

Annual Report 2019 2020

DURHAMSU

Introduction

Durham SU's report for the 2019/2020 year is, understandably, a complex story which includes solid outcomes for Durham students, in a year which changed all our understandings of the way universities and the students' union work. We're proud of the way we've advanced the education of students at Durham University, thinking on our feet and keeping true to our values.

This report from the trustees acknowledges that Durham SU ended the year in 'survive in the moment' mode, as the almost weekly changes to public health regulation meant that the operating environment was impossible to direct. The trustees chose to focus energy and resource in the quality of the response we could provide, as what students needed evolved along with the pandemic. The strategic decisions made in the past to invest in our human, relationship, intellectual and financial resources put us in the best position to navigate the difficulties of the times. We started another difficult year in 2020/2021 but, all things considered, our agility and preparation puts us in good shape for the future.

Students' unions are democratic by design, so our policy priorities are determined by our members, and delivered using the talents of thousands of volunteers with the help of a professional support team. In February 2020, a student campaign voiced the idea that there is only so much resource, interest and legitimacy for student organisations at Durham, and questioned the SU's place. The campaign expressed these views by targeting our annual elections for trustees and Officers, disrupting Durham SU's ability to represent students effectively.

We believe that we can achieve more for students by working together to challenge, support, partner and persuade Durham University to do its best to make education, research, and the wider student experience exceptional for all of our members. We've committed to working with all student organisations to realise our collective strength. In the year ahead, this means a full review of our democratic framework so that we can ensure we have the right priorities, and are always championing the student interest. We've started a conversation with all of our members about how we consistently demonstrate that all student organisations at Durham – with their different roles and responsibilities and interests – can thrive together.

We're beyond grateful for the dedication, patience, good humour, and tenacity of our volunteers, staff, and partners. We've been at full stretch, in uncharted territory, for much of the past year. We remain uncertain about what the future holds. Durham SU will always be the champion of every Durham student as we come back to a new normal, stronger together.



Anthony Baker
Chair



Seun Twins
President



Gareth Hughes
Chief Executive

Our response to an unprecedented year!

In April 2020 the trustees agreed that the circumstances of the Covid-19 pandemic required a reprioritisation of Durham SU's work. The principal themes of the existing strategy were still appropriate – transforming education at Durham University, addressing the problems of every day life, and strengthening student communities – but the goals the students' union sought to achieve needed to change.

The trustees recognised that the governing documents weren't designed for entirely online delivery, but that it was possible and desirable to flexibly interpret the regulations. This would permit membership activity, particularly democratic activity, to take place remotely while public health law prohibited physical gatherings. Assembly and elections, therefore, were subject to deviation from usual practice, but the primary purposes were supported, and students were still able to discuss and decide the things that matter most to them.

With the support of our members, the trustees committed to three strategic objectives:

- Come through the significant disruption to the democratic and business model with confident student leadership in place.
- Secure the student interest in completing the 2019/2020 academic year with education commitments met and with compensation for non-realised expenditure.
- Prepare student organisations for disruption over summer, focus on continuity measures, and ensure a great Freshers 2020.

The subsequent section of this report therefore accounts for two distinct stages of one reporting year – work against original objectives and then work in the pandemic.

The pandemic was not the only disruption to Durham SU's year. In February, a small group of members, supported by other organisations including Durham University Common Rooms, organised to disrupt the election of the students' unions' trustees and Officers. This was a campaign tactic to draw attention to their demands for increased funding and access for their own organisations, which they justified on the basis of criticising Durham SU.



The campaign sought to make it impossible for Durham SU to elect trustees and Officers, through use of a ballot option to elect the ‘re-open nominations’ candidate rather than any of the nominated natural persons. The campaign team, however, did not keep to the rules created democratically by students to govern their elections so the Returning Officer withdrew the candidate. The decision and process of regulating a populist campaign was controversial: there was no precedent for withdrawal of a non-natural person candidate, and the campaign was supported by a number of prominent students. The campaign’s grievance after the decision to withdraw then focussed on the extent to which Durham SU authentically reflects the priorities of students, and the legitimate basis of the decision to withdraw the ‘re-open nominations’ candidate.

A review of the decision by Durham University’s Council found that it was a proper decision. The trustees also requested a general review of Durham SU’s election framework by the University Secretary, using powers provided by the Code of Practice under the Education Act (1994). The report was accepted by the Durham SU trustees, and particularly identified the high risk of the re-open nominations option as constituted to the good governance and operations of Durham SU.

Notwithstanding the narrative around the campaign and its withdrawal, the trustees recognised that there was no option to not respond to the messages broadcast by the campaign. Durham SU’s entire democratic framework was designed many years ago, by a small group of students, and has never been discussed collectively by the whole membership. There is a confidence gap which requires a decisive response. The trustees have agreed that the democratic framework should be reviewed in a wide-ranging, open conversation with all students, with solid evidence to inform proposals to reform. The trustees hope and expect that the outcomes of the democratic review will build confidence in the students’ union.



Durham SU exists for the advancement of education of students at Durham University for the public benefit by:

- Providing opportunities for the expression of student opinion and actively representing the interest of students
- Acting as a channel of communication in dealing with Durham University and other external bodies.
- Promoting the interests and welfare of students at Durham University during their course of study, and representing, supporting and advising students.
- Facilitating the social, recreational and educational interests of its membership, through providing services and support for its Members.
- Supporting the development of and cooperation between the Common Rooms.
- Working with other students' unions and affiliated bodies.
- Raising funds for such purposes as are charitable according to the laws of England and Wales and to make grants and donations of such funds to other exclusively charitable bodies or to apply such funds directly for such charitable purposes.

Our principles make us stronger.

At Durham SU we are guided by our principles. They inform the way we think and act. Even when decisions are difficult, or cost money, or make things less efficient, we'll always stick to our principles. They're what make us different.

We champion students.

- As a students' rights organisation, our collectivism makes us stronger.
- We trust students to make the best decisions about things that affect them.

We're proud of Durham.

- We always recognise success, while we strive to be better.
- Our collegiate University means we do things differently. We like that.

We make the future better.

- We're a students' union with a purpose, relentless in pursuit of our vision.
- We make change happen for students, with students, in their interests.

Guided by these principles, Durham SU's purpose is to *be the champion of every Durham student*. That means we care about the things that matter to them. We stand up for their rights. We bring them together. We celebrate their success.

Durham SU's vision of the future is that *every student has the power and the opportunity to transform their time at Durham*. Durham SU's five year strategy, Forwards, reached its mid-point in Jan 2020 and it was appropriate for us to check in with the progress that has been made up until now and amend some of the goals if appropriate.

