikanti (resigned 30 June 2022)	19,459	973	20,432	1,821
J McDonald (appointed 1 July 2022)	3,538	177	3,715	-
N Farmer	21,228	1,061	22,289	1,821
G Henton (resigned 30 June 2022)	19,459	973	20,432	1,821
A Robinson (appointed 1 July 2022)	3,538	88	3,626	-
A Deeb	21,228	-	21,228	1,734
Total	132,675	5,394	138,069	129,617

There were no other trustee-benefits for the year (2021: £nil). Eight (2021: four) trustees received reimbursement of expenses in relation to travel and subsistence totalling £2,945 (2021: £610).

10. TANGIBLE FIXED ASSETS

Group and Company Cost	Fixtures and equipment £
At 1 August 2021	300,750
Additions	164,242
Disposals	(40,440)
At 31 July 2022	424,552
Depreciation	
At 1 August 2021	269,773
Charge for the year	26,961
Eliminated on disposal	(29,091)
At 31 July 2022	267,643
Net book value	
At 31 July 2022	156,909
At 31 July 2021	30,977

The net book value of fixed assets represents:	2022 £	2021 £
Assets used for charitable activities	156,909	30,977

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

11. FIXED ASSET INVESTMENTS

	Investments in joint venture £
Group	
Share of net assets	
At 1 August 2021	754,950
Share of profit	65,718
At 31 July 2022	<u>820,668</u>

The group's investment in its principal associate has been impaired on consolidation.

	Shares in Group Undertakings £	Investments in associates £	Total £
Company			
Cost			
At 1 August 2021	2	100	102
Disposals	-	(100)	(100)
At 31 July 2022	<u>2</u>	<u>-</u>	<u>2</u>

During the year the Student Union disposed of its investment in The Leicester Service Partnership Limited for nil consideration.

12. PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

a. Principal subsidiaries

University of Leicester Students' Union Trading Ltd

Subsidiary name	University of Leicester Students' Union Trading Ltd
Company registration number	02821506
Basis of control	Wholly owned subsidiary
Equity shareholding %	100%

b. Principal joint ventures

The University of Leicester Students' Union Trading Ltd, has a 50% joint ownership in the entity Student Union Lettings Limited, a charity which is registered in England and Wales.

The nature of the business is that of a student lettings agency and its registered office is First Floor Campus Centre Building, Mill Lane, Leicester, Leicestershire LE2 7DR.

Student Union Lettings Limited (trading as Sulets) is a company limited by guarantee and is therefore held as an investment in University of Leicester Students' Union Trading Ltd at nil value, reflecting its recoverable value to University of Leicester Students' Union Trading Ltd and therefore its parent undertaking, University of Leicester Students' Union.

The group constitutes 50% of the ownership, therefore the group's share of income is £729,746 (2021: £956,242) and share of expenditure is £664,028 (2021: £852,963). The group's share of the total assets is £878,623 (2021: £841,015) and total liabilities of £57,953 (2021: £86,062).

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

13. STOCKS	Group	2021	Company	2021
	2022		2022	
	£	£	£	£
Stocks	-	78	-	78
	<u>-</u>	<u>78</u>	<u>-</u>	<u>78</u>
 14. DEBTORS	 Group	 2021	 Company	 2021
	2022		2022	
	£	£	£	£
Trade debtors	3,975	8,218	2,347	7,914
Other debtors	2,202	2	2,200	-
Prepayments and accrued income	82,913	25,831	20,834	25,831
	<u>89,090</u>	<u>34,051</u>	<u>25,381</u>	<u>33,745</u>
 15. CREDITORS: Amounts falling due within one year	 Group	 2021	 Company	 2021
	2022		2022	
	£	£	£	£
Trade creditors	17,073	1,678	16,563	1,678
Amounts owed to group undertakings	-	-	595	14,648
Amounts owed to associates	-	100	-	100
Other taxation and social security	15,500	18,899	13,783	16,394
Other creditors	229	10,291	229	10,291
Accruals and deferred income	116,320	42,490	54,245	30,043
	<u>149,122</u>	<u>73,458</u>	<u>85,415</u>	<u>73,154</u>
	 Group	 2021	 Company	 2021
	2022		2022	
	£	£	£	£
Deferred income				
Deferred income at 1 August	5,832	21,775	-	10,943
Resources deferred during the year	50,000	-	-	-
Amounts released from previous years	(5,000)	(15,943)	-	(10,943)
	<u>50,832</u>	<u>5,832</u>	<u>-</u>	<u>-</u>
Deferred income at 31 July	50,832	5,832	-	-

Deferred income relates to amounts received in respect of multi-year contracts.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

16. STATEMENT OF FUNDS

Group – current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2022 £
Restricted funds					
Clubs and Societies	259,197	409,488	(388,882)	-	279,803
Peer Mentoring Fund	5,430	-	(2,140)	-	3,290
RFU Development Fund	3,793	-	-	-	3,793
	<u>268,420</u>	<u>409,488</u>	<u>(391,022)</u>	<u>-</u>	<u>286,886</u>
Unrestricted funds					
General reserves	445,566	1,353,922	(1,343,175)	-	456,313
Shares of net income from joint venture	754,950	65,718	-	-	820,668
	<u>1,200,516</u>	<u>1,419,640</u>	<u>(1,343,175)</u>	<u>-</u>	<u>1,276,981</u>
Designated funds					
LSP designated funding	275,000	-	-	-	275,000
Capital and strategic projects designated funding	900,599	-	(13,554)	-	887,045
	<u>1,175,599</u>	<u>-</u>	<u>(13,554)</u>	<u>-</u>	<u>1,162,045</u>
Pension reserve	<u>(1,897,307)</u>	<u>-</u>	<u>234,553</u>	<u>-</u>	<u>(1,662,754)</u>
	<u>478,808</u>	<u>1,419,640</u>	<u>(1,122,176)</u>	<u>-</u>	<u>776,272</u>
Total funds	<u>747,228</u>	<u>1,829,128</u>	<u>(1,513,198)</u>	<u>-</u>	<u>1,063,158</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

16. STATEMENT OF FUNDS (continued)

Group – prior year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2021 £
Restricted funds					
Clubs and Societies	247,224	109,079	(97,106)	-	259,197
Peer Mentoring Fund	-	48,000	(42,570)	-	5,430
Sports grant	-	34,794	(34,794)	-	-
RFU Development Fund	3,793	-	-	-	3,793
	<u>251,017</u>	<u>191,873</u>	<u>(174,470)</u>	<u>-</u>	<u>268,420</u>
Unrestricted funds					
General reserves	473,604	1,400,053	(1,750,324)	322,233	445,566
Shares of net income from joint venture	651,671	103,279	-	-	754,950
	<u>1,125,275</u>	<u>1,503,332</u>	<u>(1,750,324)</u>	<u>322,233</u>	<u>1,200,516</u>
Designated funds					
LSP designated funding	275,000	-	-	-	275,000
Capital and strategic projects designated funding	1,222,832	-	-	(322,233)	900,599
	<u>1,497,832</u>	<u>-</u>	<u>-</u>	<u>(322,233)</u>	<u>1,175,599</u>
Pension reserve	<u>(1,899,776)</u>	<u>-</u>	<u>2,469</u>	<u>-</u>	<u>(1,897,307)</u>
	<u>723,331</u>	<u>1,503,332</u>	<u>(1,747,855)</u>	<u>-</u>	<u>478,808</u>
Total funds	<u>974,348</u>	<u>1,695,205</u>	<u>(1,922,325)</u>	<u>-</u>	<u>747,228</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

16. STATEMENT OF FUNDS (continued)

Charitable company – current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2022 £
Restricted funds					
Clubs and Societies	259,197	409,488	(388,882)	-	279,803
Peer Mentoring Fund	5,430	-	(2,140)	-	3,290
RFU Development Fund	3,793	-	-	-	3,793
	<u>268,420</u>	<u>409,488</u>	<u>(391,022)</u>	<u>-</u>	<u>286,886</u>
Unrestricted funds					
General reserves	445,666	1,300,579	(1,289,932)	-	456,313
	<u>445,666</u>	<u>1,300,579</u>	<u>(1,289,932)</u>	<u>-</u>	<u>456,313</u>
Designated funds					
LSP designated funding	275,000	-	-	-	275,000
Capital and strategic projects designated funding	900,599	-	(13,554)	-	887,045
	<u>1,175,599</u>	<u>-</u>	<u>(13,554)</u>	<u>-</u>	<u>1,162,045</u>
Pension reserve	(1,897,307)	-	234,553	-	(1,662,754)
	<u>(276,042)</u>	<u>1,300,579</u>	<u>(1,068,933)</u>	<u>-</u>	<u>(44,396)</u>
Total funds	<u>(7,622)</u>	<u>1,710,067</u>	<u>(1,459,955)</u>	<u>-</u>	<u>242,490</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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16. STATEMENT OF FUNDS (continued)

Charitable company – prior year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2021 £
Restricted funds					
Clubs and Societies	247,224	109,079	(97,106)	-	259,197
Peer Mentoring Fund	-	48,000	(42,570)	-	5,430
Sports grant	-	34,794	(34,794)	-	-
RFU Development Fund	3,793	-	-	-	3,793
	<u>251,017</u>	<u>191,873</u>	<u>(174,470)</u>	<u>-</u>	<u>268,420</u>
Unrestricted funds					
General reserves	<u>473,704</u>	<u>1,372,226</u>	<u>(1,722,497)</u>	<u>322,233</u>	<u>445,666</u>
Designated funds					
LSP designated funding	275,000	-	-	-	275,000
Capital and strategic projects designated funding	<u>1,222,832</u>	<u>-</u>	<u>-</u>	<u>(322,233)</u>	<u>900,599</u>
	<u>1,497,832</u>	<u>-</u>	<u>-</u>	<u>(322,233)</u>	<u>1,175,599</u>
Pension reserve	<u>(1,899,776)</u>	<u>-</u>	<u>2,469</u>	<u>-</u>	<u>(1,897,307)</u>
	<u>71,760</u>	<u>1,372,226</u>	<u>(1,720,028)</u>	<u>-</u>	<u>(276,042)</u>
Total funds	<u>322,777</u>	<u>1,564,099</u>	<u>(1,894,498)</u>	<u>-</u>	<u>(7,622)</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

16. STATEMENT OF FUNDS (continued)

The restricted funds relate to:

The Clubs and Societies Funds represent balances held for specific clubs and societies where the ultimate control would vest with the Union.

The Union and University have agreed to work in partnership to develop a university-wide peer mentoring scheme. The project will be managed as part of the overall volunteer support process, the University have agreed funding of £nil to support this scheme.

The RFU Development fund relates to monies received for the development of rugby at the University.

The sports grant is utilised for Team Leicester coaching costs to help subsidise the cost of sports to students.

The designated funds relate to:

LSP designation funding represents a year's commercial grant contributions, in light of the losses made by the associate company at present.

Pension designated funding relates to funds set aside for future contributions towards the scheme, in light of the revaluation and the known challenges faced by the scheme.

Capital and strategic projects designated funding represents the remaining funds designated for investment in strategic projects relating to the long-term development of the Union after taking account of the required funding needed to orderly wind down the Union in the event of the organisation ceasing to operate in the future in the light of the challenges facing the sector.

Transfers

A transfer has been made from the capital and strategic projects designated fund to general reserves to take account of the required funding needed to orderly wind down the Union in the event of the organisation ceasing to operate in the future in the light of the challenges facing the sector.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group – current year	Restricted funds 2022 £	General funds 2022 £	Designated funds 2022 £	Pension reserve 2022 £	Total funds 2022 £
Tangible fixed assets	-	9,281	147,628	-	156,909
Fixed asset investments	-	820,668	-	-	820,668
Current assets	286,886	596,154	1,014,417	-	1,897,457
Creditors due within one year	-	(149,122)	-	-	(149,122)
Defined pension scheme liability	-	-	-	(1,662,754)	(1,662,754)
	<u>286,886</u>	<u>1,276,981</u>	<u>1,162,045</u>	<u>(1,662,754)</u>	<u>1,063,158</u>
Group – prior year	Restricted funds 2021 £	General funds 2021 £	Designated funds 2021 £	Pension reserve 2021 £	Total funds 2021 £
Tangible fixed assets	-	30,977	-	-	30,977
Fixed asset investments	-	754,950	-	-	754,950
Current assets	268,420	488,047	1,175,599	-	1,932,066
Creditors due within one year	-	(73,458)	-	-	(73,458)
Defined pension scheme liability	-	-	-	(1,897,307)	(1,897,307)
	<u>268,420</u>	<u>1,200,516</u>	<u>1,175,599</u>	<u>(1,897,307)</u>	<u>747,228</u>
Charitable company – current year	Restricted funds 2022 £	General funds 2022 £	Designated funds 2022 £	Pension reserve 2022 £	Total funds 2022 £
Tangible fixed assets	-	9,281	147,628	-	156,909
Fixed asset investments	-	2	-	-	2
Current assets	286,886	532,445	1,014,417	-	1,833,748
Creditors due within one year	-	(85,415)	-	-	(85,415)
Defined pension scheme liability	-	-	-	(1,662,754)	(1,662,754)
	<u>286,886</u>	<u>456,313</u>	<u>1,162,045</u>	<u>(1,662,754)</u>	<u>242,490</u>
Charitable company – prior year	Restricted funds 2021 £	General funds 2021 £	Designated funds 2021 £	Pension reserve 2021 £	Total funds 2021 £
Tangible fixed assets	-	30,977	-	-	30,977
Fixed asset investments	-	102	-	-	102
Current assets	268,420	487,741	1,175,599	-	1,931,760
Creditors due within one year	-	(73,154)	-	-	(73,154)
Defined pension scheme liability	-	-	-	(1,897,307)	(1,897,307)
	<u>268,420</u>	<u>445,666</u>	<u>1,175,599</u>	<u>(1,897,307)</u>	<u>(7,622)</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	315,930	(227,120)
Adjustment for:		
Depreciation	26,961	32,528
Decrease in pension deficit funding liability	(234,553)	(2,469)
(Profit)/loss on the sale of fixed assets	(6,637)	249
Interest received	(2,231)	(1,366)
Decrease in stocks	78	-
(Increase)/decrease in debtors	(55,039)	15,289
Increase/(decrease) in creditors	75,664	(85,661)
Net income from joint ventures and associates	(65,718)	(103,279)
Net cash provided by/(used in) operating activities	54,455	(371,829)

19. PENSION COMMITMENTS

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

The most recent Valuation of the Scheme was carried out as at 30 June 2019 and showed that the market value of the Scheme's assets was £119,100,000 with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £140,900,000.

The assumptions which have the most significant effect upon the results of the Valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumption applied at 30 June 2019:-

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

The 2019 valuation extended the period over which the ongoing funding deficit would be cleared to August 2035, and recommended a monthly contribution requirement by each participating employer be expressed in monetary terms. For the Union this has resulted in an increase to 19.4% as at 1 October 2021 and by a further 5% each year thereafter. These rates applied with effect from 1 October 2021 and contributions due from October 2023 onwards will be reviewed following the next actuarial valuation. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

19. PENSION COMMITMENTS (continued)

These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

FRS 102 and Charities SORP (FRS102), require that the charitable company share of past service shortfall is reflected in the financial statements. Based on the most recent valuation, the charitable company took the option to pay a lump sum of £360,937 in the prior year to cover the period between October 2020 and September 2023 as their contribution to eliminate the shortfall.

Therefore, at 31 July 2022, the balance sheet of the Union includes a liability of £1,662,754 (2021: £1,897,307), which represents the net present value of all future contributions towards eliminating this shortfall. The discount rate used is 3.70% (2021: 1.75%) which is comparable to that for a 15 year AA-rated corporate bond. The estimated liability is based on the 2019 triennial valuation of the scheme and will necessarily require revision after subsequent revaluations. The balance is made up as follows:

	2022
	£
Balance brought forward	1,897,307
Contributions made in the year	-
Charge to statement of financial activities	(234,553)
	<u>1,662,754</u>

The charitable company also contributes to three defined contribution schemes:

The total contributions paid to The Universities Superannuation Scheme (USS) during the year amounted to £22,486 (2021: £23,219). At the year end, the charitable company owed £Nil (2021: £15).

The total contributions paid to The NUS Aegon Pension Scheme during the year amounted to £4,687 (2021: £4,288). At the year end, the charitable company owed £Nil (2021: £489).

The total contributions paid to The National Employment Savings Trust (NEST) during the year amounted to £22,014 (2021: £25,295). At the year end, the charitable company owed £Nil (2021: £4,296).

20. RELATED PARTY TRANSACTIONS

Company
University of Leicester Students' Union Trading Ltd

The wholly owned subsidiary, University of Leicester Students' Union Trading Ltd, is included within the consolidated accounts.

University of Leicester Students' Union Trading Ltd gift aided £142,945 in the year (2021: £12,537).

University of Leicester Students' Union Trading Ltd income and expenditure goes through the charitable company's bank account and also the charitable company has recharged for the use of staff amounting to £28,423 (2021: £15,667). At the year end, University of Leicester Students' Union Trading Ltd was owed £595 (2021: £14,648) by the charitable company.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

20. RELATED PARTY TRANSACTIONS (continued)

Group and company
University of Leicester

The majority of the Student Unions' funding is derived from the University of Leicester, which is a related party as the Student Unions' principal activities involve providing services to its student body.

The Student Union receives a block grant from the University of Leicester £900,000 (2021: £809,685). Additional grants are provided by the University for project support of £7,500 (2021: £368,736) and redundancy reimbursement of £Nil (2021: £15,716).

During the year the group made sales of £17,778 (2021: £13,824) to the University of Leicester and made purchases of £11,371 (2021: £27,145) from the University of Leicester.

During the year the company made sales of £2,363 (2021: £12,852) to the University of Leicester and made purchases of £11,328 (2021: £27,145) from the University of Leicester.

At the year end, the group owed £4,905 to the University of Leicester (2021: £1,983 was owed by the University of Leicester).

In addition, the Student Union occupies its building on a rent-free basis. This is under an informal license subject to the Student Union maintaining the building in a good state of repair. As a result, an estimated value to the Student Union for the free serviced accommodation has been included in the accounts. This has been valued at £229,440 (2021: £229,440) based on market prices within Leicester.

Student Union Lettings Limited

During the year the group made sales of £10,348 (2021: £10,000) to Student Union Lettings Limited.

