



LEEDS BECKETT STUDENTS' UNION

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

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LEEDS BECKETT STUDENTS' UNION
(A company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 30 JUNE 2022

Trustees

Natasha Bayne, Lay Trustee (appointed 1 July 2021)
Anna Crooks, Officer Trustee (resigned 30 June 2022)
Megan Darroch, Officer Trustee (appointed 1 July 2021)
Nicole Dodds, Student Trustee (appointed 26 October 2021)
Stephen Dowson, Co-opted Lay Trustee (appointed 1 July 2021, resigned 30 June 2022)
Katherine Everest, University Nominated Trustee
Lucy MacDonald, Officer Trustee (appointed 1 July 2021)
Maryam Maryam, Student Trustee (appointed 26 October 2021, resigned 30 June 2022)
Eleanor Moore, Lay Trustee
Sally (Lara Rose), Student Trustee (appointed 5 April 2022)
Azeez Saka, Student Trustee (appointed 5 April 2022)
Peter Shilton Godwin, Lay Trustee (appointed 1 July 2021)
Mphango Simwaka, Officer Trustee (resigned 30 June 2022)
Padma Tadi, Lay Trustee (resigned 30 June 2022)

Company registered number

07103465

Charity registered number

1139314

Registered office

Portland Building, Portland Way, Leeds LS1 3HE

Company secretary

Nicky Goldthorpe up to 31 August 2021.
Jo Azam from 1 September 2021 – 27 February 2022
Neil Mackenzie from 28 February 2022

LEEDS BECKETT STUDENTS' UNION
(A company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

Senior management team

Nicky Goldthorpe, Chief Executive (resigned 31 August 2021)

Neil Mackenzie, Chief Executive 28 February 2022 – present

Jo Azam, Deputy Chief Executive and Head of Business Development and from 1 September 2021 – 27 Feb 2022 Interim Chief Executive

John Goodwin, Head of Membership Engagement and from 1 September 2021 – 27 Feb 2022 Interim Deputy Chief Executive

Jacqui Lawton, Head of Central Services

Chartered Accountants & Statutory Auditor

Haines Watts, Chartered Accountants and Statutory Auditor, Sterling House, 1 Sheepscar Court, Meanwood Road, Leeds, LS7 2BB

Bankers

Lloyds TSB, 3rd Floor, Lisbon House, 116 Wellington Street, Leeds LS1 4LT

Solicitors

Blacks LLP, Wade House, The Merrion Centre, Leeds LS2 8NG

Licensing solicitors

Poppleston Allen, 37 Stoney Street, The Lace Market, Nottingham NG1 1LS

TRUSTEES' REPORT

The Trustees present their annual report together with the audited financial statements of the company for the year 1 July 2021 to 30 June 2022. The Annual report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the Trustees' report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective October 2019).

Since the group and Union qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

INTRODUCTION

2021/22 has been a year of significant change for LBSU, in a rapidly evolving operating environment in UK higher education and in the context of the return to face-to-face learning, teaching, and working in the wake of the Covid-19 pandemic. This year saw the Students' Union recruit a new Chief Executive, move to a new City Campus office space, and significantly evolve its governance processes.

In September 2021 we welcomed students back to campus and delivered one of the only face-to-face freshers events in the UK. Our societies returned and we grew the number of registered groups to over 50 by the end of the academic year. Our elections saw face-to-face campaigning return and there was a modest increase in turnout despite a significant issue with University IT that closed our elections a day early. We have worked hard to ensure that student communities and societies, so vital to creating a sense of belonging for our members, have been able to survive the interruption and loss of knowledge that the pandemic caused. Our advice services continued to deliver support and guidance to our members throughout the year through a hybrid model, offering both online and face-to-face appointments. This work saw over £100,000 returned to students' pockets and hundreds of students supported through complex academic procedures. All this work resulted in solid increases in student satisfaction in our annual survey and we are confident that the organisation is on firm foundations to build its engagement and impact in the year ahead.

With the return of students to campus following the lifting of Covid-19 restrictions the SU also welcomed our members back to the Hives and to our gigs and events. We successfully delivered a bumper year of gigs on campus as live music returned and have ambitions to grow this further in the future. Commercial revenue was solid, representing the hard work of our teams in the unpredictable trading environment. Student engagement was encouraging. Financially, the SU achieved a positive year end outcome thanks to the prudent management of resources and positive returns from commercial ventures.

In January the SU took up occupation of its new office space and at the end of February we welcomed our new Chief Executive. This new central hub for staff enabled collaboration face to face for the first time since the pandemic and enabled teams to come together, share ideas and make plans for the future. Given the level of change in the organisation it has been pleasing to see the level of delivery that has been achieved, and we believe that the SU is well placed to grow its impact on student lives in the coming year.

OUR STRATEGIC PLAN

Our strategic plan was launched in July 2020 following a huge consultation process to ask stakeholders what they thought about the Students' Union and what they wanted us to work on to make students' lives better. As a result of the COVID-19 pandemic, the decision was made not to set KPIs for this first year, and instead we approached this as a Year Zero, refocusing the work of the Union on the priorities set by the immediate issues and therefore set new benchmarks to work on improving in the recovery years, following the pandemic. 2021/22 was therefore the first year of delivery against the strategic plan and positive progress has been made in relation to many of our core KPIs. New business processes introduced for 22/23 will see this work further targeted around the most pressing needs of our members and see departmental business plans and staff development reviews more closely aligned to the strategic plan.

TRUSTEES' REPORT

Our Mission

Making students' lives better.

Our Vision

We will support, connect and represent all Leeds Beckett students.

Our Values

Inclusive: We place equality and diversity at the heart of the decisions we make and the activity we undertake.

Dynamic: We are fast moving, relevant and responsive to the needs of our students and are focused on making positive change.

Sustainable: We will live within our means both environmentally and financially, showing a commitment to improving the environment and ensuring the Students' Union has enough resources to support core activities.

Brave: We aim to take ambitious steps to make our students' lives better by making the right decisions and not being afraid of challenging the status quo.

Welcoming: We aim to create a place all students feel they belong by being friendly, approachable and accessible.

Fun: We are committed to making sure all students enjoy their time at Leeds Beckett and that all our people enjoy working for the Students' Union.

4 Strategic Themes

Theme 1: We will positively impact the finances of our students

- Helping students to find more opportunities for fair paid work that fits around their studies
- Campaigning for increased financial support for those who need it most
- Working to tackle the cost of living

Theme 2: We will contribute to the success and development of our students

- Facilitating the involvement of students in shaping their learning
- Providing opportunities for students to develop their skills and their confidence to thrive in their future
- Breaking down barriers to success and development faced by students

Theme 3: We will help to create a sense of belonging for our student community

- Developing our spaces into inclusive and accessible places where students want to be
- Helping students to create thriving academic communities on their courses
- Ensuring we provide a range of social opportunities fit for all students

Theme 4: We will ensure that students feel supported

- Working with the University to tackle the issue of student mental health and develop support services
- Ensuring support is available and accessible for students in the right place and at the right time
- Listening, through our democratic structures, to what our students want to co-produce innovative initiatives to support them.

TRUSTEES' REPORT

The 4 strategic themes are supported by 6 strategic enablers:

Technology;
Communication;
People;
Governance;
Resources; and
Insight.