Our strategy is made up of three themes, which describe how we'll campaign to make the future better for students. We also have organisational development themes, which describe how we will make sure our organisation progresses in a way to help achieve our aims.

Campaign themes

Students will transform their education.

Goal 1: Durham will be in the top 25% of institutions where students agree they're part of a learning community.

Goal 2: Durham will be in the top 50% of institutions where students agree they have a strong student voice.

We'll make everyday life at Durham fairer.

Goal 3: Over 50% of Durham students will agree their wellbeing is good.

Goal 4: Durham students will clearly demonstrate a social return on investment.

We'll make Durham student communities stronger.

Goal 5: Durham students will tackle a real problem for our community.

Organisational development themes

We'll be owned by students.

Goal 6: We'll campaign on issues that matter to the majority of students.

Goal 7: We'll achieve all of our Officers' mandates within three years.

We'll be resourceful and intelligent.

Goal 8: We'll be nationally recognised, and accredited as a quality students' union.

We'll be trusted and respected.

Goal 9: Our partners will understand and support Durham SU and join us in our work.



The events of 2019/2020 are complex, they include: two sets of industrial action by UCU, a surprise General Election, a campaign against Durham SU to disrupt the election of student leaders, a global pandemic, much of Durham SU's people entering into furlough, the bringing forward of the Vice-Chancellor's retirement, no commercial income for six months, a digital/distanced term, and Brexit.

Following this elections campaign, we have since made a commitment to understanding what it is students need from us in terms of our democracy. Prior to the elections, we had already begun a [Democracy Healthcheck](#) – aware that our systems were outdated and often confusing for students – but the elections period made it clear that a full-scale democracy review, one that all students could trust and take part in, is needed. We began setting the foundations for the review in 2019-2020, with the then Opportunities Officer-elect, Anna Marshall, but continues to be one of our main focusses for 2020-2021.

In April 2020 Durham SU recognised that the exceptional circumstances of COVID-19 required a revision of the strategy to end the year 2019/2020. The students' union was required to address the COVID-19 pandemic, which led to:

- No students on campus for the remainder of the academic year
- Disruptive adjustment to business delivery model/working patterns.
- Closure of headquarters at Dunelm House
- Significant disruption to planned strategic delivery.
- Significant disruption to budgeted income/expenditure.
- Little to no capacity for the University to respond to anything other than emergency representations from students, solely on core delivery.

The strategic framework provided by 'Forwards' remains appropriate, but Durham SU will require time and effort to get back on course. The amended priorities listed below aim to ensure that Durham SU continues to be the champion of every Durham student.



Education

- Assessment through COVID-19 delivered fairly, accessibly, with student rights protected through decisions made at pace.
- Continuous reflection on the lived experience of online learning to use to improve education on the other side of COVID-19.

Everyday life

- Support students to take the best advantage of their contractual housing rights, and collectively work for the best financial outcome with landlords.
- International students in the UK are supported in home communities and feel connected and taken care of while away from home.

Communities

- Student groups are supported to handover remotely, and plan for the new academic year.
- Common Rooms' collective interests in transition are understood and secured by the University.

Student leadership

- Induction and support for incoming student leaders is planned and delivered remotely.
- Lessons are learned and improvements made following the review of the Durham SU elections.

Resourceful

- Durham SU's team is supported to work remotely.
- Durham SU demonstrates excellent governance through unusual times.

To get back on course, from August 2020 our priorities will be:

- Durham SU must assure the sustainability of its resource base.
- Durham SU must re-investigate, re-evaluate and re-confirm student priorities in education, every day life, and communities.
- Durham SU must reform, with implications for good governance, democracy, and management.
- Durham SU has to seize the opportunity of the moment, to articulate the community students deserve, and apply pressure necessary to change the University culture.



We'd like to share our 2019-2020 achievements.

Though the year didn't end the way we expected, we still managed to make lots of progress within our strategic themes. We also continued to stand up for students during the beginning of the pandemic.

We helped students transform their education.

Sam worked to embed decolonisation work within Durham University

Helping students to express and act on their priorities in what, how, and why they want to learn is our bread and butter work. Undergraduate Academic Officer, Sam Johnson-Audini, launched the ['Decolonise Durham Network'](#) and its [manifesto](#), which set out the future of an anti-racist and decolonial Durham. The manifesto was the culmination of a year's work alongside the Durham People of Colour Association, investigating the ways in which racist structures are rooted in our institution.

Our first Decolonise Durham Network event had around 70 attendees.

Building the network coincided with Sam lobbying the University to commit resources and funds to decolonisation work. Sam secured funding for internships for every faculty to review curricula and make progress in this area. We're really excited to see how this work progresses in the future!

Pandemic positive: making sure students can succeed during covid

Sam lobbied Durham University to implement a ['no-detriment' policy](#) for Durham students, which would lessen the effects of Covid-19 on students' academic results for the 2019/2020 year. They also got the University to make the Serious Adverse Circumstances form available digitally, allowing students to quickly and easily get the mitigations they needed. Sam secured laptops for students who needed them, so that all students could make a successful switch to online learning.

We made everyday life fairer

We trained over 1,000 students to look out for and stand up for each other

At the beginning of the year, [we trained over 500 students to be active bystanders](#), hiring student peer facilitators to show students how to safely intervene in potentially harmful situations. The training was a success with 98% of surveyed students saying they were now more likely to step in if they witnessed such an incident.

We also launched our [online Mental Health First Aid Training](#). The training aims to empower Durham students to feel confident, equipped and comfortable in talking about and responding to mental health concerns. 1098 students accessed the training in the 2019-2020 academic year.

Pandemic positives: the student-landlord pledge protected housing rights during COVID-19

The pandemic had wide-ranging implications for students' housing situations, and so Kate McIntosh, SU President, created the [Student-Landlord Pledge](#). The pledge set out expectations for both landlords and estate agents, as well as students, along the principles of fairness and compassion. This included the fair treatment of requests to end a tenancy early. 23 student leaders and five Durham estate agents signed the pledge.

77 Students received online welfare training

Our annual Welfare Residential could not take place this year, but we knew it was important that students who provide peer support were confident in their roles and formed strong relationships with their teams. We adapted our usual training to be delivered online, including sessions on Embedding Liberation Work into Welfare and Responding to Disclosures of Sexual Violence. Students and staff from across the university delivered the sessions, and the training received excellent feedback – 97% of attendees surveyed agreed or strongly agreed that the training was worthwhile and 100% agreed or strongly agreed that they felt supported by Durham SU going into their role.