Other related parties are the Sabbatical Officers and Trustees as detailed in the Trustees' report. Details of remuneration received by these individuals are shown in note 9. Remuneration of key management personnel is shown in note 8.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2022

21. COMPARATIVE GROUP STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
INCOME FROM:			
Donations and legacies	1,351,993	82,794	1,434,787
Charitable activities	-	109,079	109,079
Other trading activities	38,364	-	38,364
Investments:			
Share of joint venture net income	103,279	-	103,279
Interest received	1,366	-	1,366
Other income	8,330	-	8,330
TOTAL INCOME	1,503,332	191,873	1,695,205
EXPENDITURE ON:			
Raising funds	27,827	-	27,827
Charities activities	1,720,028	174,470	1,894,498
TOTAL EXPENDITURE	1,747,855	174,470	1,922,325
NET INCOME/(EXPENDITURE)	(244,523)	17,403	(227,120)
NET MOVEMENT IN FUNDS	(244,523)	17,403	(227,120)

Accounts

Company registration number: 07303101
Charity number: 1137811

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 JULY 2021

Charitable Status

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The company and the group is constituted under a Memorandum of Association and is a registered charity number 1137811.

University of Leicester Students' Union also has internal regulations or Rules approved by the Board of Trustees and regulated by the governing body of the University of Leicester (the University) in accordance with 1994 Education Act and the Charity Commission.

Registered Address

University of Leicester Students' Union, Percy Gee Building, University Road, Leicester, Leicestershire, LE1 7RH

Board Of Trustees

Executive Officer Trustees

M Nembhard (resigned 30 June 2021)
T Magaia (resigned 19 June 2021)
A Rahman (resigned 30 June 2021)
E Phipps (resigned 30 June 2021)
H Belcher (resigned 30 June 2021)
K Wagener
R Jenkins (appointed 1 July 2021)
M Kanikanti (appointed 1 July 2021)
N Farmer (appointed 1 July 2021)
G Henton (appointed 1 July 2021)
A Deeb (appointed 1 July 2021)

Student Trustee

E Westbrook (resigned 27 January 2021)
J Lin (appointed 1 July 2021)

External Trustees

S Knowles
D Moore
S Murad
A Bacon
S Harris

Independent Auditor

RSM UK Audit LLP, Chartered Accountants, Rivermead House, 7 Lewis Court, Grove Park, Leicester, Leicestershire, LE19 1SD

Bankers

National Westminster Bank Plc, Granby Street, Leicester, LE1 9GT

STATEMENT BY THE CHAIR
FOR THE YEAR ENDED 31 JULY 2021

As for most across the sector, this last year has been about recovery. At Leicester, there was not only the effects of COVID and lifting of restrictions to deal with, but a vote of no confidence in the University and a relationship with a key stakeholder to rebuild. Due to a cut in our grant funding, we also had to internally restructure and learn to deliver the same output with a reduced working force, while always ensuring the student experience wasn't impacted.

The aim of this report is to share our achievements in the present, especially under the extreme circumstances, and our aims for the future. While our strategic plan is redesigned for the next five years, we can reflect on where our previous one led us and use its successes to steer us towards even greater engagement and impact with the student body.

The financial period saw a great saving on the predicted deficit, ensuring we did not have to rely on our reserves as much as previously thought. While it did lead to an unfortunate restructuring of the staffing structure that affected morale and workload, we are confident as a Union that we have recovered and are very pleased with our recruitment drive which has seen vacant posts filled by enthusiastic and value-sharing individuals.

One of those filled posts was our Business Development Lead, who has already overseen several commercially successful and profit building fairs, with views to make these staples of the Union calendar going forwards. The work being done in this role is vital to supporting our students as it increases our revenue streams and financial independence, enabling us to offer more for the student body. It brings a lot exciting opportunities to the horizon, for us to grow our revenue but also to improve our relationship with the Leicester community and local business.

The restructure meant we looked closely at our internal structures, allowing us to optimise our efficiency and strengthen our focus on key areas for students. Going forwards we will look to develop a service model that continues this focused approach and streamlines our planning processes over the summer period.

Despite the challenges that we – as a sector and a standalone Union – have faced, as Chair, I feel that we are coming out of the other side, re-energised and with even more determination to deliver the best possible student experience and amplify our students' voices across campaigns, support and societies.

Rhiannon Jenkins

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 JULY 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of University of Leicester Students' Union (ULSU) (the company) for the year ended 31 July 2021. The Trustees confirm that the Annual Report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice, Charities SORP (FRS 102), "Accounting and Reporting by Charities" effective 1 January 2019.

The Annual Report and Trustees' Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

Structure, Governance & Management

ULSU's charitable objects are:

The advancement of education of Students at the University for the Public Benefit by:

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

ULSU is administered by its Board of Trustees of up to six students elected annually by cross campus secret ballot of the ULSU membership (and are full time, or 'sabbatical', posts remunerated as authorised by the 1994 Education Act and cannot exceed two years duration for each holder); up to five external trustees appointed for up to eight years (two terms of up to four years) by an appointments panel, and a student that is appointed by the appointments panel, and has no employment in any capacity with the Union.

The Board of Trustees meets at least four times a year to receive reports from individual Officers, sub-committees and the Chief Executive, to review the charity's performance and administration generally and to decide policy issues arising.

All the charity trustees receive an induction into their legal and administrative responsibilities, receiving the essential trustee guidance from the Charity Commission. Access to additional training is also provided throughout the year.

The Student Executive Officers are new to the Board every year, so they undergo a more intensive training period. The training starts during a handover period, immediately prior to them fully assuming office. This aims to ensure they are fully aware of their roles and responsibilities and can perform their duties to the best of their ability.

The Board of Trustees is assisted by three sub-committees, which focus on certain key aspects of ULSU's governance and management:

The **Finance & Audit Committee** monitors ULSU's financial performance, appraises requests for capital expenditure and reviews our commercial performance. The Committee also reviews the annual budget, scrutinises the annual accounts and meets with external auditors.

The **Remuneration & HR Committee** examines issues relating to ULSU employees, including staff policies, changes to pay and matters relating to employee wellbeing.

The **Risk Management Committee** monitors ULSU's risk profile, risk management, compliance with relevant legislation and scrutinises progress in tackling identified areas of risk on the organisation's risk register

Structure, Governance & Management (continued)

ULSU operates on democratic principles, with policy being acted upon by the six selected trustees who form the Executive Committee. During the year, members have the opportunity to bring forward ideas through Union Council or our three networks to drive student-led change. Networks are based on principles of deliberative and direct democracy. The Union's Student Ideas system also creates simple and direct opportunities for students to suggest change ideas to Union Council. Union Council also have the ability to call an all-student referendum on matters of wider importance, where required.

The Senior Leadership Team

The University of Leicester Students' Union employs a Chief Executive, Gareth Oughton, who works closely with the Student Executive Officers and Trustee Board to ensure effective management of the organisation. The Chief Executive is supported by Ambalavanar Kumaran, as Director of Membership Services.

The Strategic Leadership Team, made up of the Union's Managers, meets monthly to oversee the Union's regular activities. ULSU also employs a number of non-student full time staff to manage and administer its activities. These staff members are accountable to the Chief Executive for the performance of their duties.

Senior Staff Pay Policy

Remuneration & HR sub-committee will review pay across the organisation on an annual basis. Salary increases are at the discretion of the Union and are not a guaranteed outcome of the annual review process. Senior staff will receive the same annual pay increase as all other staff.

Relationship with University of Leicester

The relationship between the University and ULSU is established in the Regulations of the University and detailed in ULSU Rules approved by both organisations. ULSU receives a Block Grant from the University, and leases most of the Percy Gee Building owned by the University, which also pays for utilities. This non-monetary support is intrinsic to the relationship between the University and ULSU. An estimated value to ULSU for this free serviced accommodation has been included in the accounts, valued at £229,440

Until the end of the 2020/21 Students' Union has been in a joint commercial partnership with the University, known as Leicester Services Partnership. With the partnership continuing to make significant financial losses, it was agreed by both shareholders to end the partnership in time for the 21/22 financial year and for the University to take the liability on rather than it be shared with the Students' Union. This five-year period saw the Union compensated £275,000 per annum for services given to the partnership, which were profitable for the Union at the point of transfer. The end of this £275,000 annual payment has necessitated the Union review the affordability of its operations from the 2021/22 year. The Students' Union continues to generate supplementary funding from some trading activities such as Fresher's, Graduation and NUS card sales

Due to continuing financial pressures faced by the University, the Union is working to temporary restrictions on its core grant. A commitment to restore funding to comparable levels of 2019/20 is in place, with a view to this resuming in 2023-24. Whilst the funding is temporarily reduced, there is no reason to believe that substantial financial support from the University will not continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body.

Risk Management

There are a number of significant risks affecting the Union. The greatest of which are the organisation's reliance on the University for income and the health of that relationship in the event of future unconstructive tension between the Union and parent institution. This has been brought into focus earlier in 2021, with students utilising democratic mechanisms of the Union to state their lack of confidence in the University management. Steps to better codify the working relationship between the Union and University are intended to help navigate future challenges that might arise.

The University's own financial challenges have hit the Union's grant, in turn having a profound impact on our financial position over a three-year period. Assurances over a grant formula for the future have been received by trustees, with financial planning undertaken by the Union based on these figures. Steps to reduce the reliance on University income are in place, with the Union expanding its' staff team to accommodate a Business Development Manager from autumn 2021 onwards, who will be tasked with boosting existing Union-generated income streams and identifying new income streams.

The Trustees consider a significant source of financial risk to be that of the funding requirements of the Students' Union Superannuation Scheme. In order to mitigate this risk, the current and foreseeable service cost is monitored and periodic actuarial valuations are reviewed to assess the impact of external factors on the scheme liability.

Other key risks on the register include the Union's representative legitimacy with election turnout falling in 20-21, the future viability of the joint trading company with the University and continuity within the board given the annual turnover of student members.

A regularly updated risk register reflecting these areas and others is received and discussed at each board meeting.

Aims, Objectives & Activities

Our purpose is clear in our constitution, "The Union is devoted to the educational interests and welfare of its Members" and will seek at all times to:

- Ensure that the diversity of its Membership is recognised and that equal access is available to all Members of whatever origin or orientation
- Pursue its aims and objectives independent of any political party or religious group
- Pursue equal opportunities by taking positive action within the law to facilitate participation of groups discriminated against by society.

The Students' Union operates with a clear mission to be an empowering and inclusive organisation, championing students' interests and providing a home away from home.

We are the sole representative organisation for the students of the University of Leicester and we recognise that our members rely on us to represent the matters that are most important to them, to the University and to other external stakeholders. We play a key role in how students learn, develop and grow whilst at University. Each of our departments has a key role to play in this journey, overseen by elected student representatives who help shape and direct our priorities.

The values that form the core of our organisation are:

- To be **student-led**. Our students lead our organisation and come first in everything we do. As an organisation, we will ensure decisions are based on member research and we will always place students first.
- To be **inclusive**. Our students from marginalised backgrounds face complex structural injustices. We will use our platform to challenge embedded privilege and ensure what we do removes rather than builds walls.
- To be **fun**. Engagement with the Union should be fun and rewarding. As an organisation, we are invested in recognising student needs and adapting processes to reflect how members will interact with them.

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2021

Aims, Objectives & Activities (continued)

The Board of Trustees has focused its current activities on developing an exceptional student experience, in line with its constitutional objectives. The Union's current vision is "By 2021/22, we will be an active and inclusive Union with a powerful student-led voice; delivering meaningful change for you across your Leicester experience."

In pursuit of these objectives, ULSU has established departments and services for use by its members and to support its work with the University and other organisations on behalf of students. These include a Student Voice team, to facilitate representative and campaigning functions, a Support team to deliver advice and mentoring services and an Opportunities team to deliver exceptional experiences for students in sport, society activities, volunteering and fundraising. Officer Trustees of ULSU sit on key University Committees and meet with local decision makers regarding local matters affecting students.

ULSU's commitment to its members is to place them at the heart of change and decision making within the organisation, listening to ideas and driving improvement to our services.

A review of the Union's future strategic direction is underway following a pause during the pandemic, to assess what students' needs of us would be after the initial phases of the Covid pandemic.

Review of Activities

The Union operates around three key strategic areas of activity:

- Voice
- Opportunities
- Support

These three priorities are underpinned by three supporting enablers:

- Communication
- Spaces
- Partnerships

Our Vision		
By 2021/22, we will be an active and inclusive Union with a powerful student-led voice; delivering meaningful change for students across their Leicester experience.		
Our Goals By 2021/22		
Voice	Opportunities	Support
We will ensure students have easy to access systems to capture their ideas to drive change across all areas of the Union and University	We will offer accessible activities to students that allow them to try new things and empower the development of skills for their future	We will provide empowering information and reactive support to enable students to proactively manage their lives

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2021

Review of Activities (continued)

Our Supporting Priorities		
Communication	Spaces	Partnerships
We will understand the needs of our students and present our work clearly to ensure all students know what we do	We will ensure our physical spaces are of the highest quality, whilst enhancing virtual platforms to enable easy access to services	We will build relations with partners based on principles of collaboration and healthy challenge to meet their needs

- **Voice:** Our primary purpose is to represent our members at all levels to the University creating real and meaningful change for students. We aim to further increase the accessibility of our democratic structures and to ensure all our students seeking to make changes are effectively supported.
 - By 2021/22, 30% of students making democratic decisions across the Union and 80% will be aware we're separate to the University
- **Opportunities:** The primary aim of our Opportunities provision is to offer students with a wide range of co-curricular activities. Both through direct delivery and through facilitating and supporting student leaders, partners, and external providers to deliver opportunities to students.
 - By 2021/22, we will have a student leader profile that reflects the number of students at Leicester from liberation groups
- **Support:** The Union support provision aims to ensure that students feel welcomed, comfortable and guided throughout their University journey. This work is delivered through the work of the Advice Service, Peer Mentoring and the Training department.
 - By 2021/22, we will have an evidenced strategy to build and lobby for improved student support provision on campus and online
- **Communication:** Unless our members know about our work, our work serves no true purpose. We aim to ensure students are kept informed of the Union's campaign and operational priorities, whilst engaging them through the defining moments in their student journey.
 - By 2021/22, we will have transformed our identity, with 75% of students aware of who we are and the services we provide
- **Spaces:** The Union operates from a high-profile building in the centre of the main campus, which aims to showcase our work and provide spaces for our students to socialise, organise, receive support and develop new skills through the range of opportunities we provide. In a digital world, our virtual as well as physical spaces must be of the highest possible quality.
 - By 2021/22, we will have daily physical presence in multiple campus locations, bringing us closer to you and building a better insight of your needs
- **Partnerships:** As a charity enhancing the student experience of our members in a large educational environment, who themselves form part of a bigger city, it is vital that we build, develop and sustain healthy relationships with key decision makers in the University and community.
 - By 2021/22, we will have launched a community engagement plan, demonstrating the positive contribution made to the area by students

Review of Activities (continued)

A program of work was identified to run between 2018-2021 to facilitate delivery of the above. These plans were set prior to the onset of the pandemic in March 2020, hampering year-end delivery in terms two and three of 2019-20 and for the entirety of 2020/21. As such, targets on course for 2021 completion in Voice, Opportunities and Spaces were missed – and targets for Support and Partnerships were not begun. Targets for Communication were achieved by 2019.

As a result, efforts in 2020/21 focused towards short-term responses by way of a Covid delivery plan. This plan was presented by the Students' Union to the University as our major funder, outlining the headline deliverables we would focus on delivering during the 20/21 year. In this plan, we identified a series of key service adaptations and projects that would be key to our delivery in the year ahead. We are proud to say all of the committed actions were delivered, whilst also learning to adjust to a digital environment with a very small and overstretched staff base.

The following provides an overview of service delivery in 2020/21 within each of the priority themes.

Voice

The primary aim of Voice in 2020-21 was reimagining how to capture the student voice effectively and reflecting on how best to represent our members' needs in an educational landscape that fundamentally changed how students were taught and how they engaged with the wider University experience.

As with Students' Unions across the sector, engagement in democratic processes fell in many areas over the course of the year. However, a number of noteworthy successes were achieved and a number of important projects were initiated, leading to positive impact in the student community:

- The team delivered a comprehensive review of bye-laws in time for the start of the year to facilitate the switch to a virtual mode of decision-making.
 - **Impact:** Enabled the Union to continue to be fully student-led, despite the remote location challenges.
- A virtual learning environment was established for student representatives, running alongside 42 separate induction sessions to empower them in their roles.
 - **Impact:** Enabled the Union to fully train student leaders to work in partnership with University staff on matters most requiring attention
- The annual Student Leader Conference for representatives was digitally replicated, seeing an increase in engagement to 187 participants over the day
 - **Impact:** More student leaders than ever before benefitted from training, leading to an improvement in active engagement
- The relevance and frequency of representative communications was reviewed, leading to an improved open rate on messages of 34%.
 - **Impact:** Students were kept abreast of Union developments and opportunities, despite the lack of on-campus promotional opportunities for most of the year
- 2,282 unique students engaged in research programs to identify students' key priorities of the Union
 - **Impact:** Proposals presented to the University of Leicester in areas such as value for money and student retention were fully evidence-led, creating a more compelling case for change.
- The student representation system raised just over 600 unique student-identified issues with University departments for resolution
 - **Impact:** Ensured that Union's representatives were active agents of change for their peers across all areas of the student experience.
- The 2021 Superstar Awards that recognise the contributions of the teaching community received a record 440 unique student nominations.
 - **Impact:** Fostered closer relations with teaching and support staff in the University at the end of a tough, Covid-hit year

Review of Activities (continued)

Voice (continued)

- Student Council enjoyed a 42% increase in attendance in comparison to 2019/20
 - **Impact:** Channelled more students towards policy debate than previous years
- Just over 2,000 unique students participated in at least one democratic action in the year
 - **Impact:** Demonstrated to stakeholders that democratic action channelled via the student is truly student-led

As we the area looks towards 21/22 and beyond, work was begun in collaboration with students and stakeholders on a top-to-bottom review of our student voice structures. The aspiration of these changes is to further strengthen the representative structures and drive increased democratic engagement.

Opportunities

With the pandemic restricting the way in which all our 230 student groups run their activities, significant time and effort was spent in year maintaining accessibility to what could take place; as well as helping student leaders reimagine social activity in a virtual environment. As the academic year progressed, engagement with activity noticeably declined, as students became increasingly digitally exhausted. Departmental focus shifted at this point towards the adaption of structures to enable student groups struggling for future leadership to be able to continue into the new year.