Monitoring our Performance Against the Strategic Plan

Our Annual Student Survey asks students how well they think the SU is doing in making their lives better. The survey was completed by 9.4% of the student population this year.

Membership

69% were aware that they are automatically a member of the Students' Union

Values

84% agreed that the SU is welcoming

81% agreed that the SU is inclusive

73% agreed that the SU is fun

71% agreed that the SU is dynamic

65% agreed that the SU is sustainable

59% agreed that the SU is brave

Strategic Themes

Theme 1: 48% agreed that the SU positively impacts their finances – a 7% increase on the previous year.

Theme 2: 49% agreed that the SU helps them to succeed and develop whilst at University and 72% agreed that the SU provides opportunities for students to develop their skills and confidence – both figures are the same as the previous year.

Theme 3: 63% of students agreed that they felt part of a community at Leeds Beckett – an increase of 4% on the previous year.

Theme 4: 64% agreed the SU helps students find support when needed - a decrease of 3% on the previous year.

TRUSTEES' REPORT

OUR ACTIVITIES IN THE YEAR

ADVICE

We understand that sometimes student life can be challenging, and our students may need help. We provide confidential support and advice to ensure that our students are well looked after in their times of need. Our Advice Service supported 2,167 clients (2020/21 1,986) and worked on 2,685 cases (2020/21 2,430): 1,978 were academic related; 314 related to housing; and 225 to money issues. Much of the work the Advice Service does supports students in progression from level to level. Some cases will directly lead to a student staying on their course and as such supports the retention of fee income for the University.

Furthermore, the Advice Service managed to recover and save students a total of £112,534 through casework (2020/21 £100,209). With regards to client satisfaction with the Advice Service, 100% of survey respondents who had used the Service this year stated that they would recommend it to a friend.

STUDENT VOICE

Student Communities

2021/22 saw the full launch of our Student Communities with paid, elected Convenors to lead their activities. Communities representing Women, LGBT+ students, Disabled students, International students, Student Parents & Carers, Black, Asian & minoritised ethnicity students and Postgraduate Research students had a total membership of 1,294 students.

Students' Union Democracy

Elections for our full-time Executive Officers, NUS Delegates and Community Leaders returned to campus for the first time since the pandemic began. A total of 25 candidates put themselves forward for the four full-time Officer roles, and 1,096 individual students cast their vote.

Research and Insight

Our Annual Student Survey, which informs progress on our strategic plan and provides valuable insight into the current priorities and issues faced by our students, once again achieved an impressive sample rate with 9.4% of the student population completing the survey and helping us to identify organisational priorities for the year ahead. Research projects were also undertaken in areas such as supporting the University's Mental Health Charter application and the accessibility of blended learning.

TRUSTEES' REPORT

STUDENT ACTIVITIES

The appetite from students to get re-involved in social and extra-curricular activity was clear to see during the 2021/22 academic year, as students adjusted to the return of in-person opportunities that had been curtailed during the lockdowns. Significant growth was achieved in engagement levels across student activities, particularly in student-led societies.

Student Enterprise

73 volunteers took part in our social enterprise projects, contributing over 336 hours of their time, which equates to an economic impact of £3,326. Our student-led allotment project was awarded the Platinum award category in the NUS Green Impact accreditation.

Societies

Our total number of memberships for the year was 2,659, across 59 different societies. 68 society-led events were held on-campus, with many more arranged elsewhere, including a clean-up event led by our Events Society which attracted positive media attention.

Volunteering

517 new volunteers took part in our local charity-based opportunities, contributing around £20,000 in economic impact to the Leeds area.

SOCIAL OPPORTUNITIES

The Hives

This year has been quite mixed for the Hives. The food and coffee sales have experienced a large downturn at both bars due to less students on Campus as a lot of students were still having their lectures online.

Headingley Hive trade has been affected more, due to the number of students now studying at City Campus compared to Headingley, and the competition of the new sports building which offers food and drink.

Our wet sales however have been much better, at Headingley they have been positive due to the Sports Wednesdays, however this has been the main source of the wet sales. City Hive has exceeded their wet sales target due to the number of gigs we have had this year.

Events

The Events & Media Sales Department held a total of 29 gigs, plus Live at Leeds Festival and two Slam Dunk Festival Launch parties. This was way more than we had predicted due to the rescheduled gigs from covid.

Freshers was a successful event considering we were coming out of the pandemic, we decided to run four fairs to give businesses and students as much opportunity as possible to attend the Fairs. They were well attended; however, we think three Fairs would have been sufficient. We finished 2021/22 with £23,627 in Freshers Income and £19,450 in general media sales income, excluding partnership/sponsorship income.

In 2021/22 we held approximately 70 student-led events, this is around 1/3 of what we would like to do – the reasoning for this can be largely blamed on it being our first fully open year post-covid, societies were still finding their feet again and requests to use our spaces were generally lower than usual. We hope however to be back up near the 200 mark with regards to event numbers for 2022/23.

TRUSTEES' REPORT

LOOKING AHEAD

Priorities

The next year is likely to again prove challenging for LBSU, and indeed the higher education sector as a whole. The inflationary crisis and its impact on the cost of living for our members requires action in order to ensure that they are able to fulfill their potential and complete their chosen course of study. In addition, the rapidly changing demographics on campus require the SU to develop new ways to engage with international students, especially those from India and Nigeria. Making progress in both areas will be critical to the SU's relevance to students and to our principal stakeholder, the University.

These challenges come at a time when finances in the sector are under significant strain, with a rapidly decreasing unit of resource for institutions and rapidly increasing operating costs. The Students' Union will need to look closely at its model of delivery in the year ahead to ensure financial sustainability in the long term.

FINANCIAL SUMMARY

A summary of the year is set out on page 22 of the financial statements.

Leeds Beckett Students' Union gross income from all sources this year totaled £2,159,871 (2021: £1,924,474). This includes a block grant from Leeds Beckett University of £1,375,617. We spent a total of £2,121,903 (2021: £1,678,330) on a wide range of student benefits and on the revenue making activities we undertake. Gross income minus expenditure resulted in a surplus for the year of £37,968 (2021: £246,144). Our net assets before pension fund liabilities now stand at £673,920 (2021: £731,626). At the year end, total funds are negative £1,890,867 (2021: £1,928,835) which is represented by restricted funds of £27,028 (2021: £37,213), unrestricted funds excluding the pension scheme liability of £742,567 (2021: £770,888) and the pension fund liability of £2,660,462 (2021: £2,736,936).

The introduction of FRS 102 means that the Unions' share of the pension liability for the Students' Union Superannuation Scheme is now recognised in our accounts. The Trustees' assumption is that the Union will continue to make annual contributions to the pension scheme such that after 13 years, the deficit will be reimbursed.

Cash position

Our cash position is set out in the consolidated statement of cash flows at page 27 and at the Union's year end showed that £822,071 (2021: £820,803) of cash or cash equivalents are to be carried forward.

Fixed assets

There has been some capital expenditure in the year which results in a net value of tangible assets of £68,317 (2021: £35,380).

Pricing policy

Our pricing policy reflects our strategy for ensuring that our commercial services are able to contribute to the core activities of the Union whilst still providing value for money for our students. We are also very aware of our corporate social responsibility and therefore we have a policy not to offer irresponsible drinks offers.

