

REGISTERED COMPANY NUMBER: 07003324 (England and Wales)  
REGISTERED CHARITY NUMBER: 1148990

REPORT OF THE TRUSTEES AND  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2021  
FOR  
CARDIFF MET STUDENTS' UNION

Watts Gregory LLP  
Chartered Accountants & Statutory Auditors  
Elfed House  
Oak Tree Court  
Cardiff Gate Business Park  
CARDIFF  
County of Cardiff  
CF23 8RS

**CARDIFF MET STUDENTS' UNION**

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FOR THE YEAR ENDED 30 JUNE 2021**

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## **CARDIFF MET STUDENTS' UNION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2021**

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The objects of Cardiff Met Students' Union are:-

- the advancement of education of students at Cardiff Met 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 Cardiff Met University and other external bodies;
  - facilitating the social, recreational and education interests of its Membership, through providing services and support for its Members; and
  - working with other Students' Unions and affiliated bodies.
- the advancement of student welfare and the relief of the needs of students at Cardiff Met University through:-
  - the provision of recreational and leisure time activities provided in the interests of social welfare designed to improve conditions of student life;
  - the provision of support and activities which develop skills, capacities and capabilities to participate in society as mature responsible individuals;
  - the provision of services to promote the wellbeing of Cardiff Met University students generally and as individuals in need.

##### **Significant activities**

In the 2020/2021 Financial Year the control measures put in place by the Welsh Government and the University itself have had a major impact on the services that the Students Union (SU) has been able to offer its members.

We have continued to receive our Block Grant funding from the University, which together with the use of the UK Governments Job Retention Scheme has provided a protection in terms of financial sustainability of the SU throughout the year.

In October 2020, we made the decision to close our commercial operations on the Llandaff Campus and placed the staff on the Job Retention Scheme as the delivery of the academic courses virtually meant that very few students were allowed on the campus. These commercial operations were in the main operating with a central subsidy, and therefore in not opening we were able to reduce the overall subsidy allocated to them.

We had budgeted for a full SU Sport Club BUCS and National League programme based on guidance from BUCS that they intended to provide some form of competitive sport programme. As the impact of the virus was considered by the affiliate members of BUCS it became clear as the year progressed that it would be impossible for SU's to ensure the safety of their members in participating in student sport and eventually BUCS advised that they would not be able to offer any substantial sports programme. This is one of the main expenditure areas for the SU falling within the provision of recreational and leisure opportunities.

Throughout the lockdown period and with the reduced services that we were able to offer, we reviewed the staff and officers that were considered essential to maintain what core services we were able to provide. A number of commercial, administrative and finance staff were placed on the Job Retention Scheme to protect both the organisation and the longer-term job safety of the staff.

As there were changes to the Covid measures put in place by the Welsh Government particularly in respect of hospitality services, following detailed risk assessments we were able to re-open our Centro operation during the first term, from October to December. It again closed with the national lockdown pre-Christmas and remained closed until May 2021 following a request by the University to re-open as a service to the members. It closed in mid-June due to a lack of on-campus trade and re-opened as a service to our sports clubs and the University Dragon Camp courses for the remainder of the summer.

##### **The provision of Recreational and Leisure Facilities**

In addition to the curtailment of the BUCS sports programme, only a few clubs that were allowed by Welsh Government and National Governing body decisions were able to train or play and this was only allowed following a detailed risk assessment process conducted by our SU Sport staff which required signing off by the University's senior management team.

## **CARDIFF MET STUDENTS' UNION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2021**

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This had a major effect on our engagement a core set of students and a number of wellbeing initiatives were introduced providing some virtual support opportunities and funding based on an application process for community / civic initiatives.

As the year progressed and Covid measures eased there was a limited return to training on campus, but other than those teams in National Leagues, which were classed as, having professional status there was no competitive programme.

Many of the clubs and societies at the start of the year had signed up new and returning members, but were unable to access University facilities to train or play and as mentioned above there was no sport or activities for them to participate in. Following representations to the University, we received additional funding allowing us to refund approx. £35k to our members as membership fee refunds.

With the closure of our on-campus facilities the social distancing measures in place and the delivery of the academic programme virtually, we found that our societies were unable to function and deliver any sort of engagement to the students. This resulted in a dramatic decline in the number of societies and society members.

#### **The provision of Support Services**

##### **Membership services**

The delivery of the majority of our support services moved to an online provision and we continued to provide academic representation both through our representation team and through our professional staff.

The core staff in the main worked from home for large periods of the financial year, with meetings taking place online via teams. All the elected and appointed student officers were retained and continued to provide online / virtual support service for the members.

With change to delivery of the academic programme online, much of the work that our reps undertook was to ensure that students received the quality of education that had been confirmed with them at the outset. We also engaged with the University in ensuring that where funding allowed there were negotiated refunds put in place, in areas such as accommodation fees for the on-campus halls.

With the accepted pressures that our students were facing through the loss of the on-campus experience and peer interaction, the SU and our affiliated clubs and societies provided a range of support and wellbeing services ranging from fitness and yoga through to kit delivery, which doubled up as home visits.

In February our engagement team working delivered a 3 day virtual conference for those international partner colleges in the UK and internationally who would have previously sent delegates to Cardiff.

For a number of years, the Students Union has recognised the increasing amount of representation and case work that has been coming into our advice section. In March we approved the recruitment of an additional caseworker to enhance this service to the students.

