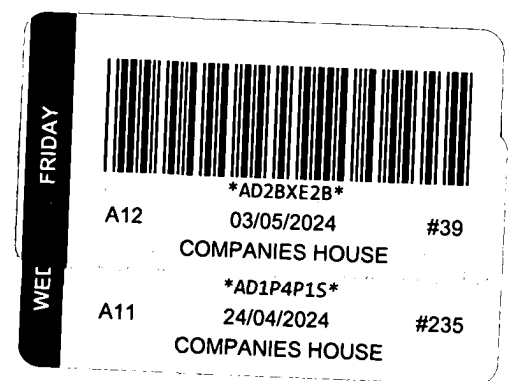


Company registration number: 07303101  
Charity number: 1137811

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 Jarram (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 1<sup>st</sup> 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**

<b>Strategic Theme – Students Leading Education</b>		<b>In 2022/2023</b>
<b>Our Goal By 2026</b>	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

<b>Priority 1 – Transforming Students Education</b>		<b>In 2022/2023 we...</b>
<b>Our Goal By 2026</b>	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

<b>Priority 2 – An Inclusive Curriculum</b>		<b>In 2022/2023 we...</b>
<b>Our Goal By 2026</b>	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
<b>Our Goal By 2026</b>	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**  
(A company limited by guarantee)

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

**Aims, Objectives & Activities (continued)**

<b>Priority 3</b> <b>– Transforming Students Education</b>		<b>In 2022/2023 we...</b>
<b>Our Goal By 2026</b>	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
<b>Our Goal By 2026</b>	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!

<b>Strategic Theme</b> <b>– Vibrant Student Communities</b>		<b>In 2022/2023...</b>
<b>Our Goal By 2026</b>	Over 60% of students will have been a member of at least one group during their time at Leicester	<b>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.</b>

<b>Priority 1</b> <b>– Championing International Student Engagement</b>		<b>2022/2023 we...</b>
<b>Our Goal By 2026</b>	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
<b>Our Goal By 2026</b>	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.

<b>Priority 2</b> <b>- Delivering On Students' Interests</b>		<b>In 2022/2023 we...</b>
<b>Our Goal By 2026</b>	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
<b>Our Goal By 2026</b>	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**  
(A company limited by guarantee)

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

**Aims, Objectives & Activities (continued)**

<b>Priority 3 - Making A Powerful Local Impact</b>		<b>In 2022/2023 we...</b>
<b>Our Goal By 2026</b>	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.
<b>Our Goal By 2026</b>	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
<b>Strategic Theme - A Fairer Student Life</b>		<b>In 2022/2023 we...</b>
<b>Our Goal By 2026</b>	Leicester students' wellbeing will track comparably to the Warwick-Edinburgh Mental Wellbeing Scale for 16-24 year olds nationally	<p>Missed our target to for Leicester students' mean score on the WEMWBS to be 50.6.</p> <p>We believe that the continued post pandemic recovery and associated cost of living crisis contributed significantly to this score.</p>
<b>Priority 1 - Leading The Fight Against Sexual Violence</b>		<b>2022/2023 we...</b>
<b>Our Goal By 2026</b>	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
<b>Our Goal By 2026</b>	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
<b>Priority 2 - A Champion For Students' Rights</b>		<b>In 2022/2023 we...</b>
<b>Our Goal By 2026</b>	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
<b>Our Goal By 2026</b>	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**  
(A company limited by guarantee)

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

---

**Aims, Objectives & Activities (continued)**

<b>Priority 3 - A Financially Accessible Student Experience</b>		<b>In 2022/2023 we...</b>
<b><i>Our Goal By 2026</i></b>	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
<b><i>Our Goal By 2026</i></b>	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**  
(A company limited by guarantee)

**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 8<sup>th</sup> 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](http://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: 8<sup>th</sup> April 2024

**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 2023**

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Funds 2023 £	Total Funds 2022 as restated £
<b>INCOME FROM CHARITABLE ACTIVITIES:</b>					
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
<b>TOTAL INCOME</b>		<b>1,871,561</b>	<b>487,942</b>	<b>2,359,503</b>	<b>1,829,128</b>
<b>EXPENDITURE</b>					
Raising funds		69,054	-	69,054	53,243
Charitable activities		1,645,076	469,770	2,114,846	1,459,955
<b>TOTAL EXPENDITURE</b>	5	<b>1,714,130</b>	<b>469,770</b>	<b>2,183,900</b>	<b>1,513,198</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>157,431</b>	<b>18,172</b>	<b>175,603</b>	<b>315,930</b>
<b>OTHER RECOGNISED GAINS/(LOSSES)</b>					
Actuarial gains/(losses) on defined benefit schemes		(131,203)	-	(131,203)	(68,101)
<b>NET MOVEMENT IN FUNDS</b>	15	<b>26,228</b>	<b>18,172</b>	<b>44,400</b>	<b>247,829</b>
<b>RECONCILIATION OF FUNDS</b>					
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
<b>TOTAL FUNDS CARRIED FORWARD</b>	15	<b>713,818</b>	<b>305,058</b>	<b>1,018,876</b>	<b>974,476</b>