TRUSTEES' REPORT

Fundraising activities

We do not engage in raising funds directly from the general public; the Union will continue to monitor its sources of income and should it start to generate significant funds from fundraising activities it will inform the fundraising regulator and take all necessary measures to ensure it complies with the guidance issued.

Affiliations

We are currently affiliated to the National Union of Students (NUS) at a cost of £33,711 per year, Advice UK at a cost of £2,362 per year and the National Association of Student Money Advisers at a cost of £600 per year. As part of our affiliation to NUS we are also affiliated to NUS Services Ltd and to the National Council for Voluntary Organisation (NCVO).

We also pay an annual subvention of £20,932 to Unipol which is a charitable student housing company in Leeds of which the Union is a member and appoints three trustees/directors. The purpose of the subvention payment is in partial support of Unipol's Leeds Housing Hub which provides housing services, including information, advice and assistance to our students seeking accommodation in the private rented sector.

Reserves policy

The Audit, Finance and HR Committee has established a reserves policy for the Students' Union. The aim of the reserves policy is to build up sufficient unrestricted free reserves to cover three months of the Union's operational expenditure. The Audit, Finance and HR Committee have benchmarked the Students' Union's reserves policy against other similar sized students' unions and has carefully considered the level of reserves required by the Students' Union. The Audit, Finance and HR Committee have agreed that the reserves policy should be monitored and reviewed during the financial year to 30 June 2023 and, if necessary, a revised reserves policy will be implemented.

As of 30 June 2022, the total core service operational expenditure was £1,361,834. The target figure for unrestricted free reserves was 25% of this amount, which is £340,459. The actual unrestricted free reserves shown in the accounts are £674k.

Going concern

The Block Grant for 2022-23 has been confirmed at £1,403,129 and this will be applied in service provision to deliver our public benefit via our charity objects.

We are entering another year of post-pandemic recovery, where students are returning to campus, but with a blended learning approach, and potential changes to student habits, there are still uncertainties around how this may affect commercial income streams, as well as student engagement.

The Board approved a deficit budget for 2022-23 back in May 2022 and based on the information at the time, agreed that they were content to confirm that the Union has sufficient funds to meet its annual obligations for the year 2022-23.

Furthermore, the Board have considered a forecast for the next two financial years and the Board of Trustees will be asked to note that it is based on the information available at the time of writing and that will be subject to change as we move through the year.

TRUSTEES' REPORT

The Audit, Finance and HR Committee and the Board of Trustees will be monitoring the financial performance of the Students' Union in order that necessary steps can be taken in good time, should they be required to ensure the financial health of the organisation. The forecasts show that sufficient reserves and cash are available to ensure the Union can continue to operate for a period of at least 12 months from the date of approval of these accounts. The trustees therefore believe it is appropriate to prepare the accounts on a going concern basis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board of Trustees has overall responsibility for the Union. The full-time officers, together with the Senior Management Team, have the responsibility of implementing the policies and strategies approved by the Board.

The Board met five times, via a mixture of online and face-to-face meetings, over the course of the year.

Committees of the Board

The Board discharges its responsibilities through two formally constituted committees. These are the Audit, Finance & HR Committee and the Governance & Nominations Committee. The Board has established terms of reference for each committee which clearly set out the powers delegated by the Board and the committees' authority to take decisions and act on behalf of the Board. The composition of the committees is designed to ensure an appropriate balance of Lay, Officer and Student Trustees. As the Returning Officer for the SU, the University's Head of Regulatory Compliance and Assurance is a nominated member of the Governance and Nominations Committee.

	Audit, Finance & HR Committee	Governance & Nominations Committee
Natasha Bayne		
Anna Crooks		Officer Trustee
Nicole Dodds		
Megan Darroch		
Stephen Dowson		Lay Trustee (co-optee)
Katherine Everest	Lay Trustee	
Lucy MacDonald	Officer Trustee	
Maryam Maryam		
Eleanor Moore		Lay Trustee (Chair)
Lara Rose		
Azeez Saka		
Peter Shilton-Godwin	Lay Trustee (Chair)	
Mphango Simwaka	Officer Trustee	Officer Trustee
Padma Tadi		

Appointment of Trustees

The Trustees of the Union are the four Officer Trustees (Union Affairs Officer, Activities and Events Officer, Academic Experience Officer, Welfare and Community Officer), four selected Student Trustees (one of whom is nominated by the BAME Ambassadors), and five Lay Trustees (one of whom is nominated by the University).

TRUSTEES' REPORT

Appointment of Trustees

The Officer Trustees are elected annually by a cross-campus ballot of all student members. The Officer Trustees are full-time officers with a term of office of one year. They can re-stand for a second year if they wish. The selected Student Trustees are recruited from within the student body. Selected Student Trustees are recommended by the Governance & Nominations Committee and approved by the Board. The Lay Trustees are recruited from outside the student body. Lay Trustees are recommended by the Governance & Nominations Committee and approved by the Board.

Trustee Induction and Training

The Officer Trustees attend several training events to ensure that they understand their role as Trustees. These include NUS training courses and an in-house training programme. All Trustees are expected to undertake an online Trustee Foundations course when they join the Board, and they are given an introduction to the SU. An annual Board Away Day usually takes place in the Summer. The SU is a member of NCVO (National Council of Voluntary Organisations), and this provides access to variety of resources and training opportunities for trustees.

Pay Policy for Senior Staff

The Board consider the Trustees and the Senior Management Team to be the key management personnel of the Union in charge of directing and controlling, running and operating the Union on a day-to-day basis. All Lay Trustees and Student Trustees give their time freely and do not receive remuneration in the year. Officer Trustees receive an annual salary for their work as Full-time Elected Officers.

The Senior Managers are appraised annually by the Chief Executive and receive an incremental uplift of 3% if they have successfully achieved their objectives for the year. Senior Managers who have reached the top of their grade do not usually receive any further incremental uplifts.

The Chief Executive is appraised by the Union Affairs Officer (now President) and the Chair of the Board who may recommend a bonus payment for the Chief Executive if they have successfully achieved their objectives. This recommendation is considered by the Audit, Finance & HR Committee and then approved by the Board of Trustees.

Risk Management

LBSU has a clear framework, policy and set of procedures in place to ensure risks are anticipated and mitigated effectively and consistently. The risk management process includes quarterly updates to trustees on strategic risks and how these are being mitigated.

The wider assurance framework includes policies on health and safety, anti-fraud, bribery and corruption, management of complaints, safeguarding, and raising concerns (whistleblowing). These policies ensure that where incidents give rise to risks, these are identified, acted on swiftly, and reported according to our regulatory responsibilities.

Trustees are responsible for ensuring that the Students' Union has robust and effective risk management processes in place. The Board assesses and agrees the strategic risks each year. The Audit, Finance & HR Committee provide regular oversight of specific risks.

The SMT review the strategic risks, taking collective responsibility for ensuring that risks are identified and effectively mitigated. A full review of the strategic risks faced by the organisation will take place in 2022/23 reflecting the evolving operating environment of the Students' Union and the potential opportunities that may also arise.