We made Durham communities stronger.

We hosted brand new events to highlight sustainability and student talent

With vegan cake, local stalls, live music, student-led activities and much more, [Durham's first Eco-Fest](#) brought together students and the community to celebrate all things sustainable. Twenty-one stallholders attended and the event finished with a live gig from student bands, Loose Change and Kinky Jeff and the Swingers. The event was organised by Opportunities Officer, Jess Dunning, in support of her [Sustainable Development Goals campaign](#).

We also held our first [Durham's Got Talent competition](#). Ten acts, three special guest judges and one host created an incredible evening of exciting and surprising talents.

Nearly 200 students watched everything from roller skating and rapping, to an incredible a cappella performance from the competition's winners, Northern Lights.



Pandemic positives: student groups continued their activities online

Despite the challenges of Covid-19, our student groups adapted their activities, got to grips with Zoom, and continued their activities online. We showcased their work in our Stay Home Socials series, with everything from aerobics to Doctor Who watch-alongs keeping students entertained during lockdown. Student groups also had to complete all their elections online to make sure they had their Committees in place for 2020/2021. This resulted in 105 online elections taking place using Durham SU's UnionCloud platform.

We were owned by students.

We trained students to be more effective leaders

In the summer of 2019, we held our second Presidential Residential. A mix of Common Room Presidents, SU Officers and Experience Durham Presidents attended the three-day training in York, learning how to make the most of student leadership, including influencing and negotiating, problem solving, and effective campaigning.

We took part in the national campaign to get students to register to vote

The [*Prove Them Wrong campaign*](#), led by SU President Kate McIntosh, joined national campaigns led by [NUS](#) and [Vote for Your Future](#) to encourage young people to have their voices heard in the 2019 general election. An amazing 2.6m young people registered to vote in the weeks before the election. In Durham City, voter turnout was up by 0.6 percentage points since the last general election. The campaign brought together students from across the University, as Register to Vote Ambassadors or as the faces of our digital poster campaign. Our message to Prove Them Wrong encouraged students to act against the negative stereotypes of young people not caring about national politics and make sure that they were registered to vote. [ITV News](#) featured our campaign, and the National Union of Students adopted our messaging.



We were resourceful and intelligent.

We helped the Parish Council create a pinpoint tool

City of Durham Parish Council recognised the success of one of our previous projects – [the Pincident mapping tool](#) – and saw its potential for one of their own projects. The Parish Council wanted a tool that could map anti-social behaviour in Durham, and we helped them by using some of our staff resource to deliver it. The tool – aptly named [Pinpoint](#) – can be accessed via the council's website and already has many entries.



We were trusted and respected.

We moved Assembly online

Assembly, like everything else, needed to run a little differently this year. The first Assembly successfully took place online in May and was open for real time attendance to voting members of Assembly, nominees for roles, and students raising motions. Predictably, the overall theme was adjusting to the coronavirus crisis. Discussions centred on the students' union's response to Covid-19 and passing various proposals to reflect the changed circumstances for Durham students. These included getting refunds of tuition fees, protecting disability support, and passing a core position on academic support

Durham SU Assembly also expressed support for Black Lives Matter, releasing a statement [declaring their commitment](#) to tackling racism and oppression wherever it is found.



Organisational development

Durham SU's organisational development plan for the year was curtailed due to unforeseen interruption to usual work. Within a three-week period in February 2020, a campaign against Durham SU disrupted annual elections and the pandemic ended all on-campus activity.

Initial successes of planned activity included a positive report of Durham SU's business effectiveness by the Durham University Assurance Service, who found good progress from a review in 2017.

The strong investment in strategic human resources support with Atkinson HR paid dividends as the culture and systems created over years was instrumental in allowing a swift and successful decant from Dunelm House, the premises occupied by Durham SU in the City of Durham. The key relationship with Durham University's Computing and Information Services was also crucial to this work, and gratefully received by the students' union management team.

The Welfare and Liberation Officer led work on drafting a liberation strategy for the students' union, addressing the ways in which the organisation can better serve all of its members. This has evolved into a broader project seeking to change the culture at Durham University, and will support championing the student interest in a fair and accessible Durham.

Durham SU was proud that the Opportunities Officer won Assembly's support for the students' union's engagement with the UN Sustainable Development Goals, which will contribute to organisational planning in the future.

A review of our finances

Financial strategy

The trustees agree financial objectives for Durham SU as part of the overall strategy, which provides a sustainable base from which to achieve strategic objectives. The management accounts are structured against strategic delivery themes and reported to the Performance and Delivery Committee for detailed scrutiny, and whole organisational reports are scrutinised by the full Board.

A plan to negotiate a three-year funding agreement with Durham University was suspended as the pandemic prevented longer-term commitments, and the institution would only commit to an emergency budget for one year. A reduced grant of £880000 was made, and the trustees were able to accommodate this through targeted savings and reduced activity.

The success of financial strategy in the past gave Durham SU a full three months of unrestricted liquid reserves at the start of the year. The pandemic clearly justified use of these reserves and the trustees carefully oversaw progress to an end-of-year loss unrestricted of £91k. This was a reduction of roughly one month's costs, leaving two months in reserve. The trustees have discussed the importance of rebuilding reserves to policy target in the future but acknowledge the difficult economic times ahead.

The trustees established new Committees of the Board in 2019/2020, including a Fundraising Committee to pay particular attention to restricted funds including student groups and DUCK finances, and oversight of the request for block grant funding from the University. The Committee has agreed the importance of compliance with the Fundraising Code of Practice and has begun the process of aligning Durham SU's practice, with a view to signing the Code in Autumn 2021.

Income

Durham SU was pleased that Durham University continues to support the strategy and has confidence in the students' union. A reduced grant of £880000 was made, and the trustees were able to accommodate this with use of targeted savings and reduced activity.

In the period to February 2020, Durham SU responded promptly to below budget commercial income and minimised losses. Greenhouse consultancy investigated our trading operations and made recommendations in March 2020 which the trustees in principle accepted, including a focus on partnership trading and investment in quality commercial spaces. The report was received just before the first national lockdown, which removed any ability to trade from the students' union premises. The Greenhouse recommendations will be revisited in 2020/2021, with a view to begin trading again in the 2021/2022 financial year.

The Government Coronavirus Job Retention Scheme was accessed appropriately and has been used as extensively as it is practical to do so, with employees placed into the scheme as early as 1 April 2020. Continued use of the furlough scheme allows a balanced budget in 2020/2021 without any commercial income.