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 2023**

Company registration number 07303101

	Notes	£	2023 £	£	2022 as restated £
<b>FIXED ASSETS</b>					
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
<b>CURRENT ASSETS</b>					
Debtors	13	82,858		89,090	
Cash at bank and in hand		1,890,527		1,808,367	
			1,973,385	1,897,457	
<b>CREDITORS:</b> amounts falling due within one year	14	(79,446)		(149,122)	
<b>NET CURRENT ASSETS</b>			1,893,939		1,748,335
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			2,963,495		2,725,912
Defined pension scheme liability	18	(1,944,619)		(1,751,436)	
<b>NET ASSETS</b>			1,018,876		974,476
<b>THE FUNDS OF THE CHARITY</b>					
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	
<b>TOTAL CHARITY FUNDS</b>			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 8<sup>th</sup> 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 £
<b>FIXED ASSETS</b>					
Tangible assets	10		159,110		156,909
Investments	11		2		2
			<u>159,112</u>		<u>156,911</u>
<b>CURRENT ASSETS</b>					
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>	
<b>CREDITORS:</b> 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>
<b>NET CURRENT ASSETS</b>					
			<u>2,053,050</u>		<u>1,905,244</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
Defined pension scheme liability	18	(1,944,619)		(1,751,436)	
		<u></u>	<u>108,431</u>	<u></u>	<u>153,808</u>
<b>NET ASSETS/(LIABILITIES)</b>					
<b>THE FUNDS OF THE CHARITY</b>					
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>(133,078)</u>
<b>TOTAL CHARITY FUNDS</b>			<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 8<sup>th</sup> April 2024 and signed on their behalf, by:

*A Robinson*

**A Robinson**  
**Trustee**

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

**GROUP STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 JULY 2023**

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

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

**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

(A company limited by guarantee)

### 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**  
**(A company limited by guarantee)**

**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**  
**(A company limited by guarantee)**

**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:

<b>Statement of income</b>	<b>2023 £</b>	<b>2022 £</b>
Turnover	242,507	196,188
Cost of sales	(22,998)	(14,251)
<b>Gross profit</b>	<b>219,509</b>	<b>181,937</b>
Administrative expenses	(46,056)	(38,992)
<b>Profit before and after taxation for the financial year</b>	<b>173,453</b>	<b>142,945</b>
Distribution to parent charity under gift aid	(173,453)	(142,945)
<b>Result for the financial year</b>	<b>-</b>	<b>-</b>

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**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Share of joint venture net income	89,778	89,778	65,718
Bank interest received	27,767	27,767	2,231
	<b>117,545</b>	<b>117,545</b>	<b>67,949</b>

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

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

**5. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE**

	<b>Staff Costs 2023 £</b>	<b>Depreciation 2023 £</b>	<b>Other Costs 2023 £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
University of Leicester Students' Union Trading Ltd	44,111	-	24,943	69,054	53,243
<b>Costs of raising funds</b>	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	-	-	-	-	-
<b>Costs of charitable activities</b>	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**  
(A company limited by guarantee)

**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:

	<b>Activities undertaken directly 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
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
<b>Total</b>	<b>983,397</b>	<b>1,131,449</b>	<b>2,114,846</b>	<b>1,459,955</b>

**Support costs comprised:-**

	<b>2023 £</b>	<b>2022 £</b>
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	-	-
<b>Total</b>	<b>1,131,449</b>	<b>668,172</b>

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

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

**7. NET INCOME/(EXPENDITURE)**

This is stated after charging	<b>2023</b>	<b>2022</b>
	£	£

Depreciation of tangible fixed assets: - owned by the charitable group	51,351	26,961
---	--------	--------

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

	<b>2023</b>	<b>2022</b>
	£	£
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:	<b>2023</b>	<b>2022</b>
	£	£

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:

	<b>2023</b>	<b>2022</b>
	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**  
**(A company limited by guarantee)**

**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
<b>Total</b>	<b>140,849</b>	<b>5,420</b>	<b>146,269</b>	<b>138,069</b>

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**

	<b>Fixtures and equipment £</b>
<b>Group and Charity</b>	
<b>Cost</b>	
At 1 August 2022	424,552
Additions	53,748
Disposals	(1,683)
<b>At 31 July 2023</b>	<b>476,617</b>
<b>Depreciation</b>	
At 1 August 2022	267,643
Charge for the year	51,351
Eliminated on disposal	(1,487)
<b>At 31 July 2023</b>	<b>317,507</b>
<b>Net book value</b>	
At 31 July 2023	159,110
At 31 July 2022	156,909