TRUSTEES' REPORT

Principal Risks faced by LBSU, and Mitigating Actions

Risk Theme	Risk	Mitigating Action
Economic Instability Post-Covid	Impact of Covid-19 on the SU resulting in inability to operate effectively due to closure of campus, remote working, reduction in number of students on campus and inability to support students affected by Covid-19	Ongoing consultation and dialogue with students. Revised budget. Risk assessments for all activities. Ongoing open dialogue with University, Unipol and other students' unions. Pivoting of all work to concentrate on supporting students through Covid-19.
Membership	Failure to recognise, adapt or respond to the changing environment and dynamics of our membership resulting in lower levels of engagement with the Union's services and democratic structures and reduced relevance.	Ongoing consultation and dialogue with students through focus groups, representative systems, and surveys. Understanding the make-up of membership through data analysis. Key Performance Indicators monitored through Leadership Team and Board. Complaint's procedure. Elections and By-elections processes and procedures.
Membership	Failure to ensure the SU maintains or extends its physical presence within the University environment.	Inclusion of SU on University's Estates Masterplan. Regular meetings with key University staff. Stakeholder matrix to target key players and ensure our messages are reaching the people who make decisions about the University estate.
Financial	Commercial operations suffer significant downturn, fraud or loss of license leading to financial deficits	Timely and accurate financial information. Clearly written down and followed operating procedures. Financial procedures fit for purpose, robust and regularly tested. Annual external audit. Mid-year review process. Whistleblowing policy. External stocktakes.
Financial	Inability to secure adequate funding from the University to underpin our strategic aims	Continued positive relationship with the University. Diversified income streams including partnerships. Regular reporting to the Board.
Governance	Poor quality governance	Clear policies and procedures and systems for accountability. Comprehensive training for trustees, officers, and staff. Articles and Bye-laws. Charity Governance Code

TRUSTEES' REPORT

Principal Risks faced by LBSU, and Mitigating Actions

Health and Safety	A serious health and safety incident occurs where policies and procedures have not been followed.	Mandatory health and safety training for all staff. Health and safety policy. SU Health and Safety Committee. Risk assessments for all SU activities and events. Regular Health and Safety audits carried out by University Health and Safety Officer.
Compliance	Legal and Regulatory Compliance	Licensing advice from our licensing solicitors. HR advice from HR Department consultants. Annual compliance statement to the Board signed by Chief Exec. Attendance of relevant staff at training and briefing sessions. Clear policies and procedures and systems for accountability. NUS training and briefing sessions
Business Continuity	Business Continuity if a major catastrophic incident or event occurs.	Crisis management plan in place. Business recovery plan in place. Appropriate insurances in place and reviewed annually.

Public Benefit

In planning and delivering our services and activities, the Trustees and management of LBSU have given due regard to the need to ensure that the charity provides public benefit, following the Charity Commission's guidance on these matters. Details of how the Union has carried out its activities for the public benefit are given in the report on our activities in the year.

Equal Opportunities

LBSU's policy is to ensure no job applicant, employee or student member is discriminated against either directly or indirectly on the grounds of age, disability, gender reassignment, marriage or civil partnership, pregnancy or maternity, race, religion or belief, sex, or sexual orientation. The SU has undertaken an Equality & Diversity Audit in 2021/22 and will be looking to implement key recommendations of this work in the year ahead.

TRUSTEES' REPORT

Related Parties and Co-operation with other Organisations

The relationship between Leeds Beckett University and LBSU is established in the Regulations of the University and detailed in the Union's Articles approved by both organisations. LBSU receives a Block Grant from the University and part-occupies three buildings, which are owned by the University. The University pays for utilities, portering and cleaning. This non-monetary support is intrinsic to the relationship between the University and the Union. As recommended by the Charities SORP, an estimated value to Leeds Beckett Students' Union for this free serviced accommodation has been included in the accounts, priced at a conservative £177K. Although Leeds Beckett Students' Union continues to generate supplementary funding from various mutual trading activities, it will always be dependent on the University's support.

There is no reason to believe that this or equivalent support from the University will not continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body and the SU's relationship with the institution remains positive.

The Union's wholly owned subsidiary, Leeds Beckett Students' Union Trading Limited, was established for the purposes of carrying out the non-mutual trading activities of the Union. The Directors for the Company for the year ending 30 June 2021 were Andrew Harrison and Barbara Pereira. From 1 July 2021, the Directors for the Company were Eleanor Moore and Mphango Simwaka. The Chief Executive is the Company Secretary. Profits from the Trading Company are gift-aided to the Union, which in line with accounting standards, is accounted for as a dividend.

Disclosure of Information to Auditors

In so far as the Trustees are aware:

there is no relevant audit information of which the charitable company's auditor is unaware, and that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

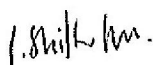
Auditor

The auditor, Haines Watts Leeds LLP, were appointed in June 2022 for one year, after an Audit Tender process. A review of the audit will be done and will confirm the next steps for appointing an auditor for 2023.

Small Company

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Peter Shilton Godwin

Date: 29/11/2022

LEEDS BECKETT STUDENTS' UNION
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 30 JUNE 2022

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

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

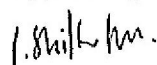
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the Group's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the members of the board of Trustees and signed on its behalf by:



Peter Shilton Godwin

Date: 29/11/2022

LEEDS BECKETT STUDENTS' UNION

(A company limited by guarantee)

REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS AND TRUSTEES OF LEEDS BECKETT STUDENTS' UNION

Opinion

We have audited the financial statements of Leeds Beckett Students' Union (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 June 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Union balance sheet, the Consolidated statement of cash flows and the related notes, 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 of the parent charitable company's affairs as at 30 June 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We 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 the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

LEEDS BECKETT STUDENTS' UNION

(A company limited by guarantee)

REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS AND TRUSTEES OF LEEDS BECKETT STUDENTS' UNION (CONTINUED)

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' report other than the financial statements and our Auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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.

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 (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

LEEDS BECKETT STUDENTS' UNION

(A company limited by guarantee)

REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS AND TRUSTEES OF LEEDS BECKETT STUDENTS' UNION (CONTINUED)

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and section 144 of the Charities Act 2011 and report in accordance with those Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management; and from our commercial knowledge and experience of the sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

LEEDS BECKETT STUDENTS' UNION

(A company limited by guarantee)

REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS AND TRUSTEES OF LEEDS BECKETT STUDENTS' UNION (CONTINUED)

We assessed the susceptibility of the charity's financial statements to misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, including the impact on revenue recognition, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and
- the use of data analytics to identify transactions requiring further investigation.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosure to underlying supporting documentation;
- reading the minutes of meetings of the trustees; and
- enquiring of management as to actual and potential litigation and claims

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

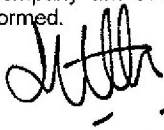
LEEDS BECKETT STUDENTS' UNION

(A company limited by guarantee)

REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS AND TRUSTEES OF LEEDS BECKETT STUDENTS' UNION (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



James Sutton BA (Hons) FCA (Senior Statutory Auditor)
for and on behalf of
Haines Watts
Chartered Accountants
& Statutory Auditor
1 Sheepscar Court
Meanwood Road
Leeds
West Yorkshire
LS7 2BB

Date: 7 December 2022.