Following the appointment of two new members of staff to these roles we restructured so that in addition to the case worker, one member would focus on policy development and the other on HE review and guidance for the officers of the Students Union.

#### **Significant activities**

##### **Clubs and societies**

An objective of the SU is to promote and support social and cultural societies, which can include trips, activities events and social gatherings and are all run by students on a democratic basis.

The measures to control the virus such as social distancing, banning of organised activities and the closure of our facilities as previously reported has curtailed what we as an SU would consider the normal services that we provide.

Our sports club membership remained strong and when the clubs were able to re-commence some form of activities it was clear that we would be able to maintain both the number of clubs and the number of member participants. However, with no organised programme and student leadership only a small number of societies were able to continue.

##### **Media**

The SU operates a range of media services as the primary means of communicating with its members. During the pandemic there has been a greater emphasis on utilising the media to provide students with information on a range of issues to help support them through the pandemic.

## **CARDIFF MET STUDENTS' UNION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2021**

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#### **OBJECTIVES AND ACTIVITIES continued**

This ranged from wellbeing and support messages, advice on the provision of academic services through to general safety / Covid related communications.

In September as part of the approach to commencement of the new academic year, our media staff delivered a virtual freshers fayre replicating where possible the major face to face event that we would normally deliver in the National Indoor Athletic Centre. As a virtual event it was successful in delivering a large-scale engagement initiative with the new and returning students.

#### **The provision of Social Activities**

The SU normally provides a range of cost competitive commercial operations on both the Llandaff and Cyncoed Campuses.

We had been advised that as part of the Estates Development plan, the University would be taking over the commercial operations that we had previously provided on the Llandaff Campus. The staff that were employed in these operations would transfer across to the University under the TUPE legislation.

This operation re-opened at the start of the academic year but as previously reported there was insufficient on campus business to justify it remaining open and the decision was made to close the operations and to place the staff on the Job retention Scheme.

The transfer of the staff was postponed a number of times as the lockdowns continued and the job retention scheme was extended, and they remained as employees of the SU at the year-end.

Centro as previously reported opened when the lockdown measures allowed it to in September 2020 and operated under reduced capacity and social distancing measures until mid-December.

#### **Futura Marketing and Promotions Limited**

The charity's wholly owned subsidiary continued to undertake all non-charitable activity.

#### **Public benefit**

The organisation's Board of Trustees confirm that they have had due regard to public benefit guidance published by the Charity Commission. Significant activities that we undertook during the year that demonstrates the public benefit are detailed in this report.

#### **ACHIEVEMENT AND PERFORMANCE**

The challenges felt within the Higher education sector and by SU's have been unprecedented and those faced by the SU to continue to deliver support services to our members has required a major commitment to team working both in the SU and alongside colleagues with the University itself.

The fact that we made effective and timely decisions to close the subsidised Llandaff commercial operations and to maximise the use of the Job Retention scheme has contributed to us ensuring the viability and strength of the SU financial performance.

There has been a major saving on expenditure on our SU Sport clubs which whilst it can be seen as a positive in a purely financial sense, we exist amongst other things to provide these opportunities to our members and being unable to deliver this is not something that we have experienced previously.

The performance of the core team of staff and officers that worked from home for large parts of the financial year was outstanding and helped the SU to deliver those support service and operations that we were able to provide.

Despite the challenges faced by the SU throughout this pandemic and the unprecedented conditions that we experienced, it is a testament to the effectiveness of our senior management team, the student officers and reps and the Board of Trustees who functioned throughout the pandemic that we were able to continue to provide support services in the interests of our members.

## **CARDIFF MET STUDENTS' UNION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2021**

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#### **FINANCIAL REVIEW**

Total income for the year to 30 June 2021 was £1,684,220 (2020 - £2,486,728). The expenditure for the year totalled £1,533,656 (2020 - £2,320,148), leaving a net surplus for the year of £150,564 before movement on the defined benefit pension scheme provision. An unwinding of the discounted defined benefit pension scheme provision of £17,670 (2020 - £92,410) has been reported. Net income for the year is reported as £132,894.

The impact of the pandemic has been felt across all aspects of the Students Union operations which has been reflected in the way we have approached the management of our commercial operations. Our Cyncoed Shop has remained closed for the bulk of the last financial year and our Centro operation has operated in between lockdown periods and has operated within the restrictions placed on hospitality operations.

The numbers of students and staff on the Cyncoed campus would not have justified us keeping the operation open from a profitability point of view, but it played an important part in offering those students who were on campus a social base to meet other students safely.

The commercial operations on the Llandaff Campus were unviable to operate during the financial year, and we have made full use of the Job retention Scheme to support the Students Union over this period with all the staff being placed on it.

During this period, the consultations with the University to transfer the staff and the operations to them have continued which has been challenging for the staff involved.

Our revenue from our marketing and promotions company has been reduced considerably during this financial year, mainly in part to the closure of the nightclub industry in the city centre. There has also been a reduction in advertising revenue as organisations that we have previously dealt with have held off from advertising to the student market.

Despite the challenges of operating in these circumstances, whilst the commercial services operations have been heavily restricted, it has challenged us to look at how we support students and represent them. Campaigns have been targeted at wellbeing and student welfare and offering support in key areas of academic provision and fees.