Custodian funds

Durham SU acts as custodian trustee for funds for some 250 different student groups which are created and retired on a rolling basis. These groups have no distinct legal personality separate to Durham SU.

Durham SU distributes a restricted grant of £38065 from Durham University to student groups, in line with a published grant procedure. Student groups which raise funds themselves have these balances separately identified in the finance system. At year end, the balance of these funds was £335876. This was roughly £80k higher than the previous year, as student groups were unable to spend their funds as forecasted in the summer of 2020 due to public health restrictions.

Durham students raise funds for disbursement to other charitable organisations, primarily through activities promoted by DUCK (the Duck University Charities Committee) and the single large event of the Durham University Charity Fashion Show. Funds raised were £340885 (down by £120k) and fundraising costs were £150222 (down by £100k), with total donations made so far of £200888, which was £20k higher than last year due to the success of the Fashion Show in January. All events were curtailed after the first national lockdown and £57836 was carried forward into the next financial year.

DUCK also promotes a range of student fundraising activities where the funding is directly received by the recipient charity. These funds are not included in the figures above and do not feature in the financial statements.

Fundraising practice

Durham SU raises charitable funds from the public through student volunteers who each receive an induction on good practice in fundraising and the students' union's expectations of their good conduct while fundraising. The student fundraisers have a defined portfolio of activities, including 'street' fundraising of RAG raids and bucket-shaking, expeditions to work overseas with international organisations, endurance activities which are often sponsored athletic events, challenges such as skydives, or ticketed events such as balls and fashion shows. Income was reduced in year, principally due to the national lockdown and early end to a physical term in Durham.

Durham SU works with the County Durham Community Foundation to maximise return on funds raised for local organisations, usually through RAG raids and bucket-shaking. Durham SU does not subscribe to any standard or code for fundraising practice and has not authorised any professional or commercial fundraising organisation to act on its behalf.

The trustees have received no complaints from the public in relation to its fundraising work, but, as noted, has identified that Durham SU must develop its fundraising infrastructure; there is no belief that practice is poor, but there is a clear need to evidence the steps the trustees take to maintain public confidence.

The Fundraising Committee of the Board was established to support the students' union to meet the expectations of the Fundraising Code of Practice. This will help ensure that Durham SU demonstrates how it protects vulnerable people from poor fundraising practice activity.

Investment

Treasury management was removed from the Strategic Risk Register in 2018/2019 after a tender exercise for banking services allowed for a move of day-to-day banking to Lloyds, and then enabled funds to be held across three accounts with separate banks with individual banking licences, to enable reasonable protection from the Finance Services Compensation Scheme. Durham SU continues to benefit from this arrangement and gained £1086 in interest in the year as a result.

Reserves

The trustees have agreed that within the unrestricted funds there should be a minimum level of general reserve that is sufficient to offset any trading uncertainties and provide a degree of base-level stability.

The stable relationship with the principal funder has been considered in developing a reserves policy. The reserves policy agreed in 2018/2019 sets a target level for the general unrestricted reserve at £252000, which is three months running costs excluding trading. The balance sheet at year-end shows a general reserve of £164227, after deliberate use of reserves due to in-year shocks to income caused by the pandemic. Unrestricted reserves are therefore roughly at two months running costs but, as noted, the trustees intend to build this back up over the next three years. The current level of reserves is clearly adequate for current levels of activity but there is no expectation that the target set in policy will change, as any figure based on much lower current activity levels would be misleading.

Designated funds at 31st July 2020 of £89283 are held for developmental work with colleges.

The organisation holds restricted reserves of £506418 as shown in note 17, largely a combination of funds raised by DUCK and by Student Groups, as referenced earlier

Our structure, governance and management

The governing documents

Durham SU's governing document is the Articles of Association, approved by students in a referendum, the Board of Trustees, and the Durham University Council. Standing Orders are created by the Board and by Assembly to provide a framework for the delivery of Durham SU's objectives. Durham SU in its current form was incorporated on 1 July 2011, although this was a successor to a non-incorporated charitable organisation dating back to 1899. Durham SU is also a company limited by guarantee.

The Articles are subject to review by Durham University at intervals of not more than five years, and the terms of a review were agreed in 2017/2018 for report in 2018/2019. No amendment was made to the Articles in 2019 as, although 65% of students approved of proposals made by the trustees, a two-thirds majority was not achieved. The trustees have agreed to consider further opportunities to seek popular support for a better set of Articles in the future, which may not wait for five years.

Public benefit

The trustees have given consideration and believe that they have complied with the duty in section 4 of the 2006 Act to have due regard to guidance on public benefit when exercising any powers or duties to which the guidance is relevant. The trustees also believe that this report demonstrates the benefits provided are wholly charitable.

The Board of Trustees

The Board of Trustees is responsible for the governance and strategic management of Durham SU. The Board consists of five Durham SU Officers, four students, and five lay trustees.

The Board has three Committees which have delegated authority in particular areas of strategic management. The Committees were reviewed in 2018/2019 and established in 2019/2020 and are:

- Performance and Delivery Committee ensures that Durham SU is accountable for the successful implementation of its strategy, with particular focus on campaigning and service activities.
- People and Culture Committee ensures that Durham SU's Officers, staff, and volunteers are supported and effective, with particular focus on the performance of the Chief Executive.
- Fundraising Committee will ensure that Durham SU's fundraising by student groups is well governed and students are supported to undertake exciting and ambitious activity.

Durham SU operates on democratic principles and the Board acknowledges its role in supporting the Assembly to determine the interests of Durham students. The elected Officers act as the political leadership of Durham SU between meetings of the Assembly. The trustees are stewards of a thriving democratic culture, and the trustees are required to act as the ultimate authority if a political decision presents unacceptable risk to Durham SU. This may include overriding a political decision if it is considered to be a breach of charitable objectives or a regulatory or legal obligation.

Appointment of trustees

Officers and student trustees are elected in cross campus ballots of the entire student membership for a term of office of one year. The election rules are established in the Articles of Association and the Standing Orders.

The lay trustees are appointed by the Board, on the recommendation of the People and Culture Committee, and require the ratification of the Assembly. Appointments are made following wide advertisement and through a competitive process which considers how best to complement the diversity and skills profile of the continuing Board. The lay trustees are appointed to a term of up to three years and may be reappointed once, so no person may serve more than a total of six years.

Good governance

The trustees report on their compliance with the relevant expectations of the Education Act (1994). A working group of the Durham SU Board and the Durham University Council redrafted the [Code of Practice](#) which demonstrates how Council assures the good governance of Durham SU in 2020, which will form the basis of reporting in 2020/2021.