LEEDS BECKETT STUDENTS' UNION
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:	Note				
Donations and legacies	4	1,375,617	177,000	1,552,617	1,525,644
Charitable activities	5	32,286	16,343	48,629	43,897
Other trading activities	6	545,619	-	545,619	56,956
Other income	7	13,006	-	13,006	297,977
Total income		1,966,528	193,343	2,159,871	1,924,474
Expenditure on:					
Raising funds	8	660,069	100,000	760,069	380,653
Charitable activities	9	1,258,306	103,528	1,361,834	1,297,677
		1,918,375	203,528	2,121,903	1,678,330
Net income/ (expenditure)		48,153	(10,185)	37,968	246,144
Transfers between funds	20	-	-	-	-
Net movement in funds		48,153	(10,185)	37,968	246,144
Reconciliation of funds:					
Total funds brought forward		(1,966,048)	37,213	(1,928,835)	(2,174,979)
Net movement in funds		48,153	(10,185)	37,968	246,144
Total funds carried forward		(1,917,895)	27,028	(1,890,867)	(1,928,835)

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

LEEDS BECKETT STUDENTS' UNION
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2022

		2022	2021
	Note	£	£
Fixed assets			
Tangible assets	15	68,317	35,380
		<u>68,317</u>	<u>35,380</u>
Current assets			
Stocks	17	13,866	4,893
Debtors	18	137,195	107,931
Cash at bank and in hand		822,071	820,803
		<u>973,087</u>	<u>933,627</u>
Creditors: amounts falling due within one year	19	(367,484)	(237,381)
Net current assets		<u>605,603</u>	<u>696,246</u>
Total assets less current liabilities		<u>673,920</u>	<u>731,626</u>
Creditors: amounts falling due after more than one year:			
SUSS pension scheme deficit		(2,564,787)	(2,660,461)
Total net assets		<u>(1,890,867)</u>	<u>(1,928,835)</u>
Charity funds			
Restricted funds:			
Restricted funds	20	27,028	37,213
Total restricted funds	20	<u>27,028</u>	<u>37,213</u>
Unrestricted funds			
General funds	20	742,567	770,888
Pension reserve	20	(2,660,462)	(2,736,936)
Total unrestricted funds	20	<u>(1,917,895)</u>	<u>(1,966,048)</u>
Total funds		<u>(1,890,867)</u>	<u>(1,928,835)</u>

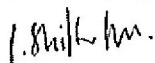
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

LEEDS BECKETT STUDENTS' UNION
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2022

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Pete Simon
Trustee

Date: 29/11/2022

The notes on pages 28 to 52 form part of these financial statements.

LEEDS BECKETT STUDENTS' UNION
(A company limited by guarantee)

UNION BALANCE SHEET
AS AT 30 JUNE 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	68,317	35,380
Investments	16	2	2
		<u>68,319</u>	<u>35,382</u>
Current assets			
Stocks	17	672	87
Debtors	18	244,923	437,955
Cash at bank and in hand		519,116	406,195
		<u>764,711</u>	<u>844,237</u>
Creditors: amounts falling due within one year	19	(269,707)	(190,370)
Net current assets		<u>495,004</u>	<u>653,867</u>
Total assets less current liabilities		<u>563,323</u>	<u>689,249</u>
Creditors: amounts falling due after more than one year:			
SUSS pension scheme deficit		(2,564,787)	(2,660,461)
Total net assets		<u>(2,001,464)</u>	<u>(1,971,212)</u>
Charity funds			
Restricted funds:			
Restricted funds	20	27,028	37,213
Total restricted funds	20	<u>27,028</u>	<u>37,213</u>
Unrestricted funds			
General funds	20	631,970	728,511
Pension reserve	20	(2,660,462)	(2,736,936)
Total unrestricted funds	20	<u>(2,028,492)</u>	<u>(2,008,425)</u>
Total funds		<u>(2,001,464)</u>	<u>(1,971,212)</u>

The Union's net movement in funds for the year was (£84,252) (2021- £240,496).

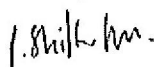
LEEDS BECKETT STUDENTS' UNION
(A company limited by guarantee)

UNION BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2022

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Peter Shilton Godwin
Trustee

Date: 29/11/2022

The notes on pages 28 to 52 form part of these financial statements.

LEEDS BECKETT STUDENTS' UNION
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 30 JUNE 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	23	227,602	407,401
Cash flows from investing activities			
Purchase of tangible fixed assets		(54,067)	-
Net cash provided by/(used in) investing activities		(54,067)	
Cash flows from financing activities			
SUSS pension deficit contributions		(172,267)	(100,937)
Net cash (used in)/provided by financing activities		(172,267)	(100,937)
Change in cash and cash equivalents in the year		1,268	306,464
Cash and cash equivalents at the beginning of the year		820,803	514,339
Cash and cash equivalents at the end of the year	24	822,071	820,803

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. General information

Leeds Beckett Students' Union is a company limited by guarantee (no. 07103465) registered in England & Wales and a registered charity (no. 1139314). The registered office is Portland Building, Portland Way, Leeds, LS1 3HE.

The members of the company are the Trustees named on page 1. In the event of the Union being wound up, the liability in respect of the guarantee is limited to £1 per member of the Union.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Leeds Beckett 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 Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The financial statements are prepared on sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Audit, Finance and HR Committee and the Board of Trustees will be monitoring the financial performance of the Students' Union in order that necessary steps can be taken in good time, should they be required, to ensure the financial health of the organisation. The forecasts show that sufficient reserves and cash are available to ensure the Union can continue to operate for a period of at least 12 months from the date of approval of these accounts. The trustees therefore believe it is appropriate to prepare the accounts on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.3 Income

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

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the Union 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 Union of the item is probable and that economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The Coronavirus Job Retention Scheme (CJRS) income is recognised in other income in the period to which it relates on an accruals basis.

2.4 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 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 asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.6 Taxation

The Union is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Union is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

City Dances & concerts	- 20% of cost
Bar furnishings	- 20%-33% of cost
Fixtures and fittings	- 20%-33% of cost
Computer equipment	- 20%-33% of cost

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities

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 Union 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.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.15 Pensions

The Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. Under the terms of FRS102, in these circumstances contributions are accounted for as if the Scheme were a defined contribution scheme based on actual contributions paid through the year. The present value of the Union's deficit contribution is recognised as a liability in accordance with the Charities SORP (FRS102).

The Union also contributes to defined contribution pension schemes for its employees. The pension charge represents the amounts payable by the company to the fund in respect of the year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.16 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Union 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.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Union makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the 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.

Critical areas of judgement:

(i) SUSS pension deficit

The charity has entered into a commitment to provide deficit funding to the Students' Union Superannuation Pension Scheme, of which it is a contributing employer. Under FRS 102, the present value of the commitment is recognised. The calculation of the present value of the commitment is subject to an assumption of the discount rate. The discount rate is determined by reference to market yields at the reporting date on high quality corporate bonds.

(ii) Donation of facilities by Leeds Beckett University

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 of £177,000.

(iii) Support costs

Staffing and administration support costs are allocated across the various activities of the Union. Support costs are allocated on the basis of staff time spent on each charitable activity.

