

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

Contents

	Page
Charity Information	1
Trustees' Report	2
Statement of Trustees' Responsibilities.....	13
Independent Auditor's Report on the Financial Statements.....	14
Consolidated Statement of Financial Activities	18
Consolidated Balance Sheet	19
Charitable Company Balance Sheet.....	20
Consolidated Statement of Cash Flows	21
Notes to the Financial Statements	22

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) D Keen (Membership Director) S Harris (Deputy Director & Union Development Director) J Beer (HR Director)
Charity number	1140142
Company number	07509468
Principal and registered office	Ian King House Snape Road Macclesfield Cheshire SK10 2NZ
Auditor	Azets Audit Services Limited 33 Park Place Leeds LS1 2RY
Solicitors (Charity Law)	Bates Wells 10 Queen Street Place London EC4R 1BE
Solicitors (Property)	Knights HQ Offices 58 Nicholas Street Chester CH1 2NP
Solicitors (Employment Law)	TLT LLP 3 Hardman Square Manchester M3 3EB
Bankers	The Co-operative Bank 3rd Floor Balloon Street Manchester M60 4EP
Finance & Business Advisors	Counterculture Partnership LLP Unit 115 Ducie House, Ducie Street, 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 Students' Union Charitable Services

Trustees' Report for the year ended 30 June 2022

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.

NUS Students' Union Charitable Services

Trustees' Report for the year ended 30 June 2022

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.

NUS Students' Union Charitable Services

Trustees' Report for the year ended 30 June 2022

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 contributed 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.

NUS Students' Union Charitable Services

Trustees' Report for the year ended 30 June 2022

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, advertising has been reviewed and diversity jobs boards have been trialled. There has also been the introduction of a Guaranteed Interview Scheme for Black¹ 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.

NUS Students' Union Charitable Services

Trustees' Report for the year ended 30 June 2022

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 its 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

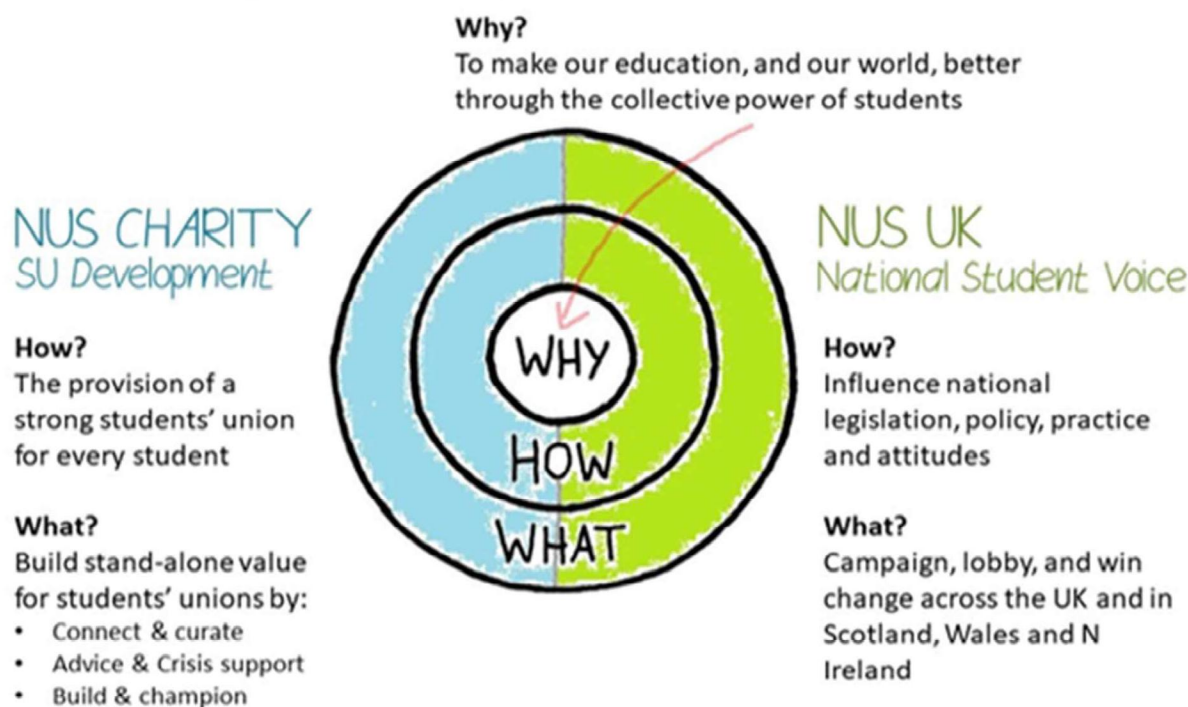
In March 2019, NUS published proposals to reform the near 100-year-old organisation. Following four months of member consultation, and an extensive cost reduction plan to ensure it remained solvent, the student voice organisation outlined a new governance structure which proposes simplification, a reduction 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.

NUS Students' Union Charitable Services

Trustees' Report for the year ended 30 June 2022

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

NUS Students' Union Charitable Services

Trustees' Report for the year ended 30 June 2022

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

NUS Students' Union Charitable Services

Trustees' Report for the year ended 30 June 2022

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.

NUS Students' Union Charitable Services

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.

NUS Students' Union Charitable Services

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

		2022	2021
			As restated
	Notes	£	£
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

		2022	2021
	Notes	£	£
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 policies

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.

NUS Students' Union Charitable Services

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.

NUS Students' Union Charitable Services

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

NUS Students' Union Charitable Services

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.

NUS Students' Union Charitable Services

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.

NUS Students' Union Charitable Services

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 £	2021 As restated £
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 £	2021 £
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.

NUS Students' Union Charitable Services

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

5. Other income

	2022 £	2021 £
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 £	2021 As restated £
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 £	Other 2022 £	Support Costs 2022 £	Total 2022 £
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

NUS Students' Union Charitable Services

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

NUS Students' Union Charitable Services

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

9. Taxation

	2022 £	2021 As restated £
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 £	2021 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.

NUS Students' Union Charitable Services

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

NUS Students' Union Charitable Services

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 July 2021	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%

NUS Students' Union Charitable Services

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

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

NUS Students' Union Charitable Services

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

16. Deferred Income

	2022 £	2021 £
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 £	2021 £
At beginning of year	600,000	696,644
Charged to profit or loss	(600,000)	(96,644)
At end of year	-	600,000
	Group 2022 £	Group 2021 £
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.

NUS Students' Union Charitable Services

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	

NUS Students' Union Charitable Services

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.

NUS Students' Union Charitable Services

Notes to the Financial Statements for the year ended 30 June 2022 (continued)

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

NUS Students' Union Charitable Services

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.

NUS Students' Union Charitable Services

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)