#### **Reserves policy**

The Board of Trustees has adopted a policy on reserves which aims to increase the reserves over the next five years to achieve sufficient reserves to ensure services can continue to meet all statutory and legal commitments for a minimum of three months. This would equate to approximately £500,000.

Total funds at the year end amounted to a negative total of £88,576 (this is after accounting in full for a pension provision of £514,424). At the year end there were no restricted fund balances. The group has no free reserves.

The Students' Union will continue to budget for a managed surplus outcome each financial year, which whilst contributing to the policy of increasing its reserves will allow it to continue to provide the range of services and opportunities for its students that it exists for.

#### **Principle risks and uncertainties**

There are two elements which we would highlight in this report.

Firstly, a principal risk that would affect the performance and viability of the SU relates to the central funding that we receive from the University in the form of a Block Grant payment. As part of the annual budget setting process the University has confirmed that we will receive a small increase of £10k on the Block Grant funding for the 2021/22 financial year.

Secondly, the impact of further restrictions on hospitality, general lockdowns for Covid could impact on both our income and costs.

These risks will be considered at both our Finance & Services committee and Board of Trustees and we will continue to operate the effective financial controls that we have in place and implement the budgetary safeguards to ensure we account for these uncertainties.

#### **Factors likely to affect future financial performance**

The loss of the Llandaff commercial operations whilst having a negative impact on the engagement that we have with our members, will conversely have a positive effect on our accounts through not having to subsidise the operations.

We have established budgets based on a return of many of our normal on campus activities and our funding model will ensure that we are able to meet these commitments. The operation of our commercial operations on the Cyncoed campus will be regularly monitored to ensure their effective performance and contribution to the SU financial

## **CARDIFF MET STUDENTS' UNION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2021**

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performance as a whole.

#### **Principal funding sources**

Cardiff Met University has provided grant funding in the amount of £892,387 to support the services offered by the Students' Union.

Our subsidiary trading company Futura Marketing & Promotions Ltd has re-established a number of key commercial links and this will be a focus for the year to look at additional income streams to underpin and support the representation services of the SU.

#### **FUTURE PLANS**

A summary of the future plans for the SU is to rebuild the student engagement opportunities that we have lost through the pandemic. Our students have suffered the 2 years of missing many aspects of what would be seen as normal student life and enjoying a student experience that supplements the academic learning process. A key objective for the SU is to deliver on the expectations of our student members and rebuild the social, cultural, sport and society opportunities that their predecessors have enjoyed.

We will be working with the University with the aim of completing the transfer of our Llandaff Commercial staff under the TUPE legislation with an agreed deadline of 1st September 2021.

We have added an extra staff resource to focus on the key areas of society regeneration, volunteering, environment & sustainability and Job Shop. These are development areas for the SU where we have previously underperformed as an organisation and we would expect these to be seen as growth areas for our engagement with students in future years.

Following a couple of years of growth in the number of societies and membership, the pandemic has somewhat decimated the number of active societies and rebuilding this will be a key responsibility of these new resource.

We will restructure the line management structure of our commercial operations on the Cyncoed campus to bring the hospitality and retail operations under the management of our Operations Manager.

We will be looking to take over responsibility for the operation of the football academy programme including the staff involved and bring it under the auspices of the football club via the SU.

Following the decision by the current Chief Executive to step down from his role in June 2022, the Board of Trustees will undertake a recruitment exercise to appoint a successor and will be engaging external consultants to lead on this process.

The SU has been provided with sufficient notice to undertake a detailed, transparent recruitment exercise to ensure that a successor is appointed and in place before the end of the financial year.

## **CARDIFF MET STUDENTS' UNION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2021**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is governed by its Memorandum and Articles of Association and is constituted as a company limited by guarantee.

The charity owns 100% of the share capital of Futura Marketing and Promotions Limited, a company governed by its Memorandum and Articles of Association.

##### **Recruitment and appointment of new trustees**

The Board consists of at least three and not more than twelve individuals, as follows:-

- the President and Vice President (the Sabbatical Officers) who are elected by the members from amongst their number to serve for a period of one year but may be re-elected for one further year thereafter;
- the paid Chief Executive Officer;
- one representative of each school of learning at Cardiff Met University, provided that each representative is a member and is appointed by the Committee for a maximum of one year subject to reappointment for an additional two further years only; and
- up to two individuals with specialist knowledge appointed by the Board from outside the members to serve for a period of no more than three years subject to reappointment, and for no longer than six years in total.

##### **Organisational structure**

Overall responsibility for the management of Cardiff Met Students' Union rests with the Board of Trustees, which is responsible for setting the strategic direction and policies of the organisation. Board members carry the ultimate responsibility for the conduct of Cardiff Met Students' Union and for ensuring the organisation satisfies its legal and contractual obligations. Trustees meet at least four times a year. In addition, the Board have established a Finance and Services sub-committee.

##### **Induction and training of new trustees**

The new trustees all participated in a comprehensive 5-day training event prior to the commencement of the academic year, covering a range of key areas of their roles. It was in part delivered by external consultants. In addition, one-to-one sessions took place focussing on the financial management information systems, to ensure that there was an understanding of the information that they would receive at both the Finance & Services Committee and each Board of Trustees.