LEEDS BECKETT STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Grants				
Block grant from Leeds Beckett University	1,375,617	-	1,375,617	1,348,644
Facilities in kind	-	177,000	177,000	177,000
Total 2022	1,375,617	177,000	1,552,617	1,525,644
Total 2021	1,348,644	177,000	1,525,644	

Facilities in kind represent the equivalent rental value of the bar and office space occupied by Leeds Beckett University that is used rent free by the Union.

5. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Clubs and societies	-	13,109	13,109	17,457
Freshers' income	23,627	-	23,627	4,816
NUS Extra cards	2,231	-	2,231	3,323
Engagement	6,428	3,234	9,662	18,301
Total 2022	32,286	16,343	48,629	43,897
Total 2021	10,591	33,306	43,897	

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FOR THE YEAR ENDED 30 JUNE 2022

6. Income from other trading activities

Income from non-charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Union's trading income	294,184	294,184	56,165
Trading company income	251,435	251,435	791
Total 2022	545,619	545,619	56,956
Total 2021	56,956	56,956	

7. Other Incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Sundry income	1,053	1,053	2,404
Insurance income - Union	-	-	27,222
Insurance income – Trading company	-	-	67,629
CJRS Income – Union	11,953	11,953	179,399
CJRS Income – Trading company	-	-	21,323
Total 2022	13,006	13,006	297,977
Total 2021	297,977	297,977	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

8. Expenditure on raising funds

Trading expenses

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Cost of sales and operating costs	238,482	-	238,482	17,924
Wages and salaries	258,556	-	258,556	170,727
National Insurance	8,898	-	8,898	3,785
Pension costs	8,060	-	8,060	2,644
Support costs	146,073	100,000	246,073	185,573
Total 2022	660,069	100,000	760,069	380,653
Total 2021	280,653	100,000	380,653	

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8. Expenditure on raising funds (continued)

Analysis of support costs

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Wages and Salaries	63,765	-	63,765	34,829
Depreciation	5,624	-	5,624	2,797
Bank charges	263	-	263	247
Subscriptions and affiliations	6,647	-	6,647	-
Consultancy	1,292	-	1,292	777
General	8,097	-	8,097	9,397
Insurance	4,232	-	4,232	3,304
Irrecoverable VAT	829	-	829	331
Computer licences and IT maintenance	4,536	-	4,536	1,292
Postage	-	-	-	5
Repairs	354	-	354	282
Printing and stationery	837	-	837	437
Telephone	3,150	-	3,150	1,917
Training	3,249	-	3,249	1,333
Travel	578	-	578	173
Rent	-	100,000	100,000	100,000
Pension finance cost	25,498	-	25,498	16,512
Pension protection fee	4,416	-	4,416	5,626
Governance costs (note 11)	12,706	-	12,706	6,314
Total 2022	146,073	100,000	246,073	185,573
Total 2021	85,573	100,000	185,573	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Engagement	250,293	22,647	272,940	254,676
Representation	722,385	30,689	753,074	651,082
Student Activities	154,600	41,133	195,733	221,487
Student volunteering	131,028	9,059	140,087	170,432
	<u>1,258,306</u>	<u>103,528</u>	<u>1,361,834</u>	<u>1,297,677</u>
Total 2021	<u>1,205,029</u>	<u>92,648</u>	<u>1,297,677</u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Engagement	172,763	100,177	272,940	254,676
Representation	493,678	259,396	753,074	651,082
Student Activities	131,255	64,478	195,733	221,487
Student volunteering	89,387	50,700	140,087	170,432
Total 2022	<u>887,083</u>	<u>474,751</u>	<u>1,361,834</u>	<u>1,297,677</u>
Total 2021	<u>857,211</u>	<u>440,466</u>	<u>1,297,677</u>	

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10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Engagement	Representation	Student Activities	Student Development	Total Funds	Total Funds
	2022	2022	2022	2022	2022	2021
	£	£	£	£	£	£
Staff costs	34,265	102,632	20,489	18,403	175,789	151,028
Depreciation	3,023	9,054	1,807	1,623	15,507	12,130
Bank charges	142	424	85	76	727	1,069
Subscriptions and affiliations	3,572	10,699	2,136	1,919	18,326	-
Consultancy	694	2,080	415	373	3,562	3,368
General expenses	4,351	13,033	2,602	2,337	22,323	40,748
Insurance	2,274	6,812	1,360	1,222	11,668	14,325
Irrecoverable VAT	446	1,335	267	239	2,287	1,436
Computer licences and IT maintenance	2,437	7,301	1,457	1,309	12,504	5,601
Postage	-	-	-	-	-	21
Repairs	190	569	114	102	975	1,221
Telephone	1,693	5,071	1,012	909	8,685	8,311
Training	1,746	5,229	1,044	938	8,957	5,782
Travel	310	930	186	167	1,593	751
Rent	22,647	27,176	18,118	9,059	77,000	77,000
Pension finance cost	13,702	41,041	8,193	7,359	70,295	71,599
Pension protection fee	2,373	7,108	1,419	1,275	12,175	24,395
Printing and stationary	450	1,348	269	242	2,309	1,895
Governance costs (note 11)	5,861	17,555	3,505	3,148	30,069	19,786
Total 2022	100,176	259,397	64,478	50,700	474,751	440,466
Total 2021	89,889	214,475	77,086	59,016	440,466	

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11. Governance costs

	Unrestricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Auditor's remuneration	12,675	12,675	20,176
Trustees' expenses	2,005	2,005	924
Professional fees	28,094	28,094	5,000
Total 2022	42,774	42,774	26,100
 Total 2021	 26,100	 26,100	

12. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Union's Auditor for the audit of the Union's annual accounts	10,000	9,660
Fees payable to the Union's Auditor in respect of:		
Accounts preparation and Corporation Tax Computation for subsidiary company	3,000	1,750
All Non-audit services not included above	(325)	8,766

13. Staff costs

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	1,122,271	1,015,269	1,064,104	979,046
Social security costs	91,288	74,520	88,703	70,735
Contribution to defined contribution pension schemes	39,636	41,431	38,203	38,787
	1,253,195	1,131,220	1,191,010	1,088,568

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13. Staff costs (continued)

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

	Group 2022 No.	Group 2021 No.
Employees	95	53

The average headcount expressed as full-time equivalents was:

	Group 2022 No.	Group 2021 No.
Representation	15	15
Student activities	5	5
Engagement	11	10
Trading	8	4
Finance	3	3
	42	37

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

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	1	1

The total amount of employees benefits received by key management personnel, including employer's national insurance and employer's pension, is £318,157 (2021: £254,785). The Union considers its key management personnel to comprise the Trustees and the Senior Management.

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NOTES TO THE FINANCIAL STATEMENTS
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14. Trustees' remuneration and expenses

The five sabbatical roles each incurred a salary charge as authorised in the Students' Union governing document, for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities. This work includes voicing student opinion with the University and local community, defending and extending the rights of students through petitions, discussions with M.P.s and also organising and supporting student volunteers and service provision for them.

	2022 £	2021 £
Remuneration	86,777	100,093

Travel expenses totalling £2,005 (2021: £924) were reimbursed to 10 (2021: 6) trustees during the year.