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

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

**11. FIXED ASSET INVESTMENTS**

	<b>Investments in joint venture £</b>			
<b>Group</b>				
<b>Share of net assets</b>				
At 1 August 2022			820,668	
Share of profit			89,778	
			<hr/>	
At 31 July 2023			910,446	
			<hr/>	
	<b>GROUP</b>		<b>CHARITY</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
University of Leicester Students' Union Trading Ltd	-	-	2	2
	<hr/>	<hr/>	<hr/>	<hr/>

**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**  
**(A company limited by guarantee)**

**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>
	GROUP		CHARITY	
	2023 £	2022 £	2023 £	2022 £
<b>Deferred income</b>				
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>		-

Deferred income relates to amounts received in respect of multi-year contracts.

**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**

**Group - current year**

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2023 £
<b>Restricted funds</b>					
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>
<b>Unrestricted funds</b>					
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>
<b>Designated funds</b>					
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>
<b>Total funds</b>	<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**  
**(A company limited by guarantee)**

**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 £
<b>Restricted funds</b>					
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>
<b>Unrestricted funds</b>					
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>
<b>Designated funds</b>					
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>
<b>Total funds</b>	<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**  
**(A company limited by guarantee)**

**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 £
<b>Restricted funds</b>					
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>
<b>Unrestricted funds</b>					
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>
<b>Designated funds</b>					
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>
<b>Total funds</b>	<u>153,808</u>	<u>2,269,725</u>	<u>(2,315,102)</u>	<u>-</u>	<u>108,431</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)**

**Charity – prior year (as restated)**

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2022 £
<b>Restricted funds</b>					
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>
<b>Unrestricted funds</b>					
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>
<b>Designated funds</b>					
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>
<b>Total funds</b>	<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**

<b>Group – current year</b>	<b>Restricted funds</b>	<b>General funds</b>	<b>Designated funds</b>	<b>Pension reserve</b>	<b>Total funds</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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)
	<b>305,058</b>	<b>1,366,759</b>	<b>1,291,678</b>	<b>(1,944,619)</b>	<b>1018,876</b>

<b>Group – prior year (as restated)</b>	<b>Restricted funds</b>	<b>General funds</b>	<b>Designated funds</b>	<b>Pension reserve</b>	<b>Total funds</b>
	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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)
	<b>286,886</b>	<b>1,276,981</b>	<b>1,162,045</b>	<b>(1,751,436)</b>	<b>974,476</b>

<b>Charity – current year</b>	<b>Restricted funds</b>	<b>General funds</b>	<b>Designated funds</b>	<b>Pension reserve</b>	<b>Total funds</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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)
	<b>305,058</b>	<b>456,314</b>	<b>1,291,678</b>	<b>(1,944,619)</b>	<b>108,431</b>

<b>Charity – prior year (as restated)</b>	<b>Restricted funds</b>	<b>General funds</b>	<b>Designated funds</b>	<b>Pension reserve</b>	<b>Total funds</b>
	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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)
	<b>286,886</b>	<b>456,313</b>	<b>1,162,045</b>	<b>(1,751,436)</b>	<b>153,808</b>

**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
<b>Adjustment for:</b>		
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)
<b>Net cash provided by/(used in) operating activities</b>	<b>108,143</b>	<b>54,455</b>

**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**  
**(A company limited by guarantee)**

**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.

	<b>2023</b>
	<b>£</b>
Balance brought forward	1,662,754
Unwinding of discount applied	61,979
Changes in assumptions in year	148,990
	<hr/> 1,873,723 <hr/>

**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
<b>Adjustments for the year ended 31 July 2022</b>			
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 £
<b>INCOME FROM:</b>			
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
<b>TOTAL INCOME</b>	<b>1,419,640</b>	<b>409,488</b>	<b>1,829,128</b>
<b>EXPENDITURE ON:</b>			
Raising funds	53,243	-	53,243
Charities activities	1,068,933	391,022	1,459,955
<b>TOTAL EXPENDITURE</b>	<b>1,122,176</b>	<b>391,022</b>	<b>1,513,198</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>297,464</b>	<b>18,466</b>	<b>315,930</b>
<b>OTHER RECOGNISED GAINS/(LOSSES)</b>			
Actuarial gains/(losses) on defined benefit schemes	(68,101)	-	(68,101)
<b>NET MOVEMENT IN FUNDS</b>	<b>229,363</b>	<b>18,466</b>	<b>247,829</b>
Total funds brought forward	458,227	268,420	726,647
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>687,590</b>	<b>286,886</b>	<b>974,476</b>