Despite the challenges posed to student opportunities by the pandemic, a number of noteworthy successes were achieved and a number of important projects were initiated. These include:

- Running 25 additional, bespoke skills sessions for student leaders ahead of the start of the academic year to help them adapt to the challenges posed by the pandemic
 - **Impact:** Enabled student-leaders of activities to be ready to run events for a digitally-orientated social environment ahead of the new year
- Ran three entirely online welcome fairs for student activities, plus an early event for medic induction; engaging nearly 3,000 unique students
 - **Impact:** Ensured belonging and community opportunities could be provided to an incoming cohort of students who would otherwise have lost the opportunity to join student groups
- Ran 215 digital events during October Give It A Go period, to emphasise the existence of a virtual social community for students
 - **Impact:** Enabled students to see what a digitally active student community could look like, ahead of a year in which social activities needed to be run online
- Ran the first Careers in Sports series, to create greater awareness for sporting students of the sector pathways open to them via their leadership experience
 - **Impact:** Expanded the range of careers sessions delivered to students, by creating a new strand of activity for the sports industry
- Introduced a new Societies Council to oversee distribution of over £20k of grants
 - **Impact:** Ensured student group finances became a student-led process, providing greater transparency for societies
- Launched an entirely new student group finance module, to allow student group expenses to be swiftly processed
 - **Impact:** Sped up turnaround times on basic administrative requests from student groups, a key source of frustration
- Ran an entirely online programme of student group elections with 6,588 votes cast
 - **Impact:** Ensured student groups were fully supported in selecting their leaders for the following year, despite not being able to meet to conduct elections
- Saw 258 unique student leader nominations for the online Opportunities Awards
 - **Impact:** Enabled the contributions of student leaders in a challenging year to be recognised, with a record number of nominations submitted

Review of Activities (continued)

Opportunities (continued)

- Launched the 'adopt a society' program, to ensure student groups without committee interest don't wither for the 21/22 year
 - **Impact:** Reduced the number of student groups who would otherwise have become dormant, due to reduced memberships resulting from the pandemic

In addition, some of our student-led activities provided through our opportunities raised significant funds for national and local charities through the pandemic. Organisations who benefitted from these funds included:

- Leicester Rape Crisis
- Heartwize
- Teenage Cancer Trust
- Student Minds
- Oxfam
- Victim First
- Turing Trust
- NHS Charities
- Guide Dogs For The Blind
- BEAT
- Lawyers Without Borders

Support

The pandemic necessitated a significant adaption from the support functions of the Union, to ensure all services were fully accessible remotely for students adjusting to learning in a new climate. Concerns regarding value for money in education and housing led to increased caseload for the Advice Service, whilst our student peer mentors found themselves trying to guide their mentees through an experience they themselves were learning to navigate. Additional mental health clinics were introduced to help students struggling with the effects of the pandemic and a wide range of self-development sessions were run digitally to assist students upskill themselves around their studies.

Despite the challenges posed through service adaption and caseload increases, a number of noteworthy successes were achieved and a number of important projects were initiated by the support function in year. These include:

- 980 unique students advised through the Advice Service, via an entirely new system of online appointments
 - **Impact:** Previous records for students supported by the Advice Service were surpassed despite the pandemic challenges, thanks to the digital service adaptations introduced
- 95 new, Covid-orientated student empowerment workshops were run in areas such as public speaking, self-care and fraud awareness for 786 unique students
 - **Impact:** Students received a wider range of support workshops than ever before, all tailored to reflect the demands of the pandemic
- 996 unique mentees signed-up to the Peer Mentor scheme before Freshers' Week, a record number.
 - **Impact:** Mentees participating in the peer mentoring scheme were able to benefit from the wisdom of their mentors earlier in their student journey than ever before
- A brand new accessibility toolbar was introduced to the Union website, to ensure students requiring support were able to fully utilise the advice pages
 - **Impact:** Ensured students could fully utilise our website, tailored to a wide range of access adjustments

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2021

Review of Activities (continued)

Support (continued)

- A liberation mentor scheme was launched as an extension of the existing Peer Mentor program, attracting 234 mentees
 - **Impact:** Ensured mentees could benefit from a tailored iteration of the scheme that was orientated towards a wider range of lived experiences
- 91% of mentees said they would endorse the Peer Mentor scheme to the student population and 90% said they would endorse the Advice Service
 - **Impact:** Demonstrated the continuous improvement of the Union's core support services, during a year in which they were more tested than ever
- A weekly series of new mental health clinics were introduced to support students awaiting counselling from University support services
 - **Impact:** Ensured a broader range of support services were accessed to students in a virtual setting, to help them manage the challenges of the pandemic
- Black Lives Matter support resources developed for students in the aftermath of George Floyd's murder reached over 20,000 people from inside and outside the student community
 - **Impact:** Ensured students and members of the community impacted by George Floyd's murder and the media aftermath were fully supported with a range of practical support tools.

Future Plans

A series of emerging challenges for each of our student-facing priority themes have been set for the year ahead, along with a series of service KPIs.

Support – Challenges Requiring Response

- Increased mental health challenges amongst students as a result of Covid
- Adapting to a second year of changes to education delivery, in order to provide the right advice
- Ensuring peer mentors are equipped to support new students given their own disruption
- Relaunching the service in its brand new location

Support – 2021/22 KPIs

- 1,000 recruited mentees
- 90% mentee satisfaction
- 90% advice client satisfaction
- 300 housing contracts checked
- 1,250 unique students advised

Opportunities – Challenges Requiring Response

- Supporting student leaders rebuilding in-person activities for the first time in 18 months
- Rebuilding extracurricular activity as a staple of student life with full student confidence
- Ensuring Covid-safe spaces are available for students to run activities from
- Enabling student groups to run activity with a reduced level of departmental resource

Opportunities – 2021/22 KPIs

- 25,000 student memberships
- £25,000 raised for charity
- 75% voter turnout in 60% of group elections
- 80% Freshers' Fair group participation
- 80% leader satisfaction with competency framework

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2021

Future Plans (continued)

Voice – Challenges Requiring Response

- Rebuilding democratic engagement following the pandemic
- Rebuilding NSS satisfaction with representation effectiveness
- Tackling inconsistency of support provided to academic representatives
- Moving campaign delivery to a greater outcome emphasis

Voice – 2021/22 KPIs

- 2,500 student election votes
- 250 trained student representatives
- 70% representative satisfaction
- 5 point improvement on NSS representative satisfaction
- 10% student engagement in Leics Chat

In addition, a series of collaborative priorities from our officer trustees have been presented to the University Executive Board, in the following areas:

- Fulfilling Education Standards
- Sustainability
- Employability & Careers
- Inclusion
- Welfare
- Accessibility & Affordability

Financial Review

ULSU's gross income from all sources this year totalled £1,695,205 (2020: £2,452,813). Total expenditure was £1,922,325 (2020: £2,556,952) resulting in a deficit for the year of £227,120 (2020: £104,139), reducing ULSU's total reserves to £747,228 (2020: £974,348).

Whilst the Union has continued to benefit from the recognition and support of the University, the annual block grant decreased to £809,685 (2020: £1,012,103) because of financial challenges posed to the University by the pandemic. In addition to this, the Union received other grants from the University of £301,658 (2020: £477,475).

The Union has required to recognise the net present value of future contributions required to eliminate the shortfall estimated with respect to Union participation in the Students' Union Superannuation Scheme. This has resulted in a liability being recognised in the balance sheet at 31 July 2021 of £1,897,307 (2020: £1,899,776) and this has resulted in a charge to the Statement of Financial Activities in the year of £358,468 (2020: £331,169).

The Union's trading subsidiary generated a trading surplus of £12,537 (2020: £29,082 surplus) which is gift aided to the Union.

The Board of Trustees approved a deficit budget for the 2020/21 year, in order to ensure the Union could respond to a variety of possible scenarios posed by the pandemic and in order to ensure students received as much support from the charity as possible during a challenging academic year. At the time of planning, former levels of grant funding from the University seemed likely to return in time for 2021/22. Prudent expenditure controls in year managed the deficit as far as possible, reducing losses to those initially anticipated.

The University of Leicester Students' Union Trading Ltd holds a 50% ownership in Student Union Lettings Limited. The company is registered as a charitable company limited by guarantee. 50% of the net income and assets of the company have been included in these financial statements.

Financial Statements

The financial statements for the year ended 31 July 2021 are set out on pages 20-45. These were prepared applying the Accounting Policies set out on page 24-28.

Investment Policies

The Union aims to generate returns on the cash it holds in the bank at any given point. The purpose is to yield the best financial return within the level of risk considered acceptable - this return can then be spent on the charity's aims.

Delivery of our core services is met through the block grant funding received from the University, the commercial grant and any commercial partnerships in return for access to our members. Income generated on any invested reserves should not be required to support ongoing core activities of the Union.

The level of risk must always be identified and must fall within the acceptable levels stated by the Finance & Audit sub-committee. Investment risk should also be reduced by ensuring that the savings are diversified.

Before any funds are invested the Finance Manager must prepare a cash flow to ensure that the Union has enough cash to meet its working capital requirements. Any funds not required in the short term may then be invested in short-term deposits and any funds not needed in the medium-long term can then be invested wisely in longer-term investments to generate a greater yield. Funds not needed for short term operational needs can be deposited with reputable institutions, provided that the agreed risk ratings and limits are adhered to. Deposits should always be split between UK based institutions with different banking licenses, to reduce the risk from institutional failure.

Where possible the Union seeks to diversify short-term deposits across different banking licenses, to reduce the exposure of the reserves from the failure of any one bank. The total deposits placed in an institution must not exceed £75,000, without the full knowledge of the Finance & Audit Committee.

In order to generate a greater return, funds not required in the short term may be invested in longer term deposits which offer a higher yield. Funds may also be invested in other financial products, considered to be low risk and offered by regulated and reputable institutions.

It is important that the Union can gain access to its funds, should some urgent need arise; therefore investment products used must allow for fund withdrawals that cover a wide range of timescales in order to enable this.

Union policies precluding investments in certain organisations would be taken into account, when considering investments.

Funds & Reserves

The Union aims to hold 6 months wages in free reserves £459,462 (2020: £448,475), in addition to £25,129 operating costs in the current year. This would enable an orderly winding down of the organisation in the event it was necessary.

The Board of Trustees have agreed to hold £275,000 to protect the charity regarding the Leicester Services commercial grant. All remaining free reserves are held as a designated fund for capital and strategic projects to transform the student experience. Up to £134,825 of these funds have been designated to underwrite anticipated losses in the 2021/22 financial year, with a further £56,000 identified for one-off restructuring costs.

Auditor

RSM UK Audit LLP have indicated their willingness to be reappointed for another term. In accordance with the Companies Act 2006 a resolution proposing the reappointment of RSM Audit LLP as Auditor will be put to the members.

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2021

Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they 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.

The Board of Trustees confirms that ULSU has sufficient funds to meet all its obligations. The Block Grant for 2021/22 has been confirmed at £900,000.

Trustees' Responsibilities Statement

The Trustees (who are also directors of University of Leicester Students' Union for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continued in operation.

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

Statement of Disclosure to Auditor

So far as each Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware. Additionally, each Trustee has taken all the necessary steps that they ought to have taken as a Trustee in order to make themselves aware of all relevant audit information needed and to establish that the charitable group's auditor is aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

This report was approved by the Board of Trustees on 11 April 2022 and signed on their behalf by:



R Jenkins
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF LEICESTER STUDENTS' UNION

Opinion

We have audited the financial statements of University of Leicester Students' Union (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 July 2021 which comprise the group statement of financial activities incorporating income and expenditure account, the group and company balance sheets, the group 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Charities Act 2011.

Basis of opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Trustees Report, other than the financial statements and our Auditor's Report thereon. The trustees are responsible for the other information contained within the Trustees 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law 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 from the requirements to prepare a Strategic Report in the preparing the Trustees' Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)

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

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

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

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

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

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

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to employment regulations, Equality Act 2010, GDPR and data protection act, and health and safety regulations. We performed audit procedures to inquire of management whether the group is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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. The description forms part of our Auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Gareth Jones (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Rivermead House
7 Lewis Court
Grove Park
Leicester
Leicestershire
LE19 1SD

Date: 19/04/2022

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

**GROUP STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2021**

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Donations and legacies	2	1,351,993	82,794	1,434,787	1,812,027
Charitable activities		-	109,079	109,079	368,380
Other trading activities	3	38,364	-	38,364	175,291
Investments:	4				
Share of joint venture net income		103,279	-	103,279	86,466
Interest received		1,366	-	1,366	9,631
Other income		8,330	-	8,330	1,018
TOTAL INCOME		1,503,332	191,873	1,695,205	2,452,813
EXPENDITURE ON:					
Raising funds		27,827	-	27,827	146,209
Charities activities		1,720,028	174,470	1,894,498	2,410,743
TOTAL EXPENDITURE	5	1,747,855	174,470	1,922,325	2,556,952
NET INCOME/EXPENDITURE		(244,523)	17,403	(227,120)	(104,139)
NET MOVEMENT IN FUNDS	16	(244,523)	17,403	(227,120)	(104,139)
RECONCILIATION OF FUNDS:					
Total funds brought forward	16	723,331	251,017	974,348	1,078,487
TOTAL FUNDS CARRIED FORWARD	16	478,808	268,420	747,228	974,348

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

Details of the comparative group statement of financial activities are included in note 22.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

GROUP BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2021

Company registration number 07303101

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	10		30,977		63,754
Investments in joint ventures					
- Share of gross assets		841,015		705,422	
- Share of gross liabilities		(86,065)		(53,751)	
Share of net assets	11		754,950		651,671
Investments in associates	11		-		-
			785,927		715,425
CURRENT ASSETS					
Stocks	13	78		78	
Debtors	14	34,051		49,340	
Cash at bank and in hand		1,897,937		2,268,400	
		1,932,066		2,317,818	
CREDITORS: amounts falling due within one year	15	(73,458)		(159,119)	
NET CURRENT ASSETS			1,858,608		2,158,699
TOTAL ASSETS LESS CURRENT LIABILITIES			2,644,535		2,874,124
Defined pension scheme liability	19		(1,897,307)		(1,899,776)
NET ASSETS			747,228		974,348
THE FUNDS OF THE CHARITY					
Restricted funds	16		268,420		251,017
Unrestricted funds	16				
General funds			1,200,516		1,125,275
Designated funds			1,175,599		1,497,832
Pension reserve			(1,897,307)		(1,899,776)
			478,808		723,331
TOTAL CHARITY FUNDS			747,228		974,348

The financial statements on pages 20 to 45 were approved and authorised for issue by the Board of Trustees on 11 April 2022 and signed on their behalf, by:



R Jenkins
Trustee

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

COMPANY BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2021

Company registration number 07303101

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	10		30,977		63,754
Investments	11		2		2
Investments in associates	11		100		100
			<u>31,079</u>		<u>63,856</u>
CURRENT ASSETS					
Stocks	13	78		78	
Debtors	14	33,745		33,087	
Cash at bank		1,897,937		2,268,400	
		<u>1,931,760</u>		<u>2,301,565</u>	
CREDITORS: amounts falling due within one year	15	(73,154)		(142,868)	
NET CURRENT ASSETS			<u>1,858,606</u>		<u>2,158,697</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,889,685</u>		<u>2,222,553</u>
Defined pension scheme liability	19		(1,897,307)		(1,899,776)
NET (LIABILITIES)/ASSETS			<u>(7,622)</u>		<u>322,777</u>
THE FUNDS OF THE CHARITY					
Restricted funds	16		268,420		251,017
Unrestricted funds	16				
General funds			445,666		473,704
Designated funds			1,175,599		1,497,832
Pension reserve			(1,897,307)		(1,899,776)
			<u>(276,042)</u>		<u>71,760</u>
TOTAL CHARITY FUNDS			<u>(7,622)</u>		<u>322,777</u>

As permitted by S408 Companies Act 2006, the charitable company has not presented its own statement of financial activities and related notes as it prepared group accounts. The charitable company's deficit for the year was £(330,399) (2020 : £(190,605)).

The financial statements on pages 20 to 45 approved and authorised for issue by the Board of Trustees on 11 April 2022 and signed on their behalf, by:



R Jenkins
Trustee

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021

		2021	2020
	Note	£	£
Cash flows (to)/from operating activities			
Net cash (used in)/provided by operating activities	18	(371,829)	279,068
Cash flows from investing activities:			
Interest received		1,366	9,631
Purchase of tangible fixed assets		-	(22,727)
Net cash provided by/(used in) investing activities		1,366	(13,096)
Change in cash and cash equivalents in the year		(370,463)	265,972
Cash and cash equivalents brought forward		2,268,400	2,002,428
Cash and cash equivalents carried forward		1,897,937	2,268,400

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES

Charity information

University of Leicester Students' Union is a private incorporated charitable company (company register number 07303101) limited by guarantee, incorporated in England and Wales. Its registered office and principal place of business is University of Leicester Students' Union, Percy Gee Building, University Road, Leicester, Leicestershire, LE1 7RH. The charitable company is also registered at the Charity Commission with a charity number of 1137811.

The main aims of the University of Leicester Students' Union are the advancement of the students at the university for the public benefit.

Basis of preparation of financial statements

Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)) (effective 1 January 2019) the Financial Reporting Standard applicable in the UK and Republic of Ireland including adoption of the amendments issued in December 2017 (FRS 102) and the requirement of Company's Act 2016.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

University of Leicester Students' Union meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

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

The financial statements of the charitable company are consolidated in these financial statements of University of Leicester Students' Union and these financial statements are available from the registered office.

Basis of consolidation

The Statement of Financial Activities and Balance Sheet consolidate the financial statements of the charitable company and its subsidiary undertaking. The results are consolidated on a line by line basis, all intra-group transactions and balances with the subsidiary are eliminated on consolidation. Joint ventures and associates are stated at the group's share of net assets, to the extent this is not impaired, and the group's share of the net share of the profits or losses of the joint ventures and associates is included in the Statement of Financial Activities using the equity accounting basis. All the financial statements are made up to 31 July 2021.

No separate Statement of Financial Activities has been presented for the charitable company alone as permitted by section 408 of the Companies Act 2006 as it prepares group accounts and the charitable company's individual balance sheet shows the charitable company's net movement in funds in the financial year.

1. ACCOUNTING POLICIES (continued)

Going concern

As a result of the Covid-19 pandemic the Students' Union has continued on a phased business continuity plan to help prepare and respond to the changing environment. Whilst assurances have been received from the main funders there is still uncertainty around the exact quantum of funding that will be available and income streams continue to be impacted. For this reason, the charity has prepared forecasts for at least one year from the date of approval of the accounts looking at how a fall in block grant funding and other income streams will impact the Students' Union. These forecasts are based on known information at the time of compiling and will be monitored and modified on an ongoing basis. Based on this and the available cash reserves, the trustees consider that the group has adequate funds and sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts. The trustees also consider that its anticipated future objectives can be met and have therefore prepared the financial statements on the going concern basis.

Company status

The charitable company is limited by guarantee. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

Funding accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objective of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the charitable company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the Bank.

Grants

The recurrent block grant is receivable from the University of Leicester. The grant is credited to the income and expenditure account in the year to which it relates.

Project support grants are project based and include grants which are receivable from the University of Leicester and other funding bodies.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grant will be received.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs (including governance costs) which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the assets use.

Tangible fixed assets and depreciation

Tangible fixed assets are initially recorded at cost and subsequently measured at cost, net of depreciation and any provision for impairment. Tangible fixed assets costing more than £1,000 are capitalised and all other expenditure is charged to the statement of financial activities in the year incurred.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and equipment	-	20% - 33% of cost
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Investments

The charitable company's fixed asset investments are valued at cost which is the Trustees' best estimate of fair value, as these assets are not readily saleable and a reliable market value is not readily ascertainable.

- (i) Subsidiary undertakings
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) Associated undertakings
Investments in associates are valued at cost less provision for impairment.
- (iii) Joint ventures
Investments in the joint ventures are valued at cost less provision for impairment.

Impairment of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the charitable company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment losses are recognised in statement of financial activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in statement of financial activities. On reversal of an impairment loss, the depreciation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (continued)

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises of direct materials.

At each reporting date, the charitable company assesses whether stocks are impaired or if any impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in statement of financial activities.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade and other debtors and amounts owed by group undertakings are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash and cash equivalents

Cash and cash equivalents includes cash and monies on short-term deposits at the bank and other short-term liquid investments with original maturities of three months or less.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Pensions

The Union participates in the Students' Union Superannuation Scheme, which is a defined benefit pension 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 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. However, the Union has entered into an arrangement to clear the scheme deficit over a 20 year period. The Net Present Value of the Union's contributions as part of this plan are reflected as a liability on the balance sheet, which will reduce as they are paid.

The charitable company also contributes to the NUS Aegon Pension Scheme and the government approved NEST scheme. The annual contributions payable are charged to the statement of financial activities.

Taxation

No provision for corporation tax has been made as the charitable company is exempt from corporation tax on its income and gains to the extent that these are applied to its charitable activities. The non-charitable subsidiaries will be subject to Corporation Tax on any profits not gift aided to the charitable parent within 9 months of the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES (continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Critical accounting estimates and areas and judgement

The charity makes estimates and assumptions concerning the future and acknowledges that the resulting accounting estimates and assumptions will, by definition, seldom equal to related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- (i) **Pension deficit contribution**
 The charity has entered into a commitment to provide deficit funding to the Students' Union Superannuation Pension Scheme, of which it is a contributing employer.

 Under FRS 102, the fair value of the commitment is recognised. The calculation of the fair value of the commitment is subject to an assumption of the discount rate. This discount rate is determined by reference to market yields at the reporting date on high quality corporate bonds. The commitment included in the balance sheet at the balance sheet date is £1,897,307 (2020: £1,899,776).
- (ii) **Donation of facilities by University of Leicester**
 In accordance with the Charities SORP FRS 102, the Union and its trading subsidiary has valued the benefit it receives from occupying facilities owned by the University on a rent-free basis, at the trustees' estimate of market value at £229,440 (2020: £180,129).
- (iii) **Support costs**
 Many of the costs incurred by the Union such as support staff costs and service costs are shared between activities. The Union's policy is to allocate these costs on the basis of assessed consumption.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations and University Grants	1,111,343	-	1,111,343	1,490,768
Grant of serviced accommodation	229,440	-	229,440	180,129
Peer mentoring funds restricted income	-	48,000	48,000	48,000
Sports grant	-	34,794	34,794	36,294
Drink Aware	-	-	-	11,582
RFU development restricted income	-	-	-	2,715
Job retention scheme grants	11,210	-	11,210	42,539
Total donations and legacies	1,351,993	82,794	1,434,787	1,812,027

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

3. OTHER TRADING ACTIVITIES

The University of Leicester Student's Union owns 100% of the issued share capital of its subsidiary, University of Leicester Students' Union Trading Ltd, a company which is incorporated in England and Wales (company number 02821506). The registered office of University of Leicester Students' Union Trading Ltd is the same as University of Leicester Student's Union. The subsidiary participates in trading activities relating to the charitable company. Its taxable profits are donated to the charitable company. A summary of the subsidiary's results which are consolidated in these financial statements is shown below:

Statement of income	2021 £	2020 £
Turnover	38,364	175,291
Cost of sales	(781)	(74,745)
Gross profit	37,583	100,546
Administrative expenses	(27,046)	(71,464)
Other operating income	2,000	-
(Loss)/profit before and after taxation for the financial year	12,537	29,082
Distribution to parent charity under gift aid	(12,537)	(29,082)
Result for the financial year	-	-

The net assets of University of Leicester Students' Union Trading Ltd at 31 July 2021 amounts to £2 (2020: £2 net assets), being current assets of £14,954 (2020: £33,271) less creditors within one year of £14,952 (2020: £33,269).

4. INCOME FROM INVESTMENTS	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Share of joint venture net income	103,279	103,279	86,466
Bank interest received	1,366	1,366	9,631
	104,645	104,645	96,097

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

5. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff Costs 2021 £	Depreciation 2021 £	Other Costs 2021 £	Total 2021 £	Total 2020 £
University of Leicester Students' Union Trading Ltd	15,667	-	12,160	27,827	146,209
Costs of raising funds	15,667	-	12,160	27,827	146,209
Education & representation	367,352	8,359	225,407	601,118	682,630
Welfare	78,003	5,107	127,920	211,030	238,484
Campaigns and Communications	104,117	6,734	158,314	269,165	293,224
Societies & clubs	267,350	12,328	408,160	687,838	1,028,319
Sports grant	-	-	34,794	34,794	36,294
Peer mentoring	42,144	-	426	42,570	61,482
Training	44,290	-	3,693	47,983	57,255
Drink Aware	-	-	-	-	13,055
Costs of charitable activities	903,256	32,528	958,714	1,894,498	2,410,743
	918,923	32,528	970,874	1,922,325	2,556,952

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

Certain central overhead support costs have been reallocated to the various activities as noted in the accounting policies. The effect of this reallocation on the various expenditure heading is shown here:

	Activities undertaken directly 2021 £	Support costs 2021 £	Total 2021 £	Total 2020 £
Education & representation	341,466	259,652	601,118	682,630
Welfare	5,464	205,566	211,030	238,484
Campaigns and communications	-	269,165	269,165	293,224
Societies & clubs	114,041	573,797	687,838	1,028,319
Sports grant	34,794	-	34,794	36,294
Peer mentoring	42,570	-	42,570	61,482
Training	47,983	-	47,983	57,255
Drink Aware	-	-	-	13,055
Total	586,318	1,308,180	1,894,498	2,410,743

Support costs comprised:-

	2021 £	2020 £
Staff costs	506,584	534,612
Depreciation	32,528	43,835
Rent	229,440	180,129
Insurances	14,609	17,132
NUS Subscription	25,303	36,341
Bad debts	-	69
Pension Scheme Funding	358,468	331,169
Marketing costs	8,065	15,314
Stationery and telephone	2,756	1,556
General building repairs and cleaning	4,551	127,901
Bank charges	1,932	3,026
Other support costs	123,695	119,413
Loss on disposal of fixed assets	249	-
Total	1,308,180	1,410,497

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

7. NET INCOME/(EXPENDITURE)

This is stated after charging	2021 £	2020 £
Depreciation of tangible fixed assets: - owned by the charitable group	32,528	43,835
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services as are follows:	2021 £	2020 £
Audit services – statutory audit of charitable company and consolidated accounts	16,650	13,585
Other services:		
Audit services – statutory audit of associates of the charitable company	1,950	1,835
Taxation compliance service	2,500	1,300
All other non-audit services	5,250	4,150
	<u>26,350</u>	<u>20,870</u>

8. STAFF COSTS

Staff costs were as follows:	2021 £	2020 £
Wages and salaries	799,178	934,186
Social security costs	67,234	74,718
Other pension costs	52,511	54,254
	<u>918,923</u>	<u>1,063,158</u>

During the year the charitable company made two (2020: one) ex-gratia and termination payments amounting to £17,695 (2020: £8,703).

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

	2021 No.	2020 No.
Full time	30	33
Students – term time only	21	52
	<u>51</u>	<u>85</u>

No employees received remuneration of more than £60,000 during the current or prior year.

Key management personnel of the charitable company are considered to be the trustees, the Director of membership services and the Chief Executive Officer. During the year, key management personnel received remuneration (including employers national insurance contributions) of £285,630 (2020: £293,383).

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

9. TRUSTEES' REMUNERATION

TRUSTEE NAME	Salary £	Pension £	Total 2021 £	Total 2020 £
O Obioha (resigned 30 June 2020)	-	-	-	20,031
A Magaia (resigned 19 June 2021)	18,784	939	19,723	21,852
A Rahman (resigned 30 June 2021)	19,077	954	20,031	21,245
C Brown (resigned 31 March 2020)	-	-	-	23,965
S Ali (resigned 30 June 2020)	-	-	-	19,771
M Nembhard (resigned 30 June 2021)	19,798	87	19,885	21,432
H Belcher (resigned 30 June 2021)	19,077	954	20,031	2,782
K Wagener	20,811	1,041	21,852	2,695
E Phipps (resigned 30 June 2021)	19,077	-	19,077	2,695
R Jenkins (appointed 1 July 2021)	1,734	87	1,821	-
M Kanikanti (appointed 1 July 2021)	1,734	87	1,821	-
N Farmer (appointed 1 July 2021)	1,734	87	1,821	-
G Henton (appointed 1 July 2021)	1,734	87	1,821	-
A Deeb (appointed 1 July 2021)	1,734	-	1,734	-
Total	125,294	4,323	129,617	136,468

During the previous year the charitable company made an ex-gratia and termination payment to C Brown amounting to £8,703, which is included in the above trustees remuneration.

There were no other trustee-benefits for the year (2020: £nil). Four (2020: Seven) trustees received reimbursement of expenses in relation to travel and subsistence totalling £610 (2020: £10,697).

10. TANGIBLE FIXED ASSETS

Group and Company Cost	Fixtures and equipment £
At 1 August 2020	388,518
Disposals	(87,768)
At 31 July 2021	300,750
Depreciation	
At 1 August 2020	324,764
Charge for the year	32,528
Eliminated on disposal	(87,519)
At 31 July 2021	269,773
Net book value	
At 31 July 2021	30,977
At 31 July 2020	63,754

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

10. TANGIBLE FIXED ASSETS (continued)

The net book value of fixed assets represents:	2021 £	2020 £
Assets used for charitable activities	30,977	63,754

11. FIXED ASSET INVESTMENTS

	Investments in joint venture £
Group	
Share of net assets	
At 1 August 2020	651,671
Share of profit	103,279
At 31 July 2021	754,950

The group's investment in its principal associate has been impaired on consolidation.

Company Cost	Shares in Group Undertakings £	Investments in associates £	Total £
At 1 August 2020 and at 31 July 2021	2	100	102

12. PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

a. Principal subsidiaries

University of Leicester Students' Union Trading Ltd

Subsidiary name	University of Leicester Students' Union Trading Ltd
Company registration number	02821506
Basis of control	Wholly owned subsidiary
Equity shareholding %	100%

b. Principal joint ventures

The University of Leicester Students' Union Trading Ltd, has a 50% joint ownership in the entity Student Union Lettings Limited, a charity which is registered in England and Wales.

The nature of the business is that of a student lettings agency and its registered office is First Floor Campus Centre Building, Mill Lane, Leicester, Leicestershire LE2 7DR.

Student Union Lettings Limited (trading as Sulets) is a company limited by guarantee and is therefore held as an investment in University of Leicester Students' Union Trading Ltd at nil value, reflecting its recoverable value to University of Leicester Students' Union Trading Ltd and therefore its parent undertaking, University of Leicester Students' Union.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

12. PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (continued)

c. Principal associates

Company name	Country	Shareholdings	Description
The Leicester Services Partnership Limited	England	50%	Operation of student related trading activities

Registered office

University of Leicester, University Road, Leicester, England LE1 7RH

Since the year end the Student Union has disposed of its investment in The Leicester Services Partnership Limited for nil consideration.

13. STOCKS	Group 2021 £	2020 £	Company 2021 £	2020 £
Stocks	78	78	78	78
14. DEBTORS	Group 2021 £	2020 £	Company 2021 £	2020 £
Trade debtors	8,218	16,365	7,914	114
Other debtors	2	5,281	-	5,279
Prepayments and accrued income	25,831	27,694	25,831	27,694
	34,051	49,340	33,745	33,087
15. CREDITORS: Amounts falling due within one year	Group 2021 £	2020 £	Company 2021 £	2020 £
Trade creditors	1,678	49,918	1,678	33,091
Amounts owed to group undertakings	-	-	14,648	17,018
Amounts owed to associates	100	100	100	100
Other taxation and social security	18,899	20,312	16,394	19,502
Other creditors	10,291	17,125	10,291	17,125
Accruals and deferred income	42,490	71,664	30,043	56,032
	73,458	159,119	73,154	142,868

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

15. CREDITORS: Amounts falling due within one year (continued)

	Group 2021 £	2020 £	Company 2021 £	2020 £
Deferred income				
Deferred income at 1 August	21,775	15,832	10,943	-
Resources deferred during the year	-	10,943	-	10,943
Amounts released from previous years	(15,943)	(5,000)	(10,943)	-
	<u>5,832</u>	<u>21,775</u>	<u>-</u>	<u>10,943</u>

Deferred income relates to amounts received in respect of multi-year contracts.

16. STATEMENT OF FUNDS

Group – current year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2021 £
Restricted funds					
Clubs and Societies	247,224	109,079	(97,106)	-	259,197
Peer Mentoring Fund	-	48,000	(42,570)	-	5,430
Sports grant	-	34,794	(34,794)	-	-
RFU Development Fund	3,793	-	-	-	3,793
	<u>251,017</u>	<u>191,873</u>	<u>(174,470)</u>	<u>-</u>	<u>268,420</u>
Unrestricted funds					
General reserves	473,604	1,400,053	(1,750,324)	322,233	445,566
Shares of net income from joint venture	651,671	103,279	-	-	754,950
	<u>1,125,275</u>	<u>1,503,332</u>	<u>(1,750,324)</u>	<u>322,233</u>	<u>1,200,516</u>
Designated funds					
LSP designated funding	275,000	-	-	-	275,000
Capital and strategic projects designated funding	1,222,832	-	-	(322,233)	900,599
	<u>1,497,832</u>	<u>-</u>	<u>-</u>	<u>(322,233)</u>	<u>1,175,599</u>
Pension reserve	(1,899,776)	-	2,469	-	(1,897,307)
	<u>723,331</u>	<u>1,503,332</u>	<u>(1,747,855)</u>	<u>-</u>	<u>478,808</u>
Total funds	<u>974,348</u>	<u>1,695,205</u>	<u>(1,922,325)</u>	<u>-</u>	<u>747,228</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

16. STATEMENT OF FUNDS (continued)

Group – prior year

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2020 £
Restricted funds					
Clubs and Societies	247,785	364,300	(364,861)	-	247,224
Peer Mentoring Fund	-	48,000	(61,482)	13,482	-
Sports grant	-	36,294	(36,294)	-	-
Drink Aware Fund	-	11,582	(13,055)	1,473	-
RFU Development Fund	1,078	2,715	-	-	3,793
	<u>248,863</u>	<u>462,891</u>	<u>(475,692)</u>	<u>14,955</u>	<u>251,017</u>
Unrestricted funds					
General reserves	622,340	1,903,456	(1,750,091)	(302,101)	473,604
Shares of net income from joint venture	565,205	86,466	-	-	651,671
	<u>1,187,545</u>	<u>1,989,922</u>	<u>(1,750,091)</u>	<u>(302,101)</u>	<u>1,125,275</u>
Designated funds					
LSP designated funding	275,000	-	-	-	275,000
Pension designated funding	250,000	-	-	(250,000)	-
Capital and strategic projects designated funding	685,686	-	-	537,146	1,222,832
	<u>1,210,686</u>	<u>-</u>	<u>-</u>	<u>287,146</u>	<u>1,497,832</u>
Pension reserve	(1,568,607)	-	(331,169)	-	(1,899,776)
	<u>829,624</u>	<u>1,989,922</u>	<u>(2,081,260)</u>	<u>(14,955)</u>	<u>723,331</u>
Total funds	<u>1,078,487</u>	<u>2,452,813</u>	<u>(2,556,952)</u>	<u>-</u>	<u>974,348</u>

UNIVERSITY OF LEICESTER STUDENTS' UNION
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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

16. STATEMENT OF FUNDS (continued)

Charitable company – current year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2021 £
Restricted funds					
Clubs and Societies	247,224	109,079	(97,106)	-	259,197
Peer Mentoring Fund	-	48,000	(42,570)	-	5,430
Sports grant	-	34,794	(34,794)	-	-
RFU Development Fund	3,793	-	-	-	3,793
	<u>251,017</u>	<u>191,873</u>	<u>(174,470)</u>	<u>-</u>	<u>268,420</u>
Unrestricted funds					
General reserves	<u>473,704</u>	<u>1,372,226</u>	<u>(1,722,497)</u>	<u>322,233</u>	<u>445,666</u>
Designated funds					
LSP designated funding	275,000	-	-	-	275,000
Capital and strategic projects designated funding	<u>1,222,832</u>	<u>-</u>	<u>-</u>	<u>(322,233)</u>	<u>900,599</u>
	<u>1,497,832</u>	<u>-</u>	<u>-</u>	<u>(322,233)</u>	<u>1,175,599</u>
Pension reserve	<u>(1,899,776)</u>	<u>-</u>	<u>2,469</u>	<u>-</u>	<u>(1,897,307)</u>
	<u>71,760</u>	<u>1,372,226</u>	<u>(1,720,028)</u>	<u>-</u>	<u>(276,042)</u>
Total funds	<u>322,777</u>	<u>1,564,099</u>	<u>(1,894,498)</u>	<u>-</u>	<u>(7,622)</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

16. STATEMENT OF FUNDS (continued)

Charitable company – prior year

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2020 £
Restricted funds					
Clubs and Societies	247,785	364,300	(364,861)	-	247,224
Peer Mentoring Fund	-	48,000	(61,482)	13,482	-
Sports grant	-	36,294	(36,294)	-	-
Drink Aware Fund	-	11,582	(13,055)	1,473	-
RFU Development Fund	1,078	2,715	-	-	3,793
	<u>248,863</u>	<u>462,891</u>	<u>(475,692)</u>	<u>14,955</u>	<u>251,017</u>
Unrestricted funds					
General reserves	<u>622,440</u>	<u>1,757,247</u>	<u>(1,603,882)</u>	<u>(302,101)</u>	<u>473,704</u>
Designated funds					
LSP designated funding	275,000	-	-	-	275,000
Pension designated funding	250,000	-	-	(250,000)	-
Capital and strategic projects designated funding	685,686	-	-	537,146	1,222,832
	<u>1,210,686</u>	<u>-</u>	<u>-</u>	<u>287,146</u>	<u>1,497,832</u>
Pension reserve	(1,568,607)	-	(331,169)	-	(1,899,776)
	<u>264,519</u>	<u>1,757,247</u>	<u>(1,935,051)</u>	<u>(14,955)</u>	<u>71,760</u>
Total funds	<u>513,382</u>	<u>2,220,138</u>	<u>(2,410,743)</u>	<u>-</u>	<u>322,777</u>

16. STATEMENT OF FUNDS (continued)

The restricted funds relate to:

The Clubs and Societies Funds represent balances held for specific clubs and societies where the ultimate control would vest with the Union.