##### **Key management remuneration**

The Students' Union will maintain a market comparison system through its HR and Finance functions, based on other Students' Unions and charity equivalents to inform on any key management remuneration and recruitment. These are all included in budgetary plans which are approved by Finance and Services and the Board of Governors.

In terms of annual inflationary increase these are based on affordability and were applied equally across all salaried staff within the organisation.

##### **Related parties**

The charity has a wholly owned subsidiary trading company, 'Futura Marketing and Promotions Limited' to undertake all non-charitable activity.

##### **Risk management**

The trustees acknowledge their duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

An annual internal audit is carried out each year by the internal auditors appointed by Cardiff Met University. This internal audit evaluates the adequacy of risk management and control within the system and the extent to which controls have been applied.

The internal audit report has been approved by the Finance & Services committee of the Students' Union, and in accordance with the Education Act 1994 it has been presented to the Resources Committee and Board of Governors meetings of the University. The outcome of the Internal Audit report was that there was substantial assurance of the financial regulations and procedures in place.



## CARDIFF MET STUDENTS' UNION

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2021

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#### REFERENCE AND ADMINISTRATIVE DETAILS

**Registered Company number**

07003324 (England and Wales)

**Registered Charity number**

1148990

**Registered office**

Central Union Office  
Cardiff Metropolitan University  
Cyncoed Campus, Cyncoed Road  
CARDIFF  
CF23 6XD

**Trustees**

M Davies	Chief Executive Officer	
M Pavuluri	President from 01/08/2020 to 31/07/2021	Resigned 31/07/2021
A Fox	President from 01/08/2019 to 31/07/2020	Resigned 31/07/2020
K Davies	Vice President from 01/08/2019 to 31/07/2021	Resigned 31/07/2021
I Smith		Resigned 30/06/2021
N Amery		Appointed 01/09/2020
C Atkins		Appointed 01/09/2020
S Cockrell		Appointed 01/09/2020
M Quinn		Appointed 01/09/2020
A Simm		Appointed 01/09/2020; Resigned 30/06/2021
A Robbins		Appointed 01/09/2020; Resigned 30/06/2021
A Milburn		Appointed 14/04/2021
V Gonavaram	President from 01/08/2021	Appointed 01/08/2021
N Wrigley	Vice President from 01/08/2021	Appointed 01/08/2021

**Company Secretary**

S Bradley

**Auditors**

Watts Gregory LLP  
Chartered Accountants & Statutory Auditors  
Elfed House  
Oak Tree Court  
Cardiff Gate Business Park  
CARDIFF  
County of Cardiff  
CF23 8RS

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Cardiff Met Students' Union for the purposes of company law) are responsible for preparing the Report of the Trustees 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 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 business.

**CARDIFF MET STUDENTS' UNION**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 30 JUNE 2021**

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The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the 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 auditors are 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 auditors are aware of that information.

Approved by order of the Board of Trustees on 26 October 2021 and signed on its behalf by:



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M W Davies - Trustee

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CARDIFF MET STUDENTS' UNION

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### Opinion

We have audited the financial statements of Cardiff Met Students' Union (the 'charitable company') for the year ended 30 June 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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

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

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 charity'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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charity's ability to continue as a going concern in exceptional or unforeseen circumstances.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CARDIFF MET STUDENTS' UNION**

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### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, 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.

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

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:

Based on our understanding of both the company and industry, we identified the principal risks of non-compliance with laws and regulations, including those related to UK tax legislation and considered the extent to which any non-compliance might have on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and ensured that all those involved in the audit undergo regular update training, including on how to identify or recognise fraud and non-compliance with laws and regulations.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inaccurate journals and management bias in accounting estimates. We addressed these risks by carrying out specifically targeted procedures, which included:

- discussions with management, including consideration of any known or suspected instances of non-compliance with laws and regulations and/or fraud;
- reading minutes of meetings of those charged with governance;
- the appropriateness of journal entries and other adjustments;
- evaluating the reasons for any large or unusual transactions;
- reviewing disclosures in the financial statements to underlying supporting documentation

As outlined above, reasonable assurance is a high level of assurance, but is not a guarantee that a material misstatement may always be detected. The extent to which our procedures are capable of detecting material misstatements or irregularities, including fraud, is therefore subject to the inherent limitations of an audit. There is therefore, an unavoidable risk that a material misstatement may not come to light, in particular, where non-compliance with laws and regulations are remote from events and transactions reflected in the financial statements or where fraud or errors arise due to intentional misrepresentation, forgery, concealment, management override and/or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
CARDIFF MET STUDENTS' UNION**

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**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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Julia Mortimer (Senior Statutory Auditor)  
for and on behalf of Watts Gregory LLP  
Chartered Accountants & Statutory Auditors  
Elfed House  
Oak Tree Court  
Cardiff Gate Business Park  
CARDIFF  
County of Cardiff  
CF23 8RS

Date: 29 October 2021

**CARDIFF MET STUDENTS' UNION**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total Funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	1,203,050	36,667	1,239,717	1,040,922
<b>Charitable activities</b>	6				
Provision of recreational and leisure facilities		334,716	-	334,716	541,972
Provision of social activities		56,672	-	56,672	791,245
Other trading activities	4	44,889	2,322	47,211	99,636
Investment income	5	457	-	457	790
Other income		<u>5,447</u>	<u>-</u>	<u>5,447</u>	<u>12,163</u>
<b>Total</b>		<b>1,645,231</b>	<b>38,989</b>	<b>1,684,220</b>	<b>2,486,728</b>
<b>EXPENDITURE ON</b>					
Raising funds	8	12,000	-	12,000	17,464
<b>Charitable activities</b>	9				
Provision of recreational and leisure facilities		521,861	2,322	524,183	703,455
Provision of support services		319,373	-	319,373	338,812
Provision of social activities		<u>641,433</u>	<u>36,667</u>	<u>678,100</u>	<u>1,260,417</u>
<b>Total</b>		<b>1,494,667</b>	<b>38,989</b>	<b>1,533,656</b>	<b>2,320,148</b>
<b>NET INCOME</b>		<b>150,564</b>	<b>-</b>	<b>150,564</b>	<b>166,580</b>
Unwinding of discounted pension provision		<u>(17,670)</u>	<u>-</u>	<u>(17,670)</u>	<u>(92,410)</u>
<b>Net income/(expenditure) for the year</b>		<b>132,894</b>	<b>-</b>	<b>132,894</b>	<b>74,170</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>(221,470)</b>	<b>-</b>	<b>(221,470)</b>	<b>(295,640)</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>(88,576)</u></b>	<b><u>-</u></b>	<b><u>(88,576)</u></b>	<b><u>(221,470)</u></b>

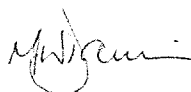
The notes form part of these financial statements

CARDIFF MET STUDENTS' UNION

CONSOLIDATED AND CHARITY BALANCE SHEET  
30 JUNE 2021

		Group		Charity	
	Notes	2021 £	2020 £	2021 £	2020 £
<b>FIXED ASSETS</b>					
Tangible assets	15	39,970	57,530	39,970	57,530
Investments	16	-	-	4	4
		39,970	57,530	39,974	57,534
<b>CURRENT ASSETS</b>					
Stocks	17	8,503	24,729	8,503	24,729
Debtors: amounts falling due within one year	18	74,592	127,934	97,211	149,674
Cash at bank		631,427	489,788	585,967	414,148
		714,522	642,451	691,681	588,551
<b>CREDITORS</b>					
Amounts falling due within one year	19	(328,644)	(392,633)	(319,836)	(388,852)
<b>NET CURRENT ASSETS</b>		<u>385,878</u>	<u>249,818</u>	<u>371,845</u>	<u>199,699</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		425,848	307,348	411,819	257,233
<b>PENSION LIABILITY</b>		<u>(514,424)</u>	<u>(528,818)</u>	<u>(514,424)</u>	<u>(528,818)</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>(88,576)</u>	<u>(221,470)</u>	<u>(102,605)</u>	<u>(271,585)</u>
<b>FUNDS</b>	21				
Unrestricted funds:					
General fund		425,848	307,348	411,819	257,233
Pension reserve		<u>(514,424)</u>	<u>(528,818)</u>	<u>(514,424)</u>	<u>(528,818)</u>
		(88,576)	(221,470)	(102,605)	(271,585)
Restricted funds		-	-	-	-
<b>TOTAL FUNDS</b>		<u>(88,576)</u>	<u>(221,470)</u>	<u>(102,605)</u>	<u>(271,585)</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 26.10.21 and were signed on its behalf by:



M Davies -Trustee



V Gonavaram -Trustee

The notes form part of these financial statements

**CARDIFF MET STUDENTS' UNION**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>141,410</u>	<u>260,378</u>
<b>Net cash provided by (used in) operating activities</b>		<u>141,410</u>	<u>260,378</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(6,987)	(12,789)
Sale of tangible fixed assets		6,759	-
Interest received		<u>457</u>	<u>790</u>
<b>Net cash provided by (used in) investing activities</b>		<u>229</u>	<u>(11,999)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		141,639	248,379
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>489,788</u>	<u>241,409</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>631,427</u>	<u>489,788</u>

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	150,564	166,580
<b>Adjustments for:</b>		
Depreciation charges	19,203	24,267
Profit on disposal of fixed assets	(1,415)	-
Interest received	(457)	(790)
Decrease/(increase) in stocks	16,226	16,545
Decrease/(increase) in debtors	53,342	(14,476)
Increase/(decrease) in creditors	(63,989)	98,795
Difference between pension charge and cash contributions	<u>(32,064)</u>	<u>(30,543)</u>
<b>Net cash provided by (used in) operating activities</b>	<u>141,410</u>	<u>260,378</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/7/20 £	Cash flow £	At 30/6/21 £
<b>Net cash</b>			
Cash at bank and in hand	<u>489,788</u>	<u>141,639</u>	<u>631,427</u>
	<u>489,788</u>	<u>141,639</u>	<u>631,427</u>
<b>Total</b>			



## CARDIFF MET STUDENTS' UNION

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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#### 1. STATUTORY INFORMATION

Cardiff Met Students' Union is a registered charity and private company limited by guarantee, incorporated in Wales in the United Kingdom. The registered office is Central Union Office, Cardiff Met University, Cyncoed Campus, Cyncoed Road, Cardiff, CF23 6XD. The nature of the company's operations and principal activities are disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

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. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

There have been no material departures from Financial Reporting Standard 102.

##### **Going concern**

The performance and viability of the Students' Union primarily relate to the parent institution, particularly in respect of the continued central financial support through the block grant and the financial impact on the University itself from student retention issues. The block grant funding has been confirmed for 2021/22 and remains at 2020/21 levels.

The Coronavirus pandemic had resulted in a number of uncertainties arising and the trustees have taken steps to minimise the effect on the group and will continue to do so. These include the transfer of the Llandaff Student Centre to the University; monitoring of any appropriate government financial support and an increased focus on strengthening the commercial performance of our on-campus operations. As a result, the trustees are satisfied that it is appropriate for these financial statements to be prepared on a going concern basis.

##### **Consolidation**

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

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. This includes capital grants.

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Income from other trading activities includes income received under contract. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income is recognised on a receivable basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

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**2. ACCOUNTING POLICIES**

**Basis of recognition of liabilities**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Raising funds include direct merchandise costs which are available for resale.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

**Allocation and apportionment of costs**

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

**Tangible fixed assets**

Tangible fixed assets are initially recorded at cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Bar and shop fixtures and fittings	12.5% - 33.33% on cost
Office furniture and equipment	12.5% - 33.33% on cost
Computers	33.33% on cost

**Investments**

Fixed asset investments are stated at cost. Provision is made, where necessary, for any permanent diminution in value.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

Stock is included at the lower of cost or net realisable value using the FIFO stock valuation method.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2. ACCOUNTING POLICIES - continued**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

**Pension costs and other post-retirement benefits**

The Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. Where a plan has been agreed to fund an identified deficit, a liability is recognised for the present value of the contributions payable that arise from that agreement with the resulting expense recognised in the Statement of Financial Activities.

The Union also participate in the National Union of Students Pension Scheme, a defined contribution scheme. Contributions payable to this pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Termination payments**

The charitable company recognises termination benefits as a liability and an expense only when the entity is demonstrably committed either to terminate the employment of an employee or group of employees before the normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

**Operating lease commitments**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**Significant accounting judgements and estimates**

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

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, be likely to differ from the related actual results. No estimates or assumptions have been identified that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**3. DONATIONS AND LEGACIES**

	2021 £	2020 £
Donations	12,799	9,143
Cardiff Met University grant	892,387	915,720
Coronavirus Job Retention Scheme grant	309,376	116,059
Welsh Government – Economic Resilience Grant	25,155	-
	<u>1,239,717</u>	<u>1,040,922</u>

The above grant received from Cardiff Met University is allocated as follows:

	2021 £	2020 £
General block grant	355,720	355,720
SU Sport	150,000	150,000
Campus Centre	36,667	110,000
Activity fee	300,000	300,000
HEFCW	50,000	-
	<u>892,387</u>	<u>915,720</u>

**CARDIFF MET STUDENTS' UNION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2021**

**4. OTHER TRADING ACTIVITIES**

	2021	2020
	£	£
Fundraising income	1,522	1,182
Trading income - subsidiary	41,316	83,500
Sponsorships	800	1,825
Hire income	-	11,560
Minibus and car hire recharge	3,573	1,569
	<u>47,211</u>	<u>99,636</u>

**5. INVESTMENT INCOME**

	2021	2020
	£	£
Deposit account interest	<u>457</u>	<u>790</u>

**6. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	2021	2020
		£	£
SU Sport income	Provision of recreational and leisure facilities	52,223	87,818
Clubs & Societies income	Provision of recreational and leisure facilities	282,493	454,154
Shop income	Provision of social activities	8,396	195,466
Bar income	Provision of social activities	7,752	182,751
Catering income	Provision of social activities	25,934	405,680
Amusements income	Provision of social activities	462	715
ENTS department income	Provision of social activities	14,117	6,550
Safe taxi scheme	Provision of social activities	11	83
		<u>391,388</u>	<u>1,333,217</u>

**7. RESULTS OF PARENT CHARITABLE COMPANY**

The total income of the parent charitable company was £1,707,191 and net income before actuarial losses on defined benefit schemes were £186,650. Net movement in funds after adjusting for the provision for the defined benefit pension scheme was £168,980.

**8. RAISING FUNDS**

**Other trading activities**

	2021	2020
	£	£
Freshers' Fayre	-	9,482
Commission	6,000	7,982
Provision for bad debts - Futura	6,000	-
	<u>12,000</u>	<u>17,464</u>

# CARDIFF MET STUDENTS' UNION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2021

### 9. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 10) £	Totals £
Provision of recreational and leisure facilities	374,891	149,292	524,183
Provision of support services	191,785	127,588	319,373
Provision of social activities	<u>548,756</u>	<u>129,344</u>	<u>678,100</u>
	<u>1,115,432</u>	<u>406,224</u>	<u>1,521,656</u>

### 10. SUPPORT COSTS

	Staff costs £	Other £	Depreciation £	Governance costs £	Totals £
Provision of recreational and leisure facilities	94,663	45,156	783	8,690	149,292
Provision of support services	74,533	44,695	692	7,668	127,588
Provision of social activities	<u>100,314</u>	<u>18,997</u>	<u>830</u>	<u>9,203</u>	<u>129,344</u>
	<u>269,510</u>	<u>108,848</u>	<u>2,305</u>	<u>25,561</u>	<u>406,224</u>

Support costs are allocated to each of the charitable activities based on an estimate of the time spent on each of these activities.

### 11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors' remuneration	9,640	8,503
Depreciation - owned assets	19,203	24,267
Surplus on disposal of fixed assets	<u>(1,415)</u>	<u>-</u>

### 12. TRUSTEES' REMUNERATION AND BENEFITS

Trustees who are elected to the roles of President and Vice President are remunerated for their services on an annual basis.

During the year, remuneration including employers pension contributions paid in respect of these roles were as follows:

Name	2021 £	2020 £
I Gardiner	-	1,608
J Nottingham	-	1,608
K Davies	19,343	18,250
A Fox	1,626	17,833
M Pavuluri	<u>18,083</u>	<u>-</u>

During the year, M Davies received a gross salary of £84,480 (2020: £85,077) and employers pension contributions of £7,754 (2020: £7,754) (a commercial rate for the role of Chief Executive Officer).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2021**12. TRUSTEES' REMUNERATION AND BENEFITS - continued**

During the year student representative fees totalling £15,000 were paid to six trustees (2020: £12,950 was paid to six trustees).

The above payments have been made in accordance with Section 5.4 of the charity's Memorandum and Articles of Association.

**Trustees' expenses**

One trustee received a reimbursement of travel and subsistence expenses and coaching fees totalling £1,061 (2020: £2,927 for five trustees).

**13. STAFF COSTS**

	2021 £	2020 £
Wages and salaries	802,122	851,072
Social security costs	51,293	56,809
Other pension costs and deficit contributions	<u>16,766</u>	<u>16,981</u>
	<u>870,181</u>	<u>924,862</u>

The average number of employees during the year was as follows:

	2021	2020
Average number of monthly employees	42	31
Average number of fortnightly employees	<u>57</u>	<u>90</u>
	<u>99</u>	<u>121</u>

During the year ended 30 June 2021 the full-time equivalent number of staff employed was 61 (2020: 61).

The number of employees whose emoluments amounted to a rate of over £60,000 during the year were as follows:

	2021 No.	2020 No.
£80,001 - £90,000	1	1
Pension contributions	£7,754	£7,754

Total remuneration paid to key management personnel in the year was £161,775 (2020: £164,365).

**14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – YEAR END 30 JUNE 2020**

	2020 Unrestricted funds £	2020 Restricted funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	930,922	110,000	1,040,922
<b>Charitable activities</b>			
Provision of recreational and leisure facilities			
	541,972	-	541,972
Provision of social activities	791,245	-	791,245
Other trading activities	96,629	3,007	99,636
Investment income	790	-	790
Other income	<u>12,163</u>	<u>-</u>	<u>12,163</u>
<b>Total</b>	<b>2,373,721</b>	<b>113,007</b>	<b>2,486,728</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2021

## 14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
<b>EXPENDITURE ON</b>			
Raising funds	17,464	-	17,464
<b>Charitable activities</b>			
Provision of recreational and leisure facilities	590,448	113,007	703,455
Provision of support services	338,812	-	338,812
Provision of social activities	1,260,417	-	1,260,417
<b>Total</b>	<b>2,207,141</b>	<b>113,007</b>	<b>2,320,148</b>
<b>NET INCOME</b>	<b>166,580</b>	<b>-</b>	<b>166,580</b>
<b>Other recognised gains/(losses)</b>			
Actuarial gains/(losses) on defined benefit schemes	(92,410)	-	(92,410)
<b>Net movement in funds</b>	<b>74,170</b>	<b>-</b>	<b>74,170</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>(295,640)</b>	<b>-</b>	<b>(295,640)</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>(221,470)</b>	<b>-</b>	<b>(221,470)</b>

## 15. TANGIBLE FIXED ASSETS – Group and Charity

	Bars & Shops fittings £	Office fixtures & fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 July 2020	302,968	13,818	11,699	16,738	345,223
Additions	5,789	-	-	1,198	6,987
Disposals	(10,289)	-	-	-	(10,289)
At 30 June 2021	<u>298,468</u>	<u>13,818</u>	<u>11,699</u>	<u>17,936</u>	<u>341,921</u>
<b>DEPRECIATION</b>					
At 1 July 2020	250,923	11,087	11,699	13,984	287,693
Charge for year	16,898	619	-	1,686	19,203
Eliminated on disposal	(4,945)	-	-	-	(4,945)
At 30 June 2021	<u>262,876</u>	<u>11,706</u>	<u>11,699</u>	<u>15,670</u>	<u>301,951</u>
<b>NET BOOK VALUE</b>					
At 30 June 2021	<u>35,592</u>	<u>2,112</u>	<u>-</u>	<u>2,266</u>	<u>39,970</u>
At 30 June 2020	<u>52,045</u>	<u>2,731</u>	<u>-</u>	<u>2,754</u>	<u>57,530</u>

**CARDIFF MET STUDENTS' UNION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2021**

**16. FIXED ASSET INVESTMENTS - Charity**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 July 2020 and 30 June 2021	<u>4</u>
<b>NET BOOK VALUE</b>	
At 30 June 2021	<u>4</u>
At 30 June 2020	<u>4</u>

There were no investment assets outside the UK.

The charity holds 100% of the share capital of Futura Marketing and Promotions Limited, a company registered in England and Wales, primarily to carry out trading activities.

**17. STOCKS**

	2021 £	2020 £
Stocks	<u>8,503</u>	<u>24,729</u>

**18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade debtors	10,186	24,830	7,306	21,052
VAT	19	-	-	-
Amount due from group undertakings	-	-	25,518	25,518
Prepayments and accrued income	<u>64,387</u>	<u>103,104</u>	<u>64,387</u>	<u>103,104</u>
	<u>74,592</u>	<u>127,934</u>	<u>97,211</u>	<u>149,674</u>

**19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	28,657	25,084	28,657	25,084
Social security and other taxes	14,605	14,966	14,605	14,966
VAT	351	13,330	351	11,324
Other creditors	80,855	80,620	80,855	80,620
Accruals and deferred income	<u>204,176</u>	<u>258,633</u>	<u>195,368</u>	<u>256,858</u>
	<u>328,644</u>	<u>392,633</u>	<u>319,836</u>	<u>388,852</u>



# CARDIFF MET STUDENTS' UNION

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2021

### 19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Included within accruals and deferred income above is the following deferred income:

	2021 £	2020 £
Private hire bookings	267	1,980
Other advance funding	7,521	4,601
Castell Howell funding	28,571	35,714
FAW Coaching allocation 2020-21	-	20,000
COVID-19 recovery grant	<u>32,845</u>	<u>58,000</u>
	<u>69,204</u>	<u>120,295</u>

The deferred income relates to monies received in advance of the period or events to which they relate.

All amounts excluding Castell Howell support and COVID-19 recovery grant deferred in the year ended 30 June 2020 were released to Statement of Financial Activities during the year and amounts deferred in the year ended 30 June 2021 are new sources of income.

Castell Howell support is being released over the period to which the agreement relates, expiring in July 2026.

COVID-19 recovery grant is to aid cash flow during the pandemic and is being released to cover any additional pandemic costs.

### 20. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Within one year	26,701	36,853
Between one and five years	<u>66,693</u>	<u>14,194</u>
	<u>93,394</u>	<u>51,047</u>

Total lease payments recognised as an expense in the year were £80,587 (2020: £146,944).

### 21. MOVEMENT IN FUNDS

	At 1/7/20 £	Net movement in funds £	Transfers between funds £	At 30/6/21 £
<b>Unrestricted funds</b>				
General fund	116,676	102,784	(32,064)	187,396
Pension reserve	(528,818)	(17,670)	32,064	(514,424)
Designated fund: Women's football club	7,876	38	-	7,914
Designated fund: Men's football club	<u>182,796</u>	<u>47,742</u>	<u>-</u>	<u>230,538</u>
	<u>(221,470)</u>	<u>132,894</u>	<u>-</u>	<u>(88,576)</u>
<b>TOTAL FUNDS</b>	<u>(221,470)</u>	<u>132,894</u>	<u>-</u>	<u>(88,576)</u>

CARDIFF MET STUDENTS' UNION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2021

21. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,408,077	(1,305,293)	-	102,784
Pension reserve	-	-	(17,670)	(17,670)
Designated fund: Women's football club	12,600	(12,562)	-	38
Designated fund: Men's football club	<u>224,554</u>	<u>(176,812)</u>	<u>-</u>	<u>47,742</u>
	1,645,231	(1,494,667)	(17,670)	132,894
<b>Restricted funds</b>				
Clubs and societies	2,322	(2,322)	-	-
Rental lease	<u>36,667</u>	<u>(36,667)</u>	<u>-</u>	<u>-</u>
	<u>38,989</u>	<u>(38,989)</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>1,684,220</u>	<u>(1,533,656)</u>	<u>(17,670)</u>	<u>132,894</u>

Comparatives for movement in funds

	At 1/7/20 £	Net movement in funds £	Transfers between funds £	At 30/6/21 £
<b>Unrestricted funds</b>				
General fund	140,315	6,904	(30,543)	116,676
Pension reserve	(466,951)	(92,410)	30,543	(528,818)
Designated fund: Women's football club	5,778	2,098	-	7,876
Designated fund: Men's football club	<u>25,218</u>	<u>157,578</u>	<u>-</u>	<u>182,796</u>
	<u>(295,640)</u>	<u>74,170</u>	<u>-</u>	<u>(221,470)</u>
<b>TOTAL FUNDS</b>	<u>(295,640)</u>	<u>74,170</u>	<u>-</u>	<u>(221,470)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	2,014,279	(2,007,375)	-	6,904
Pension reserve	-	-	(92,410)	(92,410)
Designated fund: Women's football club	16,865	(14,767)	-	2,098
Designated fund: Men's football club	<u>342,577</u>	<u>(184,999)</u>	<u>-</u>	<u>157,578</u>
	2,373,721	(2,207,141)	(92,410)	74,170
<b>Restricted funds</b>				
Clubs and societies	3,007	(3,007)	-	-
Rental lease	<u>110,000</u>	<u>(110,000)</u>	<u>-</u>	<u>-</u>
	<u>113,007</u>	<u>(113,007)</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>2,486,728</u>	<u>(2,320,148)</u>	<u>(92,410)</u>	<u>74,170</u>

**21. MOVEMENT IN FUNDS - continued**

**Designated fund: Men's football club**

Income and prizes received by the men's football club have been designated to be spent on the activities of the men's football club.

**Designated fund: Women's football club**

Income and prizes received by the women's football club have been designated to be spent on the activities of the women's football club.

**Clubs and Societies**

Funding from sponsorship and fundraising was given specifically to fund Clubs and Societies.

**Rