

NUS Students' Union Charitable Services

Trustees' Report and Financial Statements

For the Year Ended 30 June 2023

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

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

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

Trustees' Report
For the Year Ended 30 June 2023

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

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

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

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

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

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

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

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

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

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

Relationship with NUS UK

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

Trustees' Report (continued)
For the Year Ended 30 June 2023

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

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

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

Risk Management

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

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

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

Remuneration of Senior Managers

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

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

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

Trustees' Report (continued)
For the Year Ended 30 June 2023

PURPOSES AND ACTIVITIES

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

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

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

PERFORMANCE AND ACHIEVEMENTS

Campaigns

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

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

Supporting Students' Unions

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

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

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

Membership

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

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

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

Trustees' Report (continued)
For the Year Ended 30 June 2023

Research

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

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

Talent

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

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

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

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

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

Externally Funded Projects

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

Human Resources

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

Employee Engagement

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

Equality, Diversity & Inclusion

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

Trustees' Report (continued)
For the Year Ended 30 June 2023

Trading Support

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

Independent Investigation into Antisemitism within NUS UK

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

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

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

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

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

FUTURE DEVELOPMENTS

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

Strategy Refresh

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

Membership

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

Research

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

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

Trustees' Report (continued)
For the Year Ended 30 June 2023

FINANCIAL REVIEW

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

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

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

Pension Deficit

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

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

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

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

Reserves Policy

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

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

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

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

Trustees' Report (continued)
For the Year Ended 30 June 2023

Future funding

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

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

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

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

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

Going Concern

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

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

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

Trustees' statement on Public Benefit

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

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


[Chloe Ferguson \(Mar 8, 2024 10:22 GMT\)](#)

C Ferguson

Chair of the Board of Trustees

Date:

08-Mar-2024

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

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



[Chloe Ferguson \(Mar 8, 2024 10:22 GMT\)](#)

C Ferguson

Chair of the Board of Trustees

Date: **08-Mar-2024**

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

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

We assessed the susceptibility of the group and charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

To address the risk of fraud through management bias and override of controls, we:

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

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

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


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

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

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

Use of our report

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


[S Hawkins \(Mar 11, 2024 14:39 GMT\)](#)

Simon Hawkins (Senior Statutory Auditor)

For and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

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

Date: **11-Mar-2024**

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

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

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

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

All income and expenditure derive from continuing activities.

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

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

Consolidated Balance Sheet
As at 30 June 2023

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

Registered number: 07509468

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

Consolidated Balance Sheet (continued)
As at 30 June 2023

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

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

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

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

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

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

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

C Ferguson

Chair of the Board of Trustees

Date: **08-Mar-2024**

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

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

Charity Statement of financial position
As at 30 June 2023

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

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

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

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

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

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

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

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

Chloe Ferguson
[Chloe Ferguson \(Mar 8, 2024 10:22 GMT\)](#)

C Ferguson
Chair of the Board of Trustees
Date:

08-Mar-2024

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

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

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

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

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

1. General information

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

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

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

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

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements. During the year, the Charity has made a surplus of £12,028 (2022: Surplus of £415,123).

2. Accounting policies (continued)

2.2 Going concern

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

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

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

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

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

2.3 Income

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

Income from Government and other grants is recognised when the charity has entitlement to 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 financial statements.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

All expenditure is inclusive of irrecoverable VAT.

2.5 Pensions

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

NUS Services operates a multi-employer defined benefit scheme. The scheme is now closed to new admissions. The costs of providing benefits under defined benefit 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 charges, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

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

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

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

2. Accounting policies (continued)

2.6 Intangible assets and amortisation

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

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

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

The estimated useful lives are as follows:

Website development	-	20 % straight line
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2.7 Tangible fixed assets and depreciation

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

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

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

Depreciation is provided on the following bases:

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

2.8 Investments

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

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

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2. Accounting policies (continued)

2.11 Liabilities and provisions

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

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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

2.12 Financial instruments

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

2.13 Fund accounting

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

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

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

2.14 Taxation

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

3. Critical accounting estimates and areas of judgment

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

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

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

Critical judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Multi-employer defined benefit pension scheme

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

Key sources of estimation uncertainty

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

Measurement of multi-employer pension liability

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

4. Income from grants, donations and legacies

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

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

5. Income from charitable activities

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

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

6. Income from other trading activities

Income from non charitable trading activities

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

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

7. Other incoming resources

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

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

8. Analysis of expenditure by activities

	2023 £	Total funds 2023 £
Events	13,526	13,526
Other	1,301,133	1,301,133
Support	733,549	733,549
	<u>2,048,208</u>	<u>2,048,208</u>

	2022 £	Total funds 2022 £
Events	22,708	22,708
Other	1,526,136	1,526,136
Support	570,716	570,716
	<u>2,119,560</u>	<u>2,119,560</u>

Notes to the Financial Statements
For the Year Ended 30 June 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

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

9. Auditors' remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>13,750</u>	<u>16,775</u>

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

10. Staff costs

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

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

	Group 2023 No.	Group 2022 No.
Management	4	4
Administrative	45	45
	49	49

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

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

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

11. Trustees' remuneration and expenses

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

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

12. Taxation

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

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

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

13. Intangible assets

Group and Charity

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

14. Tangible fixed assets

Group and Charity

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

15. Fixed asset investments

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

15. Fixed asset investments (continued)

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

Principal subsidiaries

The following were subsidiary undertakings of the Charity:

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

The financial results of the subsidiaries for the year were:

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

16. Debtors

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

17. Creditors: Amounts falling due within one year

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

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

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

	Group 2023 £	Group 2022 £
SUSS Pension Scheme	2,372,476	2,298,807
	<u>2,372,476</u>	<u>2,298,807</u>

19. Deferred taxation

Group

	2023 £	2022 £
At the beginning of the year	-	600,000
Charge/(Credit) for the year	-	(600,000)
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

20. Statement of funds

Statement of funds - current year

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

20. Statement of funds (continued)

Statement of funds - prior year

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

20. Statement of funds (continued)

Horizon - EU funding for energy efficiency

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

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

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

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

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

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

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

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

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

23. Analysis of cash and cash equivalents

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

24. Analysis of changes in net debt

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

25. Pension commitments

Defined Contribution scheme

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

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

Multi-employer pension scheme

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

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

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

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

	2023 £	2022 £
Present value of provision		
Students' Union Supperannuation Scheme	2,426,675	2,481,795
	2023 £	2022 £
Creditors: amounts falling due within one year	54,199	182,988
Creditors: amounts falling due between 2 and 5 years	335,137	465,987
Creditors: amounts falling due after 5 years	2,037,339	1,832,820
	2,426,675	2,481,795

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

	2023 £	2022 £
Provision at start of period	2,481,795	3,081,487
Unwinding of discount factor	100,202	47,983
Deficit contributions paid	(182,988)	(172,606)
Movement in net present value calculation	27,666	(475,069)
	2,426,675	2,481,795

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

Start	End	Year	Annual Increase	Annual contributions	Monthly Payment
Jul-23	Oct-23	2023	5%	61,980	15,495
Nov-23	Oct-24	2024	5%	195,235	16,270
Nov-24	Oct-25	2025	5%	204,997	17,083
Nov-25	Oct-26	2026	5%	215,246	17,937
Nov-26	Oct-27	2027	5%	226,009	18,834
Nov-27	Oct-28	2028	5%	237,309	19,776
Nov-28	Oct-29	2029	5%	249,175	20,765
Nov-29	Oct-30	2030	5%	261,633	21,803
Nov-30	Oct-31	2031	5%	274,715	22,893
Nov-31	Oct-32	2032	5%	288,451	24,038
Nov-32	Oct-33	2033	5%	302,873	25,239
Nov-33	Oct-34	2034	5%	318,017	26,501
Nov-34	Oct-35	2035	5%	333,918	27,826
Nov-35	Oct-36	2036	5%	350,614	29,218
Nov-36	May-37	2037	5%	214,753	30,679

Assumptions

	2023 %	2022 %	2021 %
Rate of discount	5.20	3.70	1.50

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

Notes to the Financial Statements
For the Year Ended 30 June 2023

26. Operating lease commitments

At 30 June 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Not later than 1 year	31,456	30,000	5,056	-
Later than 1 year and not later than 5 years	21,862	38,150	10,112	-
	53,318	68,150	15,168	-

27. Related party transactions

OneVoice Digital Limited

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

In 2018, NUS Services entered into a £2m Loan Facility agreement to OneVoice. As at June 2019 it was assessed by management that the Loan Facility agreement was irrecoverable and a full impairment of £2m was recognised in the year to 30 June 2019. This is still the case in the year ended 30 June 2023.

During the year, the group made sales of £115,731 (2022 - £225.836) and had purchases of £nil (2022 - £1,234,678) from OneVoice Digital Limited. As at the year end £nil (2022 - £277,768) was owed by OneVoice Digital Limited to the group.

28. Controlling party

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

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











NUS Students Union Charitable Services - Final Accounts

Final Audit Report

2024-03-11

Created:	2024-03-08
By:	Ricky Chotai (rchotai@nussl.co.uk)
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