The Union and University have agreed to work in partnership to develop a university-wide peer mentoring scheme. The project will be managed as part of the overall volunteer support process, the University have agreed funding of £48,000 to support this scheme.

The RFU Development fund relates to monies received for the development of rugby at the University.

The sports grant is utilised for Team Leicester coaching costs to help subsidise the cost of sports to students.

The designated funds relate to:

LSP designation funding represents a year's commercial grant contributions, in light of the losses made by the associate company at present.

Pension designated funding relates to funds set aside for future contributions towards the scheme, in light of the revaluation and the known challenges faced by the scheme.

Capital and strategic projects designated funding represents the remaining funds designated for investment in strategic projects relating to the long-term development of the Union after taking account of the required funding needed to orderly wind down the Union in the event of the organisation ceasing to operate in the future in the light of the challenges facing the sector.

Transfers

A transfer has been made from the capital and strategic projects designated fund to general reserves to take account of the required funding needed to orderly wind down the Union in the event of the organisation ceasing to operate in the future in the light of the challenges facing the sector.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group – current year	Restricted funds 2021 £	General funds 2021 £	Designated funds 2021 £	Pension reserve 2021 £	Total funds 2021 £
Tangible fixed assets	-	30,977	-	-	30,977
Fixed asset investments	-	754,950	-	-	754,950
Current assets	268,420	488,047	1,175,599	-	1,932,066
Creditors due within one year	-	(73,458)	-	-	(73,458)
Defined pension scheme liability	-	-	-(1,897,307)	-	(1,897,307)
	<u>268,420</u>	<u>1,200,516</u>	<u>1,175,599</u>	<u>(1,897,307)</u>	<u>747,228</u>
Group – prior year	Restricted funds 2020 £	General funds 2020 £	Designated funds 2020 £	Pension reserve 2020 £	Total funds 2020 £
Tangible fixed assets	-	63,754	-	-	63,754
Fixed asset investments	-	651,671	-	-	651,671
Current assets	251,017	568,969	1,497,832	-	2,317,818
Creditors due within one year	-	(159,119)	-	-	(159,119)
Defined pension scheme liability	-	-	-(1,899,776)	-	(1,899,776)
	<u>251,017</u>	<u>1,125,275</u>	<u>1,497,832</u>	<u>(1,899,776)</u>	<u>974,348</u>
Charitable company – current year	Restricted funds 2021 £	General funds 2021 £	Designated funds 2021 £	Pension reserve 2021 £	Total funds 2021 £
Tangible fixed assets	-	30,977	-	-	30,977
Fixed asset investments	-	102	-	-	102
Current assets	268,420	487,741	1,175,599	-	1,931,760
Creditors due within one year	-	(73,154)	-	-	(73,154)
Defined pension scheme liability	-	-	-(1,897,307)	-	(1,897,307)
	<u>268,420</u>	<u>445,666</u>	<u>1,175,599</u>	<u>(1,897,307)</u>	<u>(7,622)</u>
Charitable company – prior year	Restricted funds 2020 £	General funds 2020 £	Designated funds 2020 £	Pension reserve 2020 £	Total funds 2020 £
Tangible fixed assets	-	63,754	-	-	63,754
Fixed asset investments	-	102	-	-	102
Current assets	251,017	552,716	1,497,832	-	2,301,565
Creditors due within one year	-	(142,868)	-	-	(142,868)
Defined pension scheme liability	-	-	-(1,899,776)	-	(1,899,776)
	<u>251,017</u>	<u>473,704</u>	<u>1,497,832</u>	<u>(1,899,776)</u>	<u>322,777</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(227,120)	(104,139)
Adjustment for:		
Depreciation	32,528	43,835
(Decrease)/increase in pension deficit funding liability	(2,469)	331,169
Loss on the sale of fixed assets	249	-
Interest received	(1,366)	(9,631)
Decrease in stocks	-	3,917
Decrease in debtors	15,289	69,023
(Decrease)/increase in creditors	(85,661)	31,360
Net income from joint ventures and associates	(103,279)	(86,466)
Net cash (used in)/provided by operating activities	(371,829)	279,068

19. PENSION COMMITMENTS

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

The most recent Valuation of the Scheme was carried out as at 30 June 2019 and showed that the market value of the Scheme's assets was £119,100,000 with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £140,900,000.

The assumptions which have the most significant effect upon the results of the Valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumption applied at 30 June 2019:-

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

The 2019 valuation extended the period over which the ongoing funding deficit would be cleared to August 2035, and recommended a monthly contribution requirement by each participating employer be expressed in monetary terms. For the Union this has resulted in an increase to 19.4% as at 1 October 2021 and by a further 5% each year thereafter. These rates applied with effect from 1 October 2021 and contributions due from October 2023 onwards will be reviewed following the next actuarial valuation. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

19. PENSION COMMITMENTS (continued)

These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

FRS 102 and Charities SORP (FRS102), require that the charitable company share of past service shortfall is reflected in the financial statements. Based on the most recent valuation, the charitable company took the option to pay a lump sum of £360,937 in the year to cover the period between October 2020 and September 2023 as their contribution to eliminate the shortfall.

Therefore, at 31 July 2021, the balance sheet of the Union includes a liability of £1,897,307 (2020: £1,899,776), which represents the net present value of all future contributions towards eliminating this shortfall. The discount rate used is 1.75% (2020: 1.45%) which is comparable to that for a 15 year AA-rated corporate bond. The estimated liability is based on the 2019 triennial valuation of the scheme and will necessarily require revision after subsequent revaluations. The balance is made up as follows:

	2021 £
Balance brought forward	1,899,776
Contributions made in the year	(360,937)
Charge to statement of financial activities	358,468
	1,897,307

The charitable company also contributes to three defined contribution schemes:

The total contributions paid to The Universities Superannuation Scheme (USS) during the year amounted to £23,219 (2020: £23,032). At the year end, the charitable company owed £15 (2020: £2,874).

The total contributions paid to The NUS Aegon Pension Scheme during the year amounted to £4,288 (2020: £4,097). At the year end, the charitable company owed £489 (2020: £406).

The total contributions paid to The National Employment Savings Trust (NEST) during the year amounted to £25,295 (2020: £27,360). At the year end, the charitable company owed £4,296 (2020: £4,371).

20. RELATED PARTY TRANSACTIONS

Company

University of Leicester Students' Union Trading Ltd

The wholly owned subsidiary, University of Leicester Students' Union Trading Ltd, is included within the consolidated accounts.

University of Leicester Students' Union Trading Ltd gift aided £12,537 in the year (2020: £29,082).

University of Leicester Students' Union Trading Ltd income and expenditure goes through the charitable company's bank account and also the charitable company has recharged for the use of staff amounting to £15,667 (2020: £62,283). At the year end, University of Leicester Students' Union Trading Ltd was owed £14,648 (2020: £17,018) by the charitable company.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

20. RELATED PARTY TRANSACTIONS (continued)

Group and company
University of Leicester

The majority of the Student Unions' funding is derived from the University of Leicester, which is a related party as the Student Unions' principal activities involve providing services to its student body.

The Student Union receives a block grant from the University of Leicester £809,685 (2020: £1,012,103). Additional grants are provided by the University for project support of £368,736 (2020: £477,475) and redundancy reimbursement of £15,716 (2020: £nil).

During the year the group made sales of £13,824 (2020: £84,159) to the University of Leicester and made purchases of £27,145 (2020: £21,552) from the University of Leicester.

During the year the company made sales of £12,852 (2020: £12,364) to the University of Leicester and made purchases of £27,145 (2020: £15,124) from the University of Leicester.

At the year end, the group was owed £1,983 by the University of Leicester (2020: £34,011 owed to the University of Leicester).

In addition, the Student Union occupies its building on a rent-free basis. This is under an informal license subject to the Student Union maintaining the building in a good state of repair. As a result, an estimated value to the Student Union for the free serviced accommodation has been included in the accounts. This has been valued at £229,440 (2020: £180,129) based on market prices within Leicester.

The Leicester Services Partnership Limited

During the year the group and company made purchases of £nil (2020: £13,536) from The Leicester Services Partnership Limited. At the year end, The Leicester Services Partnership Limited was owed £100 (2020: £100) by the group.

Student Union Lettings Limited

During the year the group made sales of £10,000 (2020: £8,250) to Student Union Lettings Limited.

Other related parties are the Sabbatical Officers and Trustees as detailed in the Trustees' report. Details of remuneration received by these individuals are shown in note 9. Remuneration of key management personnel is shown in note 8.

21. POST BALANCE SHEET EVENTS

Since the year end the Student Union has disposed of its investment in The Leicester Services Partnership Limited for nil consideration.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2021

22. COMPARATIVE GROUP STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
INCOME FROM:			
Donations and legacies	1,713,436	98,591	1,812,027
Charitable activities	4,080	364,300	368,380
Other trading activities	175,291	-	175,291
Investments:			
Share of joint venture gross income	86,466	-	86,466
Interest received	9,631	-	9,631
Other income	1,018	-	1,018
TOTAL INCOME	1,989,922	462,891	2,452,813
EXPENDITURE ON:			
Raising funds	146,209	-	146,209
Charitable activities	1,935,051	475,692	2,410,743
TOTAL EXPENDITURE	2,081,260	475,692	2,556,952
NET EXPENDITURE	(91,338)	(12,801)	(104,139)
Transfer between funds	(14,955)	14,955	-
NET MOVEMENT IN FUNDS	(106,293)	2,154	(104,139)

Accounts

Company registration number: 07303101
Charity number: 1137811

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 JULY 2020

Charitable Status

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The company and the group is constituted under a Memorandum of Association and is a registered charity number 1137811.

University of Leicester Students' Union also has internal regulations or Rules approved by the Board of Trustees and regulated by the governing body of the University of Leicester (the University) in accordance with 1994 Education Act and the Charity Commission.

Registered Address

University of Leicester Students' Union Percy Gee Building, University Road, Leicester, Leicestershire, LE1 7RH

Board Of Trustees

Executive Officer Trustees

O Obioha (resigned 30 June 2020)

M Nembhard

A Magaia

A Rahman

S Ali (resigned 30 June 2020)

C Brown (resigned 31 March 2020)

E Phipps (appointed 1 July 2020)

H Belcher (appointed 1 July 2020)

K Wagener (appointed 1 July 2020)

Student Trustee

E Westbrook (appointed 1 July 2020)

External Trustees

S Knowles

D Moore

S Murad

A Bacon

S Harris

Independent Auditor

RSM UK Audit LLP, Chartered Accountants, Rivermead House, 7 Lewis Court, Grove Park, Leicester, Leicestershire, LE19 1SD

Bankers

National Westminster Bank Plc, Granby Street, Leicester, LE1 9GT

STATEMENT BY THE CHAIR
FOR THE YEAR ENDED 31 JULY 2020

In an ever changing world of higher education, the critical importance of a strong and effective student movement is more critical than ever. The challenge of harnessing our members' voices and represent their views to our partners is one that has been tested more than ever in 2019-20 as a result of the coronavirus pandemic.

The aim of this report is to share our achievements in the present and our ambitions for the future. 2019-20 was the second full year of our strategic plan, with stretching goals set for the team to build on the progress made in 2018-19. Pre-March 2020, the Union made strides in delivering the organisational priorities that work towards our vision to be a more active and inclusive Union with a powerful student-led voice; delivering meaningful change for our members across their Leicester experience.

The financial period saw a number of successes against planned objectives, including the completion of long-term student visions for education, liberation and sport, a wide program of research into the mental health needs of students at university, a reshaping of student-led group empowerment and the establishment of a new student experience forum with Leicester City Council.

From March onwards, the coronavirus pandemic reached the UK and swiftly led to the closure of the University campus from late-March until the end of the financial year. This didn't deter the organisation from the execution of our vision, but did curb completion of some priorities. It also identified a number of barriers faced by the organisation in reaching beneficiaries who were faced with educational challenges that previous generations of students hadn't faced. Despite the Union being very much orientated around its' physical spaces, the shutdown of campus didn't lead to a shutdown of service delivery. Departments moved to a digital environment as best they could, whilst reprioritising activity to accommodate previously unforeseen student needs that resulted from the pandemic.

As an organisation, we continue to be aware of our responsibilities to our members and to ensure the sustainability of the Union for the years ahead; particularly in the challenging financial climate we now find ourselves in. The closure of campus posed a challenge, both in 2019-20 income streams but also in anticipating significant reductions for 2020-21. Following an emergency reforecast undertaken in April, the Union curtailed all non-essential expenditure and placed a number of staff on furlough. The effect of these savings led to a small year-end surplus before accounting for the movement in the defined pension scheme liability, to help offset the planned deficit to see us through the 2020-21 year.

The year ahead will be a challenging one - for our organisation, the students' union sector, higher education and the wider world. As Chair, I am confident that we have taken the necessary steps to address these challenges and feel confident the Students' Union will continue to deliver for its' students in the very different year that faces us.

M Nembhard

TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 JULY 2020

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of University of Leicester Students' Union (ULSU) (the company) for the year ended 31 July 2020. The Trustees confirm that the Annual Report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice, Charities SORP (FRS 102), "Accounting and Reporting by Charities" effective 1 January 2019.

The Annual Report and Trustees' Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

Structure, Governance & Management

ULSU's charitable objects are:

The advancement of education of Students at the University for the Public Benefit by:

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

ULSU is administered by its Board of Trustees of up to six students elected annually by cross campus secret ballot of the ULSU membership (and are full time, or 'sabbatical', posts remunerated as authorised by the Education Acts and cannot exceed two years duration for each holder); up to five external trustees appointed for up to eight years (two terms of up to four years) by an appointments panel, and a student that is appointed by the appointments panel, and has no employment in any capacity with the Union.

The Board of Trustees meets at least four times a year to receive reports from individual Officers, sub-committees and the Chief Executive, to review the charity's performance and administration generally and to decide policy issues arising

All the charity trustees receive an induction into their legal and administrative responsibilities, with an on-going training programme as and when needed for issues arising during their term of office.

The Student Executive Officers are new to the Board every year, so they undergo a more intensive training period. The training starts during a handover period, immediately prior to them fully assuming office. This aims to ensure they are fully aware of their roles and responsibilities and can perform their duties to the best of their ability.

The Board of Trustees is assisted by three sub-committees, which meet at least two times per year and focus on certain key aspects of ULSU's governance and management:

The **Finance & Audit Committee** monitors ULSU's financial performance, appraises requests for capital expenditure and reviews our commercial performance. The Committee also reviews the annual budget, scrutinises the annual accounts and meets with external auditors.

The **Remuneration & HR Committee** examines issues relating to ULSU employees, including staff policies, changes to pay and matters relating to employee wellbeing.

The **Risk Management Committee** monitors ULSU's risk profile, risk management, compliance with relevant legislation and scrutinises progress in tackling identified areas of risk on the organisation's risk register.

Structure, Governance & Management (continued)

ULSU operates on democratic principles, with policy being acted upon by the six selected trustees who form the Executive Committee. During the year, members have the opportunity to bring forward ideas through Union Council or our three networks to drive student-led change. Networks are based on principles of deliberative and direct democracy. The Union's Student Ideas system also creates simple and direct opportunities for students to suggest change ideas to Union Council.

The Union has made qualifying third party indemnity provisions for the benefit of its trustees during the year. These provision remain in force at the reporting date.

The Senior Leadership Team

The University of Leicester Students' Union employs a Chief Executive, Gareth Oughton, who works closely with the Student Executive Officers and Trustee Board to ensure effective management of the organisation. The Chief Executive is head of a Senior Management Team made up of Ambalavanar Kumaran (Director of Membership Services).

The Strategic Leadership Team, made up of the Union's Managers, meets monthly to oversee the Union's regular activities. ULSU also employs a number of non-student full time staff for the sake of continuity in the management of its any activities. These staff members are accountable to the Chief Executive for the performance of their duties.

Pay policy for senior staff

The Trustee board will review pay across the organisation on an annual basis. The factors to be taken into consideration include individual performance, the prevailing rate of inflation and the Union's financial position as of 1 August. Staff must have worked a full financial year (1 August – 31 July) in order to have qualifying length of service. Salary increases are at the discretion of the Union and are not a guaranteed outcome of the annual review process. Senior staff will receive the same annual pay increase as all other staff.

Relationship with University of Leicester

The relationship between the University and ULSU is established in the Regulations of the University and detailed in ULSU Rules approved by both organisations. ULSU receives a Block Grant from the University, and leases most of the Percy Gee Building owned by the University, which also pays for utilities. This non-monetary support is intrinsic to the relationship between the University and ULSU. An estimated value to ULSU for this free serviced accommodation has been included in the accounts, valued at £180,129. The Students' Union has entered into a partnership with the university and all commercial trading outlets have been transferred into it along with all of the university commercial outlets being The Leicester Services Partnership Limited.

The ULSU continues to generate supplementary funding from some small trading activities such as Fresher's Graduation Limited and NUS card sales. All other trading income is included within the Leicester Services Partnership with the university, at present the Student Union have a 5 year guaranteed income agreement in the form of a Commercial Grant, as compensation for loss of trading income. This will be reviewed at the end of this agreement.

There is no reason to believe that this or equivalent support from the University will not continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body.

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2020

Risk Management

The Board of Trustees examine the major strategic, business and operational risks faced by ULSU and confirms that systems are in place to manage those risks, including reviews by the Board.

There are a number of significant risks affecting the Union. The greatest of which is the financial threat posed to income streams by Covid-19 and the changed needs of students as a result of the pandemic. We have embarked on a phased business continuity plan to help prepare and respond to the changing environment. The Union has carried out scenario planning looking at how a potential fall in funding will impact the Union and also at the way it delivers its services to students. These scenarios will be monitored and modified on an ongoing basis.

The Trustees consider a significant source of financial risk to be that of the funding requirements of the Students' Union Superannuation Scheme. In order to mitigate this risk, the current and foreseeable service costs is monitored and periodic actuarial valuations are reviewed to assess the impact of external factors on the scheme liability.

Other risks on the Union's radar include the future viability of the joint trading company with the University and reliance on its physical estate highlighted by the pandemic and continued delays to development works to its building.

Aims, Objectives & Activities

Our purpose is clear in our constitution, "The Union is devoted to the educational interests and welfare of its Members" and will seek at all times to:

- Ensure that the diversity of its Membership is recognised and that equal access is available to all Members of whatever origin or orientation
- Pursue its aims and objectives independent of any political party or religious group
- Pursue equal opportunities by taking positive action within the law to facilitate participation of groups discriminated against by society.

The Students' Union operates with a clear mission to be an empowering and inclusive organisation, championing students' interests and providing a home away from home.

We are the sole representative organisation for the students of the University of Leicester and we recognise that our members rely on us to represent the matters that are most important to them, to the University and to other external stakeholders. We play a key role in how students learn, develop and grow whilst at University. Each of our departments has a key role to play in this journey, overseen by elected student representatives who help shape and direct our priorities.

The values that form the core of our organisation are:

- To be **student-led**. Our students lead our organisation and come first in everything we do. As an organisation, we will ensure decisions are based on member research and we will always place students first.
- To be **inclusive**. Our students from marginalised backgrounds face complex structural injustices. We will use our platform to challenge embedded privilege and ensure what we do removes rather than builds walls
- To be **fun**. Engagement with the Union should be fun and rewarding. As an organisation, we are invested in recognising student needs and adapting processes to reflect how members will interact with them

The Board of Trustees has focused its current activities on developing an exceptional student experience, in line with its constitutional objectives. The Union's current vision is "By 2021, we will be an active and inclusive Union with a powerful student-led voice; delivering meaningful change for you across your Leicester experience."

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2020

Aims, Objectives & Activities (continued)

In pursuit of these objectives, ULSU has established departments and services for use by its members and to support its work with the University and other organisations on behalf of students. These include a Student Voice team, to facilitate representative and campaigning functions, a Support team to deliver advice and mentoring services and an Opportunities team to deliver exceptional experiences for students in sport, society activities, volunteering and fundraising. Officer Trustees of ULSU sit on key University Committees and meet with local decision makers regarding local matters affecting students.

ULSU's commitment to its members is to place them at the heart of change and decision making within the organisation, listening to ideas and driving improvement to our services.

The Trustees have considered public benefit, in conjunction with the guidance contained in the Charity Commission's general guidance on public benefit and have concluded that as a registered charity and Students' Union, our work directly supports and benefits the students registered to study at University of Leicester.

Review of Activities

The Union operates around three key strategic areas of activity:

- Voice
- Opportunities
- Support

These three priorities are underpinned by three supporting enablers:

- Communication
- Spaces
- Partnerships

Our Vision		
By 2021, we will be an active and inclusive Union with a powerful student-led voice; delivering meaningful change for students across their Leicester experience.		
Our Goals By 2021		
Voice	Opportunities	Support
We will ensure students have easy to access systems to capture their ideas to drive change across all areas of the Union and University	We will offer accessible activities to students that allow them to try new things and empower the development of skills for their future	We will provide empowering information and reactive support to enable students to proactively manage their lives
Communication	Spaces	Partnerships
We will understand the needs of our students and present our work clearly to ensure all students know what we do	We will ensure our physical spaces are of the highest quality, whilst enhancing virtual platforms to enable easy access to services	We will build relations with partners based on principles of collaboration and healthy challenge to meet their needs

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2020

Review of Activities (continued)

- **Voice:** Our primary purpose is to represent our members at all levels to the University creating real and meaningful change for students. We aim to further increase the accessibility of our democratic structures and to ensure all our students seeking to make changes are effectively supported.
- **Opportunities:** The primary aim of our Opportunities provision is to offer students with a wide range of co-curricular activities. Both through direct delivery and through facilitating and supporting student leaders, partners, and external providers to deliver opportunities to students.
- **Support:** The Union support provision aims to ensure that students feel welcomed, comfortable and guided throughout their University journey. This work is delivered through the work of the Advice Service, Peer Mentoring and the Training department.
- **Communication:** Unless our members know about our work, our work serves no true purpose. We aim to ensure students are kept informed of the Union's campaign and operational priorities, whilst engaging them through the defining moments in their student journey.
- **Spaces:** The Union operates from a high-profile building in the centre of the main campus, which aims to showcase our work and provide spaces for our students to socialise, organise, receive support and develop new skills through the range of opportunities we provide. In a digital world, our virtual as well as physical spaces must be of the highest possible quality.
- **Partnerships:** As a charity enhancing the student experience of our members in a large educational environment, who themselves form part of a bigger city, it is vital that we build, develop and sustain healthy relationships with key decision makers in the University and community.

Our 2019-20 Goals		
Voice	Opportunities	Support
We completed a student-led education strategy to clarify students' vision of an inclusive and successful learning experience	We increased the number of alcohol-free events and improved promotion for student group activities	We expanded the reach of support, to include budgeting advice and an increase in workshops
We embedded community organising into our democratic structures, empowering students to lead and own change making	Due to the pandemic and staff turnover, we failed to launch an attitudes and attributes framework for student leaders	We completed a liberation strategy, using diversity as a strength and pushing for solutions to inequality
We failed to publish routine updates of changes made by elected representatives and through Union democracy	We reshaped the Union's relationship with societies, moving relationships from process support to group development	We undertook broad research into students' mental health needs and reported on gaps in provision to partners
Objective – Communication	Objective – Spaces	Objective - Partnerships

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2020

We developed an improved programme of video content for the Union's digital channels, whilst building our online audience	We failed to launch the new Union spaces in Percy Gee, due to continued building project delays	We published a vision for the future of sport; addressing the need for facilities investment and improved access
Objective – Communication	Objective – Spaces	Objective - Partnerships
We relaunched the Union's presence at Open Days, to build member awareness before their arrival	We streamlined online support, to enable students to access information when most needed	We identified and empowered key university colleagues, leading to increased officer goal completion
We reviewed the accessibility of Union communications and initiated work to segment organisational messaging	We opened a satellite office on the Brookfield campus and identified ways we can expand to the Medical School	We reviewed external partnerships and initiated work on development plans

Voice

A great emphasis was placed on improvements that would be made to the empowerment of academic representatives and how improvements could be made to better track their work at a departmental level. Significant changes introduced this year saw all reps being given local-level briefing packs on starting the role; containing NSS and module evaluation data, along with inherited issues raised by their predecessors. As a result of the empowerment and continual tracking, over 550 student-led changes were implemented at a course level last year. The Union also launched its first education strategy, setting a student-vision for what an inclusive and successful academic experience looks like.

Over 24% of the student population took part in democratic processes facilitated by the Union last year; be that through the Executive Officer elections, course representative elections or student ideas system. This places the Union comfortably above other Union's comparable democratic participation rates, as we strive to achieve 30% engagement by 2021. Attendance at student council increased by 37%, thanks in part to the changes implemented in adopting a community-organising approach to change making. The introduction of new staff capacity to the team made significant improvements in the quality of support provided to the Union's part-time officer team, as well as the equality & liberation champions.

Opportunities

Priority was placed by the Activities Team in 19/20 on a society development plan for each student group, helping them reflect on the services they offer their members and how they can be improved upon for future years. This, combined with a relaunched committee training programme meant we saw a significant rise in both the quality and quantity of student-led activity, before the pandemic struck. The year saw a continued focus on community impact, with RAG fundraising a record £28,506 for local and regional charities through a wide variety of student-led activity. We also saw a 145% increase in the community volunteering opportunities offered to students through our online portal. Significant strides were made to address the lack of diversity in leadership roles for student groups, with the introduction of the first student activities' inclusion strategy and the wide uptake on training to help existing student leaders in tackling microaggressions within their groups. The department also completed work on a vision for the future of sport at Leicester; highlighting issues with facilities investment, cost of engagement and the demographic make-up of those active in sport at Leicester.

Despite the onset of the pandemic, student groups responded admirably and contributed enormously to the Union's *Leics Quarantine & Chill* community; aimed to keep students engaged during the first lockdown. Key departmental activity such as the Student Opportunities Awards were moved online, reaching a wider audience than previous in-person events had.

Review of Activities (continued)

Support

A record number of year-to-date cases were picked up by the Union's Advice Service, prior to the onset of the pandemic in March; with continued increases in support requests relating to the local housing sector and advice on university processes (navigating mitigating circumstances and submitting complaints the largest increase areas). A newly introduced user evaluation process for the advice service saw a 98% satisfaction rating from students, reflecting the high esteem the service they provide for students is held in. A series of support clinics and initiatives were facilitated through the service, including Pro Bono Society's free legal clinic and externally commissioned support clinics to aid with sexual health and mental wellbeing. The Peer Mentoring program trained a record number of mentors, to assist with the induction of the 2019/20 intake of students. The quality of work undertaken by mentors and the support provided by the staff team led to 95% endorsement rating from engaged students.

The support departments of the Union pivoted service delivery online in March when the pandemic struck; with all training opportunities moved to a virtual environment, support sessions available via Teams and new initiatives introduced such as the LeicsQuarantine support podcast to help students get through the difficult final months of the academic year. In total, over 743 accredited CPD sessions were delivered to students, ensuring students could engaged with CPD despite campus being closed.

Communication

The Union's social media and digital engagement statistics have drastically improved, most notably over Instagram – where increased from 3,000 followers at the end of the 18/19 year to 4615 followers by the end of the 19/20 year. This platform is still continuing to experience steady growth, with students regularly asking questions and engaging with content. The team have significantly increased accessibility of output, with all new content now captioned and actively reflecting on ways to make video content accessible for all users. The introduction of an accessibility toolbar on the Union's website for the first time now means that all site content can be amended to suit a users' specific access requirement. New and digitally engaging ways of delivering campaign content has been embedded throughout the Union's work in year, with the Executive Officers' safety tips around the Black Lives Matter going viral across the UK.

As a result of the coronavirus pandemic, the Marketing & Communications team provided digital expertise in moving Union activity online; with several activities proving to engage a wider audience than their physical counterpart. Particular highlights were the virtual award ceremonies in May, delivered at zero cost and reaching an audience of over 10,000 viewers.

Spaces

A major £21m redevelopment of the Percy Gee building has continued to compromise the presence of the Union on campus; with noise and temperature issues reducing the home away from home feel of the main Union Square. The continued delay of the project means this work is now likely to run through until January 2021 at the very earliest, having been initially scheduled to finish by September 2019.

Despite the challenges these building works have presented, the Union has undertaken broad research with student space users on their needs from the redeveloped areas offered and trustees have considered areas for potential investment once the project is complete. Union space development on the Brookfield campus did successfully launch in 19-20 however, with a pop-up site for volunteers and staff now in place. This should be first pop-up office space for 'off-site' academic departments, with conversations now advanced with the Medical School for a future Union presence.

Review of Activities (continued)

Partnerships

Partnerships with key stakeholders were developed over the past year, with a change in senior leadership in the University. Improvements were made over the course of the year in how the elected officer team could raise issues with senior University leaders, enabling swifter change. A new partnership framework was developed towards the end of the year, ready for full implementation in 20/21. A key aspect of the partnership with the University continues to be the provision of research findings from the student body, which are presented with a view to enacting change.

Externally, new a partnership with Leicester City Council was developed; with connections between students and the local area deepened through our relationship with Leicester Citizens.

Executive Officer Collaborative Priorities

As lead representatives and remunerated trustees, the executive officers are tasked with working in partnership with the University to address the key needs of the student body. Their key priorities in 2019/20 were as follows:

- **Mental Health:** Successes included delivery of a wholesale review of the personal tutor system; which led to an improvement in the training for tutors and the introduction of a lead tutor for the University. Progress on counsellors to support students from liberation groups remains a priority, particularly therapists with lived experience of racial trauma and trauma associated to sexuality.
- **Sexual Harassment:** Partnership work with the University led to the introduction of a high-profile, bold visual statement of opposition to sexual violence on campus; via the 'erase the grey' campaign. Further progress was made, as lobbying saw the O2 Academy implement the 'Good Night Out' quality mark and the University made a commitment to introduce mandatory consent workshops in future years.
- **Black Awarding Gap:** Work was undertaken alongside the Education Excellence team to research the variety of disparities hidden with the overarching BAME label. This demonstrated the acute issue Leicester has with its' black awarding gap. Officer-led successes through partnership working saw the introduction of a sports inclusion fund to address the whiteness of sport at Leicester and significant improvements to the Equality Liberation Champions across departmental structures. The officer-led 'We Are Black History' campaign was an exemplar project of its type in the sector, featuring high-profile speakers to educate staff and students alike on the challenges facing students in higher education.
- **Student Costs:** The 19-20 officer team prioritised working with the University to introduce new schemes that could address core causes. In year-successes included collaboration with the Library to analyse the number and cost of mandatory books on each reading list, leading to an increase in available texts via the free-to-access platforms for students. Progress to ensure disabled students are able to access accommodation at the cheapest pricing bracket remains a priority, as does the cost of food on campus.
- **Decolonisation of The Curriculum:** The officer team ran a high-profile series of talks under the Why Is My Curriculum So White banner, featuring a wide range of external speakers to showcase exciting developments elsewhere in the UK and the world in addressing the lack of curriculum diversity. Progress to follow-up on the agreed goals at Ideathon ran in collaboration with the University in 2018 remains a priority for the officer team, particularly co-signing pledges to decolonise education and service delivery within a fixed timeframe.

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2020

Review of Activities (continued)

Executive Officer Collaborative Priorities (continued)

- **Pandemic Response:** Whilst not an agreed priority at the start of the year, the officer team (like the rest of the world) were required to dramatically rethink their plans for the year and the work students needed from them. Close, collaborative work with the Registrar and the PVC Education led to important adaptations for students on assessment, mitigating circumstances, welfare provision, gym refunds and co-signed contact to the private housing sector. The summer saw the outgoing officer team hand over to the incoming team members on Ignite service delivery and the practicalities of delivering for students in a year like no other.

Future Plans

Going into year 3 of the 2018-21 Strategy, we expect to move closer to completion of the overarching targets set in the plan. The year will also be shaped by the objectives of the new Student Executive priorities, aligning the support they need to our ongoing strategic aims. A number of highlights in our next year include:

- Undertaking a comprehensive review of the student voice structures to maximise efficiency
- Developing a digitally-led election strategy in response to the coronavirus pandemic
- Launching an attitudes and attributes framework to develop student leaders' understanding of their employability offer
- Developing a new series of proactive support and training workshops to help students adjust to the post-pandemic landscape
- Launching a new mental health clinic to better empower students in managing their wellbeing through the uncertainties of University life
- Revamping the Peer Mentoring Scheme to incorporate liberation-specific matching

Financial Review

ULSU's gross income from all sources this year totalled £2,452,813 (2019: £2,674,784). Total expenditure was £2,556,952 (2019: £2,492,187) resulting in a deficit for the year of £104,139 (2019: £182,597 surplus), decreasing ULSU's total reserves to £974,348 (2019: £1,078,487) before the introduction of the share of the joint venture's results. The Union has continued to benefit from the recognition and support of the University, and this year the annual block grant increased to £1,012,103 (2019: £908,522). In addition to this the Union received other grants from the University of £477,475 (2019: £592,001).

The Union's trading subsidiary generated a trading surplus of £29,082 (2019: £107,213) which is gift aided to the Union.

The University of Leicester Students' Union Trading Ltd holds a 50% ownership in Student Union Lettings Limited. The company is registered as a charitable company limited by guarantee. 50% of the net income and assets of the company have been included in these financial statements.

Financial Statements

The financial statements for the year ended 31 July 2020 are set out on pages 18 to 43. These were prepared applying the Accounting Policies set out on pages 22 to 26.

Investment Policies

The Union aims to generate returns on the cash it holds in the bank at any given point. The purpose is to yield the best financial return within the level of risk considered to be acceptable - this return can then be spent on the charity's aims.

Investment Policies (continued)

Delivery of our core services is met through the block grant funding received from the University, the commercial grant and any commercial partnerships in return for access to our members. Income generated on any invested reserves should not be required to support ongoing core activities of the Union.

The level of risk must always be identified and must fall within the acceptable levels stated by the Finance & Audit sub-committee. Investment risk should also be reduced by ensuring that the savings are diversified.

Before any funds are invested the Finance Manager must prepare a cash flow to ensure that the Union has enough cash to meet its working capital requirements. Any funds not required in the short term may then be invested in short term deposits and any funds not needed in the medium-long term can then be invested wisely in longer term investments to generate a greater yield. Funds not needed for short term operational needs can be deposited with reputable institutions, provided that the agreed risk ratings and limits are adhered to. Deposits should always be split between UK based institutions with different banking licenses, to reduce the risk from institutional failure.

Where possible the Union seeks to diversify short-term deposits across different banking licenses, to reduce the exposure of the reserves from the failure of any one bank. The total deposits placed in an institution must not exceed £75,000, without the full knowledge of the Finance & Audit Committee.

In order to generate a greater return, funds not required in the short term may be invested in longer term deposits which offer a higher yield. Funds may also be invested in other financial products, considered to be low risk and offered by regulated and reputable institutions.

It is important that the Union can gain access to its funds, should some urgent need arise; therefore investment products used must allow for fund withdrawals that cover a wide range of timescales in order to enable this.

Union policies precluding investments in certain organisations would be taken into account, when considering investments.

Funds & Reserves

The Union aims to hold 6 months wages in free reserves £448,475 (2019: £489,670), in addition to £25,129 operating costs in the current year. This would enable an orderly winding down of the organisation in the event it was necessary.

The Board of Trustees have agreed to hold £275,000 to safeguard the organisation in the event that the commercial grant was withdrawn at the end of the initial five year period.

All remaining free reserves are held as a designated fund for capital and strategic projects to transform the student experience. Up to £200,000 of these remaining reserves were identified by trustees to underwrite anticipated financial losses in the 2020/21 financial year.

Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they 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.

The Board of Trustees confirms that ULSU has sufficient funds to meet all its obligations. The Block Grant for 2019/20 has been confirmed at £809,682. In addition, the Union will also receive a commercial grant of £275,000 until 2021/22 to reflect lost trading after entering into the Leicester Services Partnership with the University.

TRUSTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2020

Auditor

RSM UK Audit LLP have indicated their willingness to be reappointed for another term. In accordance with the Companies Act 2006 a resolution proposing the reappointment of RSM Audit LLP as Auditor will be put to the members.

Trustees' Responsibilities Statement

The Trustees (who are also directors of ULSU for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continued in operation.

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

Statement of Disclosure to Auditor

So far as each Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware. Additionally, each Trustee has taken all the necessary steps that they ought to have taken as a Trustee in order to make themselves aware of all relevant audit information needed and to establish that the charitable group's auditor is aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

This report was approved by the Board of Trustees on 18 December 2020 and signed on their behalf by:



M Nembhard
Trustee

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
UNIVERSITY OF LEICESTER STUDENTS' UNION**

Opinion

We have audited the financial statements of University of Leicester Students' Union (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2020 which comprise the group statement of financial activities incorporating income and expenditure account, the group and company balance sheets, the group 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2020 and of the group's incoming resources and application of resources, 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 and Charities Act 2011.

Basis of opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Conclusions relating to going concern

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees report, other than the financial statements and our Auditor's report thereon.

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

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

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)**

Opinion on other matters prescribed by the Companies Act 2006.

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion.

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law 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 from the requirements to prepare a Strategic Report in the preparing the Trustees' Report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 14, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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. The description forms part of our Auditor's report.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
UNIVERSITY OF LEICESTER STUDENTS' UNION (continued)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Gareth Jones (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Rivermead House
7 Lewis Court
Grove Park
Leicester
Leicestershire
LE19 1SD

Date: 18/12/2020

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

**GROUP STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2020**

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:					
Donations and legacies	2	1,713,436	98,591	1,812,027	1,784,635
Charitable activities		4,080	364,300	368,380	505,193
Other trading activities	3	175,291	-	175,291	266,973
Investments:	4				
Share of joint venture net income		86,466	-	86,466	106,404
Interest received		9,631	-	9,631	7,709
Other income		1,018	-	1,018	3,870
TOTAL INCOME		1,989,922	462,891	2,452,813	2,674,784
EXPENDITURE ON:					
Raising funds		146,209	-	146,209	159,760
Charities activities		1,935,051	475,692	2,410,743	2,332,427
TOTAL EXPENDITURE	5	2,081,260	475,692	2,556,952	2,492,187
NET INCOME/(EXPENDITURE)		(91,338)	(12,801)	(104,139)	182,597
Transfers between funds	17	(14,955)	14,955	-	-
NET MOVEMENT IN FUNDS	17	(106,293)	2,154	(104,139)	182,597
RECONCILIATION OF FUNDS:					
Total funds brought forward	17	829,624	248,863	1,078,487	895,890
TOTAL FUNDS CARRIED FORWARD	17	723,331	251,017	974,348	1,078,487

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

Details of the comparative group statement of financial activities are included in note 23.

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

GROUP BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2020

Company registration number 07303101

	Notes	£	2020 £	£	2019 £
FIXED ASSETS					
Tangible assets	10		63,754		84,862
Investments in joint ventures					
- Share of gross assets		705,422		636,119	
- Share of gross liabilities		(53,751)		(70,914)	
Share of net assets	11		651,671		565,205
Investments in associates	11		-		-
			<u>715,425</u>		<u>650,067</u>
CURRENT ASSETS					
Stocks	13	78		3,995	
Debtors	14	49,340		118,363	
Cash at bank and in hand		2,268,400		2,002,428	
		<u>2,317,818</u>		<u>2,124,786</u>	
CREDITORS: amounts falling due within one year	15	(159,119)		(127,759)	
NET CURRENT ASSETS			<u>2,158,699</u>		<u>1,997,027</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,874,124</u>		<u>2,647,094</u>
Defined pension scheme liability	20		(1,899,776)		(1,568,607)
NET ASSETS			<u>974,348</u>		<u>1,078,487</u>
THE FUNDS OF THE CHARITY					
Restricted funds	17		251,017		248,863
Unrestricted funds	17				
General funds			1,125,275		1,187,545
Designated funds			1,497,832		1,210,686
Pension reserve			(1,899,776)		(1,568,607)
			<u>723,331</u>		<u>829,624</u>
TOTAL CHARITY FUNDS			<u>974,348</u>		<u>1,078,487</u>

The financial statements on pages 18 to 43 were approved and authorised for issue by the Board of Trustees on 18 December 2020 and signed on their behalf, by:



M Nembhard
Trustee

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

COMPANY BALANCE SHEET
FOR THE YEAR ENDED 31 JULY 2020

Company registration number 07303101

	Notes	£	2020 £	£	2019 £
FIXED ASSETS					
Tangible assets	10		63,754		84,862
Investments	11		2		2
Investments in associates	11		100		100
			<u>63,856</u>		<u>84,964</u>
CURRENT ASSETS					
Stocks	13	78		78	
Debtors	14	33,087		79,683	
Cash at bank		2,268,400		2,000,498	
			<u>2,301,565</u>	<u>2,080,259</u>	
CREDITORS: amounts falling due within one year	15	(142,868)		(83,234)	
NET CURRENT ASSETS			<u>2,158,697</u>	<u>1,997,025</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,222,553</u>	<u>2,081,989</u>	
Defined pension scheme liability	20		(1,899,776)		(1,568,607)
NET ASSETS			<u>322,777</u>	<u>513,382</u>	
THE FUNDS OF THE CHARITY					
Restricted funds	17		251,017		248,863
Unrestricted funds	17				
General funds			473,704		622,440
Designated funds			1,497,832		1,210,686
Pension reserve			(1,899,776)		(1,568,607)
			<u>71,760</u>	<u>264,519</u>	
TOTAL CHARITY FUNDS			<u>322,777</u>	<u>513,382</u>	

As permitted by S408 Companies Act 2006, the charitable company has not presented its own statement of financial activities and related notes as it prepared group accounts. The charitable company's deficit for the year was £(190,605) (2019: £76,193 surplus).

The financial statements on pages 18 to 43 approved and authorised for issue by the Board of Trustees on 18 December 2020 and signed on their behalf, by:



M Nembhard
Trustee

UNIVERSITY OF LEICESTER STUDENTS' UNION
(A company limited by guarantee)

GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	19	279,068	60,264
Cash flows from investing activities:			
Interest received		9,631	7,709
Purchase of tangible fixed assets		(22,727)	(52,052)
Net cash used in investing activities		(13,096)	(44,343)
Change in cash and cash equivalents in the year		265,972	15,921
Cash and cash equivalents brought forward		2,002,428	1,986,507
Cash and cash equivalents carried forward		2,268,400	2,002,428

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES

Charity information

University of Leicester Students' Union is a private incorporated charitable company (company register number 07303101) limited by guarantee, incorporated in England and Wales. Its registered office and principal place of business is University of Leicester Students' Union Percy Gee Building, University Road, Leicester, Leicestershire, LE1 7RH. The charitable company is also registered at the Charity Commission with a charity number of 1137811.

The main aims of the University of Leicester Students' Union are the advancement of the students at the university for the public benefit.

Basis of preparation of financial statements

Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)) (effective 1 January 2019) the Financial Reporting Standard applicable in the UK and Republic of Ireland including adoption of the amendments issued in December 2017 (FRS 102) and the requirement of Company's Act 2016.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

University of Leicester Students' Union meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

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

The financial statements of the charitable company are consolidated in these financial statements of University of Leicester Students' Union and these financial statements are available from the registered office.

Basis of consolidation

The Statement of Financial Activities and Balance Sheet consolidate the financial statements of the charitable company and its subsidiary undertaking. The results are consolidated on a line by line basis, all intra-group transactions and balances with the subsidiary are eliminated on consolidation. Joint ventures and associates are stated at the group's share of net assets, to the extent this is not impaired, and the group's share of the net share of the profits or losses of the joint ventures and associates is included in the Statement of Financial Activities using the equity accounting basis. All the financial statements are made up to 31 July 2020.

No separate Statement of Financial Activities has been presented for the charitable company alone as permitted by section 408 of the Companies Act 2006 as it prepares group accounts and the charitable company's individual balance sheet shows the charitable company's net movement in funds in the financial year.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES (continued)

Going concern

As a result of the Covid-19 pandemic the Students' Union has continued on a phased business continuity plan to help prepare and respond to the changing environment. Whilst assurances have been received from the main funders there is still uncertainty around the exact quantum of funding that will be available and income streams continue to be impacted as a result of physical gatherings having to be cancelled or postponed. For this reason, the charity has prepared forecasts for at least one year from the date of approval of the accounts looking at how a fall in block grant funding and other income streams will impact the Students' Union. These forecasts are based on known information at the time of compiling and will be monitored and modified on an ongoing basis. Based on this and the available cash reserves, the trustees consider that the group has adequate funds and sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts. The trustees also consider that its anticipated future objectives can be met and have therefore prepared the financial statements on the going concern basis.

Company status

The charitable company is limited by guarantee. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

Funding accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objective of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the charitable company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the Bank.

Grants

The recurrent block grant is receivable from the University of Leicester. The grant is credited to the income and expenditure account in the year to which it relates.

Project support grants are project based and include grants which are receivable from the University of Leicester and other funding bodies.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs (including governance costs) which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the assets use.

Tangible fixed assets and depreciation

Tangible fixed assets are initially recorded at cost and subsequently measured at cost, net of depreciation and any provision for impairment. Tangible fixed assets costing more than £1,000 are capitalised and all other expenditure is charged to the statement of financial activities in the year incurred.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and equipment - 20% - 33% of cost

Investments

The charitable company's fixed asset investments are valued at cost which is the Trustees' best estimate of fair value, as these assets are not readily saleable and a reliable market value is not readily ascertainable.

- (i) Subsidiary undertakings
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) Associated undertakings
Investments in associates are valued at cost less provision for impairment.
- (iii) Joint ventures
Investments in the joint ventures are valued at cost less provision for impairment.

Impairment of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the charitable company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment losses are recognised in statement of financial activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in statement of financial activities. On reversal of an impairment loss, the depreciation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES (continued)

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct material.

At each reporting date, the charitable company assesses whether stocks are impaired or if any impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in statement of financial activities.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financial nature. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors and amounts owed by group undertakings which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade and other debtors and amounts owed by group undertakings are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash and cash equivalents

Cash and cash equivalents includes cash and monies on short-term deposits at the bank and other short-term liquid investments with original maturities of three months or less.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Pensions

The Union participates in the Students' Union Superannuation Scheme, which is a defined benefit pension 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 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. However, the Union has entered into an arrangement to clear the scheme deficit over a 20 year period. The Net Present Value of the Union's contributions as part of this plan are reflected as a liability on the balance sheet, which will reduce as they are paid.

The charitable company also contributes to the NUS Aegon Pension Scheme and the government approved NEST scheme. The annual contributions payable are charged to the statement of financial activities.

Taxation

No provision for corporation tax has been made as the charitable company is exempt from corporation tax on its income and gains to the extent that these are applied to its charitable activities. The non-charitable subsidiaries will be subject to Corporation Tax on any profits not gift aided to the charitable parent within 9 months of the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

1. ACCOUNTING POLICIES (continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Critical accounting estimates and areas and judgement

The charity makes estimates and assumptions concerning the future and acknowledges that the resulting accounting estimates and assumptions will, by definition, seldom equal to related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- (i) Pension deficit contribution
The charity has entered into a commitment to provide deficit funding to the Students' Union Superannuation Pension Scheme, of which it is a contributing employer.

Under FRS 102, the fair value of the commitment is recognised. The calculation of the fair value of the commitment is subject to an assumption of the discount rate. This discount rate is determined by reference to market yields at the reporting date on high quality corporate bonds. The commitment included in the balance sheet at the balance sheet date is £1,899,776 (2019: £1,568,607).
- (ii) Donation of facilities by University of Leicester
In accordance with the Charities SORP FRS 102, the Union and its trading subsidiary has valued the benefit it receives from occupying facilities owned by the University on a rent-free basis, at the trustees' estimate of market value at £180,129 (2019: £180,129).
- (iii) Support costs
Many of the costs incurred by the Union such as support staff costs and service costs are shared between activities. The Union's policy is to allocate these costs on the basis of assessed consumption.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations and University Grants	1,490,768	-	1,490,768	1,507,351
Grant of serviced accommodation	180,129	-	180,129	180,129
Peer mentoring funds restricted income	-	48,000	48,000	48,000
Sports grant	-	36,294	36,294	34,794
Drink Aware	-	11,582	11,582	13,300
RFU development restricted income	-	2,715	2,715	1,061
Job retention scheme grants	42,539	-	42,539	-
Total donations and legacies	1,713,436	98,591	1,812,027	1,784,635

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

3. OTHER TRADING ACTIVITIES

The University of Leicester Student's Union owns 100% of the issued share capital of its subsidiary, University of Leicester Students' Union Trading Ltd, a company which is incorporated in England and Wales (company number 02821506). The registered office of University of Leicester Students' Union Trading Ltd is the same as University of Leicester Student's Union. The subsidiary participates in trading activities relating to the charitable company. Its taxable profits are donated to the charitable company. A summary of the subsidiary's results which are consolidated in these financial statements is shown below:

Statement of income	2020 £	2019 £
Turnover	175,291	266,973
Cost of sales	(74,745)	(88,590)
Gross profit	100,546	178,383
Administrative expenses	(71,464)	(71,170)
Profit before and after taxation for the financial year	29,082	107,213
Distribution to parent charity under gift aid	(29,082)	(107,213)
Result for the financial year	-	-

The net assets of University of Leicester Students' Union Trading Ltd at 31 July 2020 amounts to £2 (2019: £2), being current assets of £33,271 (2019: £78,721) less creditors within one year of £33,269 (2019: £78,719).

4. INCOME FROM INVESTMENTS	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Share of joint venture net income	86,466	86,466	106,404
Bank interest received	9,631	9,631	7,709
	96,097	96,097	114,113

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

5. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff Costs 2020 £	Depreciation 2020 £	Other Costs 2020 £	Total 2020 £	Total 2019 £
University of Leicester Students' Union Trading Ltd	62,283	-	83,926	146,209	159,760
Costs of raising funds	62,283	-	83,926	146,209	159,760
Education & representation	395,778	11,266	275,586	682,630	796,658
Welfare	87,044	6,882	144,558	238,484	169,560
Campaigns and Communications	114,671	9,074	169,479	293,224	206,552
Societies & clubs	286,102	16,613	725,604	1,028,319	1,009,415
Sports grant	-	-	36,294	36,294	34,794
Peer mentoring	54,234	-	7,248	61,482	57,393
Training	51,512	-	5,743	57,255	43,280
Drink Aware	11,534	-	1,521	13,055	14,775
Costs of charitable activities	1,000,875	43,835	1,366,033	2,410,743	2,332,427
	1,063,158	43,835	1,449,959	2,556,952	2,492,187

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

Certain central overhead support costs have been reallocated to the various activities as noted in the accounting policies. The effect of this reallocation on the various expenditure heading is shown here:

	Activities undertaken directly 2020 £	Support costs 2020 £	Total 2020 £	Total 2019 £
Education & representation	413,402	269,228	682,630	796,658
Welfare	16,764	221,720	238,484	169,560
Campaigns and communications	-	293,224	293,224	206,552
Societies & clubs	401,994	626,325	1,028,319	1,009,415
Sports grant	36,294	-	36,294	34,794
Peer mentoring	61,482	-	61,482	57,393
Training	57,255	-	57,255	43,280
Drink Aware	13,055	-	13,055	14,775
Total	<u>1,000,246</u>	<u>1,410,497</u>	<u>2,410,743</u>	<u>2,332,427</u>

Support costs comprised:-

	2020 £	2019 £
Staff costs	534,612	334,437
Depreciation	43,835	52,102
Rent	180,129	180,129
Insurances	17,132	14,426
NUS Subscription	36,341	36,341
Bad debts	69	451
Pension Scheme Funding	331,169	96,195
Marketing costs	15,314	28,485
Stationery and telephone	1,556	2,044
General building repairs and cleaning	127,901	124,053
Bank charges	3,026	3,344
Other support costs	119,413	128,237
Loss on disposal of fixed assets	-	954
Total	<u>1,410,497</u>	<u>1,001,198</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

7. NET INCOME/(EXPENDITURE)

This is stated after charging	2020 £	2019 £
Depreciation of tangible fixed assets: - owned by the charitable group	43,835	52,102
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services as are follows:	2020 £	2019 £
Audit services – statutory audit of charitable company and consolidated accounts	13,585	11,790
Other services:		
Audit services – statutory audit of associates of the charitable company	1,835	1,790
Taxation compliance service	1,300	2,275
All other non-audit services	4,150	4,800
	20,870	20,655

8. STAFF COSTS

Staff costs were as follows:	2020 £	2019 £
Wages and salaries	934,186	878,000
Social security costs	74,718	58,142
Other pension costs	54,254	43,197
	1,063,158	979,339

During the year the charitable company made an ex-gratia and termination payment amounting to £8,703 (2019: £nil).

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

	2020 No.	2019 No.
Full time	33	31
Students – term time only	52	53
	85	84

No employees received remuneration of more than £60,000 during the current or prior year.

Key management personnel of the charitable company are considered to be the trustees and the Chief Executive Officer. During the year, key management personnel received remuneration (including employers national insurance contributions) of £293,383 (2019: £255,588).

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

9. TRUSTEES' REMUNERATION

TRUSTEE NAME	Salary £	Pension £	Total 2020 £	Total 2019 £
K Adamu (resigned 28 June 2019)	-	-	-	19,026
A Abdulla (resigned 28 June 2019)	-	-	-	17,564
A Moran (resigned 28 June 2019)	-	-	-	15,781
O Obioha (resigned 30 June 2020)	19,077	954	20,031	22,201
I Woolrych (resigned 28 June 2019)	-	-	-	19,347
A Magaia	20,811	1,041	21,852	1,783
A Rahman	20,811	434	21,245	1,699
C Brown (resigned 31 March 2020)	23,618	347	23,965	1,699
S Ali (resigned 30 June 2020)	19,077	694	19,771	1,699
M Nembhard	20,811	621	21,432	1,699
H Belcher (appointed 1 July 2020)	2,695	87	2,782	-
K Wagener (appointed 1 July 2020)	2,695	-	2,695	-
E Phipps (appointed 1 July 2020)	2,695	-	2,695	-
Total	132,290	4,178	136,468	102,498

During the year the charitable company made an ex-gratia and termination payment to C Brown amounting to £8,703 (2019: £nil), which is included in the above trustees remuneration.

There were no other trustee-benefits for the year (2019: £nil). Seven (2019: eleven) trustees received reimbursement of expenses in relation to travel and subsistence totalling £10,697 (2019: £8,101).

10. TANGIBLE FIXED ASSETS

TANGIBLE FIXED ASSETS		Fixtures and equipment £
Group and Company Cost		
At 1 August 2019		365,791
Additions		22,727
At 31 July 2020		388,518
Depreciation		
At 1 August 2019		280,929
Charge for the year		43,835
At 31 July 2020		324,764
Net book value		
At 31 July 2020		63,754
At 31 July 2019		84,862
The net book value of fixed assets represents:		2020 £
		2019 £
Assets used for charitable activities		63,754
		84,862

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

11. FIXED ASSET INVESTMENTS

	Investments in joint venture £
Group	
Share of net assets	
At 1 August 2019	565,205
Share of profit	86,466
At 31 July 2020	<u>651,761</u>

The group's investment in its principal associate has been impaired on consolidation.

	Shares in Group Undertakings £	Investments in associates £	Total £
Company			
Cost			
At 1 August 2019 and at 31 July 2020	<u>2</u>	<u>100</u>	<u>102</u>

12. PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

a. Principal subsidiaries

University of Leicester Students' Union Trading Ltd

Subsidiary name	University of Leicester Students' Union Trading Ltd
Company registration number	02821506
Basis of control	Wholly owned subsidiary
Equity shareholding %	100%

b. Principal joint ventures

The University of Leicester Students' Union Trading Ltd, has a 50% joint ownership in the entity Student Union Lettings Limited, a charity which is registered in England and Wales.

The nature of the business is that of a student lettings agency and its registered office is First Floor Campus Centre Building, Mill Lane, Leicester, Leicestershire LE2 7DR.

Student Union Lettings Limited (trading as Sulets) is a company limited by guarantee and is therefore held as an investment in University of Leicester Students' Union Trading Ltd at nil value, reflecting its recoverable value to University of Leicester Students' Union Trading Ltd and therefore its parent undertaking, University of Leicester Students' Union.

c. Principal associates

Company name	Country	Shareholdings	Description
The Leicester Services Partnership Limited	England	50%	Operation of student related trading activities

Registered office

University of Leicester, University Road, Leicester, England LE1 7RH

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

13. STOCKS

	2020 £	Group 2019 £	2020 £	Company 2019 £
NUS cards stocks	-	3,917	-	-
Safety bus cards stocks	78	78	78	78
	<u>78</u>	<u>3,995</u>	<u>78</u>	<u>78</u>

14. DEBTORS

	2020 £	Group 2019 £	2020 £	Company 2019 £
Trade debtors	16,365	4,841	114	2,747
Amounts owed by group undertakings	-	-	-	27,504
Other debtors	5,281	6,038	5,279	12,726
Prepayments and accrued income	27,694	107,484	27,694	36,706
	<u>49,340</u>	<u>118,363</u>	<u>33,087</u>	<u>79,683</u>

15. CREDITORS: Amounts falling due within one year

	2020 £	Group 2019 £	2020 £	Company 2019 £
Trade creditors	49,918	55,878	33,091	34,385
Amounts owed to group undertakings	-	-	17,018	-
Amounts owed to associates	100	100	100	100
Other taxation and social security	20,312	20,568	19,502	19,170
Other creditors	17,125	2,215	17,125	2,215
Accruals and deferred income	71,664	48,998	56,032	27,364
	<u>159,119</u>	<u>127,759</u>	<u>142,868</u>	<u>83,234</u>

	2020 £	Group 2019 £	2020 £	Company 2019 £
Deferred income				
Deferred income at 1 August	15,832	28,764	-	7,931
Resources deferred during the year	10,943	-	10,943	-
Amounts released from previous years	(5,000)	(12,932)	-	(7,931)
	<u>21,775</u>	<u>15,832</u>	<u>10,943</u>	<u>-</u>

Deferred income relates to amounts received in respect of multi-year contracts and grant income.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

16. FINANCIAL INSTRUMENTS

	2020 £	Group 2019 £	2020 £	Company 2019 £
Financial assets measured at amortised cost	21,646	74,115	5,393	36,287
Financial liabilities measured at amortised cost	117,032	91,359	112,423	64,064

17. STATEMENT OF FUNDS

Group – current year

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2020 £
Restricted funds					
Clubs and Societies	247,785	364,300	(364,861)	-	247,224
Peer Mentoring Fund	-	48,000	(61,482)	13,482	-
Sports grant	-	36,294	(36,294)	-	-
Drink Aware Fund	-	11,582	(13,055)	1,473	-
RFU Development Fund	1,078	2,715	-	-	3,793
	<u>248,863</u>	<u>462,891</u>	<u>(475,692)</u>	<u>14,955</u>	<u>251,017</u>
Unrestricted funds					
General reserves	622,340	1,903,456	(1,750,091)	(302,101)	473,604
Shares of net income from joint venture	565,205	86,466	-	-	651,671
	<u>1,187,545</u>	<u>1,989,922</u>	<u>(1,750,091)</u>	<u>(302,101)</u>	<u>1,125,275</u>
Designated funds					
LSP designated funding	275,000	-	-	-	275,000
Pension designated funding	250,000	-	-	(250,000)	-
Capital and strategic projects designated funding	685,686	-	-	537,146	1,222,832
	<u>1,210,686</u>	<u>-</u>	<u>-</u>	<u>287,146</u>	<u>1,497,832</u>
Pension reserve	(1,568,607)	-	(331,169)	-	(1,899,776)
	<u>829,624</u>	<u>1,989,922</u>	<u>(2,081,260)</u>	<u>(14,955)</u>	<u>723,331</u>
Total of funds	<u>1,078,487</u>	<u>2,452,813</u>	<u>(2,556,952)</u>	<u>-</u>	<u>974,348</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

17. STATEMENT OF FUNDS (continued)

Group – prior year

	Balance at 1 August 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2019 £
Restricted funds					
Clubs and Societies	243,329	488,842	(479,319)	(5,067)	247,785
Peer Mentoring Fund	5,344	48,000	(57,393)	4,049	-
Sports grant	-	34,794	(34,794)	-	-
Drink Aware Fund	-	13,300	(14,775)	1,475	-
RFU Development Fund	1,817	1,061	(1,800)	-	1,078
	<u>250,490</u>	<u>585,997</u>	<u>(588,081)</u>	<u>457</u>	<u>248,863</u>
Unrestricted funds					
General reserves	448,325	1,982,383	(1,807,911)	(457)	622,340
Shares of net income from joint venture	458,801	106,404	-	-	565,205
	<u>907,126</u>	<u>2,088,787</u>	<u>(1,807,911)</u>	<u>(457)</u>	<u>1,187,545</u>
Designated funds					
LSP designated funding	275,000	-	-	-	275,000
Pension designated funding	250,000	-	-	-	250,000
Capital and strategic projects designated funding	685,686	-	-	-	685,686
	<u>1,210,686</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,210,686</u>
Pension reserve	(1,472,412)	-	(96,195)	-	(1,568,607)
	<u>645,400</u>	<u>2,088,787</u>	<u>(1,904,106)</u>	<u>(457)</u>	<u>829,624</u>
Total funds	<u>895,890</u>	<u>2,674,784</u>	<u>(2,492,187)</u>	<u>-</u>	<u>1,078,487</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

17. STATEMENT OF FUNDS (continued)

Charitable company – current year

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2020 £
Restricted funds					
Clubs and Societies	247,785	364,300	(364,861)	-	247,224
Peer Mentoring Fund	-	48,000	(61,482)	13,482	-
Sports grant	-	36,294	(36,294)	-	-
Drink Aware Fund	-	11,582	(13,055)	1,473	-
RFU Development Fund	1,078	2,715	-	-	3,793
	<u>248,863</u>	<u>462,891</u>	<u>(475,692)</u>	<u>14,955</u>	<u>251,017</u>
Unrestricted funds					
General reserves	<u>622,440</u>	<u>1,757,247</u>	<u>(1,603,882)</u>	<u>(302,101)</u>	<u>473,704</u>
Designated funds					
LSP designated funding	275,000	-	-	-	275,000
Pension designated funding	250,000	-	-	(250,000)	-
Capital and strategic projects designated funding	685,686	-	-	537,146	1,222,832
	<u>1,210,686</u>	<u>-</u>	<u>-</u>	<u>287,146</u>	<u>1,497,832</u>
Pension reserve	(1,568,607)	-	(331,169)	-	(1,899,776)
	<u>264,519</u>	<u>1,757,247</u>	<u>(1,935,051)</u>	<u>(14,955)</u>	<u>71,760</u>
Total funds	<u>513,382</u>	<u>2,220,138</u>	<u>(2,410,743)</u>	<u>-</u>	<u>322,777</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

17. STATEMENT OF FUNDS (continued)

Charitable company – prior year

	Balance at 1 August 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2019 £
Restricted funds					
Clubs and Societies	243,329	488,842	(479,319)	(5,067)	247,785
Peer Mentoring Fund	5,344	48,000	(57,393)	4,049	-
Sports grant	-	34,794	(34,794)	-	-
Drink Aware Fund	-	13,300	(14,775)	1,475	-
RFU Development Fund	1,817	1,061	(1,800)	-	1,078
	<u>250,490</u>	<u>585,997</u>	<u>(588,081)</u>	<u>457</u>	<u>248,863</u>
Unrestricted funds					
General reserves	<u>448,425</u>	<u>1,822,623</u>	<u>(1,648,151)</u>	<u>(457)</u>	<u>622,440</u>
Designated funds					
LSP designated funding	275,000	-	-	-	275,000
Pension designated funding	250,000	-	-	-	250,000
Capital and strategic projects designated funding	685,686	-	-	-	685,686
	<u>1,210,686</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,210,686</u>
Pension reserve	(1,472,412)	-	(96,195)	-	(1,568,607)
	<u>186,699</u>	<u>1,822,623</u>	<u>(1,744,346)</u>	<u>(457)</u>	<u>264,519</u>
Total funds	<u>437,189</u>	<u>2,408,620</u>	<u>(2,332,427)</u>	<u>-</u>	<u>513,382</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

17. STATEMENT OF FUNDS (continued)

The restricted funds relate to:

The Clubs and Societies Funds represent balances held for specific clubs and societies where the ultimate control would vest with the Union.

The Union and University have agreed to work in partnership to develop a university-wide peer mentoring scheme. The project will be managed as part of the overall volunteer support process, the University have agreed funding of £48,000 to support this scheme.

The Drink Aware fund relates to monies received towards a scheme to help students to drink responsibly and to ensure that they remain safe whilst drinking.

The RFU Development fund relates to monies received for the development of rugby at the University.

The sports grant is utilised for Team Leicester coaching costs to help subsidise the cost of sports to students.

The designated funds relate to:

LSP designation funding represents a year's commercial grant contributions, in light of the losses made by the associate company at present.

Pension designated funding relates to funds set aside for future contributions towards the scheme, in light of the revaluation and the known challenges faced by the scheme.

Capital and strategic projects designated funding represents the remaining funds designated for investment in strategic projects relating to the long-term development of the Union after taking account of the required funding needed to orderly wind down the Union in the event of the organisation ceasing to operate in the future in the light of the challenges facing the sector.

Transfers relate to:

Transfer made to the Peer Mentoring fund and the Drink Aware fund represent transfers from general reserves to cover additional costs incurred by these funds above the amount of the specific grants received for them.

The transfers made from the pension designated funds and general reserves represent a reduction in the amount of additional contributions which the trustees wish to hold in our designated reserves, which are now designated to be spent on strategic projects after taking account of the required funding needed to orderly wind down the Union in the event of the organisation ceasing to operate in the future in the light of the challenges facing the sector.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group – current year	Restricted funds 2020 £	General funds 2020 £	Designated funds 2020 £	Pension reserve 2020 £	Total funds 2020 £
Tangible fixed assets	-	63,754	-	-	63,754
Fixed asset investments	-	651,671	-	-	651,671
Current assets	251,017	568,969	1,497,832	-	2,317,818
Creditors due within one year	-	(159,119)	-	-	(159,119)
Defined pension scheme liability	-	-	-(1,899,776)	-	(1,899,776)
	<u>251,017</u>	<u>1,125,275</u>	<u>1,497,832</u>	<u>(1,899,776)</u>	<u>974,348</u>
Group – prior year	Restricted funds 2019 £	General funds 2019 £	Designated funds 2019 £	Pension reserve 2019 £	Total funds 2019 £
Tangible fixed assets	-	84,862	-	-	84,862
Fixed asset investments	-	565,205	-	-	565,205
Current assets	248,863	665,237	1,210,686	-	2,124,786
Creditors due within one year	-	(127,759)	-	-	(127,759)
Defined pension scheme liability	-	-	-(1,568,607)	-	(1,568,607)
	<u>248,863</u>	<u>1,187,545</u>	<u>1,210,686</u>	<u>(1,568,607)</u>	<u>1,078,487</u>
Charitable company – current year	Restricted funds 2020 £	General funds 2020 £	Designated funds 2020 £	Pension reserve 2020 £	Total funds 2020 £
Tangible fixed assets	-	63,754	-	-	63,754
Fixed asset investments	-	102	-	-	102
Current assets	251,017	552,716	1,497,832	-	2,301,565
Creditors due within one year	-	(142,868)	-	-	(142,868)
Defined pension scheme liability	-	-	-(1,899,776)	-	(1,899,776)
	<u>251,017</u>	<u>473,704</u>	<u>1,497,832</u>	<u>(1,899,776)</u>	<u>322,777</u>
Charitable company – prior year	Restricted funds 2019 £	General funds 2019 £	Designated funds 2019 £	Pension reserve 2019 £	Total funds 2019 £
Tangible fixed assets	-	84,862	-	-	84,862
Fixed asset investments	-	102	-	-	102
Current assets	248,863	620,710	1,210,686	-	2,080,259
Creditors due within one year	-	(83,234)	-	-	(83,234)
Defined pension scheme liability	-	-	-(1,568,607)	-	(1,568,607)
	<u>248,863</u>	<u>622,440</u>	<u>1,210,686</u>	<u>(1,568,607)</u>	<u>513,382</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	(104,139)	182,597
Adjustment for:		
Depreciation	43,835	52,102
Increase in pension deficit funding liability	331,169	96,195
Loss on the sale of fixed assets	-	954
Interest received	(9,631)	(7,709)
Decrease/(increase) in stocks	3,917	(1,617)
Decrease in debtors	69,023	32,535
Increase/(decrease) in creditors	31,360	(188,389)
Net income from joint ventures and associates	(86,466)	(106,404)
Net cash provided by operating activities	279,068	60,264

20. PENSION COMMITMENTS

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

The most recent Valuation of the Scheme was carried out as at 30 June 2016 and showed that the market value of the Scheme's assets was £101,313,000 with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £119,700,000.

The assumptions which have the most significant effect upon the results of the Valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumption applied at 30 June 2016:-

- The investment return would be 5.3% per annum before retirement and 2.3% per annum after retirement.
- Pensions accruing on the CARE basis would revalue at 3.2% per annum.
- Present and future pensions would increase at rates specified by Scheme rules with appropriate assumptions where these are dependent on inflation.

The 2016 Valuation recommended a monthly contribution requirement by each Participating Employer express in monetary terms intended to clear the ongoing funding deficit over a period of 16 years and which increased by 20% from 1 October 2017, and at least 5% each year subsequently. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates applied with effect from 28 June 2017. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

20. PENSION COMMITMENTS (continued)

FRS 102 and Charities SORP (FRS102), require that the charitable company share of past service shortfall is reflected in the financial statements. Based on the most recent valuation, the charitable company took the option to pay a lump sum of £285,621 in the year ended 31 July 2018 to cover the period between October 2017 and September 2020 as their contribution to eliminate the shortfall. No contributions were made this year. Each October the annual contribution will increase by 5% until June 2033.

Therefore, at 31 July 2020, the balance sheet of the Union includes a liability of £1,899,776 (2019: £1,568,607), which represents the net present value of all future contributions towards eliminating this shortfall. The discount rate used is 1.45% (2019: 2.25%) which is comparable to that for a 15 year AA-rated corporate bond. The estimated liability is based on the 2016 triennial valuation of the scheme and will necessarily require revision after subsequent revaluations. The balance is made up as follows:

	2020 £
Balance brought forward	1,568,607
Contributions made in the year	-
Charge to statement of financial activities	331,169
	1,899,776

The charitable company also contributes to three defined contribution schemes:

The total contributions paid to The Universities Superannuation Scheme (USS) during the year amounted to £23,032 (2019: £19,939). At the year end, the charitable company owed £2,874 (2019: £13).

The total contributions paid to The NUS Aegon Pension Scheme during the year amounted to £4,097 (2019: £3,690). At the year end, the charitable company outstanding amount due was £406 (2019: £Nil).

The total contributions paid to The National Employment Savings Trust (NEST) during the year amounted to £27,360 (2019: £19,568). At the year end, the charitable company outstanding amount due was £4,371 (2019: £Nil).

21. RELATED PARTY TRANSACTIONS

Company

University of Leicester Students' Union Trading Ltd

The wholly owned subsidiary, University of Leicester Students' Union Trading Ltd, is included within the consolidated accounts.

University of Leicester Students' Union Trading Ltd gift aided £29,082 in the year (2019: £107,213).

University of Leicester Students' Union Trading Ltd income and expenditure goes through the charitable company's bank account and also the charitable company has recharged for the use of staff amounting to £62,283 (2019: £63,702). At the year end, University of Leicester Students' Union Trading Ltd was owed £17,018 by the charitable company (2019: £27,504 owed to the charitable company).

Group and company

University of Leicester

The majority of the Student Unions' funding is derived from the University of Leicester, which is a related party as the Student Unions' principal activities involve providing services to its student body.

The Student Union receives a block grant from the University of Leicester £1,012,103 (2019: £908,522). Additional grants are provided by the University for project support of £477,475 (2019: £592,001).

During the year the group made sales of £84,159 (2019: £64,881) to the University of Leicester and made purchases of £21,552 (2019: £87,019) from the University of Leicester.

During the year the company made sales of £12,364 (2019: £4,892) to the University of Leicester and made purchases of £15,124 (2019: £82,172) from the University of Leicester.

At the year end, the group owed £34,011 (2019: £12,304) to the University of Leicester.

In addition, the Student Union occupies its building on a rent-free basis. This is under an informal license subject to the Student Union maintaining the building in a good state of repair. As a result, an estimated value to the Student Union for the free serviced accommodation has been included in the accounts. This has been valued at £180,129 (2019: £180,129) based on market prices within Leicester.

The Leicester Services Partnership Limited

During the year the group and company made purchases of £13,536 (2019: £Nil) from The Leicester Services Partnership Limited. At the year end, The Leicester Services Partnership Limited was owed £100 (2019: £100) by the group.

Student Union Lettings Limited

During the year the group made sales of £8,250 (2019: £11,000) to Student Union Lettings Limited.

Other related parties are the Sabbatical Officers and Trustees as detailed in the Trustees' report. Details of remuneration received by these individuals are shown in note 9. Remuneration of key management personnel is shown in note 8.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2020

22. CONTINGENT LIABILITY

The Student Union have been made aware that due to an issue with benefits provided by SUSS pension the Union will be subject to additional unfunded liabilities. The exact amount that will be payable by the student union has not yet been determined due to factors, which will be measured again as at 30 June 2019 when the next actuarial valuation of the scheme will take place. No provision has been made for this liability on the basis it is not yet been quantified.

23. COMPARATIVE GROUP STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2019

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
INCOME FROM:			
Donations and legacies	1,687,480	97,155	1,784,635
Charitable activities	16,351	488,842	505,193
Other trading activities	266,973	-	266,973
Investments:			
Share of joint venture gross income	106,404	-	106,404
Interest received	7,709	-	7,709
Other income	3,870	-	3,870
TOTAL INCOME	2,088,787	585,997	2,674,784
EXPENDITURE ON:			
Raising funds	159,760	-	159,760
Charitable activities	1,744,346	588,081	2,332,427
TOTAL EXPENDITURE	1,904,106	588,081	2,492,187
NET INCOME/(EXPENDITURE)	184,681	(2,084)	182,597
Transfer between funds	(457)	457	-
NET MOVEMENT IN FUNDS	184,224	(1,627)	182,597