The trustees have engaged positively with the new Charity Governance Code and have adapted it for their purposes. The Code as applied seeks to better reflect the way that the trustees operate within a democratic context and balance their decision-making with student leadership. The trustees undertook a thorough self-assessment against the Code and believe Durham SU is in general terms a well governed organisation but accept that the development of evidence to support this view is important. The assessment showed that priorities for continuous development activity are in organisational purpose, leadership, and diversity.

The trustees ensure an appropriate induction for all new members of the Board, including their legal obligations and responsibilities, the objectives and strategy, and the culture and priorities of Durham SU. The Officer and student trustees are acknowledged to require a more intensive induction and support framework, and specific training on Board level finance, human resources, scrutiny, and good governance are included.

Risk management

The trustees are responsible for the robust management of strategic risk, ensuring that Durham SU has every chance to be successful in a context with a high degree of uncertainty. Performance and Delivery Committee has delegated authority for the oversight of a Strategic Risk Register, which is reviewed by the full Board at regular times in the year. The trustees agreed that the strategic risks to Durham SU in May 2020 were:

Governance

- A high number of vacancies on the trustee Board occurring within a short amount of time.
- A high appetite for reform to Durham SU's democracy from student members requiring reconciliation with the governance responsibilities of the trustees.

Delivery

- Recent poor performance, as well as public health restrictions imposed by the pandemic, presenting existential threat to independent trading services.
- The unfamiliar experience of operating services remotely and working from home.

Finance

- Significant threat to existing income model, as trading services are suspended or closed, and the Durham University grant is renegotiated.

People

- Remote working limiting the wellbeing, effectiveness, and productivity of the Durham SU staff team.

Student Groups

- The standard student group operating model reliance on physical space, and limited experience in digital engagement, giving rise to questions of longer-term sustainability.

Stakeholder Management

- Targeted campaigns seeking to harm Durham SU's legitimacy and funding run by other student organisations.

In October 2020, the trustees also identified that the tensions between increased volume and complexity of student need in a pandemic, usual high demands from students for high quality service, and limited capacity and attrition to the Durham SU team presented a strategic risk.

The trustees believe that strategic risks are appropriately addressed and mitigated. The Board annually reviews and approves a [risk management policy](#) and receives regular reports on actions taken by management to control key risks.

Management

The trustees delegate the day-to-day management of Durham SU to the Chief Executive, who reports on the effective delivery of the objectives and strategy.

All staff, including the Chief Executive, work within a common review and remuneration framework. Every employee has their performance discussed and supported throughout the year, and success within core role and against core behaviours and objectives are considered in an annual appraisal process. All staff posts are on a common salary grade system and individual salaries are reviewed annually. Incremental salary awards are recommended by People and Culture Committee if resources allow and performance merits consideration.

Reference and administrative details

Durham Students' Union (also known as Durham SU or DSU) is a charity registered in England and Wales (1145400) and a company limited by guarantee (07689815), and its principal address is Dunelm House, New Elvet, DURHAM, County Durham, DH1 3AN.

Professional advisers

Auditor:

Haines Watts, 17 Queens Lane, Newcastle upon Tyne, NE1 1RN

Bankers

Lloyds Bank, 19 Market Place, Durham, DH1 3NL.

HSBC, 1 Saddler Street, Durham, DH1 3NR.

Solicitor

Womble Bond Dickinson, St Ann's Wharf, 112 Quayside, Newcastle upon Tyne, NE1 3DX

Strategic Human Resource Services

Atkinson HR, Whaley Bridge, High Peak, Derbyshire, SK23 7JN

Trustees

Officer Trustees to 31 July 2020

President: Kate McIntosh

Undergraduate Academic Officer: Sam Johnson-Audini

Postgraduate Academic Officer: David Evans

Opportunities Officer: Jessica Dunning

Welfare and Liberation Officer: Amelia McLoughlan

Officer Trustees from 1 August 2020

President: Seun Twins

Undergraduate Academic Officer: Nailah Haque

Postgraduate Academic Officer: Sarah McAllister

Opportunities Officer: Anna Marshall

Welfare and Liberation Officer: Ewan Swift

Student Trustees to 31 July 2020

Rida Azmi

Jessica Madden

Thomas Pymer

Amie Waterman (resigned 4 Nov 2019)

Lay Trustees

Anthony Baker

Oliver Colling

Clare Powne

Chris Nash

Caragh Aylett (from 26th September 2019)

Senior leadership team

Chief Executive: Gareth Hughes

Director of Services: Kirsty Morrison

Director of Campaigns: Georgina Lambert

Trustees' responsibilities

The Trustees, who are the directors of Durham Students' Union for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practices).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that 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 also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Auditors

Haines Watts were appointed auditors of Durham Students' Union for a three-year period commencing in 2018.

Approved by the Board of Trustees on 27th January 2020 and signed on its behalf by

ABaker

Anthony Baker

Chair

Independent auditors' report to the trustees of Durham Students' Union

For the year ended 31 July 2020

Opinion

We have audited the financial statements of Durham Students' Union for the year ended 31 July 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2020, 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charitable company's activities, customers, suppliers and wider economy. The trustees' view on the impact of COVID-19 is disclosed on within the trustees report on pages 3 and 17 and accounting policies.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 21 & 22, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Donna Bulmer BA (Hons) ACA (Senior Statutory Auditor)
For and on behalf of Haines Watts

Statutory Auditors

17 Queens Lane
Newcastle upon Tyne
NE1 1RN
Date: 21st April 2021

Statement Of Financial Activities

(Including Income And Expenditure Account)

For the year ended 31 July 2020

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income from:						
Donations	4	1,235,586	-	284,427	1,520,013	1,166,994
Charitable activities	5	210,080	2,864	758,894	971,838	1,315,836
Other trading	6	138,408	-	-	138,408	182,691
Total income		1,584,074	2,864	1,043,321	2,630,259	2,665,521
Expenditure on:						
Raising funds		301,511	-	-	301,511	236,844
Charitable activities		1,373,651	23,931	862,115	2,259,697	2,282,189
Total expenditure	7	1,675,162	23,931	862,115	2,561,208	2,519,033
Net income		(91,088)	(21,067)	181,206	69,051	146,488
Transfers between funds	17	-	-	-	-	-
Net movement in funds		(91,088)	(21,067)	181,206	69,051	146,488
Reconciliation of funds						
Total funds brought forward		255,315	110,350	325,212	690,877	544,389
Total funds carried forward		164,227	89,283	506,418	759,928	690,877

All amounts derive from continuing activities. All gains and losses recognised in the year are included in the Statement of Financial Activities.

Balance Sheet

as at 31 July 2020

	Notes	£	2020 £	£	2019 £
Fixed assets					
Tangible assets	12		229,121		44,546
Current assets					
Stocks	13	8,483		8,823	
Debtors	14	107,972		87,063	
Cash and bank balances		551,022		629,938	
			667,477	725,824	
Current liabilities					
Creditors: amounts falling due within one year	15	(136,670)		(79,493)	
Net current assets			530,807		646,331
Net assets			759,928		690,877
Funds					
Unrestricted funds			164,227		255,315
Designated funds			89,283		110,350
Restricted funds			506,418		325,212
	17		759,928		690,877

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

Approved by the Board of Trustees on21st April..... 2021 and are signed on its behalf by:

ABaker
.....

Anthony Baker

Chair

Company Registration Number. 07689815

Statement Of Cash Flows

as at 31 july 2020

	Notes	2020 £	2019 £
Cash inflows/(outflows) from operating activities	23	150,193	93,277
Cash flows from investing activities			
Purchase of fixed assets		(229,109)	(21,304)
Cash provided by (used in) investing activities		(229,109)	(21,304)
Change in cash and cash equivalents in the year		(78,916)	71,973
Cash and cash equivalents at the beginning of the year		629,938	557,965
Cash and cash equivalents at the end of the year		551,022	629,938
Cash and cash equivalents consist of:			
Cash at bank and in hand		551,022	629,938

Notes to the Financial Statements

For the year ended 31 July 2020

1. General Information

Durham Students' Union is a registered charity in England and Wales, with the charitable object of advancing the education of students at Durham University.

The charity is a private company limited by guarantee, with the registered office and principal address at Durham House, New Elvet, Durham, DH1 3AN.

2. Accounting Policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

Durham Students' Union meets the definition of a public benefit under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Going concern

The Trustees acknowledge that 2019/20, was a difficult year due to the Covid pandemic, based on the budgets prepared we know 2020/21 will be a stable year and unlikely, due to judicious and appropriate use of the furlough scheme, to result in any further losses. This leaves reasonable reserves intact. Whilst it appears that slowly the global position is improving, we cannot be certain of all the parameters that might exist in 2021/22, many of which are outside of our control. We do however have a commitment to a minimum level of funding from our main supporter, Durham University, for which we are very grateful, and we will be able to plan for activity around this support until at least July 2022.

On this basis the Trustees consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that might be necessary if the University were not to provide further support.

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

2.3 Fund accounting

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Union.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds – these are unrestricted funds earmarked by the board of trustees for particular purposes.

All income and expenditure is shown in the Statement of Financial Activities. Incoming resources and resources expended have been presented differently this year to better reflect a true and fair view of the union's activities.

2.4 Incoming resources

Block grant receive is taken to income on receipt, with the exception of amounts received relating to future periods which are taken to deferred and recognised in those accounting periods.

Incoming resources subject to donor imposed conditions that specify the time period in which the expenditure of resources can take place are recognised over the time period imposed.

The amount of block grant is agreed year on year and the Union has no contractual entitlement to this.

Other revenue income is taken to income when the conditions of entitlement, probability and measurement are met.

Donated facilities are recognised as income when the charity has control over the item, any conditions associated with the item have been met, the receipt of economic benefit from use by the charity of the item is probable and economic benefit can be measured reliably.

The Union receives donated resources from Durham University in the form of accommodation on the campus but as the value of these services cannot be quantified the income and expenditure has not been recognised in the statement of financial activities.

2.5 Resources expended

Resources expended are accounted for on an accruals basis.

Cost of raising funds comprise the costs of marketing and venue rental and their associated support costs.

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

Expenditure on charitable activities includes the cost of bars, events, membership services, DUCK and Student Societies undertaken to further the purposes of the charity and their associated cost.

Support costs are those costs incurred indirectly by the charity and are allocated to charitable activities on the basis of usage.

Governance costs are those incurred in compliance with constitutional statutory requirements, such as the annual audit.

The Union is partially exempt for VAT purposes and expenditure is shown gross of the irrecoverable proportion of VAT where applicable.

2.6 Tangible fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Assets costing more than £500 are capitalised and carried in the balance sheet at historic cost.

Depreciation is provided at rates calculated to write down the assets to their estimated residual values over the course of their anticipated working lives.

The annual rates of depreciation used on the straight line basis are as follows:

Building	10%
Computer equipment	20% - 33.33%
Plant and machinery	20%
Furniture and fittings	20% - 40%

2.7 Stock

Items of bar and vending stock are stated at the lower of historical cost and net realisable value.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Financial instruments

The charity only enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

For financial asset measured at amortised cost, the impairment loss is measured as the difference between an assets carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an assets carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.12 Pensions

The pension costs charged in the financial statements represents the contributions payable by the Union during the period in accordance with FRS102.

An explanation of the pension scheme run by the Union and details on payments in the period can be found on note 16 to the accounts.

2.13 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2.14 Judgements in applying accounting policies and key sources of estimation uncertainty

The charity 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.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property plant and equipment and note 2.6 for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors.

When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 14 for the net carrying amount of the debtors and associated impairment provision.

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

3. Statement of financial activities for the prior year

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Income from:						
Donations and legacies	4	1,102,615	-	64,379	1,166,994	1,113,327
Charitable activities	5	303,347	110,350	902,139	1,315,836	1,185,030
Other trading	6	182,691	-	-	182,691	217,018
Total income		1,588,653	110,350	966,518	2,665,521	2,515,375
Expenditure on:						
Raising funds		236,844	-	-	236,844	263,164
Charitable activities for students		1,376,091	-	906,098	2,282,189	2,203,463
Total expenditure	7	1,612,935	-	906,098	2,519,033	2,466,627
Net income /expenditure		(24,282)	110,350	60,420	146,488	48,748
Transfers between funds		-	-	-	-	-
Net movement in funds		(24,282)	110,350	60,420	146,488	48,748
Reconciliation of funds						
Total funds brought forward		279,597	-	264,792	544,389	465,641
Total funds carried forward		255,315	110,350	325,212	690,877	544,389

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

4. Donations and legacies

	Unrestricted £	Restricted £	2020 £	2019 £
University grant	918,395	89,515	1,007,910	956,844
Grant of serviced accommodation	208,994	-	208,994	206,720
Government grants	101,878	-	101,878	-
Other grant	6,319	194,912	201,231	3,430
	<u>1,235,586</u>	<u>284,427</u>	<u>1,520,013</u>	<u>1,166,994</u>

5. Income from charitable activities

	Unrestricted £	Restricted £	2020 £	2019 £
Events	1,162	-	1,162	1,050
Bars	196,893	-	196,893	267,738
Membership services	14,889	-	14,889	144,909
DUCK	-	340,885	340,885	463,063
Student groups	-	418,009	418,009	439,076
	<u>212,944</u>	<u>758,894</u>	<u>971,838</u>	<u>1,315,836</u>

6. Other trading income

	Unrestricted £	Restricted £	2020 £	2019 £
Venue rental	32,865	-	32,865	43,698
Marketing	105,543	-	105,543	138,993
	<u>138,408</u>	<u>-</u>	<u>138,408</u>	<u>182,691</u>

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

7. Resources expended

	Activities undertaken directly £	Support costs £	Total 2020 £	Total 2019 £
Raising funds	226,946	74,565	301,511	236,844
Charitable activities for students				
Commercial	201,611	49,224	250,835	295,559
Membership services	945,939	166,745	1,112,684	987,537
Designated fund activities	23,931	-	23,931	-
DUCK	351,108	30,779	381,887	466,840
Student groups	428,802	61,558	490,360	532,253
	1,951,391	308,306	2,259,697	2,282,189
	2,178,337	382,871	2,561,208	2,519,033

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

8. Support costs

	2020	2019
	£	£
Accommodation	208,994	206,720
Staff related costs	118,062	94,388
Facilities	(2,982)	15,892
Equipment and licences	11,888	15,808
Administration charges	20,637	22,581
Travel and conferences	3,746	1,676
Finance expenses	2,061	3,408
Professional expenses	2,886	413
Depreciation	12,474	16,463
	<hr/>	<hr/>
	377,766	377,349

Governance costs

Auditor's remuneration	5,105	4,500
Trustee expenses	-	143
	<hr/>	<hr/>
	5,105	4,643
	<hr/>	<hr/>
	382,871	381,992
	<hr/>	<hr/>

9. Net income/expenditure for the year

Net income for the year is stated after charging:

	2020	2019
	£	£
Depreciation	44,533	18,848
Operating lease expenses	10,140	5,313
	<hr/>	<hr/>

10. Auditor's remuneration

	2020	2019
	£	£
Fees payable to the charity's auditors of the charity's annual accounts	4,500	4,500
	<hr/>	<hr/>

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

11. Analysis of staff costs, trustees remuneration and expenses and the costs of key management personnel

Staff costs were as follows:

	2020	2019
	£	£
Wages and salaries	995,152	827,478
Social security costs	68,136	58,790
Pension costs	24,847	21,784
Other staff related costs	37,831	39,242
	<u>1,125,966</u>	<u>947,294</u>

The average number of employees based on head count during the period was:

	2020	2019
	£	£
Full-time	29	27
Casual	7	6
	<u>36</u>	<u>33</u>

There were no employees who earned more than £60,000 (2019 - none).

Travel expenses of £nil (2019 - £143) were reimbursed to nil (2019 - one) Trustees during the year.

The trustees are made up of external trustees and sabbatical officers; external trustees were not paid or received any other benefits from employment in the year (2019 - £nil), sabbatical trustees were paid £112,074 (2019 - £107,220) as permitted by the Students' Union's Ordinance and Regulations. No trustee received payment for professional or other services supplied to the charity (2019 - £nil).

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

11. Analysis of staff costs, trustees remuneration and expenses and the costs of key management personnel (continued)

	2020 Remuneration	2020 Pension	2019 Remuneration	2019 Pension
C Walker	-	-	19,938	578
D Evans	21,754	607	20,181	584
S Cahill	-	-	19,938	578
M Haskins	-	-	19,938	578
G Walker	-	-	19,938	578
S Johnson-Audini	21,296	597	1,453	-
K McIntosh	21,710	608	569	18
J Dunning	21,434	-	1,763	-
A McLoughlin	21,296	597	569	18
N Haque	382	-	-	-
A Marshall	647	-	-	-
S McAllister	382	-	-	-
E Swift	382	-	-	-
S Twins	382	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	109,665	2,409	104,287	2,932
	<hr/>	<hr/>	<hr/>	<hr/>

The key management personnel of the charity comprise the Chief Executive Officer, Directors of Services, Director of Campaigns. The total employee benefits of the key management personnel of the charity were £176,939 (2019 - £156,017).

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

12. Tangible fixed assets

	Leasehold improvements £	Plant & machinery £	Computer equipment £	Furniture & fittings £	Total £
Costs					
As at 1 August 2019	3,930	3,500	41,171	101,947	150,548
Additions	92,799	-	9,650	126,659	229,108
As at 31 July 2020	96,729	3,500	50,821	228,606	379,656
Depreciation					
As at 1 August 2019	-	3,500	31,948	70,554	106,002
Charge for the year	7,678	-	4,287	32,568	44,533
As at 31 July 2020	7,678	3,500	36,235	103,122	150,535
Net book value					
As at 1 August 2019	3,930	-	9,223	31,393	44,546
As at 31 July 2020	89,051	-	14,586	125,484	229,121

At 31 July 2020 Durham Students' Union had no capital commitments.

13. Stocks

	2020 £	2019 £
Goods for resale	8,483	8,823

14. Debtors

	2020 £	2019 £
Trade debtors	22,141	23,439
Other debtors	85,831	63,624
	107,972	87,063

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

15. Creditors – amounts falling due within one year

	2020	2019
	£	£
Trade creditors	37,871	42,545
Accruals and deferred income	46,224	18,191
Other creditors	34,450	1,179
Social Security and other taxes	18,125	17,578
	<hr/>	<hr/>
	136,670	79,493
	<hr/>	<hr/>

Deferred income comprises of marketing income received before the balance sheet date that will be recognised in the next financial year.

	2020
	£
Balance at 1 August 2019	5,020
Amount released to income	(5,020)
Amount deferred in year	1,500
	<hr/>
Balance at 31 July 2020	1,500
	<hr/>

16. Pension

Durham Students' Union participated in a defined contribution group personal pension scheme which was opened to the members during the financial period to 31 July 2020. Under the scheme the Union and employees each contributed 3% of earnings.

Pension costs for the year ended 31 July 2020 amounted to £24,847 (2019 - £21,784). Pension costs are funded from unrestricted income.

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

17. Funds analysis

For the year ended 31 July 2020

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfer £	Balance at 31 July 2020 £
Unrestricted funds	255,315	1,584,074	(1,675,162)	-	164,227
Designated funds	110,350	2,864	(23,931)	-	89,283
	365,665	1,586,938	(1,699,093)	-	253,510
Restricted funds					
DUCK	68,059	340,885	(351,108)	-	57,836
Student groups	257,153	507,525	(428,802)	-	335,876
Capital fund	-	102,946	(22,846)	-	80,100
Other funds	-	91,965	(59,359)	-	32,606
	325,212	1,043,321	(862,115)	-	506,418
Total funds	690,877	2,543,790	(2,561,208)	-	759,828

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

17. Funds analysis (continued)

Student groups

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfer £	Balance at 31 July 2020 £
Law	36,428	55,157	(32,161)	-	59,424
Instep	5,761	13,334	(8,868)	-	10,227
Hill walking	4,710	14,223	(13,291)	-	5,642
Women in business	9,746	3,991	(6,208)	-	7,529
Christian Union	4,367	46,177	(48,727)	-	1,817
Pro Bono	5,282	2,960	(1,470)	-	6,772
Freefall	4,583	180	(2,100)	-	2,663
Yoga	4,812	5,597	(4,141)	-	6,268
Arthur Holmes Geological	2,465	667	(909)	-	2,223
Aerobics	3,577	3,302	(3,151)	-	3,728
Ballet	2,869	3,873	(2,749)	-	3,993
Folk	2,739	63	(1,175)	-	1,627
Purple Radio	2,826	2,931	(3,870)	-	1,887
Swing	5,654	4,508	(5,652)	-	4,510
Geographical	9,323	13,097	(12,010)	-	10,410
Classics	2,762	2,208	(1,256)	-	3,714
History	3,209	8,951	(7,366)	-	4,794
Pole dancing	2,022	8,330	(6,152)	-	4,200
Computing	9,723	14,910	(22,685)	-	1,948
Mathematical	2,094	6,767	(5,617)	-	3,244
Nightline	3,907	2,049	(2,242)	-	3,714
English Literature	2,069	6,867	(3,787)	-	5,149
Legal Union	1,040	4,198	(2,252)	-	2,986
Mooting	2,724	3,835	(3,853)	-	2,706
Equestrian Club	2,286	1,033	(365)	-	2,954
Bar	1,585	4,391	(1,739)	-	4,237
Chemistry	1,701	9,679	(8,374)	-	3,006
Art & Life Drawing	1,393	1,780	(1,170)	-	2,003
Chinese Students	24	2,636	-	-	2,610
Harry Potter	2,966	2,365	(2,754)	-	2,577
Wine	1,176	917	-	-	2,093
Football Supporters	2,689	2,278	(2,595)	-	2,372
First Aid Soc	1,269	1,093	(343)	-	2,019
Politics & Int Rel	3,749	1,522	(2,494)	-	2,777
Heads Up Durham	250	4,270	(1,060)	-	3,460
Other societies					
(Societies with balances <£2,000)	85,257	181,665	(157,053)	-	109,869
Unallocated balances	18,116	65,721	(49,163)	-	34,674
	257,153	507,525	(428,802)	-	335,876

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

17. Funds analysis (continued)

For the year ended 31 July 2019

	Balance at 1 August 2019 £	Income £	Expenditure £	Transfer £	Balance at 31 July 2020 £
Unrestricted funds	279,597	1,588,653	(1,612,935)	-	255,315
Designated funds	-	110,350	-	-	110,350
	279,597	1,699,003	(1,612,935)	-	365,665
Restricted funds					
DUCK	39,894	463,063	(434,898)	-	68,059
Student groups	224,898	500,625	(468,370)	-	257,153
Other grant	-	2,830	(2,830)	-	-
	264,792	966,518	(906,098)	-	325,512
Total funds	544,389	2,665,521	(2,519,033)	-	690,877

Designated funds

The Designated Fund was created in 2019/20 to support work with the colleges and the MCR/JCR's over a period of two years. Due to the pandemic the only significant funds spent were on the staff member recruited to fulfil this project, who worked well in the initial year, partly remotely of course. The work continues, and we will review the funding at the end of July 2021. There will again be little significant spend in 2020/21 outside of staff costs.

Restricted funds

Student group funds represent balances held by individual societies and are spent at their discretion subject to the Union's rules.

DUCK funds represent balances raised by students for charitable purposes. These are paid to charitable organisations subject to the Union's rules.

The Capital fund relates to amounts received from the University for refurbishment undertaken during the year. Depreciation will be allocated against this fund over the expected life of the assets purchased.

Other funds represent additional amounts received from the University, these included £87,500 for the support of academic society membership and £4,465 for mental health first aid training. The mental health first aid training was fully utilised. The remaining balance is expected to be spent during 2020/21. The amount received during 2019/20 was received for the operation of the Nightbus.

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

18. Analysis of net assets between funds

For the year ended 31 July 2020

	Fixed assets £	Current assets £	Current liabilities £	Fund balances £
Unrestricted funds	229,121	156,454	(132,065)	253,510
Restricted funds	-	511,023	(4,605)	506,418
	<hr/> 229,121	<hr/> 667,477	<hr/> (136,670)	<hr/> 759,828
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

For the year ended 31 July 2019

	Fixed assets £	Current assets £	Current liabilities £	Fund balances £
Unrestricted funds	44,546	397,493	(76,374)	365,665
Restricted funds	-	328,331	(3,119)	325,212
	<hr/> 44,546	<hr/> 725,824	<hr/> (79,493)	<hr/> 690,877
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

19. Operating leasing commitments

At 31 July 2020 the charity had future minimum lease payments under non-cancellable leases as follows:

	2020 £	2019 £
No later than 1 year	-	10,183
	<hr/>	<hr/>

20. Capital commitments

At 31 July 2020 there were no capital commitments (2019 - £71,108).

Notes to the Financial Statements (continued)

For the year ended 31 July 2020

21. Related party transactions

Durham University owns the building occupied by Durham Students' Union; a peppercorn rent is charged on this lease.

At the year end, the University owed the Union a balance of £60 (2019 - £2,202).

At the year end, the Union owed the University a balance of £589 (2019 - £nil).

22. Controlling party

Control of Durham Students' Union is considered to be in the hands of its membership, and consequently there is no controlling party.

23. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020	2019
	£	£
	69,051	146,488
Adjustments for:		
Depreciation	44,533	18,848
Decrease/(increase) in stocks	341	(1,472)
Decrease/(increase) in debtors	(20,909)	24,576
(Decrease)/increase in creditors	57,177	(95,163)
	<hr/>	<hr/>
Net cash provided by operating activities	150,193	93,277
	<hr/> <hr/>	<hr/> <hr/>



Dunelm House
New Elvet
Durham
DH1 3AN

durhamsu.com