15. Tangible fixed assets

Group and Union

	Leasehold improvements £	City Dances & Concerts £	Bar Furnishings £	Computer equipment £	Fixtures and fittings £	Total £
Cost						
At 1 July 2021	23,079	52,436	82,395	29,945	18,613	206,468
Additions	-	21,068	1,742	31,257	-	54,067
At 30 June 2022	23,079	73,504	84,137	61,202	18,613	260,535
Depreciation						
At 1 July 2021	23,079	30,401	74,336	26,581	16,691	171,088
Charge for the year	-	8,033	6,234	6,222	641	21,130
At 30 June 2022	23,079	38,434	80,570	32,803	17,332	192,218
Net book value						
At 30 June 2022	-	35,070	3,567	28,399	1,281	68,317
At 30 June 2021	-	22,035	8,059	3,364	1,922	35,380

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NOTES TO THE FINANCIAL STATEMENTS
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16. Fixed asset Investments

	Investments in subsidiary companies £
Union	
Cost or valuation	
At 1 July 2021	2
At 30 June 2022	2
Net book value	
At 30 June 2022	2
At 30 June 2021	2

Principal subsidiaries

The following was a subsidiary undertaking of the Union:

Name	Company number	Principal activity	Class of shares	Holding
Leeds Beckett Students Union Trading Limited	02679183	Licensed trading	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss)/ Surplus/ (Deficit) for the year £	Net assets £
Leeds Beckett Students Union Trading Limited	251,435	(140,838)	110,597	110,597

NOTES TO THE FINANCIAL STATEMENTS
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17. Stocks

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Finished goods and goods for resale	13,866	4,893	672	87

18. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	39,236	8,116	38,954	8,116
Amounts owed by group undertakings	-	-	108,010	330,024
Other debtors	78,229	51,094	78,229	51,094
Prepayments and accrued income	19,730	48,721	19,730	48,721
	137,195	107,931	244,923	437,955

19. Creditors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	65,636	29,943	49,368	29,665
Other taxation and social security	108,368	68,731	28,659	21,998
Other creditors	120,717	76,409	120,717	76,409
Accruals and deferred income	72,763	62,298	70,963	62,298
	367,484	237,381	269,707	190,370

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NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds

Statement of funds – current year

	Balance at 1 July 2021 £	Income £	Expenditure £	Transfers In/out £	Balance at 30 June 2022 £
Unrestricted funds					
General funds	728,511	1,715,093	(1,681,744)	(129,890)	631,970
Leeds Beckett Trading Limited	42,377	251,435	(140,838)	(42,377)	110,597
Pension reserve	(2,736,936)	-	(95,793)	172,267	(2,660,462)
	(1,966,048)	1,966,528	(1,918,375)	-	(1,917,895)
Restricted funds					
Engagement	1,565	-	-	-	1,565
Rent In Kind	-	177,000	(177,000)	-	-
Ceased Societies	3,143	-	-	1,996	5,139
Student Activities	20,067	13,109	(23,015)	(1,996)	8,165
Representation	4,550	733	(993)	-	4,290
Student Development	7,888	2,501	(2,520)	-	7,869
	37,213	193,343	(203,528)	-	27,028
Total of funds	(1,928,835)	2,159,871	(2,121,903)	-	(1,890,867)

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NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

Statement of funds – prior year

	Balance at 1 July 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2021 £
<i>Unrestricted funds</i>					
General funds	517,025	1,620,140	(1,346,189)	(62,735)	728,511
Leeds Beckett Trading Limited	36,729	93,758	(51,381)	(36,729)	42,377
Pension reserve	(2,749,761)	-	(88,112)	100,937	(2,736,936)
	<u>(2,196,007)</u>	<u>1,714,168</u>	<u>(1,485,682)</u>	<u>1,473</u>	<u>(1,966,048)</u>
<i>Restricted funds</i>					
Engagement	-	5,000	(3,435)	-	1,565
Rent in Kind	-	177,000	(177,000)	-	-
Ceased Societies	-	-	-	3,143	3,143
Student Activities	14,504	15,004	(6,298)	(3,143)	20,067
Representation	1,473	7,258	(2,708)	(1,473)	4,550
Student Development	5,051	6,044	(3,207)	-	7,888
	<u>21,028</u>	<u>210,306</u>	<u>(192,648)</u>	<u>(1,473)</u>	<u>37,213</u>
<i>Total of funds</i>	<u>(2,174,979)</u>	<u>1,924,474</u>	<u>(1,678,330)</u>	<u>-</u>	<u>(1,928,835)</u>

NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

Restricted Funds:

Engagement

The Union receives up to £8,000 including VAT (£6,667 net) specifically for the purposes of joint housing projects carried out with our partner Unipol Student Homes Limited. This amount must be fully spent by 31 July in the year following receipt otherwise the underspend is lost.

Representation

Funds are received from Leeds Beckett University or other external bodies to use on campaigns and activity specifically related to the representation of students.

Student Activities

Funds are received from membership subscriptions to individual societies that are used to support the activities and events hosted by these societies. Any amounts unspent at the year-end are carried forward to the subsequent years for spending by each society.

Student Development

Funds are received from Leeds Beckett University or other external bodies to create and develop student social enterprises, volunteering and community initiatives.

Ceased Society Funds

Remaining funds from dormant societies transferred from the Societies fund. The funds relate to societies where there have been no activity within the 2021 year. The funds are carried forward to use to set up new societies only.

Rent in kind

In accordance with the Charities SORP, the Union has valued the benefit it receives from occupying the two buildings owned by the University on a rent free basis, at the Trustees' estimate of market value.

Transfers

£1,996 has been transferred from Student Activities to Ceased Societies (both within restricted funds) to show remaining funds from dormant societies so that they can be used to support new societies to be set up. The funds remain restricted to use for new societies only.

£42,377 has been transferred from Leeds Beckett Students' Union Trading Limited to the general unrestricted fund in relation to gift aid paid to the Union.

£172,267 has been transferred from the unrestricted general fund to the SUSS pension fund to transfer deficit contribution payments made from the unrestricted fund.

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21. Summary of funds

Summary of funds- current year

	Balance at 1 July 2021	Income	Expenditure	Transfers in/out	Balance at 30 June 2022
	£	£	£	£	£
General funds	(1,966,048)	1,966,528	(1,918,375)	-	(1,917,895)
Restricted funds	37,213	193,343	(203,528)	-	27,028
	<u>(1,928,835)</u>	<u>2,159,871</u>	<u>(2,121,903)</u>	<u>-</u>	<u>(1,890,867)</u>

Summary of funds- prior year

	Balance at 1 July 2020	Income	Expenditure	Transfers in/out	Balance at 30 June 2021
	£	£	£	£	£
General funds	(2,196,007)	1,714,168	(1,485,682)	1,473	(1,966,048)
Restricted funds	21,028	210,306	(192,648)	(1,473)	37,213
	<u>(2,174,979)</u>	<u>1,924,474</u>	<u>(1,678,330)</u>	<u>-</u>	<u>(1,928,835)</u>

NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of net assets between funds

Analysis of net assets between funds – current year

	Unrestricted funds	Restricted funds	Total funds
	2022	2022	2022
	£	£	£
Tangible fixed assets	68,317	-	68,317
Current assets	946,104	27,028	973,132
Creditors due within one year	(367,529)	-	(367,529)
Creditors due in more than one year	(2,564,787)	-	(2,564,787)
Total	(1,917,895)	27,028	(1,890,867)

Analysis of net assets between funds – prior year

	Unrestricted funds	Restricted funds	Total funds
	2021	2021	2021
	£	£	£
Tangible fixed assets	35,380	-	35,380
Current assets	896,414	37,213	933,627
Creditors due within one year	(237,381)	-	(237,381)
Creditors due in more than one year	(2,660,461)	-	(1,660,461)
Total	(1,966,048)	37,213	(1,928,835)

NOTES TO THE FINANCIAL STATEMENTS
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23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	37,968	246,144
Adjustments for:		
Depreciation charges	21,132	14,928
Decrease/(increase) in stocks	(8,973)	9,562
Decrease/(increase) in debtors	(29,219)	75,612
Increase/(decrease) in creditors	110,901	(26,957)
Pension finance costs	95,793	88,112
Net cash provided by operating activities	227,602	407,401

24. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	822,071	820,803
	822,071	820,803

25. Analysis of changes in net debt

	At 1 July 2021 £	Cash Flows £	At 30 June 2022 £
Cash at bank and in hand	820,803	1,268	822,071
	820,803	1,268	822,071

NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments

The Union participates in the NUS Pension Scheme, a defined contribution scheme. During the year, contributions of £39,636 (2021: £41,431) were paid into the scheme.

The Union also operates a defined benefit pension scheme.

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

The most recent valuation of the Scheme was carried out as at 30 June 2019 and showed that the market value of the Scheme's assets was £119.1m with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £140.9m.

Valuations are conducted every three years based upon assumptions agreed by the Trustees, and is used to set the contributions payable by the participating employers.

The outcome in financial terms is set out in the table below:

	30 June 2016 £m	30 June 2019 £m
Assets	£101.3	£119.1
Liabilities	£221.0	£260.0
Deficit	(£119.7)	(£140.9)
Funding Level	46%	46%

The increase shown in the deficit since 2016 is in line with the changes previously reported, following annual reviews, but makes allowance for the impact of the 7% pension increase issue. This has increased the deficit in SUSS but its impact has been mitigated by the member consent exercise.

Whilst the assets have performed well rising by over 17% over the three years, the liabilities have increased by a similar percentage. The sustained low yield on government bonds has continued to affect the liabilities, but the increase was driven in large part by the pension increase issue. The Trustees have concluded that the level of contributions to clear the deficit will have to rise above the planned 5% annual increase in order to address this. However, in order to allow time for the unions to make necessary arrangements the increase in contributions will come into effect from October 2021.

The increase of 5% due in October 2020 will proceed as planned, and these contributions form part of the plan to remove the funding deficit in SUSS.

NOTES TO THE FINANCIAL STATEMENTS
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Following the 2020 increase, and in order to attribute the further increase in costs as fairly as possible, the Trustees have allocated the additional liabilities arising from the 7% pension increase issue to those unions whose members are directly affected by it. This means that a union with many affected members may see a substantial increase in their contributions to SUSS from October 2021, while a union with no members affected by the issue would see a much smaller increase.

The Trustees also considered whether the costs of carrying out the member consent exercise should be borne only by those unions whose members are directly affected by the pension increase issue. After careful consideration, and keeping in mind the principle of collectivism, they concluded that a significant proportion of the costs incurred were justifiable expenses of running SUSS as a whole (because benefits needed to be adjusted, and members written to, whether or not the compromise offer was made). What remained, once allocated to the many affected unions and reclaimed over a reasonable period of time, was not material in the context of the overall level of payments being made to the SUSS by the unions, and so no additional charges will be made in respect of this.

The existing recovery plan, based on the results of the 2016 valuation, was due to end in 2033. One option considered by the Trustees was to retain this target end date, in line with the Pensions Regulator's guidance that funding deficits should be addressed over as short a period as possible. However, given the already substantial level of contributions being made to SUSS by the employers, the Trustees concluded that extending the recovery period, and hence reducing the initial increase in contributions that unions would be required to make, struck an appropriate balance between removing the deficit as quickly as possible while remaining affordable.

In summary, employer contributions will increase by 5% in October 2020 as planned and then by around 18%, on average, from 1 October 2021 (8% for those without any members affected by the compromise issue, and more for those with affected members). Contributions will increase by 5% each year thereafter until the end of the deficit recovery period, which is expected to be in August 2035. However, contributions due from October 2023 onwards will be reviewed following the next actuarial valuation.

Under FRS102, the Union is required to recognise as a liability the present value of its agreed share of future deficit contributions. Finance costs are recognised as the present value unwinds.

The total contributions paid into the scheme by Leeds Beckett Students' Union in respect of eligible employees for the year end 30 June 2022 amounted to £172,267 (2020: £100,937). The liability owed by Leeds Beckett Students' Union in respect of future deficit contributions at the year-end was £2,660,461 (2021: £2,736,936), split between amounts owed falling due within one year of £95,674 (2021: £76,475) and amounts falling due after more than one year of £2,564,787 (2021: £2,660,461).

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26. Operating lease commitments

At 30 June 2022 the Group and the Union had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Amounts payable				
Not later than 1 year	1,814	1,943	1,814	1,943
Later than 1 year and not later than 5 years	1,562	2,751	1,562	2,751
Total	3,376	4,694	3,376	4,694

27. Related party transactions

The Union is in receipt of a recurrent grant from Leeds Beckett University of £1,375,617 (2021: £1,348,644).

In addition, the Union occupies the University's buildings on a rent-free basis under an informal agreement. In accordance with the Charities SORP, the Trustees have valued the use of the buildings and utilities with reference to market rents at £177,000 (2021: £177,000).

Other sales and purchases were made to and from the University of £10,846 (2021: £6,405) and £50,039 (2021: £10,544) respectively resulting in a balance from the University of £1,352 (2021: balance due to the University of £40).

Unipol Student Homes is a charity which provides accommodation support and advice to students in which A Crooks (resigned 01/07/2022), M Sinwaka (resigned 01/07/2022) and L MacDonald (appointed 12/07/2022) are Directors and Trustees. During the year the Union paid fees of £20,932 (2021: £20,932) to Unipol as detailed in note 30 of the financial statements. The Union has received a contribution from Unipol of £NIL (2021: £1,258) for housing projects. In 2021 the Union received a gift of £5,000 (2021: £NIL) and other sales of £800 (2021: £NIL). A balance of £NIL was outstanding at the year-end. (2021: £20,932 owing to Unipol).

28. Controlling party

The ultimate control of the Union is vested under the Constitution in the company members in General Meetings. As such no single person or entity controls the union as defined by FRS 102.

LEEDS BECKETT STUDENTS' UNION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

29. Affiliations, subscriptions and membership

	2022 £	2021 £
Advice UK Ltd	2,362	2,362
National Union of Students	33,711	33,711
National Association of Money Advisors	600	840
NUS Services Ltd	-	380
UNIPOL	20,932	20,932
	<u>57,605</u>	<u>58,225</u>

30. Contingent liability

At the current time there is uncertainty as to HMRC's position concerning the application of a VAT concession in connection with the provision of catering services by Students' Unions. The concession appears to have been applied inconsistently over the sector and there is now some doubt as to how it should be applied.

There is an ongoing class action currently being coordinated by the National Union of Students against HMRC to try and obtain some clarity re the application of the concession. At the current time it is not known when the outcome of this action will be determined.