# NUS STUDENTS' UNION CHARITABLE SERVICES

England & Wales · Charity number 1140142

## Details

| | |
|---|---|
| **Status** | Registered |
| **Legal form** | Charitable company |
| **Company number** | 07509468 |
| **Registered** | 2011-02-01 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | Merseyway Innovation Centre<br>21-23 Merseyway<br>Stockport<br>SK1 1PN |
| **Phone** | 0300 303 8602 |
| **Email** | membership@nus.org.uk |
| **Website** | http://www.nusconnect.org.uk |

## Activities

**Objects:** 6. ObjectsThe objects are to further all charitable purposes, including (without limitation):6.1 the promotion of the efficiency and effectiveness of charities and voluntary organisations including students' unions;6.2 the promotion of good citizenship;6.3 the advancement of education of students; 6.4 the promotion for the benefit of the public of the conservation, protection and improvement of the environment; and6.5 the promotion of equality and diversity. 6.6 In this objects clause, “charitable purposes” means purposes which are charitable in every part of the United Kingdom. Nothing in this objects clause shall authorise an application of the property of the Charity for purposes which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005.

**Activities:** The Charity is responsible for supporting the development of students' unions throughout the country to ensure they adequately serve their student membership.It's objectives are the promotion of students' unions for the benefit of the public including promoting the efficiency and effectiveness of students' unions and building the capacity of the students' union sector.

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## Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, Environment/conservation/heritage
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

## Geography

- **Area of benefit:** UNDEFINED.
- Northern Ireland
- Throughout England And Wales

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2025-06-30 | £3,920,348 | £3,212,233 | £4,873,843 | 35 |
| 2024-06-30 | £3,930,395 | £3,433,919 | £4,233,858 | 35 |
| 2023-06-30 | £3,795,830 | £3,799,881 | £3,762,622 | 40 |
| 2022-06-30 | £3,513,907 | £3,510,715 | £3,797,802 | 49 |
| 2021-06-30 | £1,116,650 | £1,541,652 | £356,517 | 42 |

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## Trustees

| Name | Role | Appointed |
|---|---|---|
| **Deio Owen** | Chair | 2024-09-18 |
| ABBY WILSON | | 2021-07-01 |
| Alex Stanley | | 2024-09-18 |
| Graeme Kirkpatrick | | 2022-11-08 |
| Heather Innes | | 2023-07-01 |
| KIRSTY MORRISON | | 2025-07-17 |
| Manpreet Kaur Dhesi | | 2025-01-13 |
| Noah Katz | | 2023-07-01 |
| Paul Michael Chapman | | 2020-07-01 |
| Qasim Hussain | | 2024-09-18 |
| Richard Evans | | 2025-10-29 |
| Sai Shraddha Suresh Viswanathan | | 2024-09-18 |

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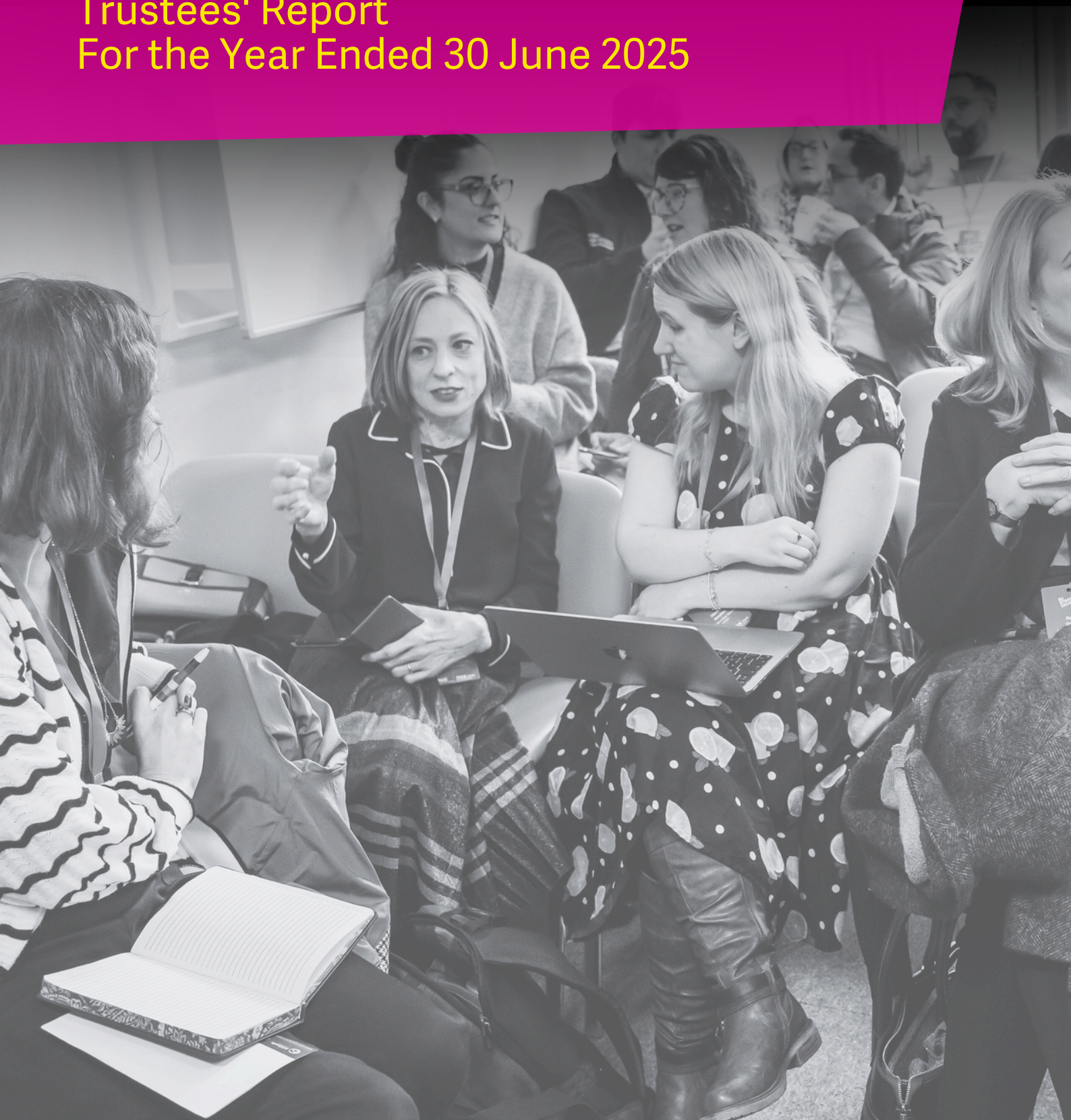
**NUS STUDENTS' UNION CHARITABLE SERVICES**

England & Wales - Charity number 1140142

# Accounts

# NUS Students' Union Charitable Services

## Trustees' Report
## For the Year Ended 30 June 2025



# Reference and Administrative Details

of the Charity, its Trustees and Advisers for the Year End 30 June 2024

## Trustees

G Hughes (resigned 30 June 2025)
S Kerton (resigned 15 August 2025)
P Chapman
M Stephen
A Wilson
G Kirkpatrick
D Owen (appointed 18 September 2024)
H Innes (appointed 1 July 2023)
N Katz (appointed 1 July 2023)
A Stanley (appointed 18 September 2024)
Q Hussain (appointed 18 September 2024)
S Viswanathan (appointed 18 September 2024)
M Dhesi (appointed 13 January 2025)
R Evans (appointed 29 October 2025)
K Morrison (appointed 17 July 2025)

## Company registered number

07509468

## Charity registered number

1140142

## Registered office

Merseyway Innovation Centre
21-23 Merseyway
Stockport. SK1 1PN

## Principle staff

P Roberston (Charity Director)
D Keen (Membership Director)
S Harris (Deputy Director & Union Development Director)
J Beer (HR Director)

## Independent Auditors

Dains Audit Limited
Statutory Auditor
Suite 2, Albion House
2 Etruria Office Village,
Forge Lane,
Stoke on Trent,
Staffordshire.
ST1 5RQ

## Bankers

The Co-operative Bank
3rd Floor, Balloon Street
Manchester
M60 4EP

## Finance and Business Advisors

Counterculture Partnership LLP
Unit 115 Ducie House,
Ducie Street,
Manchester M1 2JW

# Trustees' Report

## For the Year Ended 30 June 2025

The Trustees present their report, which also complies with a Directors Report for the purposes of the Companies Act 2006, with the consolidated financial statements of the charity and its subsidiaries for the year ended 30 June 2025. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practive 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).

# Structure, Governance and Management

NUS Students' Union Charitable Services ('NUS Charitable Services' or 'the Charity') is constituted as a registered charity and a company limited by guarantee. The Charity is responsible for supporting the development of students' unions throughout the country to ensure they adequately serve their student membership. It is governed by its Articles of Association.

The Charity has provision for up to twelve members on its Board of Trustees ('the Board'):

- Four are NUS UK Member Directors appointed by the NUS UK Board
- Four are NUS Full Time Officers who are appointed by the NUS UK Board.
- Four are Independent Charity Directors appointed by the Trustee Board.

The above trustees also serve as the company's directors and fulfil the statutory duties required of them under Company law.

The method of recruitment and appointment of trustees' is laid down in the articles and memorandum of association. Their number shall not be less than three.

The trustees have a vital role in the Charity, and we aim to attract and retain people who have commitment, experience and the necessary skills. Training for the trustees is recorded and delivered on several levels:

- There is trustee training at the beginning of each financial year
- New trustees receive training on induction including on statutory duties
- This is supplemented by attendance at regional events and further external training on request for trustees

NUS Students' Union Charitable Services is a charity with the ultimate decision-making power being vested in its board of trustees during the year. In addition to the board, there are two subcommittees responsible for Finance and HR designed to support the work of the Boards through specialist advice, scrutiny and oversight. These committees are shared with NUS UK and NUS Services and comprise members of each organisations' board as well as additional members to provide specialist advice on HR and Finance matters.

The Charity's Membership comprises 400 Students' Unions and Associations (as at year end). Members can influence the strategy and direction of the Charity via the General Meeting which has been held on an annual basis, which includes inputting on the level of membership contribution required. The Charity regularly engages with its members informally throughout the year including in bi-monthly lunchtime catchups with CEOs of member organisations.

Day-to-day management of the Charity is delegated to the Charity Director. The Charity Director provides regular reports to the board on progress against agreed objectives supported by the Charity senior leadership team.

# Relationship with NUS UK

The relationship between NUS Charity and NUS UK is established in the governing documents of both organisations as well as a Collaboration Agreement between the organisations.

The trustees consider that the aims, interest and scope of NUS Charity and NUS UK remain different. Their respective aims could be summarised as follows:

NUS Charity – to further its charitable purposes for public benefit: and predominantly, to further the efficiency and effectiveness of students' unions through advice, guidance and crisis support. Connecting members and curating services. For members who trade, helping students' unions to make the most of their commercial enterprise income.

NUS UK - campaigning nationally to improve the lives of students and delivering tangible impact for the student movement

While the organisations have different focuses, the trustees consider that the arrangements for working with NUS UK continue to be in the best interests of NUS Charity and its beneficiary students' unions because:

- The two organisations have a shared membership base of Students' Unions ('SUs'). Although SUs may affiliate separately to either NUS UK or NUS Charity the majority affiliate to both. Working with the non-charity allows us to share information and provide services to members which are joined up and so further NUS Charity's purposes more efficiently.
- A shared central service allows us to benefit from economies of scale and retain specialist staff. Operating individually the Charity would have a smaller staff team and not as much access to specialist knowledge.

- Additionally, the two organisations have worked alongside each other since NUS Charity's inception in 2010.
- The NUS brand is a century old and instantly recognisable.
- We can collaborate on information gathering on our members and beneficiaries, which is more efficient

The trustees perform an annual review of the relationship with NUS UK in line with Charity Commission guidance for charities with a connection to a non-charity. The trustees are satisfied the partnership between NUS Charity and NUS UK remains in the best interests of NUS Charity, noting in particular the benefits of collaboration to allow NUS Charity to most efficiently provide support to the affiliated students' unions, in furtherance of its charitable purposes. The review includes a risk assessment. This position will be kept under review and is formally reviewed annually.

NUS Charity continues to work with students' unions and is funded by students' unions and a gift aid donation from its subsidiary company NUS Services Limited. Students' Unions may become members of the Charity.

# Risk Management

As part of the annual business planning process, the major strategic and operational risks that the charity faces and the ways in which they are being monitored, managed and mitigated, were assessed by the trustees.

The trustees have recently performed a detailed assessment of NUS Charity's risk management framework in line with Charity Commission guidance CC26. As a result the trustees have approved a new risk management policy and reviewed the principal and emerging risks likely to impact NUS Charity.

These include:

- Financial and cash deficit owing to rising costs and lack of income growth
- Failure to meet Social Enterprise targets
- Inability to effectively recruit and retain talent to deliver our strategy
- Lack of positive engagement with NUS Charity membership
- Lack of organisational resilience to external events
- Failure to respond appropriately to compliance requirements
- Inadequate governance arrangements leading to poor decision making and lack of oversight

The trustees receive a strategic risk register on quarterly basis and time is set aside to discuss the principal and emerging risks facing the charity, and their mitigations.

# Remuneration of Senior Managers

All roles are assessed against the Charity's published Job Evaluation framework to determine the band. The size/band of the role then is reflected in the salary. Salaries for roles in bands C – I are governed by the Charity's pay framework.

The role of Head of Union Development is Band I – this salary is set based on experience for new starters in role and then increased on an incremental basis until the top of the pay band.

The NUS Charity CEO (band L), Deputy CEO (band J), Social Enterprise Director (band J), Operations Director (band J), Movement Development Director (band J) and Communications Director (band J) are all subject to market data. Pay reviews are undertaken on a triennial basis with one undertaken in November 2023 for all Band J and L roles. The review was conducted in accordance with agreed pay process, where pay is reviewed against benchmark data for the lower quartile and market median salaries for roles of the same size within the Charitable sector. In all instances, current pay fell within the range of the lower quartile and market median levels. HR Subcommittee approved the recommendations that none of the roles would receive a pay increase at the time (aside from any universal Cost of Living pay increases).

Menu

# Purposes and Activities

The Charity has its primary purpose as supporting the development of students' unions. Its charitable objects are:

- The promotion of the efficiency and effectiveness of charities and voluntary organisations including students' unions;
- The promotion of good citizenship;
- The advancement of education of students;
- The promotion for the benefit of the public of the conservation, protection and improvement of the environment; and
- The promotion of equality and diversity.

In pursuit of these objects the charity has established several services and departments for use by students' unions. These are centred around Union Development, Membership Administration, Trading Support and the provision of shared back office services between the Charity and NUS UK.

# Performance and Achievements

In 2024/25 NUS Charity was delivering to its strategic plan which described our mission as being that every post-16 student in the UK has an 'amazing' students' union. We aimed to deliver on this mission by being students' union focused, collective and anti-oppressive in all of our work.

Year 1 has been about establishing barriers to success and baselines for our KPIs. Below is the progress that we have made towards our 5 NUS Charity goals in 2024/25.

## Goal 1 - We build unshakeable SUs

We will work with them to expand their reach, grow their income, and consolidate their position as the place where students grow, belong and find support.

- SU Reach KPI: Percentage growth in student engagement and participation for our members.
- Student Satisfaction and Relevance KPI: Percentage increase in NSS students' union question.

Initiatives for Goal 1:

Legal Advice and Support
As the UK regulatory environment has become more complex for students' unions, NUS Charity has continued to provide and update expert legal advice for members on key issues affecting engagement in SUs. In 2024/25, our legal support focused on the following key areas

- the application of the new Higher Education (Freedom of Speech) Act
- the change in how HMRC charges VAT on catering and bars within SUs
- clarifying and updating our model documents for companies limited by guarantee (CLG) and charitable incorporated organisations (CIO), both of which have global consent from the Charity Commission for our members. We also have updated incorporation guidance.
- the legal status of sabbatical officers
- Historic views and conduct of election candidates
- The Employment Rights Bill
- Decision making for trustees
- safeguarding and outdoor pursuits

In addition to these areas, we updated the leading 2016 Counsel's Legal Opinion on issues relating to debates, motions and speaker events in the SU sector. The resulting opinion by Edward Cumming KC and Raj Desai is thorough, tackles

the changing and intensifying political landscape we find ourselves in and is already key in support students' unions and their political activity now and for the next decade.

These projects would not have been possible without the support of our partners, Bates Wells, DAC Beechcroft, Howden and Organised Fun.

The Big SU Survey

The Big SU Survey is a series of surveys inviting members to contribute to movement-wide data which we then help to analyse and make available to our members. We use the answers to create a valuable set of up-to-date benchmarks for SUs across key themes. These benchmarks will help members formulating their your strategies against sector norms and good practice.

This year we published the following reports as part of the Big SU Survey.

- SU Funding: Finance, block grants and student numbers and accompanying data set workbook (published March 2025)
- People Insight Report (published June 2025)
- SU Advice Service Survey (published January 2024)
- SU Elections survey (published August 2024)

Elections Service

Our members are inherently democratic organisations, NUS Charity supports SUs to deliver this central value through support, guidance and intervention. As well as providing general support for democratic development, NUS Charity also acts as the Returning Officer for any member of the Charity, at no additional cost.

- NUS Charity acted as the Returning Officer to support over 180 (up from 150 in 2023/24) SU elections last year. We have acted as RO for thousands of elections over a decade and provide insight, support and development.
- We have daily drop-in sessions during elections season, various networking and development webinars for elections staff across the year, as well as a hot-line for supporting internal DROs and adjudicating on .elections appeals.
- We create an annual research report, available for members, that outlines practice and trends that SUs use to benchmark and share ideas, as well as recommendations from the Returning Officer to improve practice sector-wide.
- In the annual survey that covers this reporting period, 96% of SUs either agreed (34%) or strongly agreed (62%) that they felt supported by the elections service to run successful elections.

98% of survey respondents expressed that they were satisfied with their experience of the elections support service, with almost half (47%) describing their experience as extremely satisfied (10/10 on the satisfaction scale)

## Goal 2 - We will maintain and build new sources of income for all SUs

- New Income Generation KPI: Percentage of revenue from new income streams.
- Track Students' Digital Usage KPI: Digital growth of students and students' unions.
- Student Engagement with Ethical Purchasing KPI: Percentage increase in students purchasing ethical products.

Initiatives for Goal 2:

In 2024/2025, NUS agreed some commercial opportunities on behalf of NUS Charity members, including affiliate trading with MoneySuperMarket, and commission agreements for local sales of CitizenCard and ISIC to help generate further revenue via digital media for members.

## Goal 3: There will be no more 'one size fits all' approach.

- Quality Students' Unions for All KPI: Increase in SUs completing the QSU framework.
- Customisation of Support KPI: SUs can access customised support and advice.
- Communities of Practice KPI: Growth in staff participation across delivery areas.

Initiatives for Goal 3:

We've continued to provide foundational support and advice to members that enable them to grow and be strong.

Our development frameworks are free to members to access and allows members to follow good practice in all areas of operation.

Quality Students' Unions (QSU) is a framework to help students' unions achieve their full potential. It helps us collect and share good practice in the movement, turning this into useful advice, guidance and tools for unions to help our members be the best they can be.

NUS Charity supported Scottish college Students' Associations (SAs) through a range of initiatives in 2024–2025, part funded by the Scottish Funding Council through sparqs.

Key activities included Student Board Member Training in September, delivered with partners to empower student representatives on boards, focusing on roles, relationships, and effective participation. College Lead & Change 2025, held in July, brought together officers and staff from multiple college SAs for networking, practical learning, and equality, diversity, and inclusion training. Feedback was overwhelmingly positive, with 100% of officers and staff recommending the event.

A College SA Staff Community of Practice was launched meeting five times to share strategies on officer roles, elections, mental health campaigns, and welcome week activities. Average attendance was 8.4 staff per meeting. Extensive elections support was provided, including tailored advice, webinars, and triage sessions for SAs such as SRUCSA, NESCol, and City of Glasgow College.

Development support covered governance, campaigning, strategic planning, and officer training for numerous SAs, including Ayrshire, Edinburgh, NESCol, and West College Scotland. New resources were created, including reports on international officers, SU elections, legal guidance, and officer wellbeing. Overall, these activities strengthened SA networks, improved officer confidence, and enhanced organisational development across the college sector.

Significant progress was also made with our Welsh funding – a positive and impactful relationship with Medr (HEFCW as was) has resulted in three more years of core funding totalling £120,000 across three years for activity to strengthen student and learner voice across the tertiary sector, as well as a further £38,000 for 2+1 years to deliver a student governor training programme for student members of university and college governing bodies across Wales.

This extra funding was as a direct result of a successful year supporting both university SUs and college learner voice teams.

Four main objectives guided the work with colleges: supporting student governors, enhancing course representative systems, enabling colleges to self-assess against the Learner Voice Framework (LVF), and piloting a sector-wide network.

Key activities included creating practical guides for staff supporting student governors and course reps, delivering a tailored "Train the Trainer" programme, and hosting a networking and training day for staff.

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Key activities included creating practical guides for staff supporting student governors and course reps, delivering a tailored "Train the Trainer" programme, and hosting a networking and training day for staff. Two bilingual resources on evaluation and impact reporting were developed alongside a webinar. Nine colleges completed LVF self-assessments and bespoke development plans—exceeding the 60% target. A new learner voice network launched with three meetings and a Teams site, engaging all 13 FEIs at least once.

Impact was significant: staff reported increased confidence and skills in supporting student governors and reps, with 100% of training participants agreeing content was relevant and actionable. Colleges valued LVF assessments for strategic planning, with examples including new partnership agreements and improved election processes. Feedback highlighted reduced isolation among staff, stronger collaboration, and appetite for continued support. The project fostered a connected community and provided tools for sustainable learner voice development across Wales.

Within university SUs, the Welsh Student Voice Project strengthened student representation across Higher Education and regulated Further Education in Wales. Key activities included hosting monthly officer networking sessions and skills workshops, and supporting SUs with less capacity through tailored Development Plans and resources. The project also advanced sector-wide initiatives such as updated guidance on Annual Quality Reports (AQRs), Student Charters, and Course Representative systems, alongside creating new digital hubs and video resources. Strategic support was provided to Wrexham SU to enhance its role as a critical friend to its institution.

The impact has been significant:

- Officers reported increased confidence in championing student voice, citing networking and skills workshops as crucial for peer learning and problem-solving.
- Smaller SUs improved democratic processes and student engagement, evidenced by broader election participation and updated charters.
- Bespoke engagement ensured SUs felt supported, with feedback noting reassurance and visibility.
- Strategic consultancy enabled Wrexham SU to influence institutional quality processes and secure representation on key committees.

## Goal 4 - We will rebuild a culture of collectivism fit for the future

- Collaboration Culture KPI: Increase in SUs collaborating.
- Alignment and Feedback KPI: Feedback on leadership in fostering collectivism.
- Collective Decision-Making KPI: Members engaged in shaping future direction.

Initiatives for Goal 4:

Communities of Practice
Through our Communities of Practice we have seen the growth of SUs collaborating on key issues – our most impactful piece of work over the last year was supporting a group of SUs to work together to develop new guidance on outdoor pursuits.

In October 2024 we put renewed capacity and effort towards our communities of practice and started to monitor attendance and meeting numbers.

There were 504 attendees at 32 CoP meetings between October 2024 and end of June 2025. There were 16 active staff CoPs and NUS Charity have supported most of these in some form. We have directly facilitated 29 meetings within this period.

All NUS Charity members are automatically members of NCVO and their sister organisations in the nations, with exclusive member discounts on training and events and access to all of their charity organisational resources.

In 2024/25 we also secured new partnerships across the global student movement, providing free membership of the ACUI.

## Goal 5- We will grow and develop a specialist workforce

- Talent Diversity KPI: Increase in demographic diversity of leadership candidates.
- Leadership Effectiveness KPI: Leaders reporting improved skills.
- Creative Solutions KPI: Unions with strong and specialist workforce.

Initiatives and for Goal 5:

Talent and Recruitment

NUS Charity runs SU.Careers, the SU sector's own jobsite which offers advertising and posting across socials, including exclusive member pricing.

SU Careers achieved significant progress during the 2024–25 cycle, strengthening its role as the preferred recruitment platform for Students' Unions. A major highlight was the successful

Implementation of a LinkedIn growth strategy, which increased followers from 665 to 1,279 and boosted post impressions from 3,228 to 14,522. This enhanced visibility helped attract talent across all seniority levels and positioned SU Careers as a trusted brand in the sector.

The candidate pool saw exceptional growth, with 538 new registrations, a 188% increase compared to the previous cycle, bringing the total to 3,523. Importantly, 74% of applications came from outside the SU sector, demonstrating success in diversifying talent.

Recruitment activity remained strong, with 494 vacancies advertised, generating nearly 75,000 views and over 7,000 candidate responses. Roles offering remote or hybrid flexibility dominated engagement, accounting for 82% of views and responses, while London-based roles attracted the highest interest.

Financially, the project generated £58,336, supported by seasonal bundles that drove revenue spikes during key months, though overall income was slightly below last year's total.

Membership engagement exceeded targets, with 78% of university SUs registered and 81% actively using the service.

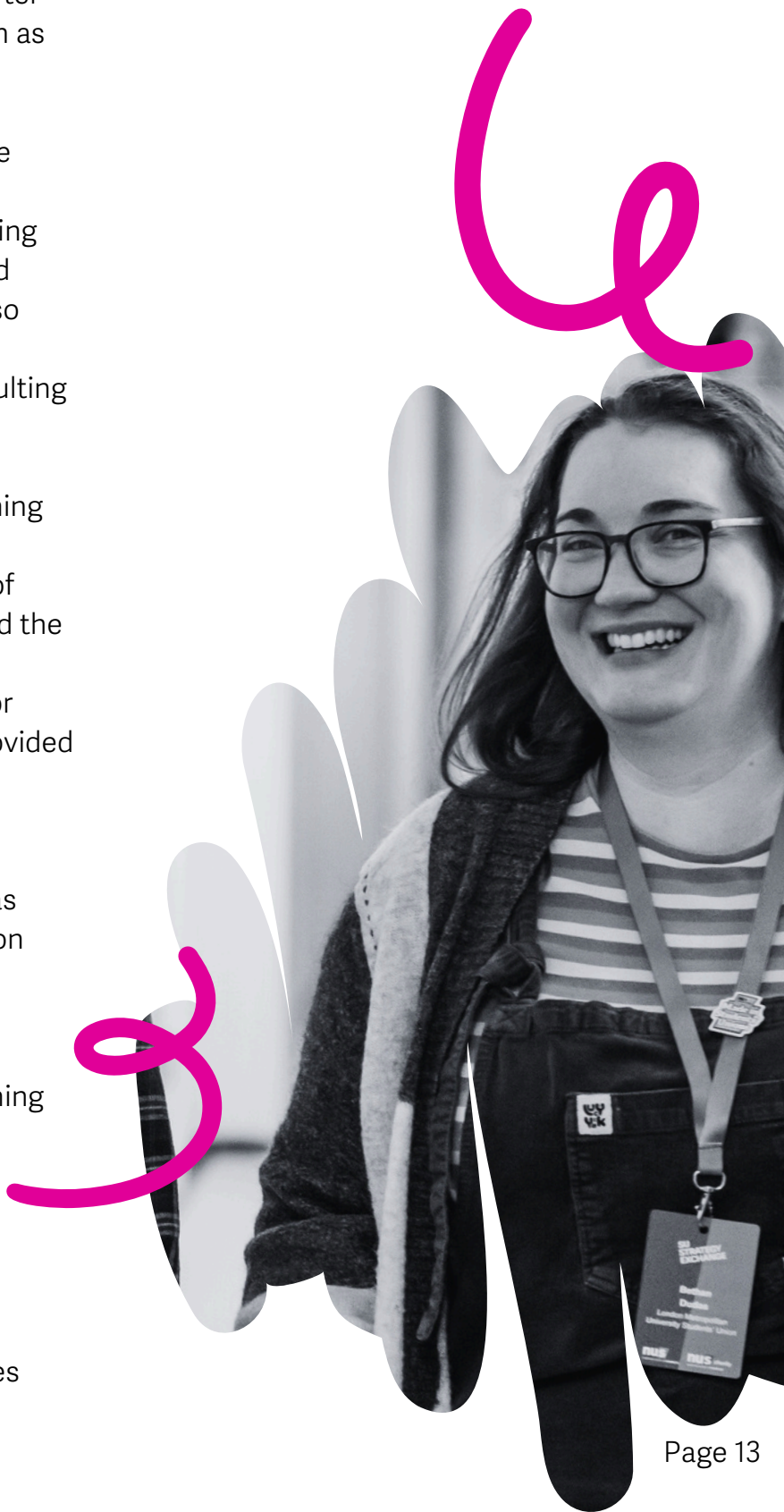
The 2024/25 Employee Engagement Survey (EES) achieved significant milestones and impact. Participation reached a record high with 42 SUs signing up, matching the highest number to date. This generated strong engagement across the sector and included several SUs returning after years of absence, plus new participants such as Bath Spa and Leeds University Unions.

Operational improvements were notable: the introduction of Microsoft Forms and Power Automate streamlined sign-up and fact-finding processes, reducing manual email traffic and improving data accuracy. The survey was also offered in Welsh at no extra cost, enhancing inclusivity. Collaboration with Agenda Consulting and Atkinson HR Consulting strengthened delivery, with positive feedback on the new 'reflections' dashboard and the Action Planning Module, adding value for participating SUs. Financially, the project met its profit target of £14,000, and early feedback from SUs praised the customer-focused service and insightful webinars. Overall, EES 2025 reinforced sector benchmarking, improved processes, and provided actionable insights to help SUs create more fulfilling work environments.

In addition, an annual report of all results was pulled together in collaboration with Atkinson HR, highlighting sector trends, analysing sector-wide results with accompanying recommendations and webinars to support understanding and subsequent action planning for SUs.

Other talent management support we have provided included:

- HR Hub on NUS Connect.
- Access to the Employer Brand toolkit, employment guidance and model policies and contracts by DAC Beachcroft.
- Specific CEO recruitment guidance for staff and boards, developed in collaboration with the Women CEO and Senior Leaders Community of Practice



# Future Developments

As we head into 2025/26, NUS Charity is renewing and reviewing its relationship with NUS UK, introducing better cross-organisational working practices and supporting better resource sharing through shared project management.

As part of this, the NUS Charity strategy has been incorporated into an overarching joint strategy with updated overarching KPIs which focus on achieving growth, excellence and reputation. It provides a coherent link between the work of the Charity and its key partner NUS UK. This strategy is currently in development and we hope to be able to report against this at the next set of accounts.

Two key projects planned within the new strategic plan for year 1 include the development of a new relationship enabler and more specifically our Membership Engagement approach. This work will enable the Charity to better describe its relationship with members as both an infrastructure and political organisation.

The second key project supports the development of our digital infrastructure, enabling better information and insight collection across the organisations. This will both support internal development and the development of our member organisations.

The trustees are confident that these new ways of working and link between strategy is in the best interest of the charity and will allow it to better advance its objects.

# Financial Review

A summary of the results for the year is given in the consolidated statement of financial activities.

The charity group ended the year with consolidated surplus funds of £4.9m (2024: surplus of £4.2m) having made a consolidated surplus of £640k (20214 surplus of £471k).

The Charity itself ended the year with surplus funds of £568k (2024: £324k) having made a surplus of £244k.

# Pension Deficit

The consolidated charity balance sheet recognises the pension deficit carried by the Charity's subsidiary company. NUS Services Limited offered membership of SUSS, a defined benefit pension scheme, to all employees until 30 September 2011, at which point the scheme closed to future accrual.

The scheme is subject to a revaluation every three years with the last valuation being held in June 2022. The 2022 valuation recommended a monthly contribution requirement by each employer, expressed in monetary terms, intended to clear the ongoing funding deficit over a period of 15 years, and increasing by at least 5% each year. This showed a funding deficit of around £133m shared between 68 employers. This represented a decrease of c. £7m in the deficit in comparison to the 2019 valuation indicating that the scheme recovery plan is on track. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme.

The contribution rates applied with effect from 1 October 2020 and will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2022. Surpluses or deficits which arise at future valuations will also impact on the company's future contribution commitment. NUS Services is required to make deficit contributions until May 2037.

Whilst the closure of the scheme to future accrual goes some way to mitigate the risk it does not eliminate it entirely. In November 2023, the Company took advantage of an opportunity offered by the scheme trustees to make a discounted lump sum payment covering the deficit contributions due up to October 2032. As a result, the Company has not had to make any in year deficit contributions to the scheme during 2024/25, and will recommence contributions in November 2032.

NUS Services recognises the net present value of its future deficit recovery contributions as a provision on the balance sheet. At the end of the 2024/25 financial year this represents a liability of £841,360. This is subject to fluctuations in fund performance, changes in apportionment methodology, the life expectancy of the individuals within the scheme, and the results of the ongoing cycle of triennial valuations.

In addition to the above contributions, NUS Services also pays its share of the scheme's levy to the Pension Protection Fund.

# Reserves Policy

During the 2023/24 year, the Board reviewed its reserves policy for the consolidated Charity. Having previously had a target of working towards holding £1.75m of free unrestricted reserves, the policy was revised to target the consolidated Charity with holding six month's operating costs in unrestricted reserves.

The total reserves balance in the Charity group as at 30 June 2025 was £4.87m (2024 - £4.23m). Of this £8,981 (2024 - £8,981) were restricted funds. The level of unrestricted funds in that total sat at £4.54m (2024 - £3.94m), comfortably in excess of the updated reserves policy of 6 months operating costs. However, this is the consolidated reserves position, with the majority being held by the subsidiary company.

The Charity itself held a total reserve balance at 30 June 2025 of £568,313 (2024 - £324,166). Of this £8,981 (2024 - £8,981) were restricted funds.

# Future funding

The trustees confirm that the charity has sufficient funds to meet all its obligations. The Charity receives funding direct from students' unions as well as being supported by NUS Services as the trading subsidiary of the charity.

Membership Contribution

Membership contribution levels for NUS Charity are as follows:

- The headline membership contribution is 1% of block grant/financial contribution from institution where the member is affiliated to NUS Charity only. The minimum is £100 and the maximum £15,000
- This is reduced to 0.5% of block grant/financial contribution from institution where the member is also a member of NUS UK, discounted to reflect the shared service savings. Minimum £50, maximum £7,500.

If an organisation is a member of NUS Charity and a participant in the NUS Services purchasing consortium but not a member of NUS UK, the board may take the value of their purchasing into account and reduce the contribution accordingly. But not below that which would be paid were they a member of both, £7.5K. If you choose to affiliate to just NUS Charity, payments are subject to VAT at the prevailing rate.

In 2024/25 the Charity received a total contribution of £458,372.

Going forwards the charity continues to explore a number of funding streams including:

- Seeking funding from public and private funders to undertake projects that will advance the objects

- Grants from a number of bodies; and
- Fees from training and conferences.

To this end, the organisation does not engage in raising funds directly from the general public or indirectly through a fundraising agent. As such, there is no expenditure from the charity's resources on raising funds directly from the public.

# Going concern

The directors prepare annual budgets and forecasts in order to ensure that they have sufficient facilities in place and that they comply with the terms and conditions of any bank facilities. In addition, the Board in formulating its plan and strategy for the future development of the business has considered a period beyond that for which formal budgets and forecasts are prepared. At its meeting in Spring 2025, the Board considered a long range financial forecast for both the Charity and the wider group. Specifically for the Charity, the model identified that there were two significant risks – Unions' ability to pay their membership contributions, and the level of revenue able to be generated through member Unions participating in the purchasing consortium to deliver on-campus trade.

The financial model took a prudent view on how those incomes could grow over the next three to five years, and the consequent ability of the Company to make gift aid contributions up to the parent Charity. Taking that into account, the Board maintains regular financial monitoring of the Charity's projected financial performance in order to ensure it is able to take appropriate mitigating action should circumstances and projections change.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

# Trustees' statement on Public Benefit

The trustees confirm that they have complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission regarding Public Benefit.

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

**D Owen**

Chair of the Board of Trustees

# Statement of Trustees' Responsibilities

## For the Year ending 30 June 2026

The Trustees (who are also the directors of the Charity 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 . 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 Charity 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 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**D Owen**

Chair of the Board of Trustees

nus charity

national union of **students**

## Independent Auditors' Report to the Members of NUS Students' Union Charitable Services

### Opinion

We have audited the financial statements of NUS Students' Union Charitable Services (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 June 2025, which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent charitable company's affairs as at 30 June 2025 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.

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's 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.

**Other information**

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

**Responsibilities of trustees**

As explained more fully in the 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.

**Auditors' responsibilities for the audit of the financial statements**

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

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

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 senior statutory auditor 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 charitable company through discussions with directors 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 charitable company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; 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.

We assessed the susceptibility of the group and charitable company's financial statements to material 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; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, 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; and
- investigated the rationale behind significant or unusual transactions.

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 disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the group and charitable company's legal advisors.

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

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

**Independent Auditors' Report to the Members of NUS Students' Union Charitable Services (continued)**

**Use of our report**

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

**Simon Hawkins (Senior Statutory Auditor)**

For and on behalf of
**Dains Audit Limited**

Statutory Auditor
Chartered Accountants

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Stoke on Trent
Staffordshire
ST1 5RQ

Date:

**NUS Students' Union Charitable Services**
**(A Company Limited by Guarantee)**

**Consolidated Statement of financial activities (incorporating income and expenditure account)**
**For the Year Ended 30 June 2025**

| | Note | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 4 | **-** | **163,772** | **163,772** | 206,330 |
| Charitable activities | 5 | **288,702** | **-** | **288,702** | 303,238 |
| Other trading activities | 6 | **2,640,274** | **-** | **2,640,274** | 2,593,451 |
| Other income | 7 | **827,600** | **-** | **827,600** | 827,376 |
| **Total income** | | **3,756,576** | **163,772** | **3,920,348** | 3,930,395 |
| **Expenditure on:** | | | | | |
| Raising funds | | **1,680,825** | **-** | **1,680,825** | 1,271,583 |
| Charitable activities | | **1,367,636** | **163,772** | **1,531,408** | 2,162,336 |
| **Total expenditure** | | **3,048,461** | **163,772** | **3,212,233** | 3,433,919 |
| **Net income before net losses on investments** | | **708,115** | **-** | **708,115** | 496,476 |
| Net losses on investments | | **(14,440)** | **-** | **(14,440)** | - |
| **Net income before taxation** | | **693,675** | **-** | **693,675** | 496,476 |
| Taxation | 12 | **-** | **-** | **-** | 50,164 |
| **Net movement in funds before other recognised gains/(losses)** | | **693,675** | **-** | **693,675** | 546,640 |
| **Other recognised gains/(losses):** | | | | | |
| Actuarial (loss)/gains on defined benefit pension schemes | | **(53,690)** | **-** | **(53,690)** | (75,404) |
| **Net movement in funds** | | **639,985** | **-** | **639,985** | 471,236 |
| **Reconciliation of funds:** | | | | | |
| Total funds brought forward | | **4,224,877** | **8,981** | **4,233,858** | 3,762,622 |
| Net movement in funds | | **639,985** | **-** | **639,985** | 471,236 |
| **Total funds carried forward** | | **4,864,862** | **8,981** | **4,873,843** | 4,233,858 |

**Consolidated Statement of financial activities (incorporating income and expenditure account) (continued)**
**For the Year Ended 30 June 2025**

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 33 to 60 form part of these financial statements.

**NUS Students' Union Charitable Services**
**Registered number: 07509468**

**Consolidated Balance Sheet**
**As at 30 June 2025**

| | Note | | 2025<br>£ | | 2024<br>£ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 13 | | **300,733** | | 327,206 |
| Tangible assets | 14 | | **17,757** | | 6,687 |
| Investments | 15 | | **7,470** | | 20 |
| | | | **325,960** | | 333,913 |
| **Current assets** | | | | | |
| Stocks | | **-** | | 707 | |
| Debtors | 16 | **948,444** | | 1,395,504 | |
| Cash at bank and in hand | | **5,378,638** | | 5,531,953 | |
| | | **6,327,082** | | 6,928,164 | |
| **Current liabilities** | | | | | |
| Creditors: amounts falling due within one year | 17 | **(937,839)** | | (2,289,223) | |
| **Net current assets** | | | **5,389,243** | | 4,638,941 |
| **Total assets less current liabilities** | | | **5,715,203** | | 4,972,854 |
| Creditors: amounts falling due after more than one year | 18 | | **(841,360)** | | (738,996) |
| **Total net assets** | | | **4,873,843** | | 4,233,858 |
| **Charity funds** | | | | | |
| Restricted funds | 19 | | **8,981** | | 8,981 |
| Unrestricted funds | 19 | | **4,538,173** | | 3,945,772 |
| **Total funds attributable to the parent charity** | | | **4,547,154** | | 3,954,753 |
| **Non-controlling interests** | | | **326,689** | | 279,105 |
| **Total funds** | | | **4,873,843** | | 4,233,858 |

**Consolidated Balance Sheet (continued)**
**As at 30 June 2025**

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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:

**D Owen**
Chair of the Board of Trustees
Date:

The notes on pages 33 to 60 form part of these financial statements.

**NUS Students' Union Charitable Services**
**Registered number: 07509468**

## Charity Statement of financial position
**As at 30 June 2025**

| | Note | | 2025<br>£ | | 2024<br>£ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 13 | | **13,434** | | 6,436 |
| Tangible assets | 14 | | **17,757** | | 6,687 |
| Investments | 15 | | **277,460** | | 277,460 |
| | | | **308,651** | | 290,583 |
| **Current assets** | | | | | |
| Debtors | 16 | **282,800** | | 223,016 | |
| Cash at bank and in hand | | **1,247,646** | | 2,101,788 | |
| | | **1,530,446** | | 2,324,804 | |
| **Current liabilities** | | | | | |
| Creditors: amounts falling due within one year | 17 | **(1,270,784)** | | (2,291,221) | |
| **Net current assets** | | | **259,662** | | 33,583 |
| **Total assets less current liabilities** | | | **568,313** | | 324,166 |
| **Total net assets** | | | **568,313** | | 324,166 |
| **Charity funds** | | | | | |
| Unrestricted Reserves | 19 | | **559,332** | | 315,185 |
| Restricted funds | 19 | | **8,981** | | 8,981 |
| **Total funds** | | | **568,313** | | 324,166 |

**Charity Statement of financial position (continued)**
**As at 30 June 2025**

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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:

**D Owen**
Chair of the Board of Trustees
Date:

The notes on pages 33 to 60 form part of these financial statements.

## Consolidated Statement of Cash Flows
## For the Year Ended 30 June 2025

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| **Cash flows from operating activities** | | |
| Net cash used in operating activities | **(124,851)** | (1,419,674) |
| **Cash flows from investing activities** | | |
| Purchase of intangible assets | **(12,863)** | (334,717) |
| Purchase of tangible fixed assets | **(15,601)** | (9,259) |
| **Net cash used in investing activities** | **(28,464)** | **(343,976)** |
| **Cash flows from financing activities** | | |
| **Net cash provided by financing activities** | **-** | **-** |
| **Change in cash and cash equivalents in the year** | **(153,315)** | **(1,763,650)** |
| Cash and cash equivalents at the beginning of the year | **5,531,953** | 7,295,603 |
| **Cash and cash equivalents at the end of the year** | **5,378,638** | 5,531,953 |

The notes on pages 28 to 55 form part of these financial statements

**Notes to the Financial Statements**
**For the Year Ended 30 June 2025**

## 1. General information

The Charity is a company limited by guarantee incorporated and registered in England and Wales. The registered office of the Charity is Merseyway Innovation Centre, 21-23 Merseyway, Stockport, SK1 1PN.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity,

The sole corporate member of the charitable company is the National Union of Students (United Kingdom) and the results of NUS Students' Union Charitable Services are included in the consolidated financial statements of National Union of Students (United Kingdom) and are publicly available from Companies House, Crown Way, Cardiff, CF14 3UZ.

## 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.

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

The Financial Statements are prepared in sterling, which is the financial currency of the Charity. Monetary amounts in these Financial Statements are rounded to the nearest £1.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity 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. During the year, the Charity has made a surplus of £244,147 (2023 - deficit of £459,503).

## 2. Accounting policies (continued)

### 2.2 Going concern

The directors prepare annual budgets and forecasts in order to ensure that they have sufficient facilities in place and that they comply with the terms and conditions of any bank facilities. In addition, the Board in formulating its plan and strategy for the future development of the business has considered a period beyond that for which formal budgets and forecasts are prepared. At its meeting in Spring 2025, the Board considered a long range financial forecast for both the Charity and the wider group. Specifically for the Charity, the model identified that there were two significant risks – Unions' ability to pay their membership contributions, and the level of revenue able to be generated through member Unions participating in the purchasing consortium to deliver on-campus trade.

The financial model took a prudent view on how those incomes could grow over the next three to five years, and the consequent ability of the Company to make gift aid contributions up to the parent Charity. Taking that into account, the Board maintains regular financial monitoring of the Charity's projected financial performance in order to ensure it is able to take appropriate mitigating action should circumstances and projections change.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

### 2.3 Income

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

Income from Government and other grants is recognised when the charity has entitlement to teh funds, any performance conditions have been met, it is probable that the income will be recieved and the amount can be measured reliably and not deferred.

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

The Charity also benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with Charities SORP, the economic contribution of general volunteers is not recognised in the financial statements.

## 2. Accounting policies (continued)

### 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 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 Pensions

The charity operates a defined contribution scheme for the employees of the Group. Contributions are charged as an expense to the Statement of Financial Activities in the period in which they fall due.

NUS Services operates a multi-employer defined benefit scheme. The scheme is now closed to new admissions. The costs of providing benefits under defined benefit palns is determined seperately for each plan using the projected unit credit method, and is based on acturarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit charges, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to Income Statement in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

**2. Accounting policies (continued)**

**2.6 Intangible assets and amortisation**

Intangible assets are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

| | | |
|---|---|---|
| Website development | - | 20 % straight line |

**2.7 Tangible fixed assets and depreciation**

Tangible fixed assets 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:

| | |
|---|---|
| Leasehold improvements | - 20% straight line |
| Fixtures and fittings | - 20% straight line |
| Computer equipment | - 33% straight line |

**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.

Investments in associates are stated at the amount of the Group's share of net assets. The Consolidated Statement of Financial Activities includes the Group's share of the associated companies' net income or expenditure using the equity accounting basis. As the associate is a charity, the investment is presented within restricted funds.

**2. Accounting policies (continued)**

**2.9 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.

**2.10 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.

**2.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity 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.

**2.12 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.

**2.13 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 Group 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 Group 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.

## 2. Accounting policies (continued)

### 2.14 Taxation

The Charity 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 Charity 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.

## 3. Critical accounting estimates and areas of judgment

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

**Critical judgements and key sources of estimation uncertainity**
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

**Multi-employer defined benefit pension scheme**
The Group participated in the Student Union Superannuation Scheme, a mutli-employer defined benefit pension scheme with other Student Union organisations. In the judgement of the directors, the Group does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, in line with the deficit reduction plan. See note 24 for further details.

**Key sources of estimation uncertainity**
The Company makes estimates and assumptions concerning the future. The resulting estimates 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 addressed below.

**Measurement of multi-employer pension liability**
The company must measure its defined benefit obligation on a discounted present value basis. The Company must determine the rate used to discount the future payments by reference to market yields at the reporting date on high quality corporate bonds. The currency and term of the corporate bonds or government bonds shall be consistent with the current and estimated period of the future payments.

## 4. Income from grants, donations and legacies

| | Restricted funds 2025 £ | Total funds 2025 £ |
|---|---|---|
| Grants and donations | 163,772 | **163,772** |

| | Restricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|
| Grants and donations | 206,330 | 206,330 |

## 5. Income from charitable activities

| | Unrestricted funds 2025 £ | Total funds 2025 £ |
|---|---|---|
| Events and conferences | 230,500 | **230,500** |
| HR support unit | 58,202 | **58,202** |
| | 288,702 | **288,702** |

| | Unrestricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|
| Events and conferences | 232,409 | 232,409 |
| HR support unit | 70,829 | 70,829 |
| | 303,238 | 303,238 |

## 6. Income from other trading activities

### Income from non charitable trading activities

| | Unrestricted funds 2025 £ | Total funds 2025 £ |
|---|---|---|
| Trading support | 2,640,274 | **2,640,274** |

| | Unrestricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|
| Trading support | 2,593,451 | 2,593,451 |

## 7. Other incoming resources

| | Unrestricted funds 2025 £ | Total funds 2025 £ |
|---|---|---|
| Membership | 716,588 | **716,588** |
| Surveys | 51,745 | **51,745** |
| Other | 58,367 | **58,367** |
| QSU | 900 | **900** |
| | 827,600 | **827,600** |

## 7. Other incoming resources (continued)

| | Unrestricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|
| Membership | 713,181 | 713,181 |
| Surveys | 52,433 | 52,433 |
| Other | 24,810 | 24,810 |
| QSU | 7,200 | 7,200 |
| Solar panel | 29,752 | 29,752 |
| | 827,376 | 827,376 |

## 8. Analysis of expenditure by activities

| | **2025 £** | **Total funds 2025 £** |
|---|---|---|
| Events | 40,208 | **40,208** |
| Other | 1,144,994 | **1,144,994** |
| Support | 346,206 | **346,206** |
| | 1,531,408 | **1,531,408** |

| | 2024 £ | Total funds 2024 £ |
|---|---|---|
| Events | 13,116 | 13,116 |
| Other | 963,599 | 963,599 |
| Support | 1,185,621 | 1,185,621 |
| | 2,162,336 | 2,162,336 |

**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

| | Events 2025 £ | Other 2025 £ | Support 2025 £ | Total funds 2025 £ |
|---|---|---|---|---|
| Staff costs | - | 850,354 | 186,994 | **1,037,348** |
| Depreciation | - | 2,167 | 8,228 | **10,395** |
| Recharges | 40,208 | (898,105) | - | **(857,897)** |
| Legal and Professional | - | 555,877 | 42,037 | **597,914** |
| IT costs | - | 150,041 | 16,197 | **166,238** |
| Subscriptions | - | 49,760 | 13,895 | **63,655** |
| Marketing | - | 5,783 | - | **5,783** |
| Recruitment and training | - | 94,688 | 28,756 | **123,444** |
| Venue and building costs | - | 215,377 | 47,465 | **262,842** |
| Printing and stationery | - | 192 | 1,494 | **1,686** |
| Travel and subsistence | - | 45,005 | 402 | **45,407** |
| Sundry | - | 62,075 | 738 | **62,813** |
| Bad debt write off | - | 11,780 | - | **11,780** |
| | 40,208 | 1,144,994 | 346,206 | **1,531,408** |

## 8. Analysis of expenditure by activities (continued)

### Analysis of support costs (continued)

| | Events 2024 £ | Other 2024 £ | Support 2024 £ | Total funds 2024 £ |
|---|---|---|---|---|
| Staff costs | - | 624,311 | 440,331 | 1,064,642 |
| Depreciation | - | (652) | 62,666 | 62,014 |
| Recharges | - | (703,808) | - | (703,808) |
| Legal and Professional | - | 474,146 | 64,338 | 538,484 |
| IT costs | - | (52,068) | 319,587 | 267,519 |
| Subscriptions | 1,439 | 45,571 | 11,164 | 58,174 |
| Marketing | - | 4,732 | 30,683 | 35,415 |
| Recruitment and training | - | 79,662 | 44,324 | 123,986 |
| Venue and building costs | 10,454 | 139,356 | 145,992 | 295,802 |
| Printing and stationery | 4 | 759 | 1,401 | 2,164 |
| Travel and subsistence | 1,219 | 63,548 | 719 | 65,486 |
| Sundry | - | 288,042 | 2,398 | 290,440 |
| Amortisation | - | - | 62,018 | 62,018 |
| | 13,116 | 963,599 | 1,185,621 | 2,162,336 |

## 9. Auditors' remuneration

| | **2025 £** | 2024 £ |
|---|---|---|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | **14,425** | 13,750 |

The Charity has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent company.

## 10. Staff costs

| | **Group 2025 £** | Group 2024 £ | **Charity 2025 £** | Charity 2024 £ |
|---|---|---|---|---|
| Wages and salaries | **1,342,018** | 1,471,618 | **830,385** | 922,445 |
| Social security costs | **147,967** | 140,936 | **90,379** | 88,174 |
| Contribution to defined contribution pension schemes | **175,747** | 84,201 | **116,584** | 54,023 |
| | **1,665,732** | 1,696,755 | **1,037,348** | 1,064,642 |

During the year the Charity made 2 staff redundant. The liabilities for this totalled £68,519.

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

| | **Group 2025** | Group 2024 | **Charity 2025** | Charity 2024 |
|---|---|---|---|---|
| Management | **3** | 4 | **3** | 4 |
| Administrative | **35** | 37 | **22** | 23 |
| | **38** | 41 | **25** | 27 |

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

| | **Group 2025** | Group 2024 |
|---|---|---|
| In the band £60,001 - £70,000 | **1** | 1 |
| In the band £100,001 - £110,000 | **-** | 1 |
| In the band £120,001 - £130,000 | **1** | - |

The key management of the Charity comprise the senior management team as disclosed in the charity information on Page 1. The total employee benefits of the key management personnel of the Charity, which encompasses 4 individuals were £260,998 (2024: £248,251).

## 11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL-).

During the year ended 30 June 2025, no Trustee expenses have been incurred (2024 - £NIL).

## 12. Taxation

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| **Corporation tax** | | |
| Adjustments in respect of previous periods | - | (50,164) |
| **Taxation on net income** | - | (50,164) |

The tax assessed for the year is lower than (2024 - lower than) the standard rate of corporation tax in the UK of 25% (2024 - 25%). The differences are explained below:

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| Net income before tax | **693,675** | 496,476 |
| Net income multiplied by the standard rate of corporation tax in the UK of 25% (2024 - 25%). | **173,419** | 124,119 |
| **Effects of:** | | |
| Other adjustments | **(173,419)** | (174,283) |
| **Total tax charge for the year** | - | (50,164) |

## 13. Intangible assets

**Group**

| | Website development £ |
|---|---|
| **Cost** | |
| At 1 July 2024 | **589,701** |
| Additions | **15,601** |
| Disposals | **(241,622)** |
| At 30 June 2025 | **350,318** |
| **Amortisation** | |
| At 1 July 2024 | **262,496** |
| Charge for the year | **35,638** |
| On disposals | **(241,622)** |
| At 30 June 2025 | **49,585** |
| **Net book value** | |
| At 30 June 2025 | **300,733** |
| At 30 June 2024 | 327,205 |

**13. Intangible assets (continued)**

**Charity**

| | Website development £ |
|---|---|
| **Cost** | |
| At 1 July 2024 | **254,984** |
| Additions | **15,601** |
| Disposals | **(241,622)** |
| At 30 June 2025 | **15,601** |
| **Amortisation** | |
| At 1 July 2024 | **248,549** |
| Charge for the year | **2,167** |
| On disposals | **(241,622)** |
| At 30 June 2025 | **2,167** |
| **Net book value** | |
| At 30 June 2025 | **13,434** |
| At 30 June 2024 | 6,435 |

## 14. Tangible fixed assets

**Group and Charity**

| | Computer equipment £ |
|---|---|
| **Cost or valuation** | |
| At 1 July 2024 | **9,259** |
| Additions | **12,863** |
| Transfers between classes | **13,362** |
| At 30 June 2025 | **35,484** |
| **Depreciation** | |
| At 1 July 2024 | **2,572** |
| Charge for the year | **8,228** |
| Transfers between classes | **6,927** |
| At 30 June 2025 | **17,727** |
| **Net book value** | |
| At 30 June 2025 | **17,757** |
| At 30 June 2024 | 6,687 |

## 15. Fixed asset investments

| Group | Investments in associate companies £ | Investments in associates £ | Total £ |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 1 July 2024 | **20** | **-** | **20** |
| Transfers intra group | **-** | **7,450** | **7,450** |
| At 30 June 2025 | **20** | **7,450** | **7,470** |
| **Net book value** | | | |
| At 30 June 2025 | **20** | **7,450** | **7,470** |
| At 30 June 2024 | 20 | - | 20 |

| Charity | Investments in subsidiary companies £ |
|---|---|
| **Cost or valuation** | |
| At 1 July 2024 | **277,460** |
| At 30 June 2025 | **277,460** |
| **Net book value** | |
| At 30 June 2025 | **277,460** |
| At 30 June 2024 | 277,460 |

**15. Fixed asset investments (continued)**

**Principal subsidiaries and associates**

The following were subsidiary undertakings of the Charity:

| Names | Company number | Principal activity | Class of shares | Holding |
|---|---|---|---|---|
| NUS Services Limited | 01639519 | Wholesale | Ordinary A and B shares | 97% |
| NUS Holdings Limited * | 01158893 | Dormant company | Ordinary shares (held indirectly) | 97% |

The financial results of the subsidiaries for the year were:

| Names | Income £ | Expenditure £ | Profit/(Loss)/ Surplus/ (Deficit) for the year £ | Net assets £ |
|---|---|---|---|---|
| NUS Services Limited | **2,671,461** | **1,560,351** | **1,111,110** | **4,607,068** |
| NUS Holdings Limited * | - | - | - | 1 |

The following was an associate of the Charity:

| Name | Class of shares | Holding |
|---|---|---|
| Student Discount Cards Limited | Ordinary | **50**% |

NUS Holdings Limited was dissolved on 23 December 2025.

## 16. Debtors

| | Group 2025 £ | Group 2024 £ | Charity 2025 £ | Charity 2024 £ |
|---|---|---|---|---|
| **Due within one year** | | | | |
| Trade debtors | **686,172** | 1,046,907 | **115,410** | 13,699 |
| Amounts owed by group undertakings | **1** | 62,981 | **-** | 62,801 |
| Other debtors | **21,593** | 38,315 | **21,593** | 1,844 |
| Prepayments and accrued income | **240,678** | 247,301 | **145,797** | 144,672 |
| | **948,444** | 1,395,504 | **282,800** | 223,016 |

## 17. Creditors: Amounts falling due within one year

| | **Group 2025 £** | Group 2024 £ | **Charity 2025 £** | Charity 2024 £ |
|---|---|---|---|---|
| Payments received on account | **38,055** | 839,114 | **-** | - |
| Trade creditors | **180,447** | 292,402 | **43,934** | 87,160 |
| Amounts owed to group undertakings | **18,699** | 100,542 | **1,036,524** | 1,894,365 |
| Other taxation and social security | **157,357** | 147,842 | **9,218** | 33,222 |
| Other creditors | **173,216** | 108,308 | **49,725** | 25,576 |
| Accruals and deferred income | **370,065** | 801,015 | **131,383** | 250,898 |
| | **937,839** | 2,289,223 | **1,270,784** | 2,291,22 |

| | **Group 2025 £** | Group 2024 £ | **Charity 2025 £** | Charity 2024 £ |
|---|---|---|---|---|
| Deferred income at 1 July 2024 | **101,508** | 62,801 | **101,508** | 62,801 |
| Resources deferred during the year | **65,563** | 101,508 | **37,851** | 101,508 |
| Amounts released from previous periods | **(101,508)** | (62,801) | **(101,508)** | (62,801) |
| | **65,563** | 101,508 | **37,851** | 101,50 |

## 18. Creditors: Amounts falling due after more than one year

| | **Group 2025 £** | Group 2024 £ |
|---|---|---|
| SUSS Pension Scheme | **841,360** | 738,996 |

## 19. Statement of funds

### Statement of funds - current year

| | Balance at 1 July 2024 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 30 June 2025 £ |
|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | |
| Trading funds | **4,224,877** | **3,756,576** | **(3,048,461)** | **(68,130)** | **4,864,862** |
| **Restricted funds** | | | | | |
| Spirit of AMSU | **8,981** | **-** | **-** | **-** | **8,981** |
| Scottish Funding Council | **-** | **29,000** | **(29,000)** | **-** | **-** |
| Think positive | **-** | **97,722** | **(97,722)** | **-** | **-** |
| Wales FE Learner | **-** | **37,050** | **(37,050)** | **-** | **-** |
| | **8,981** | **163,772** | **(163,772)** | **-** | **8,981** |
| **Total of funds** | **4,233,858** | **3,920,348** | **(3,212,233)** | **(68,130)** | **4,873,843** |

**19. Statement of funds (continued)**

**Statement of funds - prior year**

| | Balance at 1 July 2023 £ | Income £ | Expenditure £ | Taxation £ | Gains/ (Losses) £ | Balance at 30 June 2024 £ |
|---|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | | |
| Trading funds | 3,753,641 | 3,724,065 | (3,227,589) | 50,164 | (75,404) | 4,224,877 |
| **Restricted funds** | | | | | | |
| Spirit of AMSU | 8,981 | - | - | - | - | 8,981 |
| Scottish Funding Council | - | 42,913 | (42,913) | - | - | - |
| Think positive | - | 162,870 | (162,870) | - | - | - |
| See me | - | 547 | (547) | - | - | - |
| | 8,981 | 206,330 | (206,330) | - | - | 8,981 |
| **Total of funds** | 3,762,622 | 3,930,395 | (3,433,919) | 50,164 | (75,404) | 4,233,858 |

**Spirit of AMSU (Association for Managers in Students' Union)** - The residual funds of AMSU left over when it merged with NUS Charity. The fund exists to support initiatives developed by and for staff members in Students' Unions.

**Scottish Funding Council**- A fund to support a programme of development for students' association across Scottish colleges.

**Student Mental Health**- A fund to develop mental health support for students across Scottish further and higher education institutions.

**NUS Wales Effective SUS**- A fund to enable NUS to build and support strong and effective students' unions across Welsh higher education institutions.

## 20. Analysis of net assets between funds

### Analysis of net assets between funds - current year

| | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total funds 2025 £ |
|---|---|---|---|
| Tangible fixed assets | 17,757 | - | **17,757** |
| Intangible fixed assets | 300,733 | - | **300,733** |
| Fixed asset investments | 7,470 | - | **7,470** |
| Current assets | 6,318,101 | 8,981 | **6,327,082** |
| Creditors due within one year | (937,839) | - | **(937,839)** |
| Creditors due in more than one year | (841,360) | - | **(841,360)** |
| **Total** | 4,864,862 | 8,981 | **4,873,843** |

### Analysis of net assets between funds - prior year

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|---|
| Tangible fixed assets | 6,687 | - | 6,687 |
| Intangible fixed assets | 327,206 | - | 327,206 |
| Fixed asset investments | 20 | - | 20 |
| Current assets | 6,919,183 | 8,981 | 6,928,164 |
| Creditors due within one year | (2,289,223) | - | (2,289,223) |
| Creditors due in more than one year | (738,996) | - | (738,996) |
| **Total** | 4,224,877 | 8,981 | 4,233,858 |

## 21. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2025 £ | Group 2024 £ |
|---|---|---|
| Net income for the year (as per Statement of Financial Activities) | **6** | 5 |
| **Adjustments for:** | | |
| Depreciation and amortisation charges | **43,866** | 75,960 |
| Losses on investments | **14,440** | - |
| Loss on the sale of fixed assets | **38,131** | 60,379 |
| Decrease in stocks | **707** | 421 |
| Decrease in debtors | **447,062** | 216,922 |
| Decrease in creditors | **(1,362,732)** | (2,272,930) |
| Tax rebate | **-** | (47,066) |
| **Net cash used in operating activities** | **(124,851)** | (1,419,674) |

## 22. Analysis of cash and cash equivalents

| | Group 2025 £ | Group 2024 £ |
|---|---|---|
| Cash in hand | **5,378,638** | 5,531,953 |
| **Total cash and cash equivalents** | **5,378,638** | 5,531,953 |

## 23. Analysis of changes in net debt

| | At 1 July 2024 £ | Cash flows £ | At 30 June 2025 £ |
|---|---|---|---|
| Cash at bank and in hand | **5,531,953** | **(153,315)** | **5,378,638** |
| | **5,531,953** | **(153,315)** | **5,378,638** |

## 24. Pension commitments

**Defined Contribution scheme**
The Company participates in a defined contribution pension scheme where the company contributes either 3% or 6% of salary depending upon each member's level of contribution.

The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension costs charge represents contribution payable by the Company to the fund and amounted to £116,584 (2024 - £54,023). Contributions totalling £nil (2024 - £nil) were payable to the fund at the balance sheet date.

**Multi-employer pension scheme**
NUS Services Limited offered membership of Students' Union Superannuation Scheme ("SUSS"), a defined benefit pension scheme, to all employees until 30 September 2011, at which point the scheme closed to future accrual.

The most recent Valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £119,000,000 with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £136,000,000.

The 2022 valuation recommended a monthly contribution requirement by each participating employer expressed in monetary terms to clear the ongoing funding deficit over a period of 14 years and will increase at 5% per year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the scheme. These rates applied from 1 October 2023 and will be formally reviewed following the completion of the next valuation due with an effective date of 30 June 2025. Surpluses and deficits which arise with future valuations will also impact on the Union's future contribution commitment. See Note 17 and 18 for the liability recognised under the currently agreed deficit funding plan expiring September 2037. Liabilities are shown on a discounted present value basis. In addition to the above contributions, the Union pays its share of the scheme's levy to the Pension Protection Fund.

Under FRS 102, the Multi-employer pension liability has been calculated based on the assumptions of the above expected deficit payments using a discount rate of 5.6% (2024 - 5.2%).

| | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| **Present value of provision** | | |
| Students' Union Supperannuation Scheme | **841,360** | 738,996 |

| | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Creditors: amounts falling due within one year | **-** | - |
| Creditors: amounts falling due between 2 and 5 years | **-** | - |
| Creditors: amounts falling due after 5 years | **841,360** | 738,996 |
| | **841,360** | 738,996 |

| | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Provision at start of period | **738,996** | 2,426,675 |
| Unwinding of discount factor | **48,674** | 91,524 |
| Deficit contributions paid | **-** | (1,854,607) |
| Movement in net present value calculation | **53,690** | 75,404 |
| | **841,360** | 738,996 |

The following schedule details the deficit contributions agreed between the company and the scheme to settle the company share of the deficit:

| Start | End | Year | Annual Increase | Annual contributions | Monthly Payment |
|---|---|---|---|---|---|
| Jul-24 | Oct-24 | 2024 | 5% | - | - |
| Nov-24 | Oct-25 | 2025 | 5% | - | - |
| Nov-25 | Oct-26 | 2026 | 5% | - | - |
| Nov-26 | Oct-27 | 2027 | 5% | - | - |
| Nov-27 | Oct-28 | 2028 | 5% | - | - |
| Nov-28 | Oct-29 | 2029 | 5% | - | - |
| Nov-29 | Oct-30 | 2030 | 5% | - | - |
| Nov-30 | Oct-31 | 2031 | 5% | - | - |
| Nov-31 | Oct-32 | 2032 | 5% | - | - |
| Nov-32 | Oct-33 | 2033 | 5% | 252,390 | 25,239 |
| Nov-33 | Oct-34 | 2034 | 5% | 318,012 | 26,501 |
| Nov-34 | Oct-35 | 2035 | 5% | 333,912 | 27,826 |
| Nov-35 | Oct-36 | 2036 | 5% | 350,616 | 29,218 |
| Nov-36 | May-37 | 2037 | 5% | 214,753 | 30,679 |

**Assumptions**

| | 2025 % | 2024 % | 2023 % |
|---|---|---|---|
| Rate of discount | 5.60 | 5.20 | 5.20 |

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

## 25. Operating lease commitments

At 30 June 2025 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | **Group 2025 £** | Group 2024 £ | **Charity 2025 £** | Charity 2024 £ |
|---|---|---|---|---|
| Not later than 1 year | **6,656** | 19,106 | **5,056** | 9,706 |
| Later than 1 year and not later than 5 years | **3,200** | 7,406 | **-** | 5,056 |
| | **9,856** | 26,512 | **5,056** | 14,762 |

## 26. Related party transactions

**OneVoice Digital Limited**
NUS Services owns 20% of the share capital of OneVoice Digital Limited.

In 2018, NUS Services entered into a £2m Loan Facility agreement to OneVoice. As at June 2019 it was assessed by management that the Loan Facility agreement was irrecoverable and a full impairment of £2m was recognised in the year to 30 June 2019. This is still the case in the year ended 30 June 2025.

During the year, the group made sales of £nil (2024 - £172,498) and had purchases of £nil (2024 - £nil) from OneVoice Digital Limited. As at the year end £nil (2024 - £nil) was owed by OneVoice Digital Limited to the group.

## 27. Controlling party

National Union of Students (United Kingdom) is the effective parent undertaking due to its control over the Board of Trustees of the Charity.

National Union of Students (United Kingdom) is the largest organisation producing consolidated financial accounts including the financial statements of the Company. These consolidated financial statements are publicly available from Companies House (registration number 08015198).

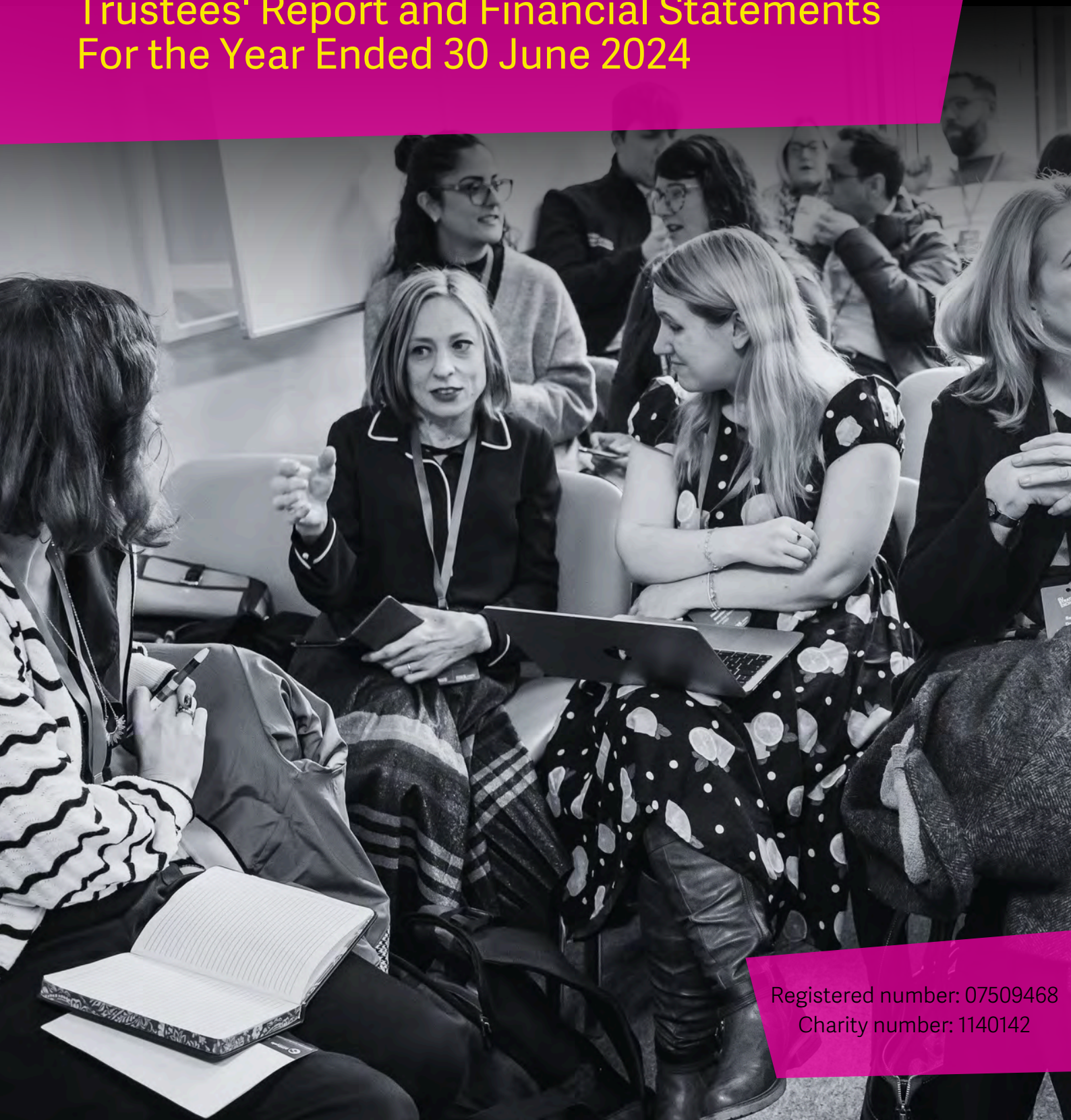
**NUS STUDENTS' UNION CHARITABLE SERVICES**

England & Wales - Charity number 1140142

# Accounts

# NUS Students' Union Charitable Services

## Trustees' Report and Financial Statements
## For the Year Ended 30 June 2024



Registered number: 07509468
Charity number: 1140142

# Reference and Administrative Details

of the Charity, its Trustees and Advisers for the Year End 30 June 2024

## Trustees

G Hughes
S Kerton
P Chapman
M Stephen (resigned 30 June 2023)
A Wilson
G Kirkpatrick
D Owen (appointed 18 September 2024)
H Innes (appointed 1 July 2023)
N Katz (appointed 1 July 2023)
A Stanley (appointed 18 September 2024)
Q Hussain (appointed 18 September 2024)
S Viswanathan (appointed 18 September 2024)
C Ferguson (resigned 22 April 2024)
D Ormerod (resigned 30 June 2024)
N Bajwa (resigned 30 June 2024)
B Savage (resigned 30 June 2024)

## Company registered number

07509468

## Charity registered number

1140142

## Registered office

Merseyway Innovation Centre
21-23 Merseyway
Stockport. SK1 1PN

## Principle staff

P Roberston (Charity Director)
D Keen (Membership Director)
S Harris (Deputy Director & Union Development Director)
J Beer (HR Director)

## Independent Auditors

Dains Audit Limited
Statutory Auditor
Suite 2, Albion House
2 Etruria Office Village,
Forge Lane,
Stoke on Trent,
Staffordshire.
ST1 5RQ

## Bankers

The Co-operative Bank
3rd Floor, Balloon Street
Manchester
M60 4EP

## Finance and Business Advisors

Counterculture Partnership LLP
Unit 115 Ducie House,
Ducie Street,
Manchester M1 2JW

# Trustees' Report For the Year Ended 30 June 2024

The Trustees present their report, which also complies with a Directors Report for the purposes of the Companies Act 2006, with the consolidated financial statements of the charity and its subsidiaries for the year ended 30 June 2024. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practive 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).

# Structure, Governance and Management

NUS Students' Union Charitable Services ('NUS Charitable Services' or 'the Charity') is constituted as a registered charity and a company limited by guarantee. The Charity is responsible for supporting the development of students' unions throughout the country to ensure they adequately serve their student membership. It is governed by its Articles of Association.

The Charity has provision for up to twelve members on its Board of Trustees ('the Board'):

- Four are NUS UK Member Directors appointed by the NUS UK Board
- Four are NUS Full Time Officers who are appointed by the NUS UK Board.
- Four are Independent Charity Directors appointed by the Trustee Board.

The above trustees also serve as the company's directors and fulfil the statutory duties required of them under Company law.

The method of recruitment and appointment of trustees' is laid down in the articles and memorandum of association. Their number shall not be less than three.

The trustees have a vital role in the Charity, and we aim to attract and retain people who have commitment, experience and the necessary skills. Training for the trustees is recorded and delivered on several levels:

- There is trustee training and development at the beginning of each financial year
- New trustees receive training on induction including on statutory duties
- This is supplemented by attendance at regional events and further external training on request for trustees

NUS Students' Union Charitable Services is a charity with the ultimate decision-making power being vested in its board of trustees during the year. In addition to the board, there are three subcommittees responsible for Finance, HR and board appointments designed to support the work of the Boards through specialist advice, scrutiny and oversight. These committees are shared with NUS UK and NUS Services and comprise members of each organisations' board as well as additional members to provide specialist advice on HR and Finance matters.

The Charity's Membership comprises 400 Students' Unions and Associations (as at year end). Members are able to influence the strategy and direction of the Charity via the General Meeting which has been held on an annual basis, which includes inputting on the level of membership contribution required. The Charity regularly engages with its members informally throughout the year including in bi-monthly lunchtime catchups with CEOs of member organisations.

Day-to-day management of the charity is delegated to the Charity Director. The Charity Director provides regular reports to the board on progress against agreed objectives supported by the Charity senior leadership team.

Menu

# Relationship with NUS UK

The relationship between NUS Charity and NUS UK is established in the governing documents of both organisations as well as a Collaboration Agreement between the organisations.

The trustees consider that the aims, interest and scope of NUS Charity and NUS UK remain different. Their respective aims could be summarised as follows:

NUS Charity – to further its charitable purposes for public benefit: and predominantly, to further the efficiency and effectiveness of student unions through advice, guidance and crisis support. Connecting members and curating services. For members who trade, helping students' unions to make the most of their commercial enterprise income.

NUS UK - campaigning nationally to improve the lives of students and delivering tangible impact for the student movement

While the organisations have different focuses, the trustees consider that the arrangements for working with NUS UK continue to be in the best interests of NUS Charity and its beneficiary students' unions because:

- The two organisations have a shared membership base of Students' Unions ('SUs'). Although SUs may affiliate separately to either NUS UK or NUS Charity the majority affiliate to both. Working with the non-charity allows us to share information and provide services to members which are joined up and so further NUS Charity's purposes more efficiently.

- A shared central service allows us to benefit from economies of scale and retain specialist staff. Operating individually the Charity would have a smaller staff team and not as much access to specialist knowledge.

- Additionally, the two organisations have worked alongside each other since NUS Charity's inception in 2010.

- The NUS brand is a century old and instantly recognisable.

- We can collaborate on information gathering on our members and beneficiaries, which is more efficient

The trustees perform an annual review of the relationship with NUS UK in line with Charity Commission guidance for charities with a connection to a non-charity. The trustees are satisfied the partnership between NUS Charity and NUS remains in the best interests of NUS Charity, noting in particular the benefits of collaboration to allow NUS Charity to most efficiently provide support to the affiliated students' unions, in furtherance of its charitable purposes. The review includes a risk assessment. This position will be kept under review and is formally reviewed annually.

NUS Charity continues to work with students' unions and is funded by students' unions and a gift aid donation from its subsidiary company NUS Services Limited. Students' Unions may become members of the Charity.

# Risk Management

As part of the annual business planning process, the major strategic and operational risks that the charity faces and the ways in which they are being monitored, managed and mitigated, were assessed by the trustees.

The trustees have recently performed a detailed assessment of NUS Charity's risk management framework in line with Charity Commission guidance CC26. As a result the trustees have approved a new risk management policy and reviewed the principal and emerging risks likely to impact NUS Charity.

## Financial

We take a prudent approach to financial management and seek to ensure expenditure is met by new funding and are committed to holding a healthy level of reserves in line with our finance committee guidance. We have no tolerance for liquidity risk which could damage our ability to operate.
Our principal risks in this regard are:

- Failure to meet income targets in order to build adequate reserves
- Failure to take advantage of commercial opportunities

Mitigations include regular reporting, financial policies and controls.

## Operational

We understand that our members require a reliable, consistent service and we therefore seek to implement controls that promote quality.
Principal risks:

- Inability to effectively recruit and retain staff talent to deliver our strategy
- Not being able to meet members' needs

Mitigations include oversight of staff recruitment and retention by HR Committee, HR policies and procedures, regular formal and informal communications with members over operational services, sound project management and evaluation procedures.

## External and Environment

Principal risks:
We seek to protect the reputation of NUS Charity.

- Being unable to effectively engage with and be accountable to members
- Competitive landscape

Mitigations include monitoring of external trends and the competitive landscape, regular communications with members, consideration of reputational impacts of decisions by trustees.

## Compliance

We have zero tolerance for non-compliance. Compliance with all relevant laws and regulations is mandatory. This includes but is not limited to Charity Law, Health and Safety, Safeguarding, Data Protection.
Principal risk:

- Failure to respond appropriately to compliance requirements

Mitigations include: policies and procedures in place and reviewed on a regular basis, delegation of compliance at an operational level to management and review of this via staff supervision procedures.

## Governance

As a Charity it is important that we are well governed, are clear on our purposes and how our strategy and oversight delivers these purposes. We understand that poor leadership, conflict of interest and lack of oversight can damage not only our reputation but that of the wider charitable sector including our members.
Principal risk:

- Ineffective controls and oversight of relationship with non-charity (see above)

Mitigations: annual risk assessment of relationship in line with Charity Commission Guidance, conflict of interest policy and procedures, maintenance of separate and distinct NUS Charity brand, oversight of shared services provision.

# Remuneration of Senior Managers

All roles are assessed against the Charity's published Job Evaluation framework to determine the band. The size/band of the role then is reflected in the salary. Salaries for roles in bands C – I are governed by the Charity's pay framework.

The roles of the **Operations and HR Directors** are both in Band I – these salaries are set based on experience for new starters in role and then increased on an incremental basis until the top of the pay band.

The **NUS Charity Director** (Band L) and **Trading Support Director** (Band J) are subject to market data. There is also a combined role of **Deputy Director / Union Development Director** which sits in Band J / Deputy Director. Pay reviews are undertaken on a triennial basis with one undertaken in November 2023 for all three Band J and L roles. The review was conducted in accordance with agreed pay process, where pay is reviewed against benchmark data for the lower quartile and market median salaries for roles of the same size within the Charitable sector. In all three instances, current pay fell within the range of the lower quartile and market median levels. HR Subcommittee approved the recommendations that none of the roles would receive a pay increase at this time (aside from any universal Cost of Living pay increases).

# Purposes and Activities

The charity has its primary purpose as supporting the development of students' unions. Its charitable objects are:

- The promotion of the efficiency and effectiveness of charities and voluntary organisations including students' unions;
- The promotion of good citizenship;
- The advancement of education of students;
- The promotion for the benefit of the public of the conservation, protection and improvement of the environment; and
- The promotion of equality and diversity.

In pursuit of these objects the charity has established a number of services and departments for use by students' unions. These are centred around Union Development, Membership Administration, Trading Support and the provision of shared back office services between the Charity and NUS UK.

# Performance and Achievements

In 2023-24 we continued our work to support strong students' unions.

## Resources

We have over 200 Union Development resources to download on NUS Connect.

They include legal advice worth £1,000s from our partners Bates Wells on topics like the General Election, VISAs and right to work, data sharing and data protection, as well as model documents for all types of constitutions and incorporation. We have a range of HR policy and contract templates, model governance documents for trustees and staff members, as well as research reports and case studies on a huge variety of topics relevant to SUs.

## The Big SU Survey

The Big SU Survey is a series of surveys inviting members to contribute to movement-wide data which we then help to analyse and make available to our members. We use the answers to create a valuable set of up-to-date benchmarks for SUs across key themes including HR, Finance, Elections, Campaigns, Student Opps and National data from HESA. These benchmarks will help members formulating your strategies against sector norms and good practice.

This year we published the following reports as part of the Big SU Survey.

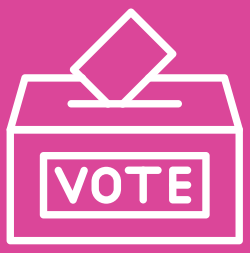
- HR, People, and Pay (published May 2024)
- SU Funding: Finance, block grants and student numbers and accompanying data set workbook (published May 2024 and updated in June 2024)
- Officer Salaries Benchmarking Survey (published September 2023)
- SU Advice Service Survey (published January 2024)

**Elections**

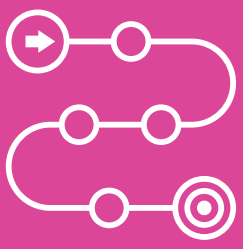
**HR, People and Pay**

**Funding**

**Advice Service**




Elections Support



Quality Students' Unions

Freedom of Speech

VAT on Catering

## Elections Service

- NUS Charity acted as the Returning Officer to support over 150 SU elections last year. We have acted as RO for over a decade and provide insight, support and development.
- We have daily drop-in sessions during elections season, various networking and development webinars for elections staff across the year.
- We create an annual research report that outlines practice and trends that SUs use to benchmark and share ideas.

## Developing Students' Unions

We've continued to provide foundational support and advice to members that enable them to grow and be strong.

Our development frameworks are free to members to access and allows members to follow good practice in all areas of operation.

Quality Students' Unions (QSU) is a framework to help students' unions achieve their full potential. It helps us collect and share good practice in the movement, turning this into useful advice, guidance and tools for unions to help our members be the best they can be.

## Partnerships and Campaigns

All NUS Charity members are automatically members of NCVO and their sister organisations in the nations, with exclusive member discounts on training and events and access to all of their charity organisational resources.

NUS Charity fights for and represents the interests of students' unions on issues like the Freedom of Speech Act and have taken HMRC to court over their decision to charge VAT on SU catering.

## Talent and Recruitment

NUS Charity runs SU.Careers, the SU sector's own jobsite. Which offers advertising and posting across socials, including exclusive member pricing.

We ran the Employee Engagement Survey, an SU-specific staff survey created with Agenda Consulting to measure staff satisfaction and engagement, with the ability to tailor to individual SUs.

In addition, an annual report of all (anonymised) results to benchmark across the UK sector, with support and webinars to really understand results and recommendations. Exclusive member pricing.

Other talent management support we have provided included:

- HR Hub on NUS Connect.
- Access to the Employer Brand toolkit, employment guidance and model policies and contracts by DAC Beachcroft.
- Specific CEO recruitment guidance for staff and boards.

## Events

The biggest event of 2023-24 was Lead and Change, NUS Charity's flagship residential officer development programme. Newly-elected and incumbent officers are brought together for three days of transformative workshops and sessions focussing on how they can empower themselves and the students they represent to transform the world around them for the better.

The event involves small group collaboration led by experienced staff, networking opportunities, and building trust and connections. The aim is for delegates to find courage, authenticity, and integrity to achieve change and legacy at their SUs and beyond.

We've also run in 2023-24:

- Islamophobia Awareness Training
- SU Strategy Exchange
- Train the Trainer
- Leadership on Race Equity Training
- Trading Summer Conference
- Student Opportunities 101
- Regular Communities of Practice

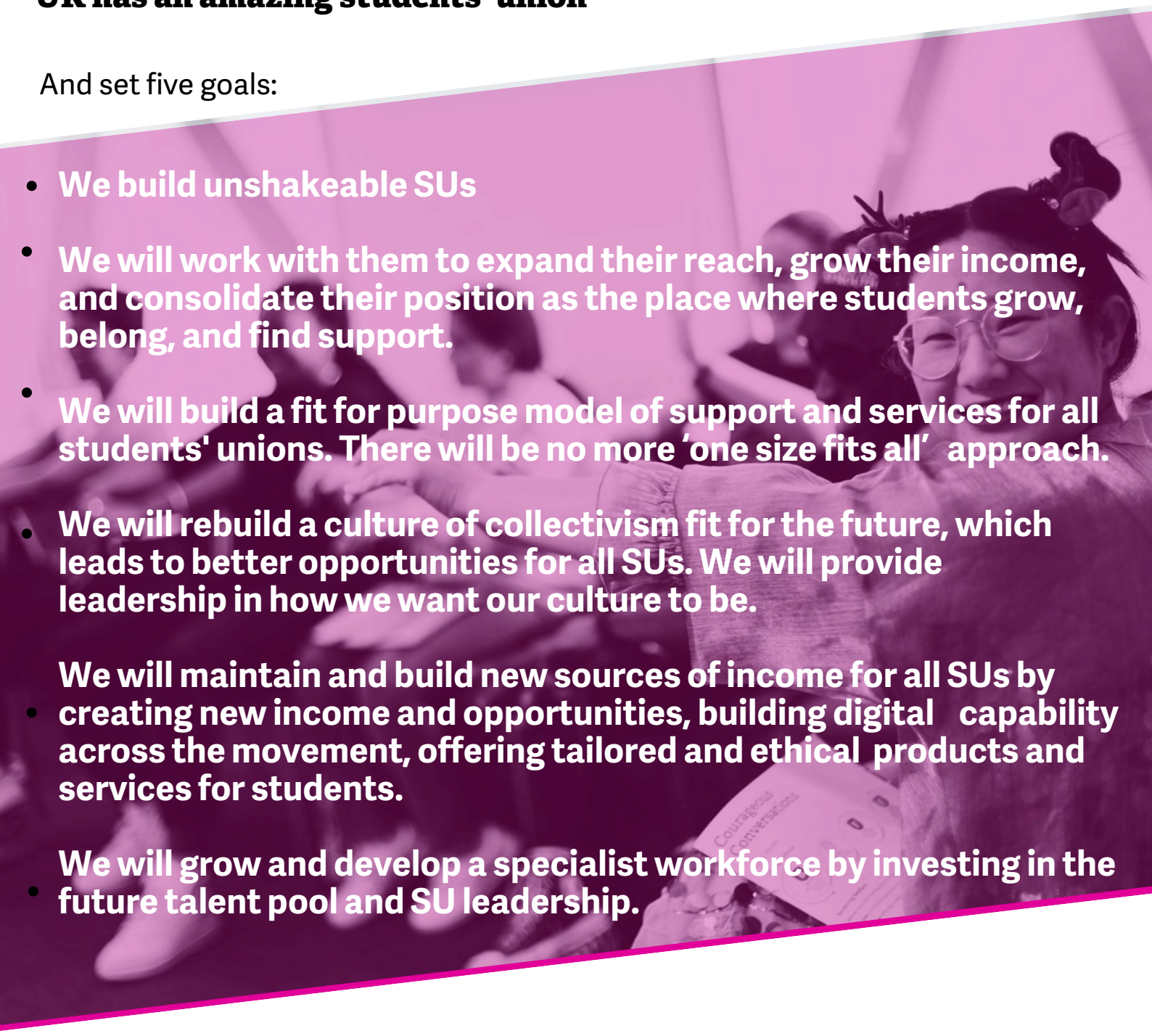
# Future Developments

The biggest future development for NUS Charity is the launch of our new NUS Charity Strategy.

We've crystallised our core mission:

**NUS Charity's mission is that every post-16 student in the UK has an amazing students' union**

And set five goals:



- **We build unshakeable SUs**
- **We will work with them to expand their reach, grow their income, and consolidate their position as the place where students grow, belong, and find support.**
- **We will build a fit for purpose model of support and services for all students' unions. There will be no more 'one size fits all' approach.**
- **We will rebuild a culture of collectivism fit for the future, which leads to better opportunities for all SUs. We will provide leadership in how we want our culture to be.**
- **We will maintain and build new sources of income for all SUs by creating new income and opportunities, building digital capability across the movement, offering tailored and ethical products and services for students.**
- **We will grow and develop a specialist workforce by investing in the future talent pool and SU leadership.**

The Trustees have set KPIs to benchmark our progress against this ambitious strategy.

# Financial review

A summary of the results for the year is given in the statement of financial activities.

The charity group ended the year with consolidated surplus funds of £4.23m (2023: surplus of £3.76m) having made a consolidated surplus of £471k (2023: deficit of £35k). This surplus arose from the general trading position of the subsidiary company NUS Services continuing to improve over the previous year. The subsidiary will make a gift aid payment to the Charity of £347k. The gift aid payment has been limited by tax allowances related to NUS Services' payment of a 9 year discounted contribution to the Students' Union Superannuation Scheme, despite the company making an operating profit of £1.3m.

The Charity itself ended the year with surplus funds of £324k (2023: £783k) having made a deficit of £459k once the gift aid payment from NUS Services Limited is accounted for. A deed of covenant is in place between the two organisations to enable gift aid payments to be recognised in-year.

## Pension Deficit

The consolidated charity balance sheet recognises the pension deficit carried by the Charity's subsidiary company. NUS Services Limited offered membership of SUSS, a defined benefit pension scheme, to all employees until 30 September 2011, at which point the scheme closed to future accrual. Since the entry into effect of FRS102 there has been a change of accounting policy regarding pension deficits. Previously, a prior year adjustment was recognised in the NUS Services accounts for the full SUSS deficit plan payable over 17 years as of October 2014.

The scheme is subject to a revaluation every three years with the most recent valuation taking place in June 2019. The 2019 valuation recommended a monthly contribution requirement by each union, expressed in monetary terms, intended to clear the ongoing funding deficit over a period of 15 years, and will increase by at least 5% each year. This showed a funding deficit of around £133m shared between 68 employers. This represented a decrease of c.£7m in the deficit in comparison to the 2019 valuation and resulted in increased contributions from October 2020 onwards. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme.

These rates applied with effect from 1 October 2020 and will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2022. Surpluses or deficits which arise at future valuations will also impact on the company's future contribution commitment. In addition to the above contributions, NUS Services also pays its share of the scheme's levy to the Pension Protection Fund. The impact of the re-

valuation has impacted the finances by increasing the interest payable figure in the statement of income and the liabilities in the balance sheet. During the period the Company's took the opportunity of making a 9 year contribution to the pension scheme in return for a significant discount on its payments. Total contributions in year were £1,854,607. As a result of the lump sum payment, the company will not be making any further monthly contributions until October 2032.

Whilst the closure of the scheme to future accrual goes some way to mitigate the risk it does not eliminate it. When contributions recommence in October 2032, the Company will be required to make deficit contributions until May 2037 which at current rates represents a liability of £738,996. This is subject to fluctuations in fund performance, changes in apportionment methodology, the life expectancy of the individuals within the scheme and the results of the recent valuation.

## Reserves Policy

During 2023/24 year, the Board reviewed its reserves policy for the consolidated Charity. Having previously had a target of working towards holding £1.75m of free unrestricted reserves, the policy was revised in the year to the consolidated Charity holding six month's operating costs in unrestricted reserves. At 30 June 2024 this was assessed as being equivalent to £1.74m.

The total reserves balance in the Charity group as at 30 June 2024 was £4.23m (2023 - £3.76m). Of this £8,981 (2023 - £8,981) were restricted funds. The level of unrestricted funds in that total sat at £3.94m (2023 - £3.53m), comfortably in excess of the updated reserves policy of 6 months operating costs. However, this is the consolidated reserves position, with the majority being held by the subsidiary company.

The Charity itself held a total reserve balance at 30 June 2024 of £324,166 (2023 - £783,668). Of this £8,981 (2023 £8,981) were restricted funds.

## Future Funding

The trustees confirm that the Charity has sufficient funds to meet all its obligations. As part of the 2020 governance and structure reforms, the Charity now receives funding direct from students' unions as well as being supported by NUS Services as the trading subsidiary of the charity.

The Charity currently requires members to make a membership contribution based on 0.5% of their annual block grant funding. There is a minimum fee of £50, and contributions are capped at £7,500. In 2023/24 the Charity received a total contribution of £594,044.

Going forwards the charity continues to explore several funding streams including:

- Seeking funding from public and private funders to undertake projects that will advance the objectives
- Grants from several bodies; and
- Fees from training and conferences.

To this end, the organisation does not engage in raising funds directly from the general public or indirectly through a fundraising agent. As such, there is no expenditure from the charity's resources on raising funds directly from the public.

# Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the Charity 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 . Under company law, the Trustees must not approvethe financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charityand of their incoming resourcesand 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 (FRS 102);

·make judgments and accounting estimates that are reasonable and prudent;

·state whether applicable UK Accounting Standards (FRS 102) 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 adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclosewith reasonable accuracyat any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. Theyare also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the preventionand detection of fraud and other irregularities.

## Going Concern

The directors prepare annual budgets and forecasts in order to ensure that they have sufficient facilities in place and that they comply with the terms and conditions of the bank facilities. In addition, the Board in formulating its plan and strategy for the future development of the business has considered a period beyond that for which formal budgets and forecasts are prepared. At its meeting in Spring 2024, the Board considered a three year financial forecast which modelled the possible impact of the pandemic on the group's activities up to June 2028. The model identified that there were two significant risks – Unions' ability to pay their membership contributions, and the level of on-campus trade impacted on the revenues generated through the purchasing consortium.

The Board took a view that of these risks, the impact on the purchasing consortium income would be the most significant, and may require further monitoring and adjustments to the business model. An update on the financial model continues to be regularly considered by the Board meeting during 2024/25 in order for further mitigating action to be taken to maintain the overall financial strategy of the group.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

## Trustees' Statement on Public Benefit

The trustees confirm that they have complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission regarding Public Benefit.

Deio Owen

Deio Owen (Mar 26, 2025 17:41 GMT)

**Deio Owen**

Chair of the Board of Trustees

Date: 26 March 2025

## Independent Auditors' Report to the Members of NUS Students' Union Charitable Services

### Opinion

We have audited the financial statements of NUS Students' Union Charitable Services (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 June 2024, which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent charitable company's affairs as at 30 June 2024 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.

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's 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.

## Other information

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

We have nothing to report in this regard.

## Opinion on other matters prescribed by the Companies Act 2006

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

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

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

**Responsibilities of trustees**

As explained more fully in the 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.

**Auditors' responsibilities for the audit of the financial statements**

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

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

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 senior statutory auditor 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 charitable company through discussions with directors 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 charitable company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; 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.

We assessed the susceptibility of the group and charitable company's financial statements to material 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; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, 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; and
- investigated the rationale behind significant or unusual transactions.

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 disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the group and charitable company's legal advisors.

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

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

**Use of our report**

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

**Simon Hawkins (Senior Statutory Auditor)**

For and on behalf of
**Dains Audit Limited**

Statutory Auditor
Chartered Accountants

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Stoke on Trent
Staffordshire
ST1 5RQ

Date:

**NUS Students' Union Charitable Services**
**(A Company Limited by Guatantee)**

**Consolidated Statement of financial activities (incorporating income and expenditure account)**
**For the Year Ended 30 June 2024**

| | Note | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 4 | **-** | **206,330** | **206,330** | 227,162 |
| Charitable activities | 5 | **303,238** | **-** | **303,238** | 385,202 |
| Other trading activities | 6 | **2,593,451** | **-** | **2,593,451** | 2,527,174 |
| Other income | 7 | **827,376** | **-** | **827,376** | 656,292 |
| **Total income** | | **3,724,065** | **206,330** | **3,930,395** | 3,795,830 |
| **Expenditure on:** | | | | | |
| Raising funds | | **1,270,504** | **-** | **1,270,504** | 1,751,673 |
| Charitable activities | | **1,957,085** | **206,330** | **2,163,415** | 2,048,208 |
| **Total expenditure** | | **3,227,589** | **206,330** | **3,433,919** | 3,799,881 |
| **Net income/(expenditure) before taxation** | | **496,476** | **-** | **496,476** | (4,051) |
| Taxation | 12 | **50,164** | **-** | **50,164** | (3,463) |
| **Net movement in funds before other recognised gains/(losses)** | | **546,640** | **-** | **546,640** | (7,514) |
| **Other recognised gains/(losses):** | | | | | |
| Actuarial (loss)/gains on defined benefit pension schemes | | **(75,404)** | **-** | **(75,404)** | (27,666) |
| **Net movement in funds** | | **471,236** | **-** | **471,236** | (35,180) |
| **Reconciliation of funds:** | | | | | |
| Total funds brought forward | | **3,753,641** | **8,981** | **3,762,622** | 3,797,802 |
| Net movement in funds | | **471,236** | **-** | **471,236** | (35,180) |
| **Total funds carried forward** | | **4,224,877** | **8,981** | **4,233,858** | 3,762,622 |

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 32 to 58 form part of these financial statements.

**NUS Students' Union Charitable Services**
**Registered number: 07509468**

**Consolidated Balance Sheet**
**As at 30 June 2024**

| | Note | | 2024<br>£ | | 2023<br>£ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 13 | | **327,206** | | 15,639 |
| Tangible assets | 14 | | **6,687** | | 112,258 |
| Investments | 15 | | **20** | | 20 |
| | | | **333,913** | | 127,917 |
| **Current assets** | | | | | |
| Stocks | | **707** | | 1,128 | |
| Debtors | 16 | **1,395,504** | | 1,612,426 | |
| Cash at bank and in hand | | **5,531,953** | | 7,295,603 | |
| | | **6,928,164** | | 8,909,157 | |
| Creditors: amounts falling due within one year | 17 | **(2,289,223)** | | (2,901,976) | |
| **Net current assets** | | | **4,638,941** | | 6,007,181 |
| **Total assets less current liabilities** | | | **4,972,854** | | 6,135,098 |
| Creditors: amounts falling due after more than one year | 18 | | **(738,996)** | | (2,372,476) |
| **Total net assets** | | | **4,233,858** | | 3,762,622 |
| **Charity funds** | | | | | |
| Restricted funds | 19 | | **8,981** | | 8,981 |
| Unrestricted funds | 19 | | **3,945,772** | | 3,531,945 |
| **Total funds** | | | **3,954,753** | | 3,540,926 |
| **Non-controlling interests** | | | **279,105** | | 221,696 |
| | | | **4,233,858** | | 3,762,622 |

**Consolidated Balance Sheet (continued)**
**As at 30 June 2024**

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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:

Deio Owen
Deio Owen (Mar 26, 2025 17:41 GMT)

**D Owen**
Chair of the Board of Trustees
Date: 26/03/25

The notes on pages 32 to 58 form part of these financial statements.

**NUS Students' Union Charitable Services**
**Registered number: 07509468**

**Charity Statement of financial position**
**As at 30 June 2024**

| | Note | | 2024<br>£ | | 2023<br>£ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 13 | | **6,436** | | 15,639 |
| Tangible assets | 14 | | **6,687** | | 112,258 |
| Investments | 15 | | **277,460** | | 277,460 |
| | | | **290,583** | | 405,357 |
| **Current assets** | | | | | |
| Debtors | 16 | **223,016** | | 937,491 | |
| Cash at bank and in hand | | **2,101,788** | | 2,780,274 | |
| | | **2,324,804** | | 3,717,765 | |
| Creditors: amounts falling due within one year | 17 | **(2,291,221)** | | (3,339,454) | |
| **Net current assets** | | | **33,583** | | 378,311 |
| **Total assets less current liabilities** | | | **324,166** | | 783,668 |
| **Total net assets** | | | **324,166** | | 783,668 |
| **Charity funds** | | | | | |
| Unrestricted Reserves | 19 | | **315,185** | | 774,687 |
| Restricted funds | 19 | | **8,981** | | 8,981 |
| **Total funds** | | | **324,166** | | 783,668 |

**Charity Statement of financial position (continued)**
**As at 30 June 2024**

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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.

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Deio Owen
Deio Owen (Mar 26, 2025 17:41 GMT)

**D Owen**
Chair of the Board of Trustees
Date: 26/03/25

The notes on pages 32 to 58 form part of these financial statements.

## Consolidated Statement of Cash Flows
## For the Year Ended 30 June 2024

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| **Cash flows from operating activities** | | |
| Net cash used in operating activities | **(1,419,674)** | 38,582 |
| **Cash flows from investing activities** | | |
| Purchase of intangible assets | **(334,717)** | (13,362) |
| Purchase of tangible fixed assets | **(9,259)** | - |
| **Net cash used in investing activities** | **(343,976)** | **(13,362)** |
| **Cash flows from financing activities** | | |
| **Net cash provided by financing activities** | **-** | **-** |
| **Change in cash and cash equivalents in the year** | **(1,763,650)** | **25,220** |
| Cash and cash equivalents at the beginning of the year | **7,295,603** | 7,270,383 |
| **Cash and cash equivalents at the end of the year** | **5,531,953** | 7,295,603 |

The notes on pages 32 to 58 form part of these financial statements

**Notes to the Financial Statements**
**For the Year Ended 30 June 2024**

## 1. General information

The Charity is a company limited by guarantee incorporated and registered in England and Wales. The registered office of the Charity is Merseyway Innovation Centre, 21-23 Merseyway, Stockport, SK1 1PN.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity,

The sole corporate member of the charitable company is the National Union of Students (United Kingdom) and the results of NUS Students' Union Charitable Services are included in the consolidated financial statements of National Union of Students (United Kingdom) and are publicly available from Companies House, Crown Way, Cardiff, CF14 3UZ.

## 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.

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

The Financial Statements are prepared in sterling, which is the financial currency of the Charity. Monetary amounts in these Financial Statements are rounded to the nearest £1.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity 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. During the year, the Charity has made a deficit of £459,503 (2023 - surplus of £12,028).

## 2. Accounting policies (continued)

### 2.2 Going concern

The directors prepare annual budgets and forecasts to ensure that they have sufficient facilities in place and that they comply with the terms and conditions of the bank facilities. In addition, the Board, in formulating its plan and strategy for the future development of the business, has considered a period beyond that for which formal budgets and forecasts are prepared. At its meeting in Spring 2024, the Board considered a three-year financial forecast which modelled the possible impact of the pandemic on the group's activities up to June 2028. The model identified that there were two significant risks – students' unions' ability to pay their membership contributions, and the level of on-campus trade impact on the revenues generated through the purchasing consortium.

The Board took a view that of these risks, the impact on the purchasing consortium income would be the most significant and may require further monitoring and adjustments to the business model. An update on the financial model continues to be regularly considered by the Board meeting during 2024/25 for further mitigating action to be taken to maintain the overall financial strategy of the group.

### 2.3 Income

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

Income from Government and other grants is recognised when the charity has entitlement to teh funds, any performance conditions have been met, it is probable that the income will be recieved and the amount can be measured reliably and not deferred.

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

The Charity also benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with Charities SORP, the economic contribution of general volunteers is not recognised in the financial statements.

## 2. Accounting policies (continued)

### 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 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 Pensions

The charity operates a defined contribution scheme for the employees of the Group. Contributions are charged as an expense to the Statement of Financial Activities in the period in which they fall due.

NUS Services operates a multi-employer defined benefit scheme. The scheme is now closed to new admissions. The costs of providing benefits under defined benefit palns is determined seperately for each plan using the projected unit credit method, and is based on acturarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit charges, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to Income Statement in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

## 2. Accounting policies (continued)

### 2.6 Intangible assets and amortisation

Intangible assets are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

| | | |
|---|---|---|
| Website development | - | 20 % straight line |

### 2.7 Tangible fixed assets and depreciation

Tangible fixed assets 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:

| | |
|---|---|
| Leasehold improvements | - 20% straight line |
| Fixtures and fittings | - 20% straight line |
| Computer equipment | - 33% straight line |

### 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 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.

## 2. Accounting policies (continued)

### 2.10 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.

### 2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity 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.

### 2.12 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.

### 2.13 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 Group 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 Group 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.

### 2.14 Taxation

The Charity 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 Charity 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.

## 3. Critical accounting estimates and areas of judgment

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

**Critical judgements and key sources of estimation uncertainity**
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

**Multi-employer defined benefit pension scheme**
The Group participated in the Student Union Superannuation Scheme, a mutli-employer defined benefit pension scheme with other Student Union organisations. In the judgement of the directors, the Group does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, in line with the deficit reduction plan. See note 24 for further details.

**Key sources of estimation uncertainity**
The Company makes estimates and assumptions concerning the future. The resulting estimates 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 addressed below.

**Measurement of multi-employer pension liability**
The company must measure its defined benefit obligation on a discounted present value basis. The Company must determine the rate used to discount the future payments by reference to market yields at the reporting date on high quality corporate bonds. The currency and term of the corporate bonds or government bonds shall be consistent with the current and estimated period of the future payments.

## 4. Income from grants, donations and legacies

| | Restricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|
| Grants and donations | 206,330 | **206,330** |

| | Restricted funds 2023 £ | Total funds 2023 £ |
|---|---|---|
| Grants and donations | 227,162 | 227,162 |

## 5. Income from charitable activities

| | Unrestricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|
| Events and conferences | 232,409 | **232,409** |
| HR support unit | 70,829 | **70,829** |
| | 303,238 | **303,238** |

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|---|---|---|
| Events and conferences | 296,088 | 296,088 |
| HR support unit | 89,114 | 89,114 |
| | 385,202 | 385,202 |

## 6. Income from other trading activities

### Income from non charitable trading activities

| | Unrestricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|
| Trading support | 2,593,451 | **2,593,451** |

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|---|---|---|
| Trading support | 2,527,174 | 2,527,174 |

## 7. Other incoming resources

| | Unrestricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|
| Membership | 713,181 | **713,181** |
| Surveys | 52,433 | **52,433** |
| Other | 24,810 | **24,810** |
| QSU | 7,200 | **7,200** |
| Solar panel | 29,752 | **29,752** |
| | 827,376 | **827,376** |

## 7. Other incoming resources (continued)

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|---|---|---|
| Membership | 584,250 | 584,250 |
| Surveys | 44,050 | 44,050 |
| Other | 24,392 | 24,392 |
| QSU | 3,600 | 3,600 |
| | 656,292 | 656,292 |

## 8. Analysis of expenditure by activities

| | **2024 £** | **Total funds 2024 £** |
|---|---|---|
| Events | 13,116 | **13,116** |
| Other | 964,678 | **964,678** |
| Support | 1,185,621 | **1,185,621** |
| | 2,163,415 | **2,163,415** |

| | 2023 £ | Total funds 2023 £ |
|---|---|---|
| Events | 13,526 | 13,526 |
| Other | 1,301,133 | 1,301,133 |
| Support | 733,549 | 733,549 |
| | 2,048,208 | 2,048,208 |

## 8. Analysis of expenditure by activities (continued)

### Analysis of support costs

| | Events 2024 £ | Other 2024 £ | Support 2024 £ | Total funds 2024 £ |
|---|---|---|---|---|
| Staff costs | - | 624,311 | 440,331 | **1,064,642** |
| Depreciation | - | (652) | 62,666 | **62,014** |
| Recharges | - | (703,808) | - | **(703,808)** |
| Legal and Professional | - | 474,146 | 64,338 | **538,484** |
| IT costs | - | (52,068) | 319,587 | **267,519** |
| Subscriptions | 1,439 | 45,571 | 11,164 | **58,174** |
| Marketing | - | 4,732 | 30,683 | **35,415** |
| Recruitment and training | - | 80,741 | 44,324 | **125,065** |
| Venue and building costs | 10,454 | 139,356 | 145,992 | **295,802** |
| Printing and stationery | 4 | 759 | 1,401 | **2,164** |
| Travel and subsistence | 1,219 | 63,548 | 719 | **65,486** |
| Sundry | - | 288,042 | 2,398 | **290,440** |
| Loss on disposal of fixed assets | - | - | 62,018 | **62,018** |
| | 13,116 | 964,678 | 1,185,621 | **2,163,415** |

## 8. Analysis of expenditure by activities (continued)

### Analysis of support costs (continued)

| | Events 2023 £ | Other 2023 £ | Support 2023 £ | Total funds 2023 £ |
|---|---|---|---|---|
| Staff costs | - | 878,491 | 270,828 | 1,149,319 |
| Depreciation | - | - | 68,550 | 68,550 |
| Recharges | - | (753,981) | - | (753,981) |
| Legal and Professional | - | 483,090 | 82,406 | 565,496 |
| IT costs | - | - | 147,025 | 147,025 |
| Subscriptions | 2,112 | 57,337 | 14,683 | 74,132 |
| Marketing | - | 1,551 | - | 1,551 |
| Recruitment and training | - | 99,105 | 46,301 | 145,406 |
| Venue and building costs | 8,933 | 170,305 | 108,264 | 287,502 |
| Printing and stationery | 143 | 3,998 | 672 | 4,813 |
| Travel and subsistence | 2,338 | 70,699 | 906 | 73,943 |
| Sundry | - | 290,538 | (6,086) | 284,452 |
| | 13,526 | 1,301,133 | 733,549 | 2,048,208 |

## 9. Auditors' remuneration

| | **2024 £** | 2023 £ |
|---|---|---|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | **13,750** | 13,750 |

The Charity has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent company.

## 10. Staff costs

| | **Group 2024 £** | Group 2023 £ | **Charity 2024 £** | Charity 2023 £ |
|---|---|---|---|---|
| Wages and salaries | **1,471,618** | 1,492,955 | **922,445** | 996,046 |
| Social security costs | **140,936** | 140,577 | **88,174** | 92,691 |
| Contribution to defined contribution pension schemes | **84,201** | 87,693 | **54,023** | 60,582 |
| | **1,696,755** | 1,721,225 | **1,064,642** | 1,149,319 |

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

| | **Group 2024 No.** | Group 2023 No. |
|---|---|---|
| Management | **4** | 4 |
| Administrative | **37** | 45 |
| | **41** | 49 |

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

| | **Group 2024 No.** | Group 2023 No. |
|---|---|---|
| In the band £60,001 - £70,000 | **1** | - |
| In the band £100,001 - £110,000 | **1** | 1 |

The key management personnel of the Charity comprise the senior management team as disclosed in the Charity Information on Page 1. The total employee benefits of the key management personnel of the Charity, which encompasses 4 individuals were £248,251 (2023 - £251,989).

## 11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 30 June 2024, no Trustee expenses have been incurred (2023 - £NIL).

## 12. Taxation

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| **Corporation tax** | | |
| Adjustments in respect of previous periods | **(50,164)** | 3,463 |
| **Taxation on net income/(expenditure)** | **(50,164)** | 3,463 |

The tax assessed for the year is higher than (2023 - lower than) the standard rate of corporation tax in the UK of 25% (2023 - 19%). The differences are explained below:

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| Net income/(expenditure) before tax | **496,476** | (4,051) |
| Net income multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 19%). | **124,119** | (770) |
| **Effects of:** | | |
| Non-taxable income less expenses not deductible for tax purposes | **-** | 3,704 |
| Other adjustments | **(174,283)** | 529 |
| **Total tax charge for the year** | **(50,164)** | 3,463 |

## 13. Intangible assets

### Group

| | Computer software £ |
|---|---|
| **Cost** | |
| At 1 July 2023 | **256,301** |
| Additions | **334,717** |
| Disposals | **(1,317)** |
| At 30 June 2024 | **589,701** |
| **Amortisation** | |
| At 1 July 2023 | **240,662** |
| Charge for the year | **22,864** |
| At 30 June 2024 | **262,495** |
| **Net book value** | |
| At 30 June 2024 | **327,206** |
| At 30 June 2023 | 15,639 |

## 13. Intangible assets (continued)

### Charity

| | Computer software £ |
|---|---|
| **Cost** | |
| At 1 July 2023 | **256,301** |
| Disposals | **(1,317)** |
| At 30 June 2024 | **254,985** |
| **Amortisation** | |
| At 1 July 2023 | **240,662** |
| Charge for the year | **8,918** |
| At 30 June 2024 | **248,549** |
| **Net book value** | |
| At 30 June 2024 | **6,436** |
| At 30 June 2023 | 15,639 |

## 14. Tangible fixed assets

### Group and Charity

| | Leasehold improvements £ | Fixtures and fittings £ | Computer equipment £ | Total £ |
|---|---|---|---|---|
| **Cost or valuation** | | | | |
| At 1 July 2023 | **221,655** | **56,970** | **-** | **278,625** |
| Additions | **-** | **-** | **9,259** | **9,259** |
| Disposals | **(221,655)** | **(56,970)** | **-** | **(278,625)** |
| At 30 June 2024 | **-** | **-** | **9,259** | **9,259** |
| **Depreciation** | | | | |
| At 1 July 2023 | **132,198** | **34,169** | **-** | **166,367** |
| Charge for the year | **40,393** | **10,131** | **2,572** | **53,096** |
| On disposals | **(172,591)** | **(44,300)** | **-** | **(216,891)** |
| At 30 June 2024 | **-** | **-** | **2,572** | **2,572** |
| **Net book value** | | | | |
| At 30 June 2024 | **-** | **-** | **6,687** | **6,687** |
| At 30 June 2023 | 89,457 | 22,801 | - | 112,258 |

## 15. Fixed asset investments

| Group | Investments in associate companies £ |
|---|---|
| **Cost or valuation** | |
| At 1 July 2023 | **20** |
| At 30 June 2024 | **20** |
| **Net book value** | |
| At 30 June 2024 | **20** |
| At 30 June 2023 | 20 |

| Charity | Investments in subsidiary companies £ |
|---|---|
| **Cost or valuation** | |
| At 1 July 2023 | **277,460** |
| At 30 June 2024 | **277,460** |
| **Net book value** | |
| At 30 June 2024 | **277,460** |
| At 30 June 2023 | 277,460 |

## 15. Fixed asset investments (continued)

### Principal subsidiaries

The following were subsidiary undertakings of the Charity:

| Names | Company number | Principal activity | Class of shares | Holding |
|---|---|---|---|---|
| NUS Services Limited | 01639519 | Wholesale | Ordinary A and B shares | 97% |
| NUS Holdings Limited | 01158893 | Dormant company | Ordinary shares (held indirectly) | 97% |
| Student Discount Cards Limited | 08873775 | Discount cards | Ordinary A and B shares | 100% |

The financial results of the subsidiaries for the period were:

| Names | Income £ | Expenditure £ | Profit/(Loss) / Surplus/ (Deficit) for the period £ | Net assets £ |
|---|---|---|---|---|
| NUS Services Limited | **2,464,871** | **1,113,709** | **1,351,162** | **4,008,020** |
| NUS Holdings Limited | **-** | **-** | **-** | **179,074** |
| Student Discount Cards Limited | **109,124** | **108,590** | **534** | **14,048** |

## 16. Debtors

| | Group 2024 £ | Group 2023 £ | Charity 2024 £ | Charity 2023 £ |
|---|---|---|---|---|
| **Due within one year** | | | | |
| Trade debtors | **1,046,907** | 1,052,416 | **13,699** | 1,969 |
| Amounts owed by group undertakings | **62,981** | 23,075 | **62,801** | 778,641 |
| Other debtors | **38,315** | 95,074 | **1,844** | - |
| Prepayments and accrued income | **247,301** | 441,861 | **144,672** | 156,881 |
| | **1,395,504** | 1,612,426 | **223,016** | 937,491 |

## 17. Creditors: Amounts falling due within one year

| | **Group 2024 £** | Group 2023 £ | **Charity 2024 £** | Charity 2023 £ |
|---|---|---|---|---|
| Payments received on account | **839,114** | 1,321,317 | **-** | - |
| Trade creditors | **292,402** | 390,671 | **87,160** | 138,520 |
| Amounts owed to group undertakings | **100,542** | 195,011 | **1,894,365** | 2,873,035 |
| Corporation tax | **-** | 3,464 | **-** | - |
| Other taxation and social security | **147,842** | 83,900 | **33,222** | 80,816 |
| Other creditors | **108,308** | 292,382 | **25,576** | 96,195 |
| Accruals and deferred income | **801,015** | 615,231 | **250,898** | 150,888 |
| | **2,289,223** | 2,901,976 | **2,291,221** | 3,339,454 |

| | **Group 2024 £** | Group 2023 £ | **Charity 2024 £** | Charity 2023 £ |
|---|---|---|---|---|
| Deferred income at 1 July 2023 | **62,801** | 96,100 | **62,801** | 96,100 |
| Resources deferred during the year | **101,508** | 42,937 | **101,508** | 42,937 |
| Amounts released from previous periods | **(62,801)** | (76,236) | **(62,801)** | (76,236) |
| | **101,508** | 62,801 | **101,508** | 62,801 |

## 18. Creditors: Amounts falling due after more than one year

| | **Group 2024 £** | Group 2023 £ |
|---|---|---|
| SUSS Pension Scheme | **738,996** | 2,372,476 |

## 19. Statement of funds

### Statement of funds - current year

| | Balance at 1 July 2023 £ | Income £ | Expenditure £ | Taxation £ | Gains/ (Losses) £ | Balance at 30 June 2024 £ |
|---|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | | |
| Trading funds | **3,753,641** | **3,724,065** | **(3,227,589)** | **50,164** | **(75,404)** | **4,224,877** |
| **Restricted funds** | | | | | | |
| Spirit of AMSU | **8,981** | **-** | **-** | **-** | **-** | **8,981** |
| Scottish Funding Council | **-** | **42,913** | **(42,913)** | **-** | **-** | **-** |
| Think positive | **-** | **162,870** | **(162,870)** | **-** | **-** | **-** |
| See me | **-** | **547** | **(547)** | **-** | **-** | **-** |
| | **8,981** | **206,330** | **(206,330)** | **-** | **-** | **8,981** |
| **Total of funds** | **3,762,622** | **3,930,395** | **(3,433,919)** | **50,164** | **(75,404)** | **4,233,858** |

**19. Statement of funds (continued)**

**Statement of funds - prior year**

| | Balance at 1 July 2022 £ | Income £ | Expenditure £ | Taxation £ | Gains/ (Losses) £ | Balance at 30 June 2023 £ |
|---|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | | |
| Trading funds | 3,788,821 | 3,568,668 | (3,572,719) | (3,463) | (27,666) | 3,753,641 |
| **Restricted funds** | | | | | | |
| Spirit of AMSU | 8,981 | - | - | - | - | 8,981 |
| Scottish Funding Council | - | 153,087 | (153,087) | - | - | - |
| NUS Wales | - | 17,063 | (17,063) | - | - | - |
| Think positive | - | 57,012 | (57,012) | - | - | - |
| | 8,981 | 227,162 | (227,162) | - | - | 8,981 |
| **Total of funds** | 3,797,802 | 3,795,830 | (3,799,881) | (3,463) | (27,666) | 3,762,622 |

**Spirit of AMSU (Association for Managers in Students' Union)** - The residual funds of AMSU left over when it merged with NUS Charity. The fund exists to support initiatives developed by and for staff members in Students' Unions.

**Scottish Funding Council** - A fund to support a programme of development for students' association across Scottish colleges.

**Student Mental Health** - A fund to develop mental health support for students across Scottish further and higher education institutions.

**NUS Wales Effective SUS** - A fund to enable NUS to build and support strong and effective students' unions across Welsh higher education institutions.

## 20. Analysis of net assets between funds

### Analysis of net assets between funds - current period

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ |
|---|---|---|---|
| Tangible fixed assets | 6,687 | - | **6,687** |
| Intangible fixed assets | 327,206 | - | **327,206** |
| Fixed asset investments | 20 | - | **20** |
| Current assets | 6,919,183 | 8,981 | **6,928,164** |
| Creditors due within one year | (2,289,223) | - | **(2,289,223)** |
| Creditors due in more than one year | (738,996) | - | **(738,996)** |
| **Total** | 4,224,877 | 8,981 | **4,233,858** |

### Analysis of net assets between funds - prior period

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ |
|---|---|---|---|
| Tangible fixed assets | 112,258 | - | 112,258 |
| Intangible fixed assets | 15,639 | - | 15,639 |
| Fixed asset investments | 20 | - | 20 |
| Current assets | 8,900,176 | 8,981 | 8,909,157 |
| Creditors due within one year | (2,901,976) | - | (2,901,976) |
| Creditors due in more than one year | (2,372,476) | - | (2,372,476) |
| **Total** | 3,753,641 | 8,981 | 3,762,622 |

## 21. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2024 £ | Group 2023 £ |
|---|---|---|
| Net income/expenditure for the period (as per Statement of Financial Activities) | **546,640** | (7,514) |
| **Adjustments for:** | | |
| Depreciation and amortisation charges | **75,960** | 68,659 |
| Loss on the sale of fixed assets | **60,379** | - |
| Decrease in stocks | **421** | 189 |
| Decrease in debtors | **216,922** | 61,473 |
| Decrease in creditors | **(2,272,930)** | (84,225) |
| Tax rebate | **(47,066)** | - |
| **Net cash provided by/(used in) operating activities** | **(1,419,674)** | 38,582 |

## 22. Analysis of cash and cash equivalents

| | Group 2024 £ | Group 2023 £ |
|---|---|---|
| Cash in hand | **5,531,953** | 7,295,603 |
| **Total cash and cash equivalents** | **5,531,953** | 7,295,603 |

## 23. Analysis of changes in net debt

| | At 1 July 2023 £ | Cash flows £ | At 30 June 2024 £ |
|---|---|---|---|
| Cash at bank and in hand | **7,295,603** | **(1,763,650)** | **5,531,953** |
| | **7,295,603** | **(1,763,650)** | **5,531,953** |

## 24. Pension commitments

### Defined Contribution scheme

The Company participates in a defined contribution pension scheme where the company contributes either 3% or 6% of salary depending upon each member's level of contribution.

The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension costs charge represents contribution payable by the Company to the fund and amounted to £30,178 (2023 - £27,111). Contributions totalling £nil (2023 - £nil) were payable to the fund at the balance sheet date.

### Multi-employer pension scheme

NUS Services Limited offered membership of Students' Union Superannuation Scheme ("SUSS"), a defined benefit pension scheme, to all employees until 30 September 2011, at which point the scheme closed to future accrual.

The most recent Valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £119,000,000 with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £136,000,000.

The 2022 valuation recommended a monthly contribution requirement by each participating employer expressed in monetary terms to clear the ongoing funding deficit over a period of 14 years and will increase at 5% per year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the scheme. These rates applied from 1 October 2023 and will be formally reviewed following the completion of the next valuation due with an effective date of 30 June 2025. Surpluses and deficits which arise with future valuations will also impact on the Union's future contribution commitment. See Note 17 and 18 for the liability recognised under the currently agreed deficit funding plan expiring September 2037. Liabilities are shown on a discounted present value basis. In addition to the above contributions, the Union pays its share of the scheme's levy to the Pension Protection Fund.

Under FRS 102, the Multi-employer pension liability has been calculated based on the assumptions of the above expected deficit payments using a discount rate of 5.2% (2023 - 5.2%).

| | **2024** | 2023 |
|---|---|---|
| | **£** | £ |
| **Present value of provision** | | |
| Students' Union Supperannuation Scheme | **738,996** | 2,426,675 |

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Creditors: amounts falling due within one year | - | 54,199 |
| Creditors: amounts falling due between 2 and 5 years | - | 335,137 |
| Creditors: amounts falling due after 5 years | **738,996** | 2,037,339 |
| | **738,996** | 2,426,675 |

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Provision at start of period | **2,426,675** | 2,481,795 |
| Unwinding of discount factor | **91,524** | 100,202 |
| Deficit contributions paid | **(1,854,607)** | (182,988) |
| Movement in net present value calculation | **75,404** | 27,666 |
| | **738,996** | 2,426,675 |

The following schedule details the deficit contributions agreed between the company and the scheme to settle the company share of the deficit:

| Start | End | Year | Annual Increase | Annual contributions | Monthly Payment |
|---|---|---|---|---|---|
| Jul-24 | Oct-24 | 2024 | 5% | - | - |
| Nov-24 | Oct-25 | 2025 | 5% | - | - |
| Nov-25 | Oct-26 | 2026 | 5% | - | - |
| Nov-26 | Oct-27 | 2027 | 5% | - | - |
| Nov-27 | Oct-28 | 2028 | 5% | - | - |
| Nov-28 | Oct-29 | 2029 | 5% | - | - |
| Nov-29 | Oct-30 | 2030 | 5% | - | - |
| Nov-30 | Oct-31 | 2031 | 5% | - | - |
| Nov-31 | Oct-32 | 2032 | 5% | - | - |
| Nov-32 | Oct-33 | 2033 | 5% | 252,390 | 25,239 |
| Nov-33 | Oct-34 | 2034 | 5% | 318,012 | 26,501 |
| Nov-34 | Oct-35 | 2035 | 5% | 333,912 | 27,826 |
| Nov-35 | Oct-36 | 2036 | 5% | 350,616 | 29,218 |
| Nov-36 | May-37 | 2037 | 5% | 214,753 | 30,679 |

**Assumptions**

| | 2024 % | 2023 % | 2022 % |
|---|---|---|---|
| Rate of discount | 5.20 | 5.20 | 3.70 |

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

## 25. Operating lease commitments

At 30 June 2024 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | **Group 2024 £** | Group 2023 £ | **Charity 2024 £** | Charity 2023 £ |
|---|---|---|---|---|
| Not later than 1 year | **19,106** | 31,456 | **9,706** | 5,056 |
| Later than 1 year and not later than 5 years | **7,406** | 21,862 | **5,056** | 10,112 |
| | **26,512** | 53,318 | **14,762** | 15,168 |

## 26. Related party transactions

**OneVoice Digital Limited**
NUS Services owns 20% of the share capital of OneVoice Digital Limited.

In 2018, NUS Services entered into a £2m Loan Facility agreement to OneVoice. As at June 2019 it was assessed by management that the Loan Facility agreement was irrecoverable and a full impairment of £2m was recognised in the year to 30 June 2019. This is still the case in the year ended 30 June 2024.

During the year, the group made sales of £172,498 (2023 - £115,731) and had purchases of £nil (2023 - £nil) from OneVoice Digital Limited. As at the year end £nil (2023 - £nil) was owed by OneVoice Digital Limited to the group.

## 27. Controlling party

National Union of Students (United Kingdom) is the effective parent undertaking due to its control over the Board of Trustees of the Charity.

National Union of Students (United Kingdom) is the largest organisation producing consolidated financial accounts including the financial statements of the Company. These consolidated financial statements are publicly available from Companies House (registration number 08015198).

# NUS Students' Union Charitable Services - Final Accounts

Final Audit Report 2025-03-26

| | |
|---|---|
| Created: | 2025-03-26 |
| By: | Richard Whitmill (richard.whitmill@nus.org.uk) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAMXlXduaMFspPsO9iXpY1oJaVCA4u0MXq |

## "NUS Students' Union Charitable Services - Final Accounts" History

Document created by Richard Whitmill (richard.whitmill@nus.org.uk)
2025-03-26 - 11:47:12 AM GMT

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Signature Date: 2025-03-26 - 5:41:45 PM GMT - Time Source: server

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**NUS STUDENTS' UNION CHARITABLE SERVICES**

England & Wales - Charity number 1140142

# Accounts

**Registered number: 07509468**
**Charity number: 1140142**

# NUS Students' Union Charitable Services

Trustees' Report and Financial Statements

For the Year Ended 30 June 2023

DAINS ACCOUNTANTS

**NUS Students' Union Charitable Services**
**(A Company Limited by Guarantee)**

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**NUS Students' Union Charitable Services**
**(A Company Limited by Guarantee)**

**Reference and Administrative Details of the Charity, its Trustees and Advisers**
**For the Year Ended 30 June 2023**

| | |
|---|---|
| **Trustees** | C Ferguson (appointed 14 September 2022)<br>G Hughes<br>S Kerton<br>A Wilson (resigned 30 June 2023)<br>P Chapman<br>N Bajwa (appointed 14 September 2022)<br>D Ormerod<br>B Savage (appointed 14 September 2022)<br>M Stephen (appointed 31 August 2022)<br>A Wilson<br>C Kirkpatrick (appointed 8 November 2022)<br>M Nembhard (resigned 6 August 2022)<br>H Innes (appointed 1 July 2023)<br>N Katz (appointed 1 July 2023)<br>M Stephen (appointed 31 August 2022, resigned 30 June 2023) |
| **Company registered number** | 07509468 |
| **Charity registered number** | 1140142 |
| **Registered office** | Ian King House<br>Snape Road<br>Macclesfield<br>Cheshire<br>SK10 2NZ |
| **Principal staff** | P Roberston (Charity Director)<br>D Keen (Membership Director)<br>S Harris (Deputy Director & Union Development Director)<br>J Beer (HR Director) |
| **Independent auditors** | Dains Audit Limited<br>Statutory Auditor<br>Suite 2, Albion House<br>2 Etruria Office Village<br>Forge Lane<br>Stoke on Trent<br>Staffordshire<br>ST1 5RQ |
| **Bankers** | The Co-Operative Bank<br>3rd Floor<br>Balloon Street<br>Manchester<br>M60 4EP |
| **Finance & Business Advisors** | Counterculture Partnership LLP<br>Unit 115, Ducie House<br>Ducie Street<br>Manchester<br>M1 2JW |

**Trustees' Report**
**For the Year Ended 30 June 2023**

The Trustees present their report, which also complies with a Directors Report for the purposes of the Companies Act 2006, with the consolidated financial statements of the charity and its subsidiaries for the year ended 30 June 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practive 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).

## STRUCTURE, GOVERNANCE AND MANAGEMENT

NUS Students' Union Charitable Services ('NUS Charitable Services' or 'the Charity') is constituted as a registered charity and a company limited by guarantee. The Charity is responsible for supporting the development of students' unions throughout the country to ensure they adequately serve their student membership. It is governed by its Articles of Association.

The Charity has provision for up to twelve members on its Board of Trustees ('the Board'):

- Four are NUS UK Member Directors appointed by the NUS UK Board
- Four are NUS Full Time Officers who are appointed by the NUS UK Board.
- Four are Independent Charity Directors appointed by the Trustee Board.

The above trustees also serve as the company's directors and fulfil the statutory duties required of them under Company law.

The method of recruitment and appointment of trustees' is laid down in the articles and memorandum of association. Their number shall not be less than three.

The trustees have a vital role in the Charity, and we aim to attract and retain people who have commitment, experience and the necessary skills. Training for the trustees is recorded and delivered on several levels:

- There is trustee training at the beginning of each financial year
- New trustees receive training on induction including on statutory duties
- This is supplemented by attendance at regional events and further external training on request for trustees

NUS Students' Union Charitable Services is a charity with the ultimate decision-making power being vested in its board of trustees during the year. In addition to the board, there are two subcommittees responsible for Finance and HR designed to support the work of the Boards through specialist advice, scrutiny and oversight. These committees are shared with NUS UK and NUS Services and comprise members of each organisations' board as well as additional members to provide specialist advice on HR and Finance matters.

The Charity's Membership comprises 441 Students' Unions and Associations (as at year end). Members can influence the strategy and direction of the Charity via the General Meeting which has been held on an annual basis, which includes inputting on the level of membership contribution required. The Charity regularly engages with its members informally throughout the year including in bi-monthly lunchtime catchups with CEOs of member organisations.

Day-to-day management of the Charity is delegated to the Charity Director. The Charity Director provides regular reports to the board on progress against agreed objectives supported by the Charity senior leadership team.

### Relationship with NUS UK

The relationship between the Charity and NUS UK is established in the governing documents of both organisations.

A governance review was concluded in 2019 with proposals for reform of the NUS entities taken to National Conference and a Company Law Meeting. The outcome was that members agreed to change the structure of the group and reduce the number of entities within it. In 2020 Charity Trustees voted to enact these reforms, and these were also passed by the then Charity member NUS UK. The reforms took effect as of 1 July 2020 at which point the Charity admitted Students' Unions into membership.

During the 2022-23 financial year the trustees performed an assessment of the relationship with NUS UK in line with Charity Commission guidance for charities with a connection to a non-charity. The trustees are satisfied the partnership between NUS Charity and NUS remains in the best interests of NUS Charity, noting in particular the benefits of collaboration to allow NUS Charity to provide support most efficiently to the affiliated students' unions, in furtherance of its charitable purposes. This position will be kept under review including as part of an annual review of the relationship with NUS UK.

NUS Charity continues to work with students' unions and is funded by students' unions and a gift aid donation from its subsidiary company NUS Services Limited. Students' Unions may become members of the Charity.

**Risk Management**
The charity takes part in the wider risk management processes undertaken by the joint NUS boards to ensure consistency of management. As part of the annual business planning process, the major strategic and operational risks that the charity faces and the ways in which they are being monitored, managed and mitigated, were assessed by the trustees and the Audit and Risk Committee.

The Board has assessed the main risks facing the charity as:

- On-going changes in Higher Education,
- Potential government spending cuts or regulation of the Higher Education sector and their impact on students' unions,
- Continued competition from both the high street and supermarkets resulting in continuing steady decline in licensed trade sales, together with the risk of certain students' unions ceasing to run their commercial services as this may impact the donation available from NUS Services and the wider NUS Group,
- The residual impact of the Covid19 pandemic on members, and on the trading support activities of the charity's subsidiary.

**Remuneration of Senior Managers**
All roles are assessed against the Charity's published Job Evaluation framework to determine the band. The size/band of the role then is reflected in the salary. Salary for roles in bands B – I are governed by the Charity's pay framework.

The roles of **Membership and HR Directors** are in Band I – these salaries are set based on experience for new starters in role and then increased on an incremental basis until the top of the pay band. In relation to the role of **Union Development Director / Deputy Director,** the UD role is also Band I, then this role was given an additional responsibility allowance to top it up to the starting salary of Band J to reflect the Deputy Director responsibilities. The role was appointed at the base of the J pay band with a pay review scheduled for November 2023.

The **NUS Charity Director** (Band L) and **Trading Support Director** (Band J) are subject to market data and reviewed periodically with the next review scheduled for November 2023.

## PURPOSES AND ACTIVITIES

The Charity has its primary purpose as supporting the development of students' unions. Its charitable objects are:

- The promotion of the efficiency and effectiveness of charities and voluntary organisations including students' unions;
- The promotion of good citizenship;
- The advancement of education of students;
- The promotion for the benefit of the public of the conservation, protection and improvement of the environment; and
- The promotion of equality and diversity.

In pursuit of these objects the charity has established several services and departments for use by students' unions. These are centred around Union Development, Membership Administration, Trading Support and the provision of shared back office services between the Charity and NUS UK.

## PERFORMANCE AND ACHIEVEMENTS

### Campaigns

NUS Charity continues to take action against HMRC for their inconsistent application of VAT in catering outlets in students' unions. A judicial review has been filed, and we are also chasing HMRC for a full response to our initial complaint.

We have been supporting students' unions throughout the progress of the Higher Education (Freedom of Speech) Act, which became law in May 2023. We have been working with NUS UK to guide students' unions through the changes in law to enable them to remain compliant with legislation and have been talking to Universities UK as key stakeholders to work with universities on the issue. We have also been working to influence the Office for Students and to build a relationship with them in preparation for their guidance being published in 2024.

### Supporting Students' Unions

NUS Charity's support to SUs continues to be one of the most important aspects of the Charity's work. We provide free advice on their development through an email service, 1-2-1s and through case work. There are also various projects in place to support them with key activity such as elections, governance, and networking via communities of practice.

Students' unions can ensure their elections are free and fair through the support of an independent national body that also provides development support. We returned 150 elections for 106 SUs in 2022, and 100% of respondents to the annual survey were very to extremely satisfied with the service provided.

Four students' unions/associations completed our quality mark Quality Students' Unions and went through peer verification in this period.

### Membership

The membership work of the Charity focusses on supporting members to access the range of support the Charity offers. Our inboxes alone dealt with over 2,000 enquiries from members and the backbone of the Charity's work remains the regular support provided by the Charity to our members. This includes our regular catchups with members, visits, phone calls and 1-2-1 support. Every member of staff has a role in developing the effectiveness of our member unions and ensuring they get the most out of their membership of NUS Charity.

The Charity delivered its annual member facing event Strategic Conversation in November at Cardiff SU. This was an opportunity for CEOs and Senior Managers to come together and have a conversation about how we can work together and build success as a movement

The Charity welcomed 5 new members during the 2022-23 financial year.

**Research**
NUS Charity has continued to provide high quality research reports which provide vital information and insight for our members. In 2022-23 we continued with our annual Big SU Survey collecting data on members funding from partner institutions, finances and elections.

We published a major piece of research on Officer wellbeing. 468 current or previous officers shared their experiences with us. Through this research, we hope to highlight the experiences of officers over the last decade, shining a light on how we support officers as a sector, and what we might do differently to improve their experiences for years to come.

**Talent**
We delivered the Employee Engagement Survey to 42 Students' Unions, which is an increase on last year of six, the best year yet in terms of participation and income.

The use of job site Careers in Students' Unions has stayed at a steady high in the last twelve months. With recruitment continuing to be a challenge for students' unions we moved the website to a different provider to create a better user experience. In 22/23 we advertised close to 900 roles, including free trustee board adverts.

Our HR and talent teams have continued to provide support services to HR professionals at our member students' unions. This has included regional HR Communities of Practice, supporting the CEO recruitment project to enhance access to these roles, set out a 'call to action' for recruitment agencies and provide a template job description and person specification, updating NUS Connect content on 'hot topics' such as Neurodiversity, answering member emails and Workplace queries and liaising with DAC Beachcroft to produce up-to-date employment law guidance and templates for member use.

Lead and Change 2022 was our annual flagship training for elected officers in students' unions. 382 delegates attended in person across two events, with overwhelmingly positive feedback.

As well as Lead and Change, NUS Charity has delivered two cohorts of Creating Equity at Work before work was taken to review the content and we delivered 5 cohorts of Leadership on Race Equity to 61 delegates.

**Externally Funded Projects**
The Charity's externally funded projects in Scotland (Think Positive and Developing College Students' Associations) were allocated funding for a further year. We are now in year two of a three-year funding period for the Student Voice in Regulation project in collaboration with HEFCW in Wales.

**Human Resources**
Like many organisations, the Charity moved to a hybrid working model for many employees as we returned to the office more fully during 2022. With hybrid working trials completing successfully we now have employees working a range of working arrangements. We replaced our HR system and outsourced our payroll activity to Moorepay in October 2019 as part of a project to streamline our HR operations.

**Employee Engagement**
A 'pulse' employee engagement survey was conducted in Spring 2023. There were 25 respondents in the Charity (56% response rate). 88% of colleagues believed that the management team is taking the Charity in the right direction and 100% of colleagues said they're treated with fairness, respect and dignity at work. 68% of colleagues said the Charity practices open, honest communication and shares information; with 60% saying that they see the organisation's values being acted out in practice. The management team is continuing with the values work, as well as looking at ways to improve communication and information sharing.

**Equality, Diversity & Inclusion**
In November 2022, the Charity had reached its target to increase the percentage of Black staff to 10%. However, given the size of the organisation this figure actually represents a small number of individuals. During early 2023, the figure decreased slightly to 7%. Action continues to be taken in recruitment activity, especially in the operation of our Guaranteed Interview Scheme for Black applicants, and in support for employees, to seek to increase to 10% again whilst working towards the longer term 15% target.

**Trading Support**
The purchasing consortium is run by the Charity's trading subsidiary, NUS Services. Purchasing volumes and membership have returned to pre-pandemic levels and the team has worked hard to negotiate deals which pass on savings to members. Considerable development and insight work has taken place to develop member unions' commercial offerings. Further details can be found in the NUS Services Ltd annual report and accounts 22-23.

**Independent Investigation into Antisemitism within NUS UK**
As reported in the Trustees' Report 2021-22, in May 2022, NUS UK commissioned Rebecca Tuck KC to lead an independent investigation into recent allegations of antisemitism as well as historic matters and broader culture.

The report was published in January 2023 along with an action plan. The trustees specifically noted the contents of the Report. They resolved that they were satisfied, in principle, that NUS UK's proposals in the draft Action Plan appeared to be appropriate as a means of addressing the recommendations in the Report.

NUS Charity intends to take a key role in the provision of antisemitism training and education activities amongst NUS UK and SUs. It was considered that this is an effective means of furthering NUS Charity's charitable purposes including (i) the promotion of equality and diversity; (ii) the promotion of good citizenship; and (iii) the promotion of the efficiency and effectiveness of charities and voluntary organisations; and that it is consistent with its current activities.

The trustees resolved to continue to consider the extent of NUS Charity's involvement in the action plan and recommended NUS UK clearly delineate NUS Charity's role in the action plan.

Scrutiny from regulators, following an erroneous complaint to the Charity Commission resulted in correspondence. The trustees received confirmation from the Commission that they were satisfied that no regulatory action or further engagement was required at this time. The trustees are grateful of the positive engagement from the Commission on this matter.

## FUTURE DEVELOPMENTS

In the next financial period and beyond we will continue our core work to promote the efficiency and effectiveness of students' unions including via case work, emails, 121s and key services such as the Returning Officer service. Some key priorities for the future include:

**Strategy Refresh**
The trustees are currently reviewing NUS Charity's strategy with a view to refreshing it within the 2023-24 financial year. The trustees have identified the need for a refresh and modification, highlighting the fact that the majority of the Charity's work with students' unions remains the same. The strategy will be refreshed to ensure it remains relevant to students' unions and is reflective of latest trends in the sector.

**Membership**
We'll look at ways in which NUS Charity can grow its membership, in particular reaching out to Students' Unions who have not been in membership of the Charity.

**Research**
As part of the SU survey, the Charity is undertaking research on student advice services and have recently closed surveys on SU and MP relationships and officer salary benchmarking. The results of these surveys are due to be published in the upcoming financial period.

The Charity is also undertaking research into the International Officers to understand their roles and experiences better and form recommendations on how SUs can support their officer's wellbeing and empower them to reach their potential in the future.

## FINANCIAL REVIEW

A summary of the results for the year is given in the Consolidated Statement of Financial Activities.

The charity group ended the year with consolidated surplus funds of £3.8m (2022: surplus of £3.8m) having made a consolidated loss of £35k (2022: loss of £115k). This reduction in deficit arose from the general trading position of NUS Services significantly improving over the previous year as member Unions were able to return to on-campus service delivery. The subsidiary will make a gift aid payment to the Charity of £710k.

The Charity itself ended the year with surplus funds of £784k (2022: £771k) having made a surplus of £12k. This surplus is supplemented by the gift aid payment from NUS Services Limited of £710k. A deed of covenant is in place between the two organisations to enable gift aid payments to be recognised in-year.

### Pension Deficit

The consolidated charity balance sheet recognises the pension deficit carried by the Charity's subsidiary company. NUS Services Limited offered membership of SUSS, a defined benefit pension scheme, to all employees until 30 September 2011, at which point the scheme closed to future accrual.

The scheme is subject to a revaluation every three years with the most recent valuation taking place in June 2022. The 2022 valuation recommended a monthly contribution requirement by each union, expressed in monetary terms, intended to clear the ongoing funding deficit over a period of 15 years, and will increase by at least 5% each year. This showed a funding deficit of around £133m shared between 68 employers. This represented a decrease of c.£7m in the deficit in comparison to the 2019 valuation indicating that the scheme recovery plan is on track. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme.

Surpluses or deficits which arise at future valuations will also impact on the company's future contribution commitment. In addition to the annual deficit contributions, NUS Services also pays its share of the scheme's levy to the Pension Protection Fund. The impact of the re-valuation has impacted the finances by increasing the liabilities in the balance sheet. During the period, the Company's contribution was £182,988. The company's contributions are set to increase by 5% from 1 October 2023 and the Company intends to take advantage of the bulk discounted payment option offered by the Scheme Trustees and make a 9 year upfront payment of future contributions on 1 November 2023.

Whilst the closure of the scheme to future accrual goes some way to mitigate the risk it does not eliminate it. The Company is required to make deficit contributions until May 2037, which at current rates represents a liability of £3.7million. This is subject to fluctuations in fund performance, changes in apportionment methodology, the life expectancy of the individuals within the scheme and the results of the recent valuation.

### Reserves Policy

During 2019/20, the Board developed its reserves policy for the whole of NUS to establish a target of rebuilding the organisation's free cash reserve to £3.5m within ten years (equivalent to 6 months operating costs in the revised organisation structure). In doing so it recognised that the Charity would be required to produce net operating surpluses of at least £175k per year after making its pension deficit payments, and work towards holding £1.75m of free unrestricted reserves in addition to the level held at 1 July 2020 by 30 June 2030.

The Finance Committee reviews the reserves policy on an annual basis to ensure its appropriateness, given the inherent internal and external factors.

The total reserves balance in the Charity group as at 30 June 2023 was £3.76m (2022 - £3.80m). Of this £8,981 (2022 - £8,981) were restricted funds. This is above the updated reserves policy of 6 months operating costs for the new organisation that came into effect on 1 July 2020 (equivalent to £1.7m). However, this is the consolidated reserves position, with the majority being held by the subsidiary company.

The Charity itself held a total reserve balance at 30 June 2023 of £783,668 (2022 - £771,640). Of this £8,981 (2022 £8,981) were restricted funds.

**Future funding**
The trustees confirm that the Charity has sufficient funds to meet all its obligations. As part of the 2020 governance and structure reforms, the Charity now receives funding direct from students' unions as well as being supported by NUS Services as the trading subsidiary of the charity.

The Charity currently requires members to make a membership contribution based on 0.5% of their annual block grant funding. There is a minimum fee of £50, and contributions are capped at £7,500. In 2022/23 the Charity received a total contribution of £584,250.

Going forwards the charity continues to explore several funding streams including:
- Seeking funding from public and private funders to undertake projects that will advance the objectives
- Grants from several bodies; and
- Fees from training and conferences.

To this end, the organisation does not engage in raising funds directly from the general public or indirectly through a fundraising agent. As such, there is no expenditure from the charity's resources on raising funds directly from the public.

**Going Concern**
The directors prepare annual budgets and forecasts to ensure that they have sufficient facilities in place and that they comply with the terms and conditions of the bank facilities. In addition, the Board, in formulating its plan and strategy for the future development of the business, has considered a period beyond that for which formal budgets and forecasts are prepared. At its meeting in Spring 2023, the Board considered a three-year financial forecast which modelled the possible impact of the pandemic on the group's activities up to June 2026. The model identified that there were two significant risks – students' unions' ability to pay their membership contributions, and the level of on-campus trade impact on the revenues generated through the purchasing consortium.

The Board took a view that of these risks, the impact on the purchasing consortium income would be the most significant and may require further monitoring and adjustments to the business model. An update on the financial model continues to be regularly considered by the Board meeting during 2023/24 for further mitigating action to be taken to maintain the overall financial strategy of the group.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

**Trustees' statement on Public Benefit**
The trustees confirm that they have complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission regarding Public Benefit.

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

Chloe Ferguson
Chloe Ferguson (Mar 8, 2024 10:22 GMT)

**C Ferguson**
Chair of the Board of Trustees
Date: 08-Mar-2024

## Statement of Trustees' responsibilities
## For the Year Ended 30 June 2023

The Trustees (who are also the directors of the Charity 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 Charity 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 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Chloe Ferguson
Chloe Ferguson (Mar 8, 2024 10:22 GMT)

**C Ferguson**
Chair of the Board of Trustees
Date: 08-Mar-2024

## Independent Auditors' Report to the Members of NUS Students' Union Charitable Services

### Opinion

We have audited the financial statements of NUS Students' Union Charitable Services (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 June 2023, which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent charitable company's affairs as at 30June 2023 and of, the Group's incoming resources and application of resources, including it's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's 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.

## Other information

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

We have nothing to report in this regard.

## Opinion on other matters prescribed by the Companies Act 2006

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

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

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

## Responsibilities of trustees

As explained more fully in the 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.

**Auditors' responsibilities for the audit of the financial statements**

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

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

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 senior statutory auditor 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 charitable company through discussions with directors 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 charitable company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; 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.

We assessed the susceptibility of the group and charitable company's financial statements to material 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; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, 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; and
- investigated the rationale behind significant or unusual transactions.

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 disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the group and charitable company's legal advisors.

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

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

**Use of our report**

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

S Hawkins

S Hawkins (Mar 11, 2024 14:39 GMT)

Simon Hawkins (Senior Statutory Auditor)

For and on behalf of
**Dains Audit Limited**

Statutory Auditor
Chartered Accountants

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Stoke on Trent
Staffordshire
ST1 5RQ

Date: 11-Mar-2024

## Consolidated Statement of financial activities (incorporating income and expenditure account)
## For the Year Ended 30 June 2023

| | Note | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 4 | **-** | **227,162** | **227,162** | 447,671 |
| Charitable activities | 5 | **385,202** | **-** | **385,202** | 228,360 |
| Other trading activities | 6 | **2,527,174** | **-** | **2,527,174** | 2,194,026 |
| Other income | 7 | **656,292** | **-** | **656,292** | 643,850 |
| **Total income** | | **3,568,668** | **227,162** | **3,795,830** | 3,513,907 |
| **Expenditure on:** | | | | | |
| Raising funds | | **1,751,673** | **-** | **1,751,673** | 1,391,155 |
| Charitable activities | | **1,821,046** | **227,162** | **2,048,208** | 2,119,560 |
| **Total expenditure** | | **3,572,719** | **227,162** | **3,799,881** | 3,510,715 |
| **Net (expenditure)/income before taxation** | | **(4,051)** | **-** | **(4,051)** | 3,192 |
| Taxation | 12 | **(3,463)** | **-** | **(3,463)** | (593,635) |
| **Net movement in funds before other recognised gains/(losses)** | | **(7,514)** | **-** | **(7,514)** | (590,443) |
| **Other recognised gains/(losses):** | | | | | |
| Actuarial (loss)/gains on defined benefit pension schemes | | **(27,666)** | **-** | **(27,666)** | 475,069 |
| **Net movement in funds** | | **(35,180)** | **-** | **(35,180)** | (115,374) |
| **Reconciliation of funds:** | | | | | |
| Total funds brought forward | | **3,788,821** | **8,981** | **3,797,802** | 3,913,176 |
| Net movement in funds | | **(35,180)** | **-** | **(35,180)** | (115,374) |
| **Total funds carried forward** | | **3,753,641** | **8,981** | **3,762,622** | 3,797,802 |

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 20 to 45 form part of these financial statements.

## Consolidated Balance Sheet
## As at 30 June 2023

| | Note | | 2023<br>£ | | 2022<br>£ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 13 | | **15,639** | | 16,608 |
| Tangible assets | 14 | | **112,258** | | 167,555 |
| Investments | 15 | | **20** | | 20 |
| | | | **127,917** | | 184,183 |
| **Current assets** | | | | | |
| Stocks | | **1,128** | | 1,317 | |
| Debtors | 16 | **1,612,426** | | 1,673,899 | |
| Cash at bank and in hand | | **7,295,603** | | 7,270,383 | |
| | | **8,909,157** | | 8,945,599 | |
| Creditors: amounts falling due within one year | 17 | **(2,901,976)** | | (3,033,173) | |
| **Net current assets** | | | **6,007,181** | | 5,912,426 |
| **Total assets less current liabilities** | | | **6,135,098** | | 6,096,609 |
| Creditors: amounts falling due after more than one year | 18 | | **(2,372,476)** | | (2,298,807) |
| **Total net assets** | | | **3,762,622** | | 3,797,802 |
| **Charity funds** | | | | | |
| Restricted funds | 20 | | **8,981** | | 8,981 |
| Unrestricted funds | 20 | | **3,531,945** | | 3,609,419 |
| **Total funds** | | | **3,540,926** | | 3,618,400 |
| **Non-controlling interests** | | | **221,696** | | 179,402 |
| | | | **3,762,622** | | 3,797,802 |

**Consolidated Balance Sheet (continued)**
**As at 30 June 2023**

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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:

Chloe Ferguson
Chloe Ferguson (Mar 8, 2024 10:22 GMT)

**C Ferguson**
Chair of the Board of Trustees
Date: 08-Mar-2024

The notes on pages 20 to 45 form part of these financial statements.

## Charity Statement of financial position
## As at 30 June 2023

| | Note | | 2023<br>£ | | 2022<br>£ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 13 | | **15,639** | | 16,608 |
| Tangible assets | 14 | | **112,258** | | 167,555 |
| Investments | 15 | | **277,460** | | 277,460 |
| | | | **405,357** | | 461,623 |
| **Current assets** | | | | | |
| Debtors | 16 | **937,491** | | 1,263,393 | |
| Cash at bank and in hand | | **2,780,274** | | 3,054,289 | |
| | | **3,717,765** | | 4,317,682 | |
| Creditors: amounts falling due within one year | 17 | **(3,339,454)** | | (4,007,665) | |
| **Net current assets** | | | **378,311** | | 310,017 |
| **Total assets less current liabilities** | | | **783,668** | | 771,640 |
| **Total net assets** | | | **783,668** | | 771,640 |
| **Charity funds** | | | | | |
| Unrestricted Reserves | 20 | | **774,687** | | 762,659 |
| Restricted funds | 20 | | **8,981** | | 8,981 |
| **Total funds** | | | **783,668** | | 771,640 |

**Charity Statement of financial position (continued)**
**As at 30 June 2023**

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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.

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Chloe Ferguson
Chloe Ferguson (Mar 8, 2024 10:22 GMT)

**C Ferguson**
Chair of the Board of Trustees
Date: 08-Mar-2024

The notes on pages 20 to 45 form part of these financial statements.

## Consolidated Statement of Cash Flows
## For the Year Ended 30 June 2023

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| **Cash flows from operating activities** | | |
| Net cash used in operating activities | **38,582** | (287,248) |
| **Cash flows from investing activities** | | |
| Purchase of intangible assets | **(13,362)** | - |
| Purchase of tangible fixed assets | **-** | (2,750) |
| **Net cash used in investing activities** | **(13,362)** | **(2,750)** |
| **Cash flows from financing activities** | | |
| **Net cash provided by financing activities** | **-** | **-** |
| **Change in cash and cash equivalents in the year** | **25,220** | **(289,998)** |
| Cash and cash equivalents at the beginning of the year | **7,270,383** | 7,560,381 |
| **Cash and cash equivalents at the end of the year** | **7,295,603** | 7,270,383 |

The notes on pages 20 to 45 form part of these financial statements

## 1. General information

The Charity is a company limited by guarantee incorporated and registered in England and Wales. The registered office of the Charity is Ian King House, Snape Road, Macclesfield, Cheshire, SK10 2NZ.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity,

The sole corporate member of the charitable company is the National Union of Students (United Kingdom) and the results of NUS Students' Union Charitable Services are included in the consolidated financial statements of National Union of Students (United Kingdom) and are publicly available from Companies House, Crown Way, Cardiff, CF14 3UZ.

## 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.

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

The Financial Statements are prepared in sterling, which is the financial currency of the Charity. Monetary amounts in these Financial Statements are rounded to the nearest £1.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity 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. During the year, the Charity has made a surplus of £12,028 (2022: Surplus of £415,123).

## 2. Accounting policies (continued)

### 2.2 Going concern

The NUS group meets its day to day operational expenditure as a result of a number of income generating activities as mentioned in the Group Strategic Report.

The directors prepare annual budgets and forecasts in order to ensure that they have sufficient facilities in place and that they comply with the terms and conditions of the bank facilities. In addition, the Board, in formulating its plan and strategy for the future development of the business, has considered a period beyond that for which formal budgets and forecasts are prepared. As its meeting in Spring 2023, the Board considered a three year financial forecast which modelled the financial impact of the pandemic and the expected post-pandemic recovery period on the group's activities up to June 2026. The model identified that there were two significant risks - Unions' ability to pay their membership contributions, and the level of on-campus trade impacted on the revenues generated through the purchasing consortium.

The Board took a view that of these risks, the impact on the purchasing consortium income would be the most significant, and would require further monitoring and adjustments to the business model during 2023/24 in order for further mitigating action to be taken to maintain the overall financial strategy of the group.

In forming their assessment of going concern, the directors have considered the impacts of the independent investigation by Rebecca Tuck (KC).

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

### 2.3 Income

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

Income from Government and other grants is recognised when the charity has entitlement to teh funds, any performance conditions have been met, it is probable that the income will be recieved and the amount can be measured reliably and not deferred.

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

The Charity also benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with Charities SORP, the economic contribution of general volunteers is not recognised in the financial statements.

## 2. Accounting policies (continued)

### 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 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 Pensions

The charity operates a defined contribution scheme for the employees of the Group. Contributions are charged as an expense to the Statement of Financial Activities in the period in which they fall due.

NUS Services operates a multi-employer defined benefit scheme. The scheme is now closed to new admissions. The costs of providing benefits under defined benefit palns is determined seperately for each plan using the projected unit credit method, and is based on acturarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit charges, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to Income Statement in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

## 2. Accounting policies (continued)

### 2.6 Intangible assets and amortisation

Intangible assets are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

| | | |
|---|---|---|
| Website development | - | 20 % straight line |

### 2.7 Tangible fixed assets and depreciation

Tangible fixed assets 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:

| | |
|---|---|
| Leasehold improvements | - 20% straight line |
| Fixtures and fittings | - 20% straight line |

### 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 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.

### 2.10 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. Accounting policies (continued)

### 2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity 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.

### 2.12 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.

### 2.13 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 Group 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 Group 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.

### 2.14 Taxation

The Charity 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 Charity 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.

## 3. Critical accounting estimates and areas of judgment

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is reviewed where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

**Critical judgements and key sources of estimation uncertainity**
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

**Multi-employer defined benefit pension scheme**
The Group participated in the Student Union Superannuation Scheme, a mutli-employer defined benefit pension scheme with other Student Union organisations. In the judgement of the directors, the Group does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, in line with the deficit reduction plan. See note 25 for further details.

**Key sources of estimation uncertainity**
The Company makes estimates and assumptions concerning the future. The resulting estimates 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 addressed below.

**Measurement of multi-employer pension liability**
The company must measure its defined benefit obligation on a discounted present value basis. The Company must determine the rate used to discount the future payments by reference to market yields at the reporting date on high quality corporate bonds. The currency and term of the corporate bonds or government bonds shall be consistent with the current and estimated period of the future payments.

## 4. Income from grants, donations and legacies

| | Restricted funds 2023 £ | Total funds 2023 £ |
|---|---|---|
| Grants and donations | 227,162 | **227,162** |

| | Restricted funds 2022 £ | Total funds 2022 £ |
|---|---|---|
| Grants and donations | 447,671 | 447,671 |

## 5. Income from charitable activities

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|---|---|---|
| Events and conferences | 296,088 | **296,088** |
| HR support unit | 89,114 | **89,114** |
| | 385,202 | **385,202** |

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|---|---|---|
| Events and conferences | 130,265 | 130,265 |
| HR support unit | 98,095 | 98,095 |
| | 228,360 | 228,360 |

## 6. Income from other trading activities

### Income from non charitable trading activities

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|---|---|---|
| Trading support | 2,527,174 | **2,527,174** |

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|---|---|---|
| Trading support | 2,194,026 | 2,194,026 |

## 7. Other incoming resources

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|---|---|---|
| Membership | 584,250 | **584,250** |
| Surveys | 44,050 | **44,050** |
| Other | 24,392 | **24,392** |
| QSU | 3,600 | **3,600** |
| | 656,292 | **656,292** |

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|---|---|---|
| Membership | 548,132 | 548,132 |
| Surveys | 64,400 | 64,400 |
| Other | 31,318 | 31,318 |
| | 643,850 | 643,850 |

## 8. Analysis of expenditure by activities

| | 2023 £ | Total funds 2023 £ |
|---|---|---|
| Events | 13,526 | **13,526** |
| Other | 1,301,133 | **1,301,133** |
| Support | 733,549 | **733,549** |
| | 2,048,208 | **2,048,208** |

| | 2022 £ | Total funds 2022 £ |
|---|---|---|
| Events | 22,708 | 22,708 |
| Other | 1,526,136 | 1,526,136 |
| Support | 570,716 | 570,716 |
| | 2,119,560 | 2,119,560 |

## 8. Analysis of expenditure by activities (continued)

### Analysis of support costs

| | Events 2023 £ | Other 2023 £ | Support 2023 £ | Total funds 2023 £ |
|---|---|---|---|---|
| Staff costs | - | 878,491 | 270,828 | **1,149,319** |
| Depreciation | - | - | 68,550 | **68,550** |
| Recharges | - | (753,981) | - | **(753,981)** |
| Legal and Professional | - | 483,090 | 82,406 | **565,496** |
| IT costs | - | - | 147,025 | **147,025** |
| Subscriptions | 2,112 | 57,337 | 14,683 | **74,132** |
| Marketing | - | 1,551 | - | **1,551** |
| Recruitment and training | - | 99,105 | 46,301 | **145,406** |
| Venue and building costs | 8,933 | 170,305 | 108,264 | **287,502** |
| Printing and stationery | 143 | 3,998 | 672 | **4,813** |
| Travel and subsistence | 2,338 | 70,699 | 906 | **73,943** |
| Sundry | - | 290,538 | (6,086) | **284,452** |
| | 13,526 | 1,301,133 | 733,549 | **2,048,208** |

## 8. Analysis of expenditure by activities (continued)

### Analysis of support costs (continued)

| | Events 2022 £ | Other 2022 £ | Support Costs 2022 £ | Total funds 2022 £ |
|---|---|---|---|---|
| Staff costs | - | 909,543 | 257,128 | 1,166,671 |
| Depreciation | - | 55,428 | - | 55,428 |
| Recharges | - | (651,365) | (167,799) | (819,164) |
| Legal and Professional | - | 410,159 | 127,617 | 537,776 |
| IT costs | - | 43,695 | 183,162 | 226,857 |
| Subscriptions | 4,507 | 43,331 | 58,923 | 106,761 |
| Marketing | - | 30,036 | 3,930 | 33,966 |
| Recruitment and training | - | 145,740 | 5,810 | 151,550 |
| Venue and building costs | 17,801 | 145,120 | - | 162,921 |
| Printing and stationery | - | (176) | 854 | 678 |
| Travel and subsistence | 291 | 29,006 | 260 | 29,557 |
| Sundry | 109 | 173,849 | 66,458 | 240,416 |
| Bad debt | - | 174,480 | - | 174,480 |
| Amortisation | - | 17,290 | 34,373 | 51,663 |
| | 22,708 | 1,526,136 | 570,716 | 2,119,560 |

## 9. Auditors' remuneration

| | 2023 £ | 2022 £ |
|---|---|---|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | **13,750** | 16,775 |

The Charity has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Charity.

## 10. Staff costs

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---|---|---|---|---|
| Wages and salaries | **1,492,955** | 1,484,508 | **996,046** | 1,010,643 |
| Social security costs | **140,577** | 134,658 | **92,691** | 89,637 |
| Contribution to defined contribution pension schemes | **87,693** | 92,176 | **60,582** | 66,184 |
| | **1,721,225** | 1,711,342 | **1,149,319** | 1,166,464 |

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

| | Group 2023 No. | Group 2022 No. |
|---|---|---|
| Management | **4** | 4 |
| Administrative | **45** | 45 |
| | **49** | 49 |

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

| | Group 2023 No. | Group 2022 No. |
|---|---|---|
| In the band £100,001 - £110,000 | **1** | 1 |

The key management personnel of the Charity comprise the senior management team as disclosed in the Charity Information on Page 1. The total employee benefits of the key management personnel of the Charity, which encompasses 4 individuals were £251,989 (2022: £265,475).

## 11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 30 June 2023, no Trustee expenses have been incurred (2022 - £NIL).

## 12. Taxation

| | 2023 £ | 2022 £ |
|---|---|---|
| **Corporation tax** | | |
| Adjustments in respect of previous periods | **3,463** | (6,365) |
| **Total current tax** | **3,463** | (6,365) |
| **Deferred tax** | | |
| Origination and reversal of timing differences | **-** | 600,000 |
| **Total deferred tax** | **-** | 600,000 |
| **Taxation on net (expenditure)/income** | **3,463** | 593,635 |

The tax assessed for the year is lower than (2022 - higher than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

| | 2023 £ | 2022 £ |
|---|---|---|
| Net (expenditure)/income before tax | **(4,051)** | 3,192 |
| Net income multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%). | **(770)** | 606 |
| **Effects of:** | | |
| Deferred tax adjustment (note 19) | **-** | 600,000 |
| Non-taxable income less expenses not deductible for tax purposes | **3,704** | (93,977) |
| Adjustments in respect of prior periods | **-** | 80,890 |
| Other adjustments | **529** | 6,116 |
| **Total tax charge for the year** | **3,463** | 593,635 |

## 13. Intangible assets

### Group and Charity

| | Website development £ |
|---|---|
| **Cost** | |
| At 1 July 2022 | **242,939** |
| Additions | **13,362** |
| At 30 June 2023 | **256,301** |
| **Amortisation** | |
| At 1 July 2022 | **226,331** |
| Charge for the year | **14,331** |
| At 30 June 2023 | **240,662** |
| **Net book value** | |
| At 30 June 2023 | **15,639** |
| At 30 June 2022 | 16,608 |

## 14. Tangible fixed assets

### Group and Charity

| | Leasehold improvements £ | Fixtures and fittings £ | Total £ |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 1 July 2022 | **221,655** | **56,970** | **278,625** |
| At 30 June 2023 | **221,655** | **56,970** | **278,625** |
| **Depreciation** | | | |
| At 1 July 2022 | **88,132** | **22,938** | **111,070** |
| Charge for the year | **44,066** | **11,231** | **55,297** |
| At 30 June 2023 | **132,198** | **34,169** | **166,367** |
| **Net book value** | | | |
| At 30 June 2023 | **89,457** | **22,801** | **112,258** |
| At 30 June 2022 | 133,523 | 34,032 | 167,555 |

## 15. Fixed asset investments

| Group | Investments in associate companies £ |
|---|---|
| **Cost or valuation** | |
| At 1 July 2022 | **20** |
| At 30 June 2023 | **20** |
| **Net book value** | |
| At 30 June 2023 | **20** |
| At 30 June 2022 | 20 |

## 15. Fixed asset investments (continued)

| Charity | Investments in subsidiary companies £ |
|---|---|
| **Cost or valuation** | |
| At 1 July 2022 | **277,460** |
| At 30 June 2023 | **277,460** |
| **Net book value** | |
| At 30 June 2023 | **277,460** |
| At 30 June 2022 | 277,460 |

### Principal subsidiaries

The following were subsidiary undertakings of the Charity:

| Names | Company number | Principal activity | Class of shares | Holding |
|---|---|---|---|---|
| NUS Services Limited | 01639519 | Wholesale | Ordinary A and B shares | 97% |
| NUS Holdings Limited | 01158893 | Dormant company | Ordinary shares (held indirectly) | 97% |
| Student Discount Cards Limited | 08873775 | Discount cards | Ordinary A and B shares | 100% |

The financial results of the subsidiaries for the year were:

| Names | Income £ | Expenditure £ | Profit/(Loss) / Surplus/ (Deficit) for the year £ | Net assets £ |
|---|---|---|---|---|
| NUS Services Limited | **2,324,136** | **1,630,786** | **693,350** | **3,079,774** |
| NUS Holdings Limited | **-** | **-** | **-** | **179,074** |
| Student Discount Cards Limited | **121,910** | **124,351** | **(2,441)** | **13,513** |

## 16. Debtors

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---|---|---|---|---|
| **Due within one year** | | | | |
| Trade debtors | **1,052,416** | 1,183,517 | **1,969** | 66,594 |
| Amounts owed by group undertakings | **23,075** | 230,925 | **778,641** | 986,491 |
| Other debtors | **95,074** | 113,439 | **-** | 65,819 |
| Prepayments and accrued income | **441,861** | 146,018 | **156,881** | 144,489 |
| | **1,612,426** | 1,673,899 | **937,491** | 1,263,393 |

## 17. Creditors: Amounts falling due within one year

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---|---|---|---|---|
| Payments received on account | **1,321,317** | 1,163,170 | **-** | - |
| Trade creditors | **390,671** | 500,628 | **138,520** | 244,026 |
| Amounts owed to group undertakings | **195,011** | - | **2,873,035** | 3,366,690 |
| Corporation tax | **3,464** | - | **-** | - |
| Other taxation and social security | **83,900** | 465,426 | **80,816** | 37,554 |
| Other creditors | **292,382** | 59,538 | **96,195** | 141,266 |
| Accruals and deferred income | **615,231** | 844,411 | **150,888** | 218,129 |
| | **2,901,976** | 3,033,173 | **3,339,454** | 4,007,665 |

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---|---|---|---|---|
| Deferred income at 1 July 2022 | **96,100** | - | **96,100** | - |
| Resources deferred during the year | **42,937** | 96,100 | **42,937** | 96,100 |
| Amounts released from previous periods | **(76,236)** | - | **(76,236)** | - |
| | **62,801** | 96,100 | **62,801** | 96,100 |

## 18. Creditors: Amounts falling due after more than one year

| | Group 2023 £ | Group 2022 £ |
|---|---|---|
| SUSS Pension Scheme | **2,372,476** | 2,298,807 |

## 19. Deferred taxation

**Group**

| | 2023 £ | 2022 £ |
|---|---|---|
| At the beginning of the year | **-** | 600,000 |
| Charge/(Credit) for the year | **-** | (600,000) |
| | **-** | - |

During the previous year, NUS Services Limited enacted a deed of covenant which dictates that all taxable profits are gift aided to NUS Students' Union Charitable Services. As such, the deferred tax asset recognised in previous periods in respect of the pension deficit has been released.

## 20. Statement of funds

### Statement of funds - current year

| | Balance at 1 July 2022 £ | Income £ | Expenditure £ | Taxation £ | Gains/ (Losses) £ | Balance at 30 June 2023 £ |
|---|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | | |
| Trading funds | **3,788,821** | **3,568,668** | **(3,572,719)** | **(3,463)** | **(27,666)** | **3,753,641** |
| **Restricted funds** | | | | | | |
| Spirit of AMSU | **8,981** | **-** | **-** | **-** | **-** | **8,981** |
| Scottish Funding Council | **-** | **153,087** | **(153,087)** | **-** | **-** | **-** |
| NUS Wales | **-** | **17,063** | **(17,063)** | **-** | **-** | **-** |
| Think positive | **-** | **57,012** | **(57,012)** | **-** | **-** | **-** |
| | **8,981** | **227,162** | **(227,162)** | **-** | **-** | **8,981** |
| **Total of funds** | **3,797,802** | **3,795,830** | **(3,799,881)** | **(3,463)** | **(27,666)** | **3,762,622** |

## 20. Statement of funds (continued)

**Statement of funds - prior year**

| | Balance at 1 July 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 30 June 2022 £ |
|---|---|---|---|---|---|---|
| **Unrestricted funds** | | | | | | |
| **Designated funds** | | | | | | |
| 100 year anniversary | 100,000 | - | - | (100,000) | - | - |
| **General funds** | | | | | | |
| General Funds - all funds | 3,799,295 | 3,066,236 | (3,651,779) | 100,000 | 475,069 | 3,788,821 |
| **Total Unrestricted funds** | 3,899,295 | 3,066,236 | (3,651,779) | - | 475,069 | 3,788,821 |
| **Restricted funds** | | | | | | |
| Horizon | - | 22,080 | (22,080) | - | - | - |
| Spirit of AMSU | 8,981 | - | - | - | - | 8,981 |
| Scottish Funding Council | - | 205,271 | (205,271) | - | - | - |
| Student Mental Health | - | 84,820 | (84,820) | - | - | - |
| NUS Wales | - | 60,000 | (60,000) | - | - | - |
| Effective SU's apprenticeship funding | 4,900 | 75,500 | (80,400) | - | - | - |
| | 13,881 | 447,671 | (452,571) | - | - | 8,981 |
| **Total of funds** | 3,913,176 | 3,513,907 | (4,104,350) | - | 475,069 | 3,797,802 |

## 20. Statement of funds (continued)

**Horizon** - EU funding for energy efficiency

**Spirit of AMSU (Association for Managers in Students' Union)** - The residual funds of AMSU left over when it merged with NUS Charity. The fund exists to support initiatives developed by and for staff members in Students' Unions.

**Scottish Funding Council** - A fund to support a programme of development for students' association across Scottish colleges.

**Student Mental Health** - A fund to develop mental health support for students across Scottish further and higher education institutions.

**NUS Wales Effective SUS** - A fund to enable NUS to build and support strong and effective students' unions across Welsh higher education institutions.

**Apprentice funding** - Donation received from One Voice Digital Limited to support the Apprenticeship programme.

## 21. Analysis of net assets between funds

**Analysis of net assets between funds - current year**

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ |
|---|---|---|---|
| Tangible fixed assets | 112,258 | - | **112,258** |
| Intangible fixed assets | 15,639 | - | **15,639** |
| Fixed asset investments | 20 | - | **20** |
| Current assets | 8,900,176 | 8,981 | **8,909,157** |
| Creditors due within one year | (2,901,976) | - | **(2,901,976)** |
| Creditors due in more than one year | (2,372,476) | - | **(2,372,476)** |
| **Total** | 3,753,641 | 8,981 | **3,762,622** |

## 21. Analysis of net assets between funds (continued)

**Analysis of net assets between funds - prior year**

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|---|---|---|---|
| Tangible fixed assets | 167,555 | - | 167,555 |
| Intangible fixed assets | 16,608 | - | 16,608 |
| Fixed asset investments | 20 | - | 20 |
| Current assets | 8,936,618 | 8,981 | 8,945,599 |
| Creditors due within one year | (3,033,173) | - | (3,033,173) |
| Creditors due in more than one year | (2,298,807) | - | (2,298,807) |
| **Total** | 3,788,821 | 8,981 | 3,797,802 |

## 22. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2023 £ | Group 2022 £ |
|---|---|---|
| Net expenditure for the year (as per Statement of Financial Activities) | **(7,514)** | (590,443) |
| **Adjustments for:** | | |
| Depreciation and amortisation charges | **68,659** | 107,091 |
| Decrease in stocks | **189** | 1,025 |
| Decrease/(increase) in debtors | **61,473** | (265,190) |
| Decrease in creditors | **(84,225)** | (14,800) |
| **Net cash provided by/(used in) operating activities** | **38,582** | (762,317) |

## 23. Analysis of cash and cash equivalents

| | Group 2023 £ | Group 2022 £ |
|---|---|---|
| Cash in hand | **7,295,603** | 7,270,383 |
| **Total cash and cash equivalents** | **7,295,603** | 7,270,383 |

## 24. Analysis of changes in net debt

| | At 1 July 2022 | Cash flows | At 30 June 2023 |
|---|---|---|---|
| | £ | £ | £ |
| Cash at bank and in hand | 7,270,383 | 25,220 | 7,295,603 |
| | 7,270,383 | 25,220 | 7,295,603 |

## 25. Pension commitments

**Defined Contribution scheme**
The Company participates in a defined contribution pension scheme where the company contributes either 3% or 6% of salary depending upon each member's level of contribution.

The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension costs charge represents contribution payable by the Company to the fund and amounted to £27,111 (2022: £25,992). Contributions totalling £nil (2022: £nil) were payable to the fund at the balance sheet date.

**Multi-employer pension scheme**
NUS Services Limited offered membership of Students' Union Superannuation Scheme ("SUSS"), a defined benefit pension scheme, to all employees until 30 September 2011, at which point the scheme closed to future accrual.

The most recent Valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £119,000,000 with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £136,000,000.

The 2022 valuation recommended a monthly contribution requirement by each participating employer expressed in monetary terms to clear the ongoing funding deficit over a period of 14 years and will increase at 5% per year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the scheme. These rates applied from 1 October 2023 and will be formally reviewed following the completion of the next valuation due with an effective date of 30 June 2025. Surpluses and deficits which arise with future valuations will also impact on the Union's future contribution commitment. See Note 17 and 18 for the liability recognised under the currently agreed deficit funding plan expiring September 2037. Liabilities are shown on a discounted present value basis. In addition to the above contributions, the Union pays its share of the scheme's levy to the Pension Protection Fund.

Under FRS 102, the Multi-employer pension liability has been calculated based on the assumptions of the above expected deficit payments using a discount rate of 5.2% (2022 - 3.7%).

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| **Present value of provision** | | |
| Students' Union Supperannuation Scheme | **2,426,675** | 2,481,795 |

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Creditors: amounts falling due within one year | **54,199** | 182,988 |
| Creditors: amounts falling due between 2 and 5 years | **335,137** | 465,987 |
| Creditors: amounts falling due after 5 years | **2,037,339** | 1,832,820 |
| | **2,426,675** | 2,481,795 |

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Provision at start of period | **2,481,795** | 3,081,487 |
| Unwinding of discount factor | **100,202** | 47,983 |
| Deficit contributions paid | **(182,988)** | (172,606) |
| Movement in net present value calculation | **27,666** | (475,069) |
| | **2,426,675** | 2,481,795 |

The following schedule details the deficit contributions agreed between the company and the scheme to settle the company share of the deficit:

| Start | End | Year | Annual Increase | Annual contributions | Monthly Payment |
|---|---|---|---|---|---|
| Jul-23 | Oct-23 | 2023 | 5% | 61,980 | 15,495 |
| Nov-23 | Oct-24 | 2024 | 5% | 195,235 | 16,270 |
| Nov-24 | Oct-25 | 2025 | 5% | 204,997 | 17,083 |
| Nov-25 | Oct-26 | 2026 | 5% | 215,246 | 17,937 |
| Nov-26 | Oct-27 | 2027 | 5% | 226,009 | 18,834 |
| Nov-27 | Oct-28 | 2028 | 5% | 237,309 | 19,776 |
| Nov-28 | Oct-29 | 2029 | 5% | 249,175 | 20,765 |
| Nov-29 | Oct-30 | 2030 | 5% | 261,633 | 21,803 |
| Nov-30 | Oct-31 | 2031 | 5% | 274,715 | 22,893 |
| Nov-31 | Oct-32 | 2032 | 5% | 288,451 | 24,038 |
| Nov-32 | Oct-33 | 2033 | 5% | 302,873 | 25,239 |
| Nov-33 | Oct-34 | 2034 | 5% | 318,017 | 26,501 |
| Nov-34 | Oct-35 | 2035 | 5% | 333,918 | 27,826 |
| Nov-35 | Oct-36 | 2036 | 5% | 350,614 | 29,218 |
| Nov-36 | May-37 | 2037 | 5% | 214,753 | 30,679 |

**Assumptions**

| | 2023<br>% | 2022<br>% | 2021<br>% |
|---|---|---|---|
| Rate of discount | 5.20 | 3.70 | 1.50 |

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

## 26. Operating lease commitments

At 30 June 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---|---|---|---|---|
| Not later than 1 year | **31,456** | 30,000 | **5,056** | - |
| Later than 1 year and not later than 5 years | **21,862** | 38,150 | **10,112** | - |
| | **53,318** | 68,150 | **15,168** | - |

## 27. Related party transactions

**OneVoice Digital Limited**
NUS Services owns 20% of the share capital of OneVoice Digital Limited.

In 2018, NUS Services entered into a £2m Loan Facility agreement to OneVoice. As at June 2019 it was assessed by management that the Loan Facility agreement was irrecoverable and a full impairment of £2m was recognised in the year to 30 June 2019. This is still the case in the year ended 30 June 2023.

During the year, the group made sales of £115,731 (2022 - £225.836) and had purchases of £nil (2022 - £1,234,678) from OneVoice Digital Limited. As at the year end £nil (2022 - £277,768) was owed by OneVoice Digital Limited to the group.

## 28. Controlling party

National Union of Students (United Kingdom) is the effective parent undertaking due to its control over the Board of Trustees of the Charity.

National Union of Students (United Kingdom) is the largest organisation producing consolidated financial accounts including the financial statements of the Company. These consolidated financial statements are publicly available from Companies House (registration number 08015198).

# NUS Students Union Charitable Services - Final Accounts

Final Audit Report 2024-03-11

| | |
|---|---|
| Created: | 2024-03-08 |
| By: | Ricky Chotai (rchotai@nussl.co.uk) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAj18LyrptF752PcH83vP_sGjgR0MBdezB |

## "NUS Students Union Charitable Services - Final Accounts" History

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Signer shawkins@dains.com entered name at signing as S Hawkins
2024-03-11 - 2:38:58 PM GMT

Document e-signed by S Hawkins (shawkins@dains.com)
Signature Date: 2024-03-11 - 2:39:00 PM GMT - Time Source: server

Agreement completed.
2024-03-11 - 2:39:00 PM GMT

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**NUS STUDENTS' UNION CHARITABLE SERVICES**

England & Wales - Charity number 1140142

# Accounts

**Charity Number: 1140142**

**Company Number: 07509468**

# NUS Students' Union Charitable Services

# (A Company Limited by Guarantee)

# Trustees' Report and Financial Statements

# for the year ended 30 June 2022

# NUS Students' Union Charitable Services

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# NUS Students' Union Charitable Services

## Charity Information

| | | |
|---|---|---|
| **Trustees** | C Ferguson | (appointed 14 September 2022) |
| | G Hughes | |
| | S Kerton | |
| | A Wilson | |
| | P Chapman | |
| | N Bajwa | (appointed 14 September 2022) |
| | D Ormerod | |
| | B Savage | (appointed 14 September 2022) |
| | M Stephen | (appointed 31 August 2022) |
| | A Wilson | (appointed 1 July 2021) |
| | G Kirkpatrick | (appointed 8 November 2022) |
| | M Crilly | (resigned 30 May 2022) |
| | S Elmegri | (resigned 30 June 2022) |
| | C Hind | (resigned 24 January 2022) |
| | L Kennedy | (resigned 30 June 2022) |
| | B Ricketts | (resigned 30 June 2022) |
| | M Nembhard | (resigned 6 August 2022) |
| **Principal staff** | P Robertson (Charity Director)<br>D Keen (Membership Director)<br>S Harris (Deputy Director & Union Development Director)<br>J Beer (HR Director) | |
| **Charity number** | 1140142 | |
| **Company number** | 07509468 | |
| **Principal and registered office** | Ian King House<br>Snape Road<br>Macclesfield<br>Cheshire<br>SK10 2NZ | |
| **Auditor** | Azets Audit Services Limited<br>33 Park Place<br>Leeds<br>LS1 2RY | |
| **Solicitors (Charity Law)** | Bates Wells<br>10 Queen Street Place<br>London EC4R 1BE | |
| **Solicitors (Property)** | Knights<br>HQ Offices<br>58 Nicholas Street<br>Chester CH1 2NP | |
| **Solicitors (Employment Law)** | TLT LLP<br>3 Hardman Square<br>Manchester M3 3EB | |
| **Bankers** | The Co-operative Bank<br>3rd Floor<br>Balloon Street<br>Manchester M60 4EP | |
| **Finance & Business Advisors** | Counterculture Partnership LLP<br>Unit 115 Ducie House,<br>Ducie Street,<br>Manchester M1 2JW | |

# NUS Students' Union Charitable Services

## Trustees' Report for the year ended 30 June 2022

The Trustees present their report, which also complies with a Directors Report for the purposes of the Companies Act 2006, with the consolidated financial statements of the charity and its subsidiaries for the year ended 30 June 2022. The Trustees have adopted the provisions of 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).

**Reference and administrative details**

The Charity Information on page 1 forms part of this report.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

NUS Students' Union Charitable Services ('NUS Charitable Services' or 'the Charity') is constituted as a registered charity and a company limited by guarantee. The Charity is responsible for supporting the development of students' unions throughout the country to ensure they adequately serve their student membership. It is governed by its Articles of Association.

The Charity has provision for up to twelve members on its Board of Trustees ('the Board'):

- Four are NUS UK Member Directors appointed by the NUS UK Board
- Four are NUS Full Time Officers who are appointed by the NUS UK Board.
- Four are Independent Charity Directors appointed by the Trustee Board.

The above trustees also serve as the company's directors and fulfil the statutory duties required of them under Company law.

The method of recruitment and appointment of trustees' is laid down in the articles and memorandum of association. Their number shall not be less than three.

The trustees have a vital role in the Charity, and we aim to attract and retain people who have commitment, experience and the necessary skills. Training for the trustees is recorded and delivered on several levels:

- There is trustee training at the beginning of each financial year, this includes external speakers delivering key elements, particularly covering statutory responsibilities
- There is a training element to each main meeting delivered in-house
- This is supplemented by attendance at regional events

NUS Students' Union Charitable Services is a charity with the ultimate decision-making power being vested in its board of trustees during the year. In addition to the board, there are two subcommittees responsible for Finance and HR designed to support the work of the Boards through specialist advice, scrutiny and oversight. These committees are shared with NUS UK and NUS Services and comprise members of each organisations' board as well as additional members to provide specialist advice on HR and Finance matters.

Members are able to influence the strategy and direction of the Charity via the annual members' meeting, which includes setting the level of membership contribution required.

Day to day management of the charity is delegated to the Charity Director following the reorganisation of the wider NUS management structure during 2019/20. The Charity Director provides regular reports to the board on progress against agreed objectives supported by the Charity senior leadership team.

**Relationship with NUS UK**

The relationship between the charity and NUS UK is established in the governing documents of both organisations.

A governance review was concluded in 2019 with proposals for reform of the NUS entities taken to National Conference and a Company Law Meeting. The outcome was that members agreed to change the structure of the group and reduce the number of entities within it. In 2020 Charity Trustees voted to enact these reforms, and these were also passed by the then Charity member

NUS UK. The reforms took effect as of 1 July 2020. NUS Charity continues to work with students' unions and is funded by students' unions and a gift aid donation from its subsidiary company NUS Services Limited. Students' Unions may now become members of the Charity.

**Risk Management**

The charity takes part in the wider risk management processes undertaken by the joint NUS boards to ensure consistency of management. As part of the annual business planning process, the major strategic and operational risks that the charity faces and the ways in which they are being monitored, managed and mitigated, were assessed by the trustees and the Audit and Risk Committee.

The Board has assessed the main risks facing the charity as:

- The Covid19 pandemic and its impact on members, and on the trading support activities of the charity's subsidiary,
- On-going changes in Higher Education,
- Potential government spending cuts or regulation of the Higher Education sector and their impact on students' unions,
- Continued competition from both the high street and supermarkets resulting in continuing steady decline in licensed trade sales, together with the risk of certain students' unions ceasing to run their commercial services as this may impact the donation available from NUS Services and the wider NUS Group.

**Remuneration of Senior Managers**

All roles are assessed against the Charity's published Job Evaluation framework to determine the band. The size/band of the role then is reflected in the salary. Salary for roles in bands B – I are governed by the Charity's pay framework.

The roles of **Membership and HR Directors** are in Band I – these salaries are set based on experience for new starters in role and then increased on an incremental basis until the top of the pay band. In relation to the role of **Union Development Director / Deputy Director**, the UD role is also Band I, then this role was given an additional responsibility allowance to top it up to the starting salary of Band J to reflect the Deputy Director responsibilities. The role was appointed at the base of the J pay band with a pay review scheduled for November 2023.

The **NUS Charity Director** (Band L) and **Trading Support Director** (Band J) are subject to market data and reviewed periodically with the next review scheduled for November 2023.

**PURPOSES AND ACTIVITIES**

The charity has its primary purpose as supporting the development of students' unions. Its charitable objects are:

- The promotion of the efficiency and effectiveness of charities and voluntary organisations including students' unions;
- The promotion of good citizenship;
- The advancement of education of students;
- The promotion for the benefit of the public of the conservation, protection and improvement of the environment; and
- The promotion of equality and diversity.

In pursuit of these objects the charity has established a number of services and departments for use by students' unions. These are centred around Union Development, Membership Administration, Trading Support and the provision of shared back office services between the Charity and NUS UK.

# NUS Students' Union Charitable Services

# Trustees' Report for the year ended 30 June 2022

## PERFORMANCE AND ACHIEVEMENTS

### Union Development

#### Campaigns

NUS Charity continue to take action against HMRC for their inconsistent application of VAT in catering outlets in students' unions. The collective complaint has been rejected by HMRC and we are now applying pressure and assessing our options before potentially taking the course of action towards judicial review.

We have been supporting students' unions in the freedom of expression debate as the legislation has been going through the Houses of Parliament. As well as submitting amendments, we have been working with NUS UK to engage the Department for Education and Office for Students to ensure that they understand freedom of expression in students' unions is not a threat.

#### Supporting Students' Unions

Union Development's support to SUs is funded through their membership contribution and continues to be one of the most important aspects of the Charity's work. We provide free advice on their development through an email service, 1-2-1s and through case work. There are also various projects in place to support them with key activity such as elections, governance, and communities of practice.

Students' unions can ensure their elections are free and fair through the support of an independent national body, with experience of the distinctive nature of students' union elections. The Union Development team across the UK has supported the Returning Officer (Peter Robertson) in the running of the service. We returned 135 elections for 100 Unions in the 21/22 elections period. We have enhanced the Elections Support Service by supporting students' unions in collecting their candidate demographic data through the Candidate Demographics Collection Survey, this year we received 380 responses.

6 students' unions/associations completed Quality Students' Unions verification in this period, with a further union completing the first half of the verification process.

#### Externally Funded Projects

The Charity's externally funded projects in Scotland (Think Positive and Developing College Students' Associations) were allocated funding for a further year and staff were recruited to fulfil the project outcomes. We are awaiting a funding decision for Think Positive for 2022/23. We have also successfully bid for a further three years of HEFCW funding in Wales and are finalising project plans for 2022/23.

#### Talent

We have refreshed many of our services in 2021/22 including how we market and communicate about the product value, which has led to a successful year for Union Development and Talent.

By adding Atkinson HR to our partnership with Agenda Consulting, we were able to deliver the Employee Engagement Survey to 38 Students' Unions, which has included a full development offer for participating Unions. This is an increase on what was expected to include 8 extra students' unions.

The use of Careers in Students' Unions has stayed at a steady high in the last twelve months. With recruitment being a constant challenge for students' unions we have continued to make developments to the website, as well as continuing to advertise at a higher rate for unaffiliated SUs. In 21/22 we advertised nearly 2900 roles, including free trustee recruitment roles.

Lead and Change 2021 was the final flagship training delivered solely online due to the ever-changing pandemic environment. Around 350 delegates joined us for the online programme in July and August. We also delivered a number of scheduled and bespoke FE Lead and Change sessions at request of the members.

As well as Lead and Change, NUS Charity has delivered 12 cohorts of Creating Equity at Work to around 200 delegates in total, we delivered 4 cohorts of Leadership on Race Equity and reviewed the programme to be able to deliver a hybrid model.

We also onboarded 23 delegates in 2021 onto a new programme delivered by Koreo to further officer support in the student movement. This has grown to three programmes in 2022 that we are delivering to officers and staff across the UK.

**Membership Administration**

The Membership team provide support to both the Charity and NUS (through the shared services agreement) in: administering relations with members; maintaining core systems; overseeing the governance of the two organisations; IT and facilities support; and managing conferences and events.

A core component of the team's work is providing information and resources to encourage students and students' unions to understand the impact and value of membership. We also encourage new members.

For the Charity in this year we have welcomed 9 new members including Lincoln Students' Union.

The team supported NUS UK as part of our shared service and they welcomed 5 new members. There were 5 affiliation campaigns, and 5 members chose to remain affiliated to NUS UK. During the year 2 non-members held affiliation campaigns, Newcastle University Students' Union opted to affiliate to NUS UK only. Unfortunately, St Andrews Students' Association referendum was not quorate and therefore they remain as a non-member.

We have continued to provide high quality information to our members through website information on our membership offer and through the team's contribution to the Big SU Survey. On the latter we continue to collect up-to-date accurate information on members' student numbers and block grants. As well as assisting us in accurately calculating membership contribution levels, these also serve as a useful benchmarking tool for members.

With the easing of lockdown restrictions, the team organised events to bring students and students' unions together in person. The team supported NUS UK in delivering its National and Liberation Conferences in person as well as conferences in Wales, Scotland and Northern Ireland. During the year we spent time planning and working on the first in-person Lead and Change event since 2019. This was delivered in 22/23 but a great deal of planning took place throughout 21/22.

The team continues to administer and support good governance within the Charity, it's trading subsidiary and, through the shared services agreement, NUS UK. This has included recruitment, induction and onboarding of new board members. It also includes the efficient and smooth running of meetings and support to Chairs. This year we began a review of the Charity's governance against the Charity Governance Code.

The Director of Membership is also responsible for managing all the NUS physical facilities and the IT infrastructure. The facilities staff ensured that all required building maintenance and management was fulfilled enabling staff to return to working at the offices after lockdown. The offices were successfully reopened after 18 months closure and the team ensured that all spaces are compliant with Covid 19 prevention guidance. There were no incidents to report to the Health and Safety Commission (HSC) in the 2021/22 year.

In 2021/22 we contracted with an external IT company – Focus IT - to ensure a consistent level of service and to reduce any internal risk.

**Trading Support**

Trading Support is the area of activity that encompasses the purchasing consortium and commercial support for Students' Unions. The activities are operated through the Charity's subsidiary company NUS Services Limited.

2021/22 was still a very challenging year post the significant impact of Covid on trading in 2020/21 with member Unions not returning to normal trading levels. The exception was licensed trade outlets

which by the end of the trading year were operating at around 90% of pre pandemic purchasing levels.

Many retail outlets reduced trading hours or simply did not trade until very late in the year with volume around 56% for the year. Catering volumes fared a little better reaching around 65% of pre-pandemic levels. This was as a direct result of universities continuing with hybrid learning and very low footfall on campus during day time.

That said, the Trading Support team continued to manage/reduce costs where feasible and focused on maximising income revenues from the revised volumes.

Trading Support will continue to work to secure more volume through external charities and similar organisations in order to protect future volumes into the consortium, and income to the membership and NUS Charity. As a step towards this, NUS Services Limited became a member of CUBO (Colleges and University Business Officers organisation) and exhibited at its summer trade show.

Trading Support ran the first 'in person' trade show for three years at the NEC, it was well received by both suppliers and unions and co tributed significantly to the end of year income.

Supply tenders were managed for the following which started contracts 1 July 2022:

PPS

Spirits

Hot beverages

Catering food

Sports nutrition

Soft drinks

Cocktail mixers

Clothing

Suppliers: It is fair to say that all suppliers have been severely impacted as a result of the pandemic and it is taking time to get fully operational and provide the service levels and account management support, this provided a further challenge for the Trading Support team throughout 2021/22.

The team managed this well (and are continuing to do so) to mitigate or limit the impact on the unions trading. It should be recognised just how much additional effort and energy this requires: suppliers themselves have many new staff who are being educated in terms of our organisational nuances etc.

Furthermore, as part of their own recovery plans post pandemic, suppliers continue to streamline ranges, reduce marketing budgets and generally seek to reduce their financial support. The Trading Support team continue to challenge this approach and find new ways to support suppliers with unions or find new suppliers with new funding through innovation tenders, in order to protect income. Some suppliers did not make it through the year so the team has been extremely busy sourcing alternatives.

Trading Support continue to work in the 'virtual world'. This way of working has delivered some advantages to Trading Support in terms of efficiency, cost savings, improved interaction with students' unions and the ability to remain responsive and flexible. The intention is to continue to work in this way in the areas where improvements have been made whilst balancing it with in person visits and involvement in wider initiatives such as the CUBO event programme.

The operation delivers great benefit to the student movement through its income generating activities, almost all of which provide significantly greater levels of income to the participating students' unions.

**Human Resources**

**Covid-19 Activity**

The HR team worked with facilities to ensure the safe reopening of NUS offices. This included developing and regularly updating a Covid-19 Risk Assessment and issuing a range of communications on safe working. The HR Team also worked with managers to establish hybrid working practices. Many staff continue to work in a hybrid manner. Flexible working trials and reviews were organised. The HR Team supported managers and colleagues to ensure that staff had the correct equipment and working environment to work from home.

**Employee Engagement**
Following the Employee Engagement survey in February 2021 an Employee Engagement Action Plan was developed to target areas for improvement or maintenance. Actions taken included:

- Increased communications to staff regarding wellbeing support
- Supporting all staff to request flexible working practices (including hybrid working) from day one of employment
- An improved induction process that includes a detailed induction checklist for new starters and an HR Induction session
- Updates to the performance framework to including discussions around wellbeing support
- Regular NUS Charity Director drop-ins to improve leadership visibility and to deliver organisational, financial and strategic updates.

An Employee Engagement 'Pulse' survey was conducted in December 2021 with 42 respondents in the Charity (an 87.5% response rate). The pulse survey showed increases in the majority of question areas with over 90% of respondents agreeing that they are treated with fairness, respect and dignity; that the organisation values diversity; and that they are able to achieve a good work/life balance.

**Equality, Diversity & Inclusion**
An Equality, Diversity & Inclusion (EDI) plan was approved in October 2021. The following has taken place as a result:
Recruitment and Selection - The EDI plan contained a number of points aimed at improving recruitment and selection processes to diversify recruitment. A new careers site was created, advert wording has been reviewed and diversity jobs boards have been trialled. There has also been the introduction of a Guaranteed Interview Scheme for Black[1] candidates (similar to the scheme used for disabled candidates). The introduction of this optional scheme has led to higher numbers of Black candidates being shortlisted and appointed. This has had a positive impact on the diversity of the workforce with the number of Black employees increasing from two to eight percent during the year; this is just two percentage points under the 10 percent three-year target set by the HR Subcommittee.

[1] NUS currently uses 'Black' to denote 'political Blackness' – an all-encompassing term for anyone who does not identify as White. There has been lots of debate on terminology in Liberation recently and discussion in the wider media about the appropriateness or otherwise of the acronym BAME (Black, Asian and Minority Ethnic). Within the Officer team and NUS UK, there is a move towards using the terms student/people of colour as a preference. However, as this has not gone through democratic debate and approval; 'Black' is still the official NUS terminology used in communications. This report uses Black as an all-encompassing term on this basis.

Training and Development - the key to retaining a diverse workforce is ensuring that staff feel included and supported. As part of the EDI plan, we have ensured that 'Creating Equity at Work' refresher training has been delivered this year; Mind's 'Managing Mental Health' training has been undertaken by managers and refresher training for Mental Health First Aiders has been completed. Performance plans have been updated to include objectives around improving EDI and all staff are expected to complete some form of continuing professional development in the area.

**Member Support**
In conjunction with Union Development, we have continued to provide support services to HR professionals at our member Students' Unions. This has included organising regular regional HR Communities of Practice, conducting a paid for survey and publishing a report for small member unions, designing and promoting the 'Big SU Survey: HR, People and Pay', updating NUS Connect content, answering member email and Workplace queries and liaising with DAC Beachcroft to produce up-to-date employment law guidance and templates for member use.

**Independent Investigation into Antisemitism within NUS UK**

The independent Investigation into Antisemitism within NUS UK has been published alongside a draft action plan. The action plan is open for consultation. The Charity Board have met to discuss the report and have resolved that if the recommendations are adhered to the relationship with NUSUK does not pose a risk to the Charity. The Charity will examine the action plan and where appropriate will assist in its delivery particularly in assisting it members implement the recommendations in their own local context.

A risk arising in the wake of the investigation was that of the continued affiliation of members to NUS UK and the Charity. Each year, members have the right to hold a referendum with their respective student body in regards to the continuing affiliation. There is a risk that if NUS UK becomes financially strained then the shared service provision between the organisation would need to be revisited, if any members disaffiliate they will continue as members until December 2023 meaning cash flows are secured up until that point. The Board continuously reviews the status of all members' continued affiliations and will always seek to constructively engage with any member seeking to hold an affiliation referenda.

Scrutiny from regulators, following an erroneous complaint to the Charity Commission has resulted in correspondence but no formal regulatory investigation has been initiated.

**FUTURE DEVELOPMENTS**

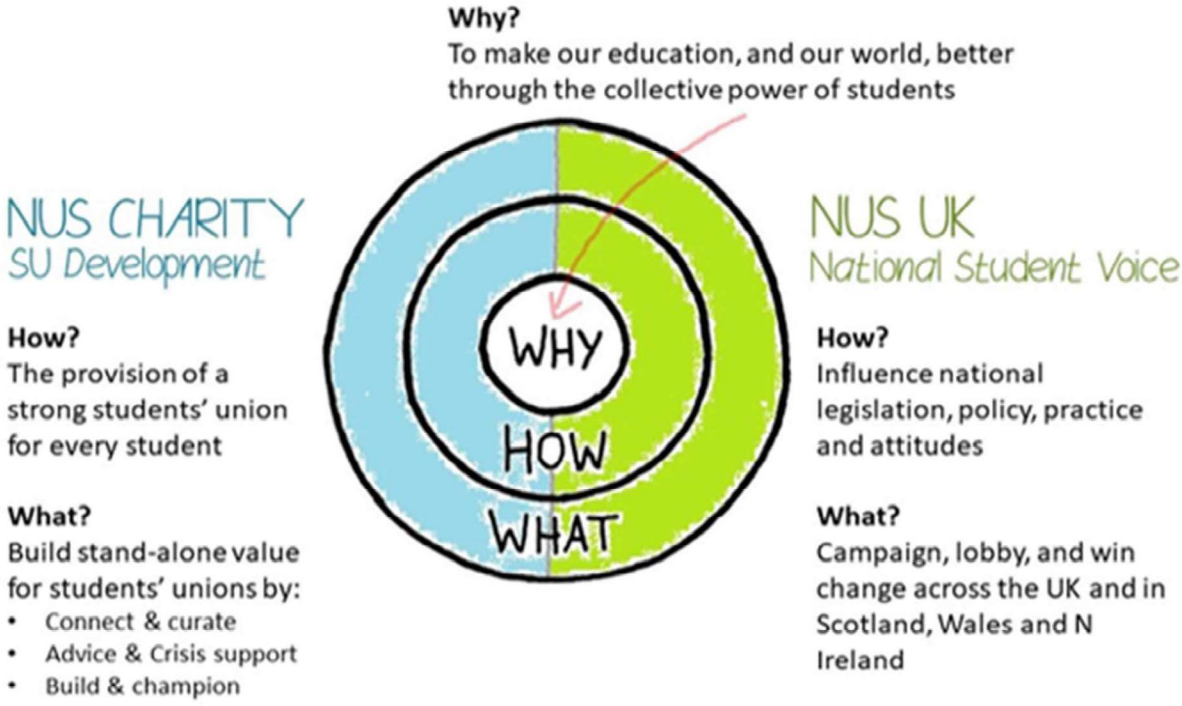
In March 2019, NUS published proposals to reform the near 100-year-old organisation. Following four months of member consultation, and an extensive cost reduction plan to ensure it remained solvent, the student voice organisation outlined a new governance structure which proposes simplification, a reduction in fees charged to members and a modern approach to campaigning and service delivery.

These proposals were passed at both NUS National Conference in April 2019 and at a Company Law meeting of the Charity's sole member, NUS UK, in May 2019.

Under the reform proposals NUS has split up its current group of companies and created two separate bodies with two separate purposes – one to represent students' voices and one to support and work with students' unions. Both will be funded by students' unions, but with contributions directed to specific activities, enabling clarity over where monies are spent.

# NUS Students' Union Charitable Services

## Trustees' Report for the year ended 30 June 2022




The necessary due diligence took place during the 2019/20 financial year and as a result, governance arrangements have been clarified and changed with effect 1 July 2020. This included the transfer of assets from NUS Holdings in favour of NUS Charity, including majority shareholding in NUS Services to act as a trading subsidiary of the Charity and provide income to strengthen the Charity's financial position.

In addition, a collaboration agreement with NUS UK has been entered into effective 1 July 2020. This articulates the nature of collaboration and shared resources between the two organisations.

As a member of NUS Charity Students' Unions are part of a membership that includes 95% of students' unions across the country. Together, our collective power is used to create, build and grow strong Students' Unions. Through membership, Students' Unions not only benefit from the range of resources and services we offer but also a network of peers to help them effectively represent their students, generate revenue and grow as an organisation.

Specifically, Unions benefit from an offer which includes

- **Core support – Creating and Developing Strong Students' Unions**. We provide expertise, resources, programmes and collective buying to give your Students' Union exactly what you need to thrive.
- **Championing the Value of Students' Unions**. We work to ensure students' unions are represented and valued. We demonstrate the standalone value of you as Students' Unions and the collective value of our sector to funders, stakeholders and regulators.
- **Connection and Curation**. We actively promote the value of mutual support for students' Unions. We work to connect Students' Unions to one another to share expertise and network. We curate a marketplace of high quality providers to put members in touch with specific services and expertise.
- **Crisis Support**. Unfortunately, we still see unions in crisis. Our crisis support works as a distilled version of our offer. We provide members in crisis the core support and diagnostic tools they need. We champion our members' value. We harness the power of collectivism to connect with other members for mutual support, and signpost to relevant interim or consultant support.

Under these four areas there are a huge range of benefits which all of our members can tap into. From trading support to su.careers, Quality Students' Unions to the consultants directory, the Learning Academy to governance peer review: NUS Charity is the first port of call to help a Students' Union thrive.

**FINANCIAL REVIEW**

A summary of the results for the year is given on page 18 of the financial statements.

The charity group ended the year with consolidated surplus funds of £3.8m (2021 - surplus of £3.9m) having made a consolidated deficit of £115k (2021 - surplus of £90k). This deficit arose from the general trading position of NUS Services significantly improving over the previous year as member Unions were able to return to on-campus service delivery which was offset by a large provision for bad debt, plus a favourable adjustment in the net present value of pension scheme deficit carried by NUS Services. The subsidiary will make a gift aid payment to the Charity of £1,215k, which include £459k in respect of the year ended 30 June 2021.

The Charity itself ended the year with surplus funds of £772k (2021 - £356k) having made a surplus of £416k. This surplus is offset by the gift aid payment from NUS Services Limited of £1,215k. A deed of covenant is in place between the two organisations to enable gift aid payments to be recognised in-year which has resulted in both 2021 and 2022 gift aid payments being recognised in the year ended 30 June 2022.

**Pension Deficit**
The consolidated charity balance sheet recognises the pension deficit carried by the Charity's subsidiary company. NUS Services Limited offered membership of SUSS, a defined benefit pension

scheme, to all employees until 30 September 2011, at which point the scheme closed to future accrual. Since the entry into effect of FRS102 there has been a change of accounting policy regarding pension deficits. Previously, a prior year adjustment was recognised in the NUS Services accounts for the full SUSS deficit plan payable over 17 years as of October 2014.

The scheme is subject to a revaluation every three years with the most recent valuation taking place in June 2019. The 2019 valuation recommended a monthly contribution requirement by each union, expressed in monetary terms, intended to clear the ongoing funding deficit over a period of 15 years, and will increase by at least 5% each year. This showed an increased funding deficit of around £140m shared between 69 employers. This represented an increase of c.£21m in the deficit in comparison to the 2016 valuation and resulted in increased contributions from October 2020 onwards. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme.

These rates applied with effect from 1 October 2020 and will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2022. Surpluses or deficits which arise at future valuations will also impact on the company's future contribution commitment. In addition to the above contributions, NUS Services also pays its share of the scheme's levy to the Pension Protection Fund. The impact of the re-valuation has impacted the finances by increasing the interest payable figure in the statement of income and the liabilities in the balance sheet. During the period the Company's contribution was £172,587. The company's contributions are set to increase by 5% from 1 October 2022.

Whilst the closure of the scheme to future accrual goes some way to mitigate the risk it does not eliminate it. The Company is required to make deficit contributions until September 2035, which at current rates represents a liability of £3.0 million. This is subject to fluctuations in fund performance, changes in apportionment methodology, the life expectancy of the individuals within the scheme and the results of the recent valuation.

**Reserves Policy**
During the 2019/20, the Board developed its reserves policy for the whole of NUS to establish a target of rebuilding the organisation's free cash reserve to £3.5m within ten years (equivalent to 6 months operating costs in the revised organisation structure). In doing so it recognised that the

Charity would be required to produce net operating surpluses of at least £175k per year after making its pension deficit payments, and work towards holding £1.75m of free unrestricted reserves in addition to the level held at 1 July 2020 by 30 June 2030.

The Finance Committee reviews the reserves policy on an annual basis to ensure its appropriateness, given the inherent internal and external factors.

The total reserves balance in the Charity group as at 30 June 2022 was £3.80m *(*2021 - £3.91m*)*. Of this £8,981 (2021 - £13,881*)* were restricted funds. This is above the updated reserves policy of 6 months operating costs for the new organisation that came into effect on 1 July 2020 (equivalent to £1.7m). However, this is the consolidated reserves position, with the majority being held by the subsidiary company.

The Charity itself held a total reserve balance at 30 June 2022 of £771,640 (2021 - £356,517). Of this £8,981 (2021 - £13,881) were restricted funds.

**Future funding**
The trustees confirm that the charity has sufficient funds to meet all its obligations. As part of the 2020 governance and structure reforms, the charity now receives funding direct from students' unions as well as being supported by NUS Services as the trading subsidiary of the charity.

The Charity currently requires members to make a membership contribution based on 0.5% of their annual block grant funding. There is a minimum fee of £50, and contributions are capped at £7,500. In 2021/22 the Charity received a total contribution of £548,132.

Going forwards the charity continues to explore a number of funding streams including:

- Seeking funding from public and private funders to undertake projects that will advance the objects;
- Grants from a number of bodies; and
- Fees from training and conferences.

To this end, the organisation does not engage in raising funds directly from the general public or indirectly through a fundraising agent. As such, there is no expenditure from the charity's resources on raising funds directly from the public.

**Covid 19 Pandemic**
The circumstances presented by the Covid 19 pandemic have created challenges for the charity in relation to its financial operating model. Going forward the key income streams for the organisation are membership contributions and income generated from the members' trading consortium operating through NUS Services Ltd which exists as the Charity's subsidiary company from 1 July 2020. There remains some risk of the trading consortium not operating at pre-pandemic levels during 2021/22. The Charity has budgeted for the subsidiary's income to return to 85% of pre-pandemic levels during 2022/23. This will have an impact on the future financial performance of the organisation, and the trustees' assessment of Charity as a going concern.

At the commencement of the 2022/23 financial year, most campus trading operations have restarted, and the indication is that the Charity's budget assumptions appear to be broadly correct. In addition, member contributions appear to be broadly stable in the short term, though as always this rests on the continued affiliation of those members with the Charity.

**Going Concern**
The directors prepare annual budgets and forecasts in order to ensure that they have sufficient facilities in place and that they comply with the terms and conditions of the bank facilities. In addition, the Board in formulating its plan and strategy for the future development of the business has considered a period beyond that for which formal budgets and forecasts are prepared. At its meeting in Spring 2021, the Board considered a three year financial forecast which modelled the possible impact of the pandemic on the group's activities up to June 2024. The model identified that

there were two significant risks – Unions' ability to pay their membership contributions, and the level of on-campus trade impacted on the revenues generated through the purchasing consortium.

The Board took a view that of these risks, the impact on the purchasing consortium income would be the most significant, and may require further monitoring and adjustments to the business model. An update on the financial model will be considered at each Board meeting during 2022/23 in order for further mitigating action to be taken to maintain the overall financial strategy of the group.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

**Trustees' statement on Public Benefit**

The trustees confirm that they have complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission regarding Public Benefit.

**Disclosure of information to auditor**

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far they are each aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and each Trustee has taken all the steps that he ought to have taken as a Trustee to make himself aware of any relevant audit information and to establish that the Charitable Company's auditor is aware of that information.

**Auditor**

Azets Audit Services Limited were appointed auditor to the Charity following their acquisition of the trade of Garbutt & Elliott Audit Limited on 1 December 2021. Azets Audit Services Limited have indicated their willingness to stand for reappointment at the forthcoming Annual General Meeting.

**Small Company Rules**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. It was approved by the Board and signed on its behalf.

This report was approved on 7 February 2023 and signed on its behalf by:

**C Ferguson**
Chair of the Board of Trustees

# NUS Students' Union Charitable Services

## Statement of Trustees' Responsibilities in respect of the Trustees' report and the financial statements

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

Company law requires the Trustees to prepare financial statements for each financial period. Under that law they have are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the excess of expenditure over income for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently; and
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charitable Company and to prevent and detect fraud and other irregularities.

# NUS Students' Union Charitable Services

## Independent Auditor's Report to the Members of NUS Students' Union Charitable Services

### Opinion

We have audited the financial statements of NUS Students' Union Charitable Services (the 'charity') for the year ended 30 June 2022 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies of the charity and its subsidiaries (the "group"). The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting. Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 30 June 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

## Independent Auditor's Report to the Members of NUS Students' Union Charitable Services (continued)

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

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

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

# Independent Auditor's Report to the Members of NUS Students' Union Charitable Services (continued)

**Extent to which the audit was considered capable of identifying irregularities, including fraud**

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the Trustees and other management, and from inspection of the charity's regulatory and legal correspondence. We discussed with the Trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The charitable company and its subsidiaries are subject to laws and regulations that directly affect the financial statements including company law, charity law, financial reporting legislation, pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising safeguarding, environmental, health and safety and employment legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the group and the parent charitable company to commit fraud. Our risk assessment procedures included: enquiry of Trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud, reading Board minutes and considering performance targets and incentive schemes in place for management. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:

- income recognition and in particular completeness, the risk that income is recognised in the wrong reporting period, or that restricted income is incorrectly recognised within unrestricted income; and
- subjective accounting estimates.

Fraud risks arise due to a potential desire to present results in a differing light to meet management objectives. As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:

- identifying and testing high risk journal entries through vouching the entries to supporting documentation; and
- assessing significant accounting estimates for bias; and
- testing the recognition of income and in particular that it was recognised in the correct period and any restrictions recognised.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# NUS Students' Union Charitable Services

## Independent Auditor's Report to the Members of NUS Students' Union Charitable Services (continued)

**Use of our report**

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services Limited

14/02/2023

**Jessica Lawrence (Senior Statutory Auditor)**
**For and on behalf of Azets Audit Services Limited**

**Chartered Accountants**
**Statutory Auditor**

33 Park Place
Leeds
LS1 2RY

# NUS Students' Union Charitable Services

## Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 30 June 2022

| | Notes | Unrestricted funds £ | Restricted funds £ | Total funds 2022 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2021 As restated £ |
|---|---|---|---|---|---|---|---|
| ***Income from:*** | | | | | | | |
| Donations and legacies | **3** | - | 447,671 | 447,671 | 199,841 | 320,900 | 520,741 |
| Charitable activities | **4** | 228,360 | - | 228,360 | 127,243 | - | 127,243 |
| Other Income | **5** | 643,850 | - | 643,850 | 599,565 | - | 599,565 |
| Trading income | **6** | 2,194,026 | - | 2,194,026 | 1,489,590 | - | 1,489,590 |
| ***Total income*** | | 3,066,236 | 447,671 | 3,513,907 | 2,416,239 | 320,900 | 2,737,139 |
| ***Expenditure on:*** | | | | | | | |
| Charitable activities | **7** | 1,666,989 | 452,571 | 2,119,560 | 1,034,533 | 507,119 | 1,541,652 |
| Trading expenditure | | 1,343,192 | - | 1,343,192 | 1,040,005 | - | 1,227,054 |
| Interest costs | | 47,963 | - | 47,963 | 62,293 | - | 62,293 |
| **Total expenditure** | | 3,058,144 | 452,571 | 3,510,715 | 2,136,831 | 507,119 | 2,643,950 |
| Net income / (expenditure) before other recognised gains | | 8,092 | (4,900) | 3,192 | 279,408 | (186,219) | 93,189 |
| Actuarial gain on defined benefit pension scheme | **18** | 475,069 | - | 475,069 | - | - | - |
| Tax in respect of trading | **9** | (593,635) | - | (593,635) | (3,631) | - | (3,631) |
| **Net movement in funds** | | (110,474) | (4,900) | (115,374) | 275,777 | (186,219) | 89,558 |
| Funds brought forward | | 3,899,295 | 13,881 | 3,913,176 | 3,623,518 | 200,100 | 3,823,618 |
| **Funds carried forward** | | 3,788,821 | 8,981 | 3,797,802 | 3,899,295 | 13,881 | 3,913,176 |

The notes on pages 22 to 40 form part of these Financial Statements.

All income and expenditure derive from continuing activities.

There were no recognised gains and losses for the year to 30 June 2022 and for the year to 30 June 2021 other than those in the statement of financial activities.

The statement of financial activities also complies with the requirements for an income and expenditure accounts under the Companies Act 2006.

# NUS Students' Union Charitable Services

## Consolidated Balance Sheet as at 30 June 2022

| | Notes | 2022 | | 2021 As restated | |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Fixed Assets** | | | | | |
| Intangible assets | **11** | | 16,608 | | 68,271 |
| Tangible assets | **12** | | 167,555 | | 220,233 |
| Investments | **13** | | 20 | | 20 |
| | | | 184,183 | | 288,524 |
| **Current Assets** | | | | | |
| Stock | | 1,317 | | 2,342 | |
| Debtors | **14** | 1,673,899 | | 1,408,709 | |
| Cash at bank and in hand | | 7,270,383 | | 7,560,381 | |
| | | 8,945,599 | | 8,971,432 | |
| **Creditors** | | | | | |
| Amounts falling due within one year | **15** | (3,033,173) | | (2,437,861) | |
| **Net Current Assets** | | 5,912,426 | | 6,533,571 | |
| **Creditors** | | | | | |
| Amounts falling due in over one year | **18** | (2,298,807) | | (2,908,919) | |
| **Total net assets** | | | 3,797,802 | | 3,913,176 |
| **Funds** | | | | | |
| Restricted funds | **20** | | 8,981 | | 13,881 |
| Unrestricted funds | | | 7,093 | | 342,636 |
| **Total charity funds** | | | 16,074 | | 356,517 |
| Trading funds – majority interest | | | 3,602,326 | | 3,391,015 |
| Trading funds – minority interest | | | 179,402 | | 165,644 |
| **Total trading funds** | | | 3,781,728 | | 3,556,659 |
| **Total Funds** | **20, 21** | | 3,797,802 | | 3,913,176 |

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006. However, an audit is required in accordance with section 144 of the Charities Act 2011. 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 to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 7 February 2023 and signed on their behalf by:

**C Ferguson**
Chair of the Board of Trustees

Company number: 07509468

# NUS Students' Union Charitable Services

## Charitable Company Balance Sheet as at 30 June 2022

| | Notes | 2022 £ | 2022 £ | 2021 £ | 2021 £ |
|---|---|---|---|---|---|
| **Fixed Assets** | | | | | |
| Intangible assets | **11** | | 16,608 | | 68,271 |
| Tangible assets | **12** | | 167,555 | | 220,233 |
| Investments | **13** | | 277,460 | | 277,460 |
| | | | 461,623 | | 565,964 |
| **Current Assets** | | | | | |
| Debtors | **14** | 1,263,393 | | 379,932 | |
| Cash at bank and in hand | | 3,054,289 | | 3,064,262 | |
| | | 4,317,682 | | 3,444,194 | |
| **Creditors** | | | | | |
| Amounts falling due within one year | **15** | (4,007,665) | | (3,653,641) | |
| **Net Current assets/(liabilities)** | | | 310,017 | | (209,477) |
| **Total net assets** | | | 771,640 | | 356,517 |
| | | | | | |
| **Charity Funds** | | | | | |
| Restricted funds | | | 8,981 | | 13,881 |
| Unrestricted funds | | | 762,659 | | 342,636 |
| **Total Funds** | | | 771,640 | | 356,517 |

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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 to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 7 February 2023 and signed on their behalf by:

**C Ferguson**
Chair of the Board of Trustees

Company number: 07509468

# NUS Students' Union Charitable Services

## Consolidated Statement of Cash Flows for the year ended 30 June 2022

| | Notes | 2022 £ | 2021 As restated £ |
|---|---|---|---|
| **Cash flows from operating activities** | **22** | (287,248) | 872,142 |
| **Cash flows from investing activities** | | | |
| Purchase of fixed assets | | (2,750) | - |
| **Net cash (used in) investing activities** | | (2,750) | - |
| **Change in cash and cash equivalents in the year** | | (289,998) | 872,142 |
| Cash and cash equivalents at the beginning of the year | | 7,560,381 | 6,688,239 |
| **Cash and cash equivalents at the end of the year** | | 7,270,383 | 7,560,381 |

# NUS Students' Union Charitable Services

## Notes to the Financial Statements for the year ended 30 June 2022

### 1. Accounting polices

### Charity information

The Charity is a company limited by guarantee with company registration number 07509468 and charity number 1140142 incorporated and registered in England and Wales. The registered office of the Charity is Ian King House, Snape Road, Macclesfield, Cheshire, SK10 2NZ.

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

The sole corporate member of the charitable company is the National Union of Students (United Kingdom) and the results of NUS Students' Union Charitable Services are included in the consolidated financial statements of National Union of Students (United Kingdom) and are publicly available from Companies House, Crown Way, Cardiff CF14 3UZ.

### Basis of consolidation

These statutory accounts consolidate the activities of NUS Students Union Charitable Services, Student Discount Cards Limited, NUS holdings Limited and NUS Services Limited. The charitable company acquired the entire share capital of NUS Services on 30 June 2020 as part of a wider restructure, although the group was significantly restructured there was no change in overall ownership of either of these consolidated entities. Accordingly this consolidation has applied merger accounting rather than acquisition accounting, which is considered to most accurately portray the substance of the group reorganisation.

### Accounting convention

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.

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

The Financial Statements are prepared in sterling, which is the financial currency of the Charity. Monetary amounts in these Financial Statements are rounded to the nearest £1.

### Going concern

The directors prepare annual budgets and forecasts in order to ensure that they have sufficient facilities in place and that they comply with the terms and conditions of the bank facilities. In addition, the Board in formulating its plan and strategy for the future development of the business has considered a period beyond that for which formal budgets and forecasts are prepared. At its meeting in Spring 2021, the Board considered a three year financial forecast which modelled the possible impact of the pandemic on the group's activities up to June 2024. The model identified that there were two significant risks – Unions' ability to pay their membership contributions, and the level of on-campus trade impacted on the revenues generated through the purchasing consortium.

The Board took a view that of these risks, the impact on the purchasing consortium income would be the most significant, and may require further monitoring and adjustments to the business model during 2021/22. An update on the financial model will be considered at each Board meeting during 2021/22 in order for further mitigating action to be taken to maintain the overall financial strategy of the group.

## Notes to the Financial Statements for the year ended 30 June 2022 (continued)

In forming their assessment of going concern, the Trustees have considered the impacts of the independent investigation by Rebecca Tuck (KC) noted on page 8.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

**Accounting policies (continued)**

Having regard to the above, the Trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

**Income**

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

Income from Government and other grants is recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably and not deferred.

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

The Charity also benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with Charities SORP, the economic contribution of general volunteers is not recognised in the accounts.

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

All expenditure is inclusive of irrecoverable VAT.

**Pension Costs**

The charity operates a defined contribution scheme for the employees of the Group. Contributions are charged as an expense to the Statement of Financial Activities in the period in which they fall due.

NUS Services operates a multi-employer defined benefit scheme. The scheme is now closed to new admissions. The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

## Notes to the Financial Statements for the year ended 30 June 2022 (continued)

**Accounting policies (continued)**

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

**Intangible assets and amortisation**

Intangible assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

| | |
|---|---|
| Website development | 20 % straight line |

**Tangible fixed assets and depreciation**

Tangible fixed assets 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 basis:

| | |
|---|---|
| Leasehold Improvements | 20% straight line |
| Fixtures and fittings | 20% straight line |

# Notes to the Financial Statements for the year ended 30 June 2022 (continued)

**Accounting policies (continued)**

**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 gain/(loss) on disposal of investments in the Statement of Financial Activities.

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

**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.

**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.

**Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the group 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 Statement of financial activities as a finance cost.

**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.

**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 Charity 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 Charity 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.

# Notes to the Financial Statements for the year ended 30 June 2022 (continued)

**Accounting policies (continued)**

**Taxation**

NUS Students' Union Charitable Services is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, the Charity is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

Its trading subsidiaries are liable to corporation tax on chargeable profits. Current tax, including UK Corporation and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date. The charity's trading subsidiaries take advantage of gift aid provisions. As all profits arising in the trading subsidiaries were gift aided to NUS Students' Union Charitable Services in both the current and prior financial year no corporation tax arises.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**2. Critical accounting estimates and judgements**

In the application of the group's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

**Multi-employer defined benefit pension scheme**

The Group participated in the Student Union Superannuation Scheme, a multi-employer defined benefit pension scheme with other Student Union organisations. In the judgment of the directors, the Group does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 18 for further details.

# Notes to the Financial Statements for the year ended 30 June 2022 (continued)

**Key sources of estimation uncertainty**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates 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 addressed below.

**Measurement of multi-employer pension liability**

The Group must measure its defined benefit obligation on a discounted present value basis. The Company must determine the rate used to discount the future payments by reference to market yields at the reporting date on high quality corporate bonds. The currency and term of the corporate bonds or government bonds shall be consistent with the currency and estimated period of the future payments.

**Recoverability of debtors**

The group establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the trustees have considered factors such as the aging of the receivables, past experience of recoverability and credit profile.

**3. Grants, donations and legacies**

| | 2022<br>£ | 2021<br>As restated<br>£ |
|---|---|---|
| Grants and donations | 447,671 | 520,741 |

Donations totalling £447,671 (2021 - £320,900) were restricted.

Included within grants, donations and legacies is amounts recognised in relation to the Coronavirus Job Retention Scheme totalling £nil (2021 - £199,841).

**4. Income from charitable activities**

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Events and conferences | 130,265 | 80,455 |
| HR support unit | 98,095 | 46,788 |
| | 228,360 | 127,243 |

All income from charitable activities in the current and prior year was unrestricted.

# Notes to the Financial Statements for the year ended 30 June 2022 (continued)

## 5. Other income

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Membership | 548,132 | 515,389 |
| Surveys | 64,400 | 47,844 |
| Other | 31,318 | 36,332 |
| | 643,850 | 599,565 |

All other income in the current and prior year was unrestricted.

## 6. Trading income

| | 2022<br>£ | 2021<br>As restated<br>£ |
|---|---|---|
| Trading support | 2,194,026 | 1,480,835 |
| Sales of goods | - | 8,755 |
| | 2,194,026 | 1,489,590 |

All trading income in the current and prior year was unrestricted.

## 7. Analysis of expenditure by charitable activities

| | Events 2022<br>£ | Other 2022<br>£ | Support Costs 2022<br>£ | Total 2022<br>£ |
|---|---|---|---|---|
| Staff costs | - | 909,543 | 257,128 | 1,166,671 |
| Legal and professional | - | 410,159 | 127,617 | 537,776 |
| Bad debt | - | 174,480 | - | 174,480 |
| Venue costs | 17,801 | 145,120 | - | 162,921 |
| Travel and subsistence | 291 | 29,006 | 260 | 29,557 |
| Printing and stationery | - | (176) | 854 | 678 |
| Recharges | - | (651,365) | (167,799) | (819,164) |
| Sundry | 109 | 173,849 | 66,458 | 240,416 |
| Marketing | - | 30,036 | 3,930 | 33,966 |
| Recruitment and training | - | 145,740 | 5,810 | 151,550 |
| IT costs | - | 43,695 | 183,162 | 226,857 |
| Subscriptions | 4,507 | 43,331 | 58,923 | 106,761 |
| Amortisation | - | 17,290 | 34,373 | 51,663 |
| Depreciation | - | 55,428 | - | 55,428 |
| | 22,708 | 1,526,136 | 570,716 | 2,119,560 |

# Notes to the Financial Statements for the year ended 30 June 2022 (continued)

### 7. Analysis of expenditure by activities (continued)

| | Events 2021 £ | Other 2021 £ | Support Costs 2021 £ | Total 2021 £ |
|---|---|---|---|---|
| Staff costs | - | 910,745 | 257,691 | 1,168,436 |
| Legal and professional | 1,875 | 271,039 | 79,176 | 352,090 |
| Venue costs | 180 | 206,373 | - | 206,553 |
| Travel and subsistence | - | 526 | - | 526 |
| Printing and stationery | 5 | (992) | 1,009 | 22 |
| Recharges | - | (638,116) | (188,614) | (826,730) |
| Sundry | 314 | 5,359 | 9,717 | 15,390 |
| Marketing | 14,468 | 4,300 | 1,245 | 20,013 |
| Recruitment and training | - | 34,858 | 1,108 | 35,966 |
| IT costs | - | 12,688 | 184,182 | 196,870 |
| Subscriptions | 3,422 | 30,748 | 137,828 | 171,998 |
| Grants | - | 264,565 | - | 264,565 |
| Amortisation | - | 21,876 | 103,286 | 125,162 |
| Depreciation | - | 55,642 | - | 55,642 |
| Exceptional | - | (244,851) | - | (244,851) |
| | 20,264 | 934,760 | 586,628 | 1,541,652 |

### 8. Net income/(expenditure) for the year

**This is stated after charging:**

| | 2022 £ | 2021 £ |
|---|---|---|
| **Auditors' remuneration:** | | |
| Audit fees | 16,775 | 16,200 |
| Accountancy fees | 9,415 | 6,200 |
| Depreciation and amortisation | 107,091 | 180,804 |

# Notes to the Financial Statements for the year ended 30 June 2022 (continued)

## 9. Taxation

| | 2022<br>£ | 2021<br>As restated<br>£ |
|---|---|---|
| **Corporation tax** | | |
| Current tax on profits for the year | - | - |
| Adjustments in respect of previous periods | (6,365) | (93,013) |
| **Total current tax** | (6,365) | (93,013) |
| **Deferred tax** | | |
| Origination and reversal of timing difference | 600,000 | 96,644 |
| **Total deferred tax** | 600,000 | 96,644 |
| **Taxation on profit on ordinary activities** | 593,635 | 3,631 |

### Factors affecting tax charge for the year

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

| | 2022<br>£ | 2021<br>£<br>As restated |
|---|---|---|
| Profit on ordinary activities before tax | 3,192 | 93,189 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%) | 606 | 17,706 |
| **Effects of:** | | |
| Deferred tax adjustment (Note 17) | 600,000 | 96,644 |
| Non-taxable income less expenses not deductible for tax purposes | (93,977) | 8,535 |
| Adjustment in relation to previous periods | 80,890 | (93,013) |
| Other adjustments | 6,116 | (26,241) |
| **Total tax charge for the year** | 593,635 | 3,631 |

The adjustment in respect of prior periods relates to the enacting of a deed of covenant. See note 17 for further detail.

# Notes to the Financial Statements for the year ended 30 June 2022 (continued)

### 10. Information regarding trustees and employees

| | 2022 £ | 2021 £ |
|---|---|---|
| **Staff costs comprise:** | | |
| Wages and salaries | 1,480,401 | 1,544,805 |
| Social security costs | 134,658 | 139,434 |
| Pension costs | 92,176 | 104,080 |
| | 1,707,235 | 1,788,319 |

The average monthly head count during the year was as follows:

| | 2022 £ | 2021 £ |
|---|---|---|
| Management | 4 | 4 |
| Administration | 45 | 38 |
| | 49 | 42 |

The number of employees who received employee benefits during the year in excess of £60,000, classified within bands of £10,000 is:

| | 2022 £ | 2021 £ |
|---|---|---|
| £100,001 - £110,000 | 1 | 1 |

The key management personnel of the Charity comprise the senior management team as disclosed in the Charity Information on Page 1. The total employee benefits of the key management personnel of the Charity, which encompasses 4 individuals were £265,475 (2021: £228,494).

During the year, no Trustees received any remuneration or other benefits (2021 - £nil).

During the year ended 30 June 2022, no Trustee expenses have been incurred (2021 - £nil).

### 11. Intangible assets - group and charity

| | Website Development £ |
|---|---|
| **Cost** | |
| At 1 July 2021 and 30 June 2022 | 242,939 |
| **Amortisation** | |
| At 1 July 2021 | 174,668 |
| Charge for the year | 51,663 |
| At 30 June 2021 | 226,331 |
| **Net book value** | |
| At 30 June 2022 | 16,608 |
| At 30 June 2021 | 68,271 |

# Notes to the Financial Statements for the year ended 30 June 2022 (continued)

### 12. Tangible fixed assets - group and charity

| | Leasehold Improvements £ | Fixtures and Fittings £ | Total £ |
|---|---|---|---|
| **Cost** | | | |
| At 1 July 2021 | 221,655 | 54,220 | 275,875 |
| Additions | - | 2,750 | 2,750 |
| At 30 June 2022 | 221,655 | 56,970 | 278,625 |
| **Depreciation** | | | |
| At 1 July2021 | 44,066 | 11,576 | 55,642 |
| Charge for the year | 44,066 | 11,362 | 55,428 |
| At 30 June 2022 | 88,132 | 22,938 | 111,070 |
| **Net book value** | | | |
| At 30 June 2022 | 133,523 | 34,032 | 167,555 |
| At 30 June 2021 | 177,589 | 42,644 | 220,233 |

### 13. Fixed asset investments

**Group**

| | Investments in Associate Companies £ |
|---|---|
| **Cost or valuation** | |
| At 1 July 2021 and 30 June 2022 | 20 |
| **Charity** | |
| **Net book value** | |
| At 1 July 2021 and 30 June 2022 | 277,460 |

The balance of £277,460 represents the charity investment in NUS Services Limited.

**Subsidiaries**

The following were subsidiary undertakings of the Charity:

| Name | Company Number | Principal Activity |
|---|---|---|
| NUS Services Limited | 01639519 | Wholesale |
| NUS Holdings Limited | 01158893 | Dormant company |
| Student Discount Cards Limited | 08873775 | Discount cards |

| Class of Shares | Class of Shares | Holding |
|---|---|---|
| NUS Services Limited | Ordinary A and B shares | 97% |
| NUS Holdings Limited | Ordinary shares | 97% (held indirectly) |
| Student Discount Cards Limited | Ordinary A and B shares | 100% |

The financial results of the subsidiaries were:

**2022**

| Name | Income and gains £ | Expenditure £ | Profit/(Loss) £ | Net Assets/ (Liabilities) £ |
|---|---|---|---|---|
| NUS Services Limited | 2,556,577 | (1,855,551) | 701,026 | 3,124,548 |
| NUS Holdings Limited | - | (2,195) | (2,195) | 179,074 |
| Student Discount Cards Limited | 112,520 | (144,735) | (32,215) | 12,461 |

**2021**

| Name | Income £ | Expenditure £ | Profit/(Loss) £ | Net Assets/ (Liabilities) £ |
|---|---|---|---|---|
| NUS Services Limited | 6,739,644 | (979,897) | 5,759,747 | 3,638,326 |
| NUS Holdings Limited | 8,755 | (12,501) | (3,746) | 181,269 |
| Student Discount Cards Limited | 74,048 | (113,531) | (39,483) | 44,676 |

### 14. Debtors

| | Group | | Charity | |
|---|---|---|---|---|
| | 2022 £ | 2021 As restated £ | 2022 £ | 2021 £ |
| Trade debtors | 1,183,517 | 527,749 | 66,593 | 196,307 |
| Amounts owed by group undertakings | 230,925 | 1,326 | 986,491 | 1,326 |
| Other Debtors | 47,620 | 91,890 | - | - |
| Other taxation and social security | 65,819 | 59,514 | 65,819 | 54,069 |
| Deferred taxation (Note 16) | - | 600,000 | - | - |
| Prepayments and accrued income | 146,018 | 128,230 | 144,489 | 128,230 |
| | 1,673,899 | 1,408,709 | 1,263,393 | 379,932 |

### 15. Creditors: amounts falling due within one year

| | Group | | Charity | |
|---|---|---|---|---|
| | 2022 £ | 2021 As restated £ | 2022 £ | 2021 £ |
| Trade creditors | 500,628 | 365,150 | 244,026 | 201,375 |
| Amounts owed to group undertakings | - | 71,230 | 3,366,690 | 3,169,575 |
| Other taxation and social security | 191,497 | 78,639 | 37,554 | 34,529 |
| Other creditors | 2,122,919 | 1,795,654 | 141,266 | 129,333 |
| Deferred income (Note 17) | 96,100 | - | 96,100 | - |
| Accruals | 122,029 | 127,188 | 122,029 | 118,829 |
| | 3,033,173 | 2,437,861 | 4,007,665 | 3,653,641 |

# Notes to the Financial Statements for the year ended 30 June 2022 (continued)

## 16. Deferred Income

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| At 1 July 2021 | - | - |
| Amount released to income | - | - |
| Amount deferred in the year | 96,100 | - |
| At 30 June 2022 | 96,100 | - |

## 17. Deferred taxation

**Group**

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| At beginning of year | 600,000 | 696,644 |
| Charged to profit or loss | (600,000) | (96,644) |
| **At end of year** | - | 600,000 |

| | Group<br>2022<br>£ | Group<br>2021<br>£ |
|---|---|---|
| Pension deficit | - | 600,000 |

During the year, NUS Services Limited enacted a deed of covenant which dictates that all taxable profits are gift aided to NUS Students' Union Charitable Services. As such, the deferred tax asset recognised in previous periods in respect of the pension deficit has been released.

## 18. Creditors: amounts falling due over more than one year (pension commitments)

**Defined contribution scheme**

The NUS Students' Union Charitable Services and NUS Services Limited participate in a defined contribution pension scheme where the employer contributes either 3% or 6% of salary depending upon each member's level of contribution.

The assets of the scheme are held separately from those of each employer in an independently administer fund. The pension costs charge represents contribution payable by the Group to the fund and amounted to £92,176 (2021 - £104,080). Contributions totalling £17,750 (2021 - £nil) were payable to the fund at the balance sheet date.

**Multi-employer scheme**

NUS Services Limited offered membership of Student's Union Superannuation Scheme ("SUSS"), a defined benefit pension scheme, to all employees until 30 September 2011, at which point the scheme closed to future accrual.

# Notes to the Financial Statements for the year ended 30 June 2022 (continued)

**18. Creditors: amounts falling due over more than one year (continued)**

The Scheme is subject to a revaluation every three years with the last valuation being performed in June 2019. The 2016 valuation recommended a monthly contribution requirement by each employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 17 years and will increase by at least 5% each year. This showed an increased funding deficit of around £120m shared between 69 employers.

This represents an increase of c.£47m in the deficit in comparison to the 2013 valuation and resulted in increased contributions from October 2017 onwards. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme.

Following the 2019 triennial revaluation, which also reflected the outcome from the previously identified '7% pension increase' issue affecting some members within the scheme, the Trustees of SUSS concluded that it would be necessary to increase contributions to clear the deficit over the next 15 years. Those Unions with members directly affected by the pension increase issue would be required to pay a greater contribution to the scheme deficit. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

During the year the Company was made aware of a possible increase in SUSS's pension deficit. This will not impact the Company until a revised deficit funding contribution schedule has been agreed, which will be following the next triennial valuation of the scheme.

Under FRS102 the multi-employer pension liability has been calculated based on the assumptions of the above expected deficit payments using a discount rate of 3.7% (2021 - 1.5%):

**SUSS Pension scheme (group)**

| **Present value of provision** | **2022** **£** | **2021** **£** |
|---|---|---|
| SUSS Pension scheme | 2,481,795 | 3,081,487 |
| **Shown as:** | | |
| Creditors: amounts falling due within one year | 182,988 | 172,568 |
| Creditors: amounts falling due on more than one year | 2,298,807 | 2,908,919 |
| | 2,481,795 | 3,081,487 |

| **Reconciliation of opening and closing provision** | **2022** **£** |
|---|---|
| Provision as at 30 June 2021 | 3,081,487 |
| Unwinding of discount factor | 47,982 |
| Deficit contributions paid | (172,587) |
| Movement in net present value calculation | (475,069) |
| **Closing provision as at 30 June 2022** | **2,481,813** |

# Notes to the Financial Statements for the year ended 30 June 2022 (continued)

### 18. Creditors: amounts falling due over more than one year (continued)

The following schedule details the deficit contributions agreed between the company and the scheme to settle the company share of the deficit:

| Start | End | Year | Annual Increase | Annual contributions | Monthly Payment |
|---|---|---|---|---|---|
| Jul-22 | Oct-22 | 2021 | 8% | 59,028 | 14,757 |
| Nov-22 | Oct-23 | 2022 | 5% | 185,938 | 15,495 |
| Nov-23 | Oct-24 | 2023 | 5% | 195,235 | 16,270 |
| Nov-24 | Oct-25 | 2024 | 5% | 204,997 | 17,083 |
| Nov-25 | Oct-26 | 2025 | 5% | 215,246 | 17,937 |
| Nov-26 | Oct-27 | 2026 | 5% | 226,009 | 18,834 |
| Nov-27 | Oct-28 | 2027 | 5% | 237,309 | 19,776 |
| Nov-28 | Oct-29 | 2028 | 5% | 249,175 | 20,765 |
| Nov-29 | Oct-30 | 2029 | 5% | 261,633 | 21,803 |
| Nov-30 | Oct-31 | 2030 | 5% | 274,715 | 22,893 |
| Nov-31 | Oct-32 | 2031 | 5% | 288,451 | 24,038 |
| Nov-32 | Oct-33 | 2032 | 5% | 302,873 | 25,239 |
| Nov-33 | Oct-34 | 2033 | 5% | 318,017 | 26,501 |
| Nov-34 | Oct-35 | 2034 | 5% | 333,918 | 27,826 |

**Assumptions**

| | 2022 % | 2021 % | 2020 % |
|---|---|---|---|
| Rate of discount | 3.70 | 1.50 | 1.50 |

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

### 19. Commitments

As at 30 June 2022 the charity had total commitments under non-cancellable operating leases as follows:

| | 2022 £ | 2021 £ |
|---|---|---|
| Expiry date: | | |
| Within one year | 144,664 | 70,532 |
| Between one and five years | 164,564 | 152,814 |
| | 309,228 | 223,346 |

# NUS Students' Union Charitable Services

## Notes to the Financial Statements for the year ended 30 June 2022 (continued)

**20. Statement of funds**

**Statement of funds - current year (Group)**

| | Balance at 30 June 2021 £ | Income £ | Expenditure £ | Gains £ | Transfers in/out £ | Balance at 30 June 2022 £ |
|---|---|---|---|---|---|---|
| **Unrestricted funds:** | | | | | | |
| **Designated funds** | | | | | | |
| 100 year anniversary | 100,000 | - | - | - | (100,000) | - |
| **General funds** | | | | | | |
| General funds – all funds | 3,799,295 | 3,066,236 | (3,651,779) | 475,069 | 100,000 | 3,788,821 |
| **Total Unrestricted funds** | 3,899,295 | 3,066,236 | (3,651,779) | 475,069 | - | 3,788,821 |
| **Restricted funds:** | | | | | | |
| Horizon | - | 22,080 | (22,080) | - | - | - |
| Spirit of AMSU | 8,981 | - | - | | - | 8,981 |
| Scottish Funding Council | - | 205,271 | (205,271) | - | - | - |
| Student Mental Health | - | 84,820 | (84,820) | - | - | - |
| NUS Wales Effective SU's | - | 60,000 | (60,000) | - | - | - |
| Apprentice funding | 4,900 | 75,500 | (80,400) | - | - | - |
| | 13,881 | 447,671 | (452,571) | - | - | 8,981 |
| **Total of funds** | 3,913,176 | 3,513,907 | (4,104,350) | 475,069 | - | 3,797,802 |

**Horizon -** EU funding for energy efficiency

**Spirit of AMSU (Association for Managers in Students' Unions) –** The residual funds of AMSU left over when it merged with the NUS Charity. The fund exists to support initiatives developed by and for staff members in Students' Unions.

**Scottish Funding Council –** A fund to support a programme of development for students' associations across Scottish colleges.

**Student Mental Health –** A fund to develop mental health support for students across Scottish further and higher education institutions.

**NUS Wales Effective Sus –** A fund to enable NUS to build and support strong and effective students' unions across Welsh higher education institutions.

**Apprentice funding –** Donation received from One Voice Digital Limited to support the Apprenticeship programme.

### 20. Statement of funds (continued)

**Statement of funds – prior year**
**Group**

| | Balance at 30 June 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 30 June 2021 £ |
|---|---|---|---|---|---|
| **Unrestricted funds:** | | | | | |
| **Designated funds** | | | | | |
| 100 year anniversary | 100,000 | - | - | - | 100,000 |
| **General funds** | | | | | |
| General funds – all funds | 3,523,518 | 2,416,239 | (2,140,462) | - | 3,799,295 |
| **Total Unrestricted funds** | 3,623,518 | 2,416,239 | (2,140,462) | - | 3,899,295 |
| **Restricted funds:** | | | | | |
| Apprentice cards | 191,119 | - | (191,119) | - | - |
| Spirit of AMSU | 8,981 | - | - | - | 8,981 |
| Scottish Funding Council | | 188,208 | (188,208) | - | - |
| Student Mental Health | | 87,792 | (87,792) | - | - |
| NUS Wales Effective SU's | | 40,000 | (40,000) | - | - |
| Apprentice funding | | 4,900 | - | - | 4,900 |
| | 200,100 | 320,900 | (507,119) | - | 13,881 |
| **Total of funds** | 3,823,618 | 2,737,139 | (2,647,581) | - | 3,913,176 |

### 21. Analysis of net assets between funds

**Analysis of net assets between funds (Group) - current period**

| | Unrestricted Funds 2022 £ | Restricted 2022 £ | Total Funds 2022 £ |
|---|---|---|---|
| | | - | |
| Tangible fixed assets | 167,555 | - | 167,555 |
| Intangible fixed assets | 16,608 | - | 16,608 |
| Investments | 20 | - | 20 |
| Current assets | 8,936,618 | 8,981 | 8,945,599 |
| Creditors due within one year | (3,033,173) | - | (3,033,173) |
| Creditors due after one year | (2,298,807) | - | (2,298,807) |
| **Total** | 3,788,821 | 8,981 | 3,797,802 |

# Notes to the Financial Statements for the year ended 30 June 2022 (continued)

### 21. Analysis of net assets between funds (continued)

**Analysis of net assets between funds (Group) - prior period**

| | Unrestricted Funds 2021 £ | Restricted 2021 £ | Total Funds 2021 £ |
|---|---|---|---|
| | | - | |
| Tangible fixed assets | 220,233 | - | 220,233 |
| Intangible fixed assets | 68,271 | - | 68,271 |
| Investments | 20 | - | 20 |
| Current assets | 8,957,551 | 13,881 | 8,971,432 |
| Creditors due within one year | (2,437,861) | - | (2,437,861) |
| Creditors due after one year | (2,908,919) | | (2,908,919) |
| **Total** | 3,899,295 | 13,881 | 3,913,176 |

### 22. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2022 £ | 2021 £ |
|---|---|---|
| Net income for the year | (115,374) | 89,558 |
| | | |
| **Adjustments:** | | |
| Depreciation and amortisation charges | 107,091 | 180,803 |
| Decrease in stock | 1,025 | - |
| (Increase) / decrease in debtors | (265,190) | 4,211,497 |
| (Decrease) in creditors | (14,800) | (3,609,716) |
| **Net cash (used in) / provided by operating activities** | (287,248) | 872,142 |

The charity had no debt in the current or previous financial year.

### 23. Deficit of the parent charitable company

As required to be disclosed by Section 408 of the Companies Act 2006 the surplus of the parent charitable company for the year was £415,123 (2021: deficit of £425,002).

### 24. Controlling party

The National Union of Students (United Kingdom) is the effective parent undertaking due to its control over the Board of Trustees of the Charity.

The National Union of Students (United Kingdom) is the smallest and largest organisation producing consolidated accounts including the financial statements of the Charity. The consolidated statements are publicly available from Companies House (Company Number 08015198).

### 25. Related Party Transactions

**OneVoice Digital Limited**
NUS Services owns 20% of the share capital of OneVoice Digital Limited.

In 2018, NUS Services entered into a £2m Loan Facility agreement to OneVoice. As at June 2019 it was assessed by management that the Loan Facility agreement was irrecoverable and a full impairment of £2m was recognised in the year to 30 June 2019. This is still the case in the year ended 30 June 2022.

During the year, the group made sales of £225,836 (2021: £44,264) and had purchases of £1,234,678 (2021: £170,570) from OneVoice Digital Limited. As at year end £277,768 (2021: £233,007) was owed by OneVoice Digital Limited to the group.

# Notes to the Financial Statements for the year ended 30 June 2022 (continued)

### 26. Prior period adjustment

In preparing these financial statements, retrospective shareholding information was brought to light which lead to the restatement of the year ended 30 June 2021. The impact of such prior period adjustment is as follows:

| | Group 2021 £ | Group Adjustment £ | Group 2021 As restated £ |
|---|---|---|---|
| Total trading funds | 3,378,490 | 16,525 | 3,393,015 |
| Stock | - | 2,342 | 2,342 |
| Debtors: amounts falling due within one year | 1,437,582 | (28,873) | 1,408,709 |
| Cash at bank and in hand | 7,487,613 | 72,768 | 7,560,381 |
| Creditors: amounts falling due within one year | (2,406,129) | (31,732) | (2,437,861) |

**NUS STUDENTS' UNION CHARITABLE SERVICES**

England & Wales - Charity number 1140142

# Accounts

**Charity Number: 1140142**

**Company Number: 07509468**

# NUS Students' Union Charitable Services

# (A Company Limited by Guarantee)

# Trustees' Report and Financial Statements

# for the year ended 30 June 2021

# NUS Students' Union Charitable Services

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# NUS Students' Union Charitable Services

## Charity Information

| | | |
|---|---|---|
| **Trustees** | C Hind | (appointed 1 July 2020) |
| | G Hughes | (appointed 8 July 2020) |
| | Y Joondan | (appointed 8 July 2020, resigned 30 June 2021) |
| | S Kerton | (appointed 1 July 2020) |
| | RN Smith | (appointed 8 July 2020, resigned 30 June 2021) |
| | A Wilson | (appointed 1 July 2020) |
| | PM Chapman | (appointed 1 July 2020) |
| | D Ormerod | |
| | M Crilly | (appointed 30 July 2020) |
| | S Elmegri | (appointed 30 July 2020) |
| | L Kennedy | (appointed 30 July 2020) |
| | R Ricketts | (appointed 30 July 2020) |
| | M Nembhard | (appointed 1 July 2021) |
| | A Wilson | (appointed 1 July 2021) |

| | |
|---|---|
| **Company Secretary** | Counterculture Partnership LLP |
| **Principal staff** | P Robertson (Charity Director)<br>D Keen<br>S Harris<br>J Beer |
| **Charity number** | 1140142 |
| **Company number** | 07509468 |
| **Principal and registered office** | Ian King House<br>Snape Road<br>Macclesfield<br>Cheshire<br>SK10 2NZ |
| **Auditor** | Garbutt & Elliott Audit Limited<br>33 Park Place<br>Leeds<br>LS1 2RY |

# NUS Students' Union Charitable Services

## Trustees' Report for the year ended 30 June 2021

The Trustees present their report, which also complies with a Directors Report for the purposes of the Companies Act 2006, with the financial statements of the charity for the year ended 30 June 2021. The Trustees have adopted the provisions of 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).

**Reference and administrative details**

The Charity Information on page 1 forms part of this report.

**Structure, governance, and management**

NUS Students' Union Charitable Services ('NUS Charitable Services' or 'the Charity') is constituted as a registered charity and a company limited by guarantee. The Charity is responsible for supporting the development of students' unions throughout the country to ensure they adequately serve their student membership. It is governed by its Articles of Association.

The Charity has provision for up to twelve members on its Board of Trustees ('the Board'):

- Four are NUS UK Member Directors appointed by the NUS UK Board.
- Four are NUS Full Time Officers who are appointed by the NUS UK Board.
- Four are Independent Charity Directors appointed by the Trustee Board.

The above trustees also serve as the company's directors and fulfil the statutory duties required of them under Company law.

The method of recruitment and appointment of trustees' is laid down in the articles and memorandum of association. Their number shall not be less than three.

The trustees have a vital role in the Charity, and we aim to attract and retain people who have commitment, experience and the necessary skills. Training for the trustees is recorded and delivered on several levels:

- There is trustee training at the beginning of each financial year, this includes external speakers delivering key elements, particularly covering statutory responsibilities
- There is a training element to each main meeting delivered in-house
- This is supplemented by attendance at regional events

NUS Students' Union Charitable Services is a charity with the ultimate decision-making power being vested in its board of trustees during the year. In addition to the board, there are two subcommittees responsible for Finance and HR designed to support the work of the Boards through specialist advice, scrutiny and oversight. These committees are shared with NUS UK and NUS Services and comprise members of each organisations' board as well as additional members to provide specialist advice on HR and Finance matters.

Members are able to influence the strategy and direction of the Charity via the annual members' meeting, which includes setting the level of membership contribution required.

Day to day management of the charity is delegated to the Charity Director following the reorganisation of the wider NUS management structure during 2019/20. The Charity Director provides regular reports to the board on progress against agreed objectives supported by the Charity senior leadership team.

**Trustee remuneration**

No Trustees, or person with a family or business connection with a Trustee, received remuneration in the period, directly or indirectly, from the Charity (2020 - £nil).

# NUS Students' Union Charitable Services

## Trustees' Report for the year ended 30 June 2021

**Remuneration Policy**

Remuneration of the members of staff is determined by the Board of Trustees. The pay structure for all employees and the level of any annual cost of living increase, takes into account appropriate benchmarks and prevailing inflation rates.

**Relationship with NUS UK**

The relationship between the charity and NUS UK is established in the governing documents of both organisations.

A governance review was concluded in 2019 with proposals for reform of the NUS entities taken to National Conference and a Company Law Meeting. The outcome was that members agreed to change

the structure of the group and reduce the number of entities within it. In 2020 Charity Trustees voted to enact these reforms, and these were also passed by the then Charity member NUS UK. The

reforms took effect as of 1 July 2020. NUS Charity continues to work with students' unions and is funded by students' unions and a gift aid donation from its subsidiary company NUS Services Limited. Students' Unions may now become members of the Charity.

**Risk Management**

The charity takes part in the wider risk management processes undertaken by the joint NUS boards to ensure consistency of management. As part of the annual business planning process, the major strategic and operational risks that the charity faces and the ways in which they are being monitored, managed and mitigated, were assessed by the trustees and the Audit and Risk Committee.

The Board has assessed the main risks facing the charity as:

- The Covid19 pandemic and its impact on members, and on the trading support activities of the charity's subsidiary,
- On-going changes in Higher Education,
- Potential government spending cuts or regulation of the Higher Education sector and their impact on students' unions,
- Continued competition from both the high street and supermarkets resulting in continuing steady decline in licensed trade sales, together with the risk of certain students' unions ceasing to run their commercial services as this may impact the donation available from NUS Services and the wider NUS Group.

**Objectives and activities**

The charity has its primary purpose as supporting the development of students' unions. Its charitable objects are:

- The promotion of the efficiency and effectiveness of charities and voluntary organisations including students' unions;
- The promotion of good citizenship;
- The advancement of education of students;
- The promotion for the benefit of the public of the conservation, protection and improvement of the environment; and
- The promotion of equality and diversity.

In pursuit of these objects the charity has established a number of services and departments for use by students' unions. These are centred around Union Development, Membership Administration, Trading Support and the provision of shared back office services between the Charity and NUS UK.

# NUS Students' Union Charitable Services

## Trustees' Report for the year ended 30 June 2021

**Performance and Achievements**

**Union Development**
**UD Campaigns**

At least 50 students' unions (SUs) have been affected by Her Majesty's Revenue & Customs' (HMRC) decision to inconsistently apply their Value Added Tax (VAT) catering concession, with some SUs being retrospectively billed for £100,000s. The current known total financial exposure to the movement is £4,182,000, however that only includes data from 26 unions – the true total is likely to be much higher. NUS Charity has led the campaign against HMRC's decision not to apply the concession in a bar or bar-like environment on the basis that SUs have evidence that this exemption was included in years past, and that no formal change of policy was ever announced by HMRC. Union Development has raised a fighting fund of £122,000 from 28 students' unions for the legal challenge headed by Bates Wells, as advised by a roundtable of 6 different VAT advisors. During 2020/21 the Charity submitted a collective complaint to HMRC and are awaiting a formal reply. Three unions have now had their VAT assessment reversed and have received an apology from HMRC. The case continues.

The Union Development team has continued to act proactively and reactively to the Westminster government's issue with campus freedom of speech. The team created several resources for unions, as well as curating and presenting the excellent existing resources already held on the issue,

encouraging unions to strengthen policies, procedures, and their relationships with institutions on this issue. Two groups have been created. One works with members, the other with stakeholders (UUK, OIA, OFS) to discuss issues as they arise. WonkHE and some SUs have produced a draft code that we will be working on with UUK. We have been invited to the Universities UK (UUK) working party and continue to engage with the Department for Education (DfE) on this matter. The issue was a government manifesto promise and an announcement on legislation was expected in the Queen's speech in May. The latest information indicates that the legislation will be a high-level bill to create a Freedom of Speech Champion but not a wide-ranging bill on the reform of SUs. The Bill has moved to committee stage and briefings and amendments have been drafted and circulated to members for them to use and submit. The NUS Vice President Higher Education gave evidence to the committee in mid-September and students' unions have already begun action mobilising with their local MPs.

**Supporting Students' Unions**

Union Development's support to SUs is funded through their membership contribution and continues to be one of the most important aspects of the Charity's work. We provide free advice on their development through an email service, 1-2-1s and through case work. There are also various projects in place to support them with key activity such as elections, governance and communities of practice.

Students' unions can ensure their elections are free and fair through the support of an independent national body, with experience of the distinctive nature of students' union elections. The Union Development team across the UK has supported the Returning Officer (Peter Robertson) in the running of the service. We returned the elections for over **113** Unions in the spring 2021 elections period. We have enhanced the Elections Support Service by supporting students' unions in collecting their candidate demographic data through the Candidate Demographics Collection Survey. This years' service is currently being analysed, and the team will be returning further autumn elections imminently.

6 students' unions are currently undertaking Quality Students' Unions verification this year, with some students' unions already signed up to the next round.

The Charity's externally funded projects in Scotland (Think Positive and Developing College Students' Associations) have been allocated funding for a further year and staff are being recruited to fulfil the project outcomes. We have entered the final year of the HEFCW funding in Wales and have launched an Officer Development Programme to deliver a well-rounded support piece to our members, free of charge.

# NUS Students' Union Charitable Services

## Trustees' Report for the year ended 30 June 2021

**Talent**

In Summer 2020 NUS Charity's flagship officer development event Lead and Change moved online for the first time due to the Covid-19 pandemic. Over 400 delegates from over 60 different Students' Unions were welcomed to the event across two weeks. Here delegates took part in three days of tutor group content alongside regional and issue-based networking, plenaries and panel discussions.

The training was redesigned to work in a virtual setting and was delivered across July and August to complement SU Officer induction periods. The new format saw Unions engage in the event who had previously not sent delegates, either due to cost or location of training.

Union Development has continued delivering the sector leading Creating Equity at Work (CEAW) and Leadership on Race Equity programmes with members, redesigning the programme to be delivered online. Over 300 delegates have been trained on CEAW this year, and the team have made some updates to the training as well as widening our delivery partners for both CEAW and Leadership on Race Equity.

The Employee Engagement Survey for Students' Unions was completed for the ninth year, and it is proving as popular as ever with over 30 SUs (plus NUS UK and Charity) running the 2021 survey (compared with 28 in 2020). The overall employee engagement score for the SU sector was 80% and we are still working with our partners Agenda Consulting and Atkinson HR Consulting on supporting students' unions in their next steps and innovative new product options.

The use of the Careers in Students' Unions service has significantly increased in the last 6 months of 2020/21. With over 600 jobs advertised during the last year it has been a busy period. The site has continued to be developed and we have created innovative and engaging content to use across social media. This has led in an increase of views, with 27,000 views being achieved in July 2021. There has been a growing trend in non-affiliated unions (10 so far) using SU.careers to advertise their roles which we hope will lead to an interest in joining the NUS family. There has also been an increase in Trustee roles being advertised since the service was made free for members.

GROW: SU Mentoring is the pilot of a new cross-SU mentoring programme that opened in January 2021. This project was scoped out and developed with the support and input of a group of 7 Students' Unions. The aim was to match around 40 staff in Students' Unions across the UK in March, ready for the mentoring relationships to begin in April. Mentoring relationships will then run for at least 6 months, with the team collecting feedback and evaluating the pilot in October/November 2021. The pilot will be coordinated at no extra cost to members by the NUS Charity team. 50 pairs have been matched and the scheme commenced in April. We are now at mid-term evaluation stage and are looking to partner with a mentoring service who will be able to administrate the service if we wish to continue it. It is hoped that the cost implication to SUs will be small as the resource does not exist to run the programme as a standing project within the small Union Development team.

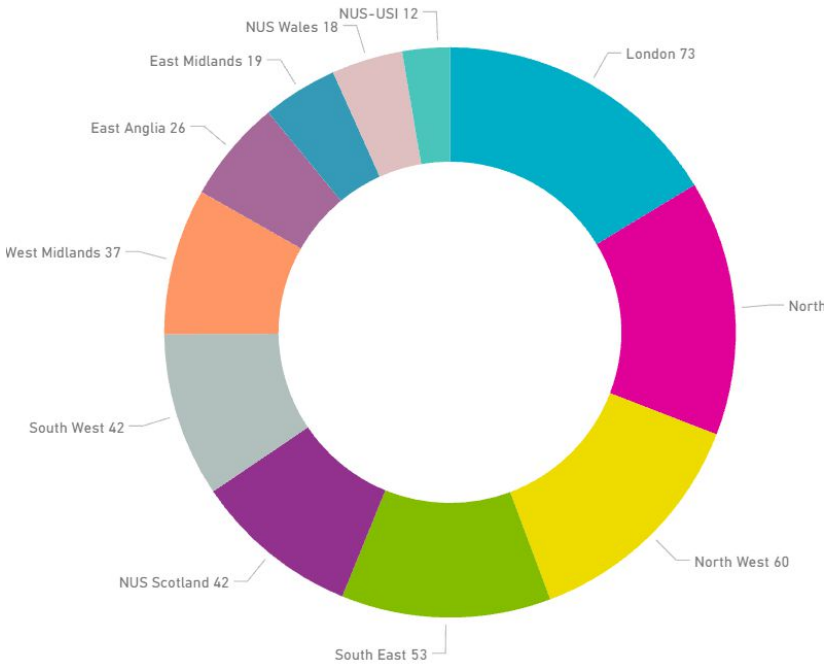
**Membership Administration**

The Membership team provide support to both the Charity and NUS (though the shared services agreement) in managing relationships with member students' unions, overseeing the governance of the two organisations, and managing conferences and events.

# NUS Students' Union Charitable Services

## Trustees' Report for the year ended 30 June 2021

During the year, six students' unions held referenda on their membership of NUS. The team managed NUS's responses and involvement in these processes, providing information and resources to encourage students to support remaining in membership. All six referenda voted in favour of remaining members of both NUS and the Charity. In addition, ten new members joined both organisations, and one students' union re-joined just the Charity. The chart below shows the geographic spread of the membership:




An important element of the support given to both organisations is delivery of the NUS suite of websites, and wider communications with member Unions. In 2020/21 a membership welcome pack and online welcome pages were launched on NUS Connect, with the welcome pages becoming Connect's most viewed pages shortly after launching. Membership emails also saw an increase in click through rates compared to the previous year.

Due to the pandemic, the team managed all the NUS and Charity events online in 2020/21. Between National Conference, Nations events, Liberation Conferences, member meeting and supporting UD events, over 2,500 individual registrations were taken. All the events ran to budget, and in some cases were more cost effective online. Feedback from events was positive, an example from National Conference being attendees scoring the event with 4.3 out of 5 for "the opportunity to have my voice heard" and 4.12 out of 5 for "I have gained more understanding of the issues".

From a governance perspective, the team ensured that all the internal governance meetings took place online in a well organised, well supported structure. The team also supported the recruitment of new Board and Committee members and completed induction processes for the new appointees. Some further work on the reorganisation of the entities was required during the year, particularly managing the winding up of NUS Media and Epona, and the redistribution of assets from NUS Holdings around the other entities.

The Director of Membership is also responsible for managing all the NUS physical facilities and the IT infrastructure. The facilities staff ensured that all required building maintenance and management was fulfilled, particularly whilst the offices were closed through lockdown. The offices were successfully reopened after 18 months closure and the team ensured that all spaces are compliant with Covid 19 prevention guidance. There were no incidents to report to the Health and Safety Commission (HSC) in the 2020/21 year.

Within IT, considerable work was undertaken to keep all systems and hardware functioning to a high level to ensure that all staff were able to work from home. Also during the year the team negotiated a new staff mobile phone contract, and reviewed all ongoing contracts in order to ensure the IT function was working efficiently and effectively, and identifying savings were possible.

**Trading Support**

Trading Support is the area of activity that encompasses the purchasing consortium and commercial support for Students' Unions. The activities are operated through the Charity's subsidiary company NUS Services Limited.

2020/21 was a very difficult year with only a handful of unions undertaking any sort of trading throughout, resulting in volumes being around 17% of pre-pandemic levels. That said, the Trading Support team put a recovery plan in place which included securing tender opportunities to build purchasing volumes from outside of students' unions, some of which are now in the final stages of negotiation. Trading Support will continue to work to secure more volume through external charities and similar organisations in order to protect future volumes into the consortium, and income to the membership and NUS Charity.

Additionally, the recovery plan required the majority of the team to be furloughed. All cost areas were reviewed to make significant savings. For example, £100k of operating costs were saved by bringing in-house the supply compliance auditing. This will be a challenge to achieve within the next year as business levels rebuild, however work has been reviewed across the team and the necessary adjustments made for the next 12 months to retain this saving.

Supply tenders were rolled for another 12 months rather than new contracts being negotiated. This was an exercise to de-risk an exercise that would have resulted in both significant cost price increases and reductions in marketing funds and brand support available for members had new contracts been negotiated. All suppliers have been severely impacted as a result of the pandemic and looking to cut their own costs significantly. Some suppliers did not make it through the year so the team has been extremely busy sourcing alternatives.

Trading Support have transformed ways of working in the virtual world and successfully delivered two online Trade Shows in the year which enabled students' unions to remain engaged and for suppliers to continue to receive good value for their commitments to the consortium. The virtual way of working has delivered some advantages to Trading Support in terms of efficiency, cost savings, improved interaction with students' unions and the ability to remain responsive and flexible. The intention is to continue to work in this way in the areas where improvements have been made.

The operation delivers great benefit to the student movement through its revenue generating activities, almost all of which provide significantly greater levels of income to the participating students' unions.

**Shared Services**

**Human Resources**

**Coronavirus Job Retention Scheme (CJRS) – "Furlough scheme"**

- For the original CJRS in this Financial Year (July to October 2020), four CJRS claims totalling £90k were made of which £45.8k subsidised budget for continuing employees and £44.2k was linked to contract extensions, re-hiring former staff or for returning staff from maternity leave.
- In relation to the extended CJRS, shortly after its announcement and by 5 November 2020, 24 Charity colleagues had been placed on the CJRS. The majority of these (17) being flexibly furloughed. During November, these 24 were later joined by a further 4 colleagues who were flexibly furloughed to support childcare requirements due to self-isolation periods for employees' children.

- Six claims were submitted for the extended CJRS (November 2020 – April 2021 inclusive). These six claims totalled £137k for the 19 - 30 employees concerned. This represented between 19% and 25% of the Charity's net salary bill each month (includes allowances; excludes PAYE, pension and National Insurance).
- As a result of the completed TUPE, the Charity has been unable to claim under the CJRS from 1 May 2021 as it did not meet the eligibility requirements of the extended CJRS i.e. it did not have a PAYE reference on 2 March 2021.

**TUPE**

With the new NUS and Charity organisational structures in place early in 2020, work commenced to transfer employees to either NUS UK or NUS Students' Union Charitable Services based on their role. The TUPE transfer of 25 employees to NUS UK took place on 1 October 2020. The TUPE transfer of 49 employees to NUS Students' Union Charitable Services took place on 1 May 2021. In both cases, new contracts and payroll databases were established with our existing outsourced payroll provider – Moorepay. Haven IFA was engaged to advise on pension provision and they recommended Royal London as a provider in preference to Aegon due to a lower annual management charge (0.44% compared with 0.6%), a potential profit-share element and a more diverse range of funds. New pension schemes were established with Royal London. Once pensions were established and the first payments made, members were contacted to see whether they wished to transfer existing funds from Aegon to Royal London (at no cost to the individual).

**Employee Engagement**

An employee engagement survey was held in Spring 2021. There were 51 respondents from a possible 85. This is an overall response rate of 60%:

- 67% of Charity/Shared Services colleagues responded (40/65)
- 44% of NUS UK colleagues responded (11/25).

From these respondents there is an overall **71% employee engagement score**:

- 73% in Charity
- 64% in NUS UK.

The Charity has therefore exceeded its Board employee engagement dashboard target (60% for 2021) by 13 percentage points. NUS UK will need to improve its engagement scores over the next 12 months if it is to meet its ambitious engagement score of 85% for 2022.

An action plan has been created focusing on the high and low scoring questions and on the questions considered to be key drivers of employee engagement). Whilst NUS UK scores are lower on a number of critical questions (workload, wellbeing, collaboration between organisations), a joint action plan is in place as there are opportunities for improvement across both organisations.

**Equality, Diversity & Inclusion**

Targets for NUS' workforce to comprise 16% Black[1] employees were published in 2017 as part of NUS' Race Equity plan. At that time, NUS had a significantly bigger workforce (over 250 staff and officers), the structure contained more levels of management, there were substantially more management posts and a larger number of employees based in central London. This year, a data monitoring exercise has been completed which shows:

[1] NUS currently uses 'Black' to denote 'political Blackness' – an all-encompassing term for anyone who does not identify as White. There has been lots of debate on terminology in Liberation recently and discussion in the wider media about the appropriateness or otherwise of the acronym BAME (Black, Asian and Minority Ethnic). Within the Officer team and NUS UK, there is a move towards using the terms student/people of colour as a preference. However, as this has not gone through democratic debate and approval; 'Black' is still the official NUS terminology used in communications. This report uses Black as an all-encompassing term on this basis.

- Ethnicity – Black staff only make up 2% of the workforce in the Charity, but 37% in NUS UK. In 2016 a target of 16% representation was set for 2022, which NUS UK has already exceeded. The NUS Charity has not yet met this target.

- Sexual Orientation - In the Charity, 11% of staff identified as lesbian, gay, bi-sexual or queer and in NUS UK it was 40%. No target was set in 2016 around sexual orientation, but 2017 ONS statistics show that 2% of the population identified as lesbian, gay, bi sexual or queer.

- Disability – In the Charity, 26% of staff identified as having a disability or long-term health condition and in NUS UK it was 40%. There was no target set in 2016 for disabled staff, but official government statistics published in 2014 stated that 16% of the working age population were disabled.

**Racial diversity target:** HR Subcommittee agreed to set new racial diversity targets for the Charity that realistically reflect the make-up of the local populations from which the organisation recruits from – along with a realistic timescale in which to achieve them, considering the Charity's historically low turnover. A 10% target to be achieved over a 3-year period, rising to 15% over 5. Given the diversity of the workforce on other measures, no other targets have been set for other protected characteristics; these demographics will continue to be monitored instead.

**Future Developments**

In March 2019, NUS published proposals to reform the near 100-year-old organisation. Following four months of member consultation, and an extensive cost reduction plan to ensure it remained solvent, the student voice organisation outlined a new governance structure which proposes simplification, a reduction in fees charged to members and a modern approach to campaigning and service delivery.

These proposals were passed at both NUS National Conference in April 2019 and at a Company Law meeting of the Charity's sole member, NUS UK, in May 2019.

Under the reform proposals NUS has split up its current group of companies and created two separate bodies with two separate purposes – one to represent students' voices and one to support and work with students' unions. Both will be funded by students' unions, but with contributions directed to specific activities, enabling clarity over where monies are spent.

# NUS Students' Union Charitable Services

## Trustees' Report for the year ended 30 June 2021

The necessary due diligence took place during the 2019/20 financial year and as a result, governance arrangements have been clarified and changed with effect 1 July 2020. This included the transfer of assets from NUS Holdings in favour of NUS Charity, including majority shareholding in NUS Services to act as a trading subsidiary of the Charity and provide income to strengthen the Charity's financial position.

In addition, a collaboration agreement with NUS UK has been entered into effective 1 July 2020. This articulates the nature of collaboration and shared resources between the two organisations.

As a member of NUS Charity Students' Unions are part of a membership that includes 95% of students' unions across the country. Together, our collective power is used to create, build and grow strong Students' Unions. Through membership, Students' Unions not only benefit from the range of resources and services we offer but also a network of peers to help them effectively represent their students, generate revenue and grow as an organisation.

Specifically, Unions benefit from an offer which includes:

- **Core support – Creating and Developing Strong Students' Unions**. We provide expertise, resources, programmes and collective buying to give your Students' Union exactly what you need to thrive.
- **Championing the Value of Students' Unions.** We work to ensure students' unions are represented and valued. We demonstrate the standalone value of you as Students' Unions and the collective value of our sector to funders, stakeholders and regulators.
- **Connection and Curation**. We actively promote the value of mutual support for students' Unions. We work to connect Students' Unions to one another to share expertise and network. We curate a marketplace of high quality providers to put members in touch with specific services and expertise.
- **Crisis Support**. Unfortunately, we still see unions in crisis. Our crisis support works as a distilled version of our offer. We provide members in crisis the core support and diagnostic tools they need. We champion our members' value. We harness the power of collectivism to connect with other members for mutual support, and signpost to relevant interim or consultant support.

Under these four areas there are a huge range of benefits which all of our members can tap into. From trading support to SU.careers, Quality Students' Unions to the consultants directory, the Learning Academy to governance peer review: NUS Charity is the first port of call to help a Students' Union thrive.

**Financial Review**

A summary of the results for the year is given on page 19 of the financial statements.

In assessing the financial performance, the trustees consider it appropriate to include the results of both the Charity and it's subsidiary, NUS Services Limited hereafter referred to as the "Charitable Group"

The Charity ended the year with surplus funds of £357k (2020: £782k) having made a deficit of £425k. This deficit will be offset by the gift aid payment from NUS Services Limited of £505k. A deed of covenant will be put in place between the two organisations so that any future gift aid payments can be recognised in-year.

The Charitable Group ended the year with consolidated surplus funds of £3.7m (2020: deficit of £1.6m) having made a consolidated surplus of £5.3m (2020: deficit of £285k). This surplus arose from the Charity's trading subsidiary NUS Services Limited receiving a cash dividend and dividend in specie from NUS Holdings Limited following the completion of the NUS group restructuring process begun in 2019/20. NUS Services will make a gift aid payment to the Charity during 2021/22 of £505k.

## Trustees' Report for the year ended 30 June 2021

**Pension Deficit**

Although not a liability of the Charity, the trustees consider the Pension Deficit of NUS Services when assessing the financial performance and key risks of the Charitable Group.

The Charitable Group's balance sheet recognises the pension deficit carried by the Charity's subsidiary company. NUS Services Limited offered membership of SUSS, a defined benefit pension scheme, to all employees until 30 September 2011, at which point the scheme closed to future accrual. Since the entry into effect of FRS102 there has been a change of accounting policy regarding pension deficits. Previously, a prior year adjustment was recognised in the NUS Services accounts for the full SUSS deficit plan payable over 17 years as of October 2014.

The scheme is subject to a revaluation every three years with the most recent valuation taking place in June 2019. The 2019 valuation recommended a monthly contribution requirement by each union, expressed in monetary terms, intended to clear the ongoing funding deficit over a period of 15 years, and will increase by at least 5% each year. This showed an increased funding deficit of around £140m shared between 69 employers. This represented an increase of c.£21m in the deficit in comparison to the 2016 valuation and resulted in increased contributions from October 2020 onwards. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme.

These rates applied with effect from 1 October 2020 and will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2022. Surpluses or deficits which arise at future valuations will also impact on the company's future contribution commitment. In addition to the above contributions, NUS Services also pays its share of the scheme's levy to the

Pension Protection Fund. The impact of the re-valuation has impacted the finances by increasing the interest payable figure in the statement of income and the liabilities in the balance sheet. During the period the Company's contribution was £160,940. The company's contributions are set to increase by 8.3% from 1 October 2021.

Whilst the closure of the scheme to future accrual goes some way to mitigate the risk it does not eliminate it. The Company is required to make deficit contributions until September 2035, which at current rates represents a liability of £3.0million. This is subject to fluctuations in fund performance, changes in apportionment methodology, the life expectancy of the individuals within the scheme and the results of the recent valuation.

**Reserves Policy**

During the 2019/20, the Board developed its reserves policy for the whole of NUS to establish a target of rebuilding the organisation's free cash reserve to £3.5m within ten years (equivalent to 6 months operating costs in the revised organisation structure). In doing so it recognised that the Charity would be required to produce net operating surpluses of at least £175k per year after making its pension deficit payments, and work towards holding £1.75m of free unrestricted reserves in addition to the level held at 1 July 2020 by 30 June 2030.

The Finance Committee reviews the reserves policy on an annual basis to ensure its appropriateness, given the inherent internal and external factors.

The Charity held a total reserve balance at 30 June 2021 of £356,517 (2020 - £781,519). Of this £13,881 (2020 £200,100) were restricted funds. Free reserves at the year end were £54,132 (2020 - £112,111).

The total reserves balance in the Charitable Group as at 30 June 2021 was £3.72m *(*2020 - £781,519*)*. Of this £13,811 (2020 - £200,100*)* were restricted funds. This is above the updated reserves policy of 6 months operating costs for the new organisation that came into effect on 1 July 2020 (equivalent to £1.7m). However, this is the consolidated reserves position, with the majority being held by the subsidiary company.

**Future funding**

The trustees confirm that the charity has sufficient funds to meet all its obligations. As part of the 2020 governance and structure reforms, the charity now receives funding direct from students' unions as well as being supported by NUS Services as the trading subsidiary of the charity.

The Charity currently requires members to make a membership contribution based on 0.5% of their annual block grant funding. There is a minimum fee of £50, and contributions are capped at £7,500. In 2020/21 the Charity received a total contribution of £515,389 (2020 - £nil).

**Fundraising**

Going forwards the charity continues to explore a number of funding streams including:

- Seeking funding from public and private funders to undertake projects that will advance the objects
- Grants from a number of bodies; and
- Fees from training and conferences.

To this end, the organisation does not engage in raising funds directly from the general public or indirectly through a fundraising agent. As such, there is no expenditure from the charity's resources on raising funds directly from the public.

**Covid 19 Pandemic**

The circumstances presented by the Covid 19 pandemic have created challenges for the charity in relation to its financial operating model. Going forward the key income streams for the organisation are membership contributions and income generated from the members' trading consortium operating through NUS Services Ltd which exists as the Charity's subsidiary company from 1 July 2020. There remains some risk of the trading consortium not operating at pre-pandemic levels during 2021/22. The Charity has budgeted for the subsidiary's income to return to 75% of pre-pandemic levels during 2021/22. This will have an impact on the future financial performance of the organisation, and the trustees' assessment of Charity as a going concern.

At the commencement of the 2021/22 financial year, most campus trading operations have restarted, and the indication is that the Charity's budget assumptions appear to be broadly correct. In addition, member contributions appear to be stable in the short term, but as the financial consequences of the pandemic impact on universities beyond 2021/22, there remains a risk that Students' Union funding could be reduced which in turn affects the level of contribution members would make.

Hopefully some clarity will emerge as time progresses, but the directors continue to review and update their financial forecasts as developments occur and the impacts on the charity become clearer.

**Going Concern**

The directors prepare annual budgets and forecasts in order to ensure that they have sufficient facilities in place and that they comply with the terms and conditions of the bank facilities. In addition, the Board in formulating its plan and strategy for the future development of the business has considered a period beyond that for which formal budgets and forecasts are prepared. At its meeting in Spring 2021, the Board considered a three year financial forecast which modelled the possible impact of the pandemic on the group's activities up to June 2024. The model identified that there were two significant risks – Unions' ability to pay their membership contributions, and the level of on-campus trade impacted on the revenues generated through the purchasing consortium.

The Board took a view that of these risks, the impact on the purchasing consortium income would be the most significant, and may require further monitoring and adjustments to the business model during 2021/22. An update on the financial model will be considered at each Board meeting during 2021/22 in order for further mitigating action to be taken to maintain the overall financial strategy of the group.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

**Trustees' statement on Public Benefit**

The trustees confirm that they have complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission regarding Public Benefit.

**Disclosure of information to auditor**

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far they are each aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and each Trustee has taken all the steps that he ought to have taken as a Trustee to make himself aware of any relevant audit information and to establish that the Charitable Company's auditor is aware of that information.

**Auditor**

Garbutt & Elliott Audit Limited were re-appointed as auditor to the charitable company during the period and have expressed their willingness to stand for reappointment at the Annual General Meeting.

**Small Company Rules**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. It was approved by the Board and signed on its behalf.

This report was approved on 16th November 2021 and signed on its behalf by:

Larissa Kennedy

**Larissa Kennedy**
Chair of the Board of Trustees

# NUS Students' Union Charitable Services

## Statement of Trustees' Responsibilities in respect of the Trustees' report and the financial statements

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

Company law requires the Trustees to prepare financial statements for each financial period. Under that law they have are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the excess of expenditure over income for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charitable Company and to prevent and detect fraud and other irregularities.

# NUS Students' Union Charitable Services

## Independent Auditor's Report to the Members of NUS Students' Union Charitable Services

**Opinion**

We have audited the financial statements of NUS Students' Union Charitable Services (the 'charity') for the year ended 30 June 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting. Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

## Independent Auditor's Report to the Members of NUS Students' Union Charitable Services (continued)

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

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

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

## Independent Auditor's Report to the Members of NUS Students' Union Charitable Services (continued)

**Extent to which the audit was considered capable of identifying irregularities, including fraud**

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the Trustees and other management, and from inspection of the charity's regulatory and legal correspondence. We discussed with the Trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The charitable company is subject to laws and regulations that directly affect the financial statements including company law, charity law, financial reporting legislation, pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising safeguarding, environmental, health and safety and employment legislation, and, in the current economic climate, Covid regulations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the group and the parent charitable company to commit fraud. Our risk assessment procedures included: enquiry of Trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud, reading Board minutes and considering performance targets and incentive schemes in place for management. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:

- income recognition and in particular completeness, the risk that income is recognised in the wrong reporting period, or that restricted income is incorrectly recognised within unrestricted income; and
- subjective accounting estimates.

These fraud risks arise due to a potential desire to present the results in a differing light to suit management objectives.

As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:

- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias;
- testing the recognition of income and in particular that it was recognised in the correct period and any restrictions recognised.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

## Independent Auditor's Report to the Members of NUS Students' Union Charitable Services (continued)

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Garbutt & Elliott Audit Limited*

**Laura Masheder**
**Senior Statutory Auditor**

30/11/2021

**For and on behalf of Garbutt & Elliott Audit Limited**
**Statutory Auditor**

2 Park Place
Leeds
LS1 2RY

# NUS Students' Union Charitable Services

## Statement of Financial Activities (including Income and Expenditure Account) for the year ended 30 June 2021

| | Note | Unrestricted funds £ | Restricted funds £ | Total funds 2021 £ | Unrestricted funds £ | Restricted funds £ | Total funds 2020 £ |
|---|---|---|---|---|---|---|---|
| ***Income from:*** | | | | | | | |
| Donations and legacies | **3** | 68,942 | 320,900 | 389,842 | 1,442,002 | - | 1,442,002 |
| Charitable activities | **4** | 127,243 | - | 127,243 | 892,260 | - | 892,260 |
| Other Income | **5** | 599,565 | - | 599,565 | 1,337,505 | - | 1,337,505 |
| ***Total income*** | | 795,750 | 320,900 | 1,116,650 | 3,671,767 | - | 3,671,767 |
| ***Expenditure on:*** | | | | | | | |
| Charitable activities | **6** | 1,034,533 | 507,119 | 1,541,652 | 2,802,375 | 23,646 | 2,826,021 |
| **Total expenditure** | | 1,034,533 | 507,119 | 1,541,652 | 2,802,375 | 23,646 | 2,826,021 |
| **Net movement in funds** | | (238,783) | (186,219) | (425,002) | 869,392 | (23,646) | 845,746 |
| **Reconciliation of funds** | | | | | | | |
| Total funds brought forward | | 581,419 | 200,100 | 781,519 | (287,973) | 223,746 | (64,227) |
| Net movements in funds | | (238,783) | (186,219) | (425,002) | 869,392 | (23,646) | 845,746 |
| **Total funds carried forward** | **15, 16** | 342,636 | 13,881 | 356,517 | 581,419 | 200,100 | 781,519 |

The Statement of Financial Activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 22 to 34 form part of these financial statements.

# NUS Students' Union Charitable Services

## Balance Sheet as at 30 June 2021

| | Note | 2021 £ | 2021 £ | 2020 £ | 2020 £ |
|---|---|---|---|---|---|
| **Fixed Assets** | | | | | |
| Intangible assets | **9** | | 68,271 | | 193,433 |
| Tangible assets | **10** | | 220,233 | | 275,875 |
| Investments | **11** | | 277,460 | | 277,460 |
| | | | 565,964 | | 746,768 |
| **Current Assets** | | | | | |
| Debtors | **12** | 379,932 | | 1,983,411 | |
| Cash at bank and in hand | | 3,064,262 | | 2,196,531 | |
| | | 3,444,194 | | 4,179,942 | |
| **Creditors** | | | | | |
| Amounts falling due within one year | **13** | (3,653,641) | | (4,145,191) | |
| **Net Current (Liabilities)/ Assets** | | | (209,447) | | 34,751 |
| **Total net assets** | | | 356,517 | | 781,519 |
| | | | | | |
| **Charity Funds** | | | | | |
| Restricted funds | **15, 16** | | 13,881 | | 200,100 |
| Unrestricted funds | **15, 16** | | 342,636 | | 581,419 |
| **Total Funds** | | | 356,517 | | 781,519 |

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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 to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 16th November 2021 and signed on their behalf by:

Larissa Kennedy

**Larissa Kennedy**
Chair of the Board of Trustees

Company number: 07509468

# NUS Students' Union Charitable Services

## Statement of Cash Flows for the Year Ended 30 June 2021

| | Note | 2021 £ | 2020 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net cash generated by operating activities | **17** | 867,731 | 1,326,973 |
| **Cash flows from investing activities** | | | |
| Transfer of intangible assets | | - | (173,053) |
| **Net cash (used in) investing activities** | | - | (173,053) |
| **Change in cash and cash equivalents in the year** | | 867,731 | 1,153,920 |
| Cash and cash equivalents at the beginning of the year | | 2,196,531 | 1,042,611 |
| **Cash and cash equivalents at the end of the year** | | 3,064,262 | 2,196,531 |

# NUS Students' Union Charitable Services

## Notes to the Financial Statements for the year ended 30 June 2021

### 1. Charity information

The Charity is a company limited by guarantee with company registration number 07509468 and charity number 1140142 incorporated and registered in England and Wales. The registered office of the Charity is Ian King House, Snape Road, Macclesfield, Cheshire, SK10 2NZ.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The charitable company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated financial statements. The financial statements present information about the charitable company as an individual entity and not about its group.

The sole corporate member of the charitable company is the National Union of Students (United Kingdom) and the results of NUS Students' Union Charitable Services are included in the consolidated financial statements of National Union of Students (United Kingdom) and are publicly available from Companies House, Crown Way, Cardiff CF14 3UZ.

### 2. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**Accounting convention**

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.

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

The Financial Statements are prepared in sterling, which is the financial currency of the Charity. Monetary amounts in these Financial Statements are rounded to the nearest £1.

**Going concern**

The Trustees prepare annual budgets and forecasts in order to ensure that they have sufficient facilities in place and that they comply with the terms and conditions of the bank facilities. In addition, the Board in formulating its plan and strategy for the future development of the business has considered a period beyond that for which formal budgets and forecasts are prepared. At its meeting in Spring 2021, the Board considered a three year financial forecast which modelled the possible impact of the pandemic on the group's activities up to June 2024. The model identified that there were two significant risks – Unions' ability to pay their membership contributions, and the level of on-campus trade impacted on the revenues generated through the purchasing consortium.

The Board took a view that of these risks, the impact on the purchasing consortium income would be the most significant, and may require further monitoring and adjustments to the business model during 2021/22. An update on the financial model will be considered at each Board meeting during 2021/22 in order for further mitigating action to be taken to maintain the overall financial strategy of the group.

Having regard to the above, the Trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

## Notes to the Financial Statements for the year ended 30 June 2021 (continued)

**Income**

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Income from Government and other grants is recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably and not deferred.

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

The Charity also benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with Charities SORP, the economic contribution of general volunteers is not recognised in the accounts.

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

All expenditure is inclusive of irrecoverable VAT.

**Pension Costs**

The charity operates a defined contribution scheme for the employees of the Charity. Contributions are charged as an expense to the Statement of Financial Activities in the period in which they fall due.

## Notes to the Financial Statements for the year ended 30 June 2021 (continued)

**2. Accounting policies (continued)**

**Intangible assets and amortisation**

Intangible assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

| | |
|---|---|
| Website development | 20 % straight line |

**Tangible fixed assets and depreciation**

Tangible fixed assets 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 basis:

| | |
|---|---|
| Freehold property | 2% straight line |
| Fixtures and fittings | 20% straight line |

**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 gain/ (loss) on disposal of investments in the Statement of Financial Activities.

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

**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.

**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.

# Notes to the Financial Statements for the year ended 30 June 2021 (continued)

**2. Accounting policies (continued)**

**Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity 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 Statement of financial activities as a finance cost.

**Financial instruments**

The Charity 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.

**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 Charity 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 Charity 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.

**Taxation**

NUS Students' Union Charitable Services is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, the Charity is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

# Notes to the Financial Statements for the year ended 30 June 2021 (continued)

### 3. Grants, donations and legacies

| | 2021 £ | 2020 £ |
|---|---|---|
| Grants and donations | 389,842 | 1,442,002 |

Donations totalling £320,900 (2020 - £nil) were restricted.

Included within grants, donations and legacies is amounts recognised in relation to the Coronavirus Job Retention Scheme totalling £68,942 (2020 - £nil).

### 4. Charitable activities

| | 2021 £ | 2020 £ |
|---|---|---|
| Sustainability | - | 660,356 |
| Events and conferences | 80,455 | 231,904 |
| HR support unit | 46,788 | - |
| | 127,243 | 892,260 |

### 5. Other income

| | 2021 £ | 2020 £ |
|---|---|---|
| Membership | 515,389 | - |
| Surveys | 47,844 | - |
| Other | 36,332 | 1,337,505 |
| | 599,565 | 1,337,505 |

# Notes to the Financial Statements for the year ended 30 June 2021 (continued)

### 6. Analysis of expenditure by activities

| | Events 2021 £ | Other 2021 £ | Direct Costs 2021 £ | Support Costs 2021 £ | Total 2021 £ |
|---|---|---|---|---|---|
| Staff costs | - | 910,745 | 910,745 | 257,691 | 1,168,436 |
| Legal and professional | 1,875 | 271,039 | 272,914 | 79,176 | 352,090 |
| Venue costs | 180 | 206,373 | 206,553 | - | 206,553 |
| Travel and subsistence | - | 526 | 526 | - | 526 |
| Printing and stationery | 5 | (992) | (987) | 1,009 | 22 |
| Recharges | - | (638,116) | (638,116) | (188,614) | (826,730) |
| Sundry | 314 | 5,359 | 5,673 | 9,717 | 15,390 |
| Marketing | 14,468 | 4,300 | 18,768 | 1,245 | 20,013 |
| Recruitment and training | - | 34,858 | 34,858 | 1,108 | 35,966 |
| IT costs | - | 12,688 | 12,688 | 184,182 | 196,870 |
| Subscriptions | 3,422 | 30,748 | 34,170 | 137,828 | 171,998 |
| Grants | - | 264,565 | 264,565 | - | 264,565 |
| Amortisation | - | 21,876 | 21,876 | 103,286 | 125,162 |
| Depreciation | - | 55,642 | 55,642 | - | 55,642 |
| Exceptional | - | (244,851) | (244,851) | - | (244,851) |
| | 20,264 | 934,760 | 955,024 | 586,628 | 1,541,652 |

Exceptional costs relate to the reversal of a bad debt provision (Credit of £274,070) due to the continued relationship with OneVoice Limited and negotiation of a payment plan to resolve the debt. Exceptional costs amounting to £29,219 were incurred in relation to a HMRC PAYE settlement and associated interest and redundancy costs.

| | Events 2020 £ | Other 2020 £ | Direct Costs 2020 £ | Support Costs 2020 £ | Total 2020 £ |
|---|---|---|---|---|---|
| Staff costs | 343,015 | 503,585 | 846,600 | 69,502 | 916,102 |
| Legal and professional | 77,507 | 54,761 | 132,268 | 60,353 | 192,621 |
| Venue costs | 155,948 | 34,504 | 190,452 | 1,772 | 192,224 |
| Travel and subsistence | 15,595 | 25,311 | 40,906 | 4,490 | 45,396 |
| Printing and stationery | 4,694 | 978 | 5,672 | 60 | 5,732 |
| Bank charges | - | - | - | 327 | 327 |
| Recharges | - | 77,701 | 77,701 | 802,913 | 880,614 |
| Sundry | 5,053 | (2,917) | 2,136 | (967) | 1,169 |
| Marketing | - | 836 | 836 | - | 836 |
| Recruitment and training | 5,541 | 10,361 | 15,902 | - | 15,902 |
| IT costs | 492 | 250 | 742 | 109 | 851 |
| Subscriptions | 2,766 | 90 | 2,856 | 18,290 | 21,146 |
| Grants | 413,125 | 2,500 | 415,625 | - | 415,625 |
| Amortisation | - | - | - | 19,267 | 19,267 |
| Exceptional - restructure | - | - | - | 118,209 | 118,209 |
| | 1,023,736 | 707,960 | 1,731,696 | 1,094,325 | 2,826,021 |

# Notes to the Financial Statements for the year ended 30 June 2021 (continued)

### 7. Auditor's remuneration

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Audit fees | 6,200 | 4,992 |
| Accountancy fees | 2,000 | - |

### 8. Information regarding trustees and employees

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| **Staff costs comprise:** | | |
| Wages and salaries | 1,008,459 | 727,868 |
| Social security costs | 88,849 | 77,606 |
| Pension costs | 71,128 | 57,881 |
| Redundancy costs | - | 52,747 |
| | 1,168,436 | 916,102 |

The average monthly head count and the average monthly number of full-time equivalent staff during the year were as follows:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Management | 4 | 4 |
| Administration | 38 | 27 |
| | 42 | 31 |

The number of employees who received employee benefits during the year in excess of £60,000, classified within bands of £10,000 is:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| £100,001 - £110,000 | 1 | 1 |

The key management personnel of the Charity comprise the senior management team as disclosed in the Charity Information on Page 1. The total employee benefits of the key management personnel of the Charity, which encompasses 4 individuals were £228,494 (2020: £225,751).

During the year, no Trustees received any remuneration or other benefits (2020 - £nil).

During the year ended 30 June 2021, no Trustee expenses have been incurred (2020 - £nil).

# Notes to the Financial Statements for the year ended 30 June 2021 (continued)

### 9. Intangible assets

| | Website Development £ |
|---|---|
| **Cost** | |
| At 1 July 2020 and 30 June 2021 | 242,939 |
| **Depreciation** | |
| At 1 July 2020 | 49,506 |
| Charge for the year | 125,162 |
| At 30 June 2021 | 174,668 |
| **Net book value** | |
| At 30 June 2021 | 68,271 |
| At 30 June 2020 | 193,433 |

### 10. Tangible fixed assets

| | Freehold Property £ | Fixtures and Fittings £ | Total £ |
|---|---|---|---|
| **Cost** | | | |
| At 1 July 2020 and 30 June 2021 | 221,655 | 54,220 | 275,875 |
| **Depreciation** | | | |
| At 1 July2020 | - | - | - |
| Charge for the year | 44,066 | 11,576 | 55,642 |
| At 30 June 2021 | 44,066 | 11,576 | 55,642 |
| **Net book value** | | | |
| At 30 June 2021 | 177,589 | 42,644 | 220,233 |
| At 30 June 2020 | 221,655 | 54,220 | 275,875 |

# Notes to the Financial Statements for the year ended 30 June 2021 (continued)

### 11. Fixed asset investments

| | Investments in Subsidiary Companies £ |
|---|---|
| **Cost or valuation** | |
| At 1 July 2020 and 30 June 2021 | 277,460 |
| **Net book value** | |
| At 1 July 2020 and 30 June 2021 | 277,460 |

**Subsidiaries**

The following were subsidiary undertakings of the Charity:

| Name | Company Number | Principal Activity |
|---|---|---|
| NUS Services Limited | 01639519 | Wholesale |
| NUS Holdings Limited | 01158893 | Dormant company |

| Class of Shares | Class of Shares | Holding |
|---|---|---|
| NUS Services Limited | Ordinary A and B shares | 97% |
| NUS Holdings Limited | Ordinary shares | 97% (held indirectly) |

The financial results of the subsidiaries for the period were:

| Name | Income £ | Expenditure £ | Profit/(Loss) £ | Net Assets/ (Liabilities) £ |
|---|---|---|---|---|
| NUS Services Limited | 6,739,644 | 979,897 | 5,759,747 | 3,638,326 |
| NUS Holdings Limited | - | (1,092) | (1,092) | 183,923 |

During the year the group was restructured such that NUS Holdings Limited became a subsidiary of NUS Services Limited. The subsidiaries registered off is Ian King House, Snape Road, Macclesfield, Cheshire, SK10 2NZ.

# Notes to the Financial Statements for the year ended 30 June 2021 (continued)

### 12. Debtors

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Trade debtors | 196,307 | 64,860 |
| Amounts owed by group undertakings | 1,326 | 1,839,224 |
| Other taxation and social security | 54,069 | - |
| Other debtors | - | 689 |
| Prepayments and accrued income | 128,230 | 78,638 |
| | 379,932 | 1,983,411 |

### 13. Creditors: amounts falling due within one year

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Trade creditors | 201,375 | 97,788 |
| Amounts owed to group undertakings | 3,169,575 | 3,398,939 |
| Other taxation and social security | 34,529 | 218,781 |
| Other creditors | 129,333 | 56,608 |
| Accruals | 118,829 | 373,075 |
| | 3,653,641 | 4,145,191 |

### 14. Commitments

As at 30 June 2021 the charity had total commitments under non-cancellable operating leases as follows:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Expiry date: | | |
| Within one year | 70,532 | 90,900 |
| Between one and five years | 152,814 | 251,200 |
| | 223,346 | 342,100 |

# Notes to the Financial Statements for the year ended 30 June 2021 (continued)

### 15. Statement of funds

**Statement of funds - current year**

| | Balance at 1 July 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 30 June 2021 £ |
|---|---|---|---|---|---|
| **Unrestricted funds:** | | | | | |
| **Designated funds** | | | | | |
| 100 year anniversary | 100,000 | - | - | - | 100,000 |
| **General funds** | | | | | |
| General funds – all funds | 481,419 | 795,750 | (1,034,533) | - | 242,636 |
| **Total Unrestricted funds** | 581,419 | 795,750 | (1,034,533) | - | 342,636 |
| **Restricted funds:** | | | | | |
| Apprentice cards | 191,119 | - | (191,119) | - | - |
| Spirit of AMSU | 8,981 | - | - | - | 8,981 |
| Scottish Funding Council | - | 188,208 | (188,208) | - | - |
| Student Mental Health | - | 87,792 | (87,792) | - | - |
| NUS Wales Effective SU's | - | 40,000 | (40,000) | - | - |
| Apprentice funding | - | 4,900 | - | - | 4,900 |
| | 200,100 | 320,900 | (507,119) | - | 13,881 |
| **Total of funds** | 781,519 | 1,116,650 | (1,541,652) | - | 356,517 |

**Purpose of restricted funds**

**Spirit of AMSU (Association for Managers in Students' Unions) –** The residual funds of AMSU left over when it merged with the NUS Charity. The fund exists to support initiatives developed by and for staff members in Students' Unions.

**Scottish Funding Council –** A fund to support a programme of development for students' associations across Scottish colleges.

**Student Mental Health –** A fund to develop mental health support for students across Scottish further and higher education institutions.

**NUS Wales Effective Sus –** A fund to enable NUS to build and support strong and effective students' unions across Welsh higher education institutions.

**Apprentice funding –** Donation received from One Voice Digital Limited to support the Apprenticeship programme.

# Notes to the Financial Statements for the year ended 30 June 2021 (continued)

### 15. Statement of funds (continued)

**Statement of funds – prior year**

| | Balance at 1 July 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 30 June 2020 £ |
|---|---|---|---|---|---|
| **Unrestricted funds:** | | | | | |
| **Designated funds** | | | | | |
| 100 year anniversary | - | - | - | 100,000 | 100,000 |
| **General funds** | | | | | |
| General funds – all funds | (287,973) | 3,671,767 | (2,802,375) | (100,000) | 481,419 |
| **Total Unrestricted funds** | (287,973) | 3,671,767 | (2,802,375) | - | 581,419 |
| **Restricted funds:** | | | | | |
| Apprentice cards | 214,765 | - | (23,646) | - | 191,119 |
| Spirit of AMSU | 8,981 | - | - | - | 8,981 |
| | 223,746 | - | (23,646) | - | 200,100 |
| **Total of funds** | (64,227) | 3,671,767 | (2,826,021) | - | 781,519 |

### 16. Analysis of net assets between funds

**Analysis of net assets between funds - current period**

| | Unrestricted Funds 2021 £ | Restricted 2021 £ | Total Funds 2021 £ |
|---|---|---|---|
| Tangible fixed assets | 220,233 | - | 220,233 |
| Intangible fixed assets | 68,271 | - | 68,271 |
| Fixed asset investments | 277,460 | - | 277,460 |
| Current assets | 3,430,313 | 13,881 | 3,444,194 |
| Creditors due within one year | (3,653,641) | - | (3,653,641) |
| **Total** | 342,636 | 13,881 | 356,517 |

**Analysis of net assets between funds - prior period**

| | Unrestricted Funds 2020 £ | Restricted 2020 £ | Total Funds 2020 £ |
|---|---|---|---|
| Tangible fixed assets | 275,875 | - | 275,875 |
| Intangible fixed assets | 193,433 | - | 193,433 |
| Fixed asset investments | 277,460 | - | 277,460 |
| Current assets | 3,979,842 | 200,100 | 4,179,942 |
| Creditors due within one year | (4,145,191) | - | (4,145,191) |
| **Total** | 581,419 | 200,100 | 781,519 |

# Notes to the Financial Statements for the year ended 30 June 2021 (continued)

### 17. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Net (expenditure)/ income for the year | (425,002) | 845,746 |
| **Adjustments:** | | |
| Depreciation and amortisation charges | 180,804 | 19,267 |
| Intra group transfer of investments & tangible fixed assets | - | (553,335) |
| Decrease/ (increase) in debtors | 1,500,609 | (476,403) |
| (Decrease)/ increase in creditors | (388,680) | 1,491,698 |
| **Net cash provided by operating activities** | 867,731 | 1,326,973 |

The charity had no debt in the current or previous financial year.

### 18. Controlling party

The National Union of Students (United Kingdom) is the effective parent undertaking due to its control over the Board of Trustees of the Charity.

The National Union of Students (United Kingdom) is the smallest and largest organisation producing consolidated accounts including the financial statements of the Charity. The consolidated statements are publicly available from Companies House (Company Number 08015198).

### 19. Related Party Transactions

During the year the charity entered into the following related party transactions:

| | 2021<br>£ |
|---|---|
| **National Union of Students United Kingdom Limited:** | |
| Owed to group company | 71,230 |
| Recharges from group entity | 2,013,689 |
| Recharges to group entity | 2,113,621 |
| **NUS Services Limited:** | |
| Owed to group company | 2,978,343 |
| Recharges from group entity | 4,250,222 |
| Recharges to group entity | 1,365,830 |
| **NUS Holdings Limited:** | |
| Owed to group company | 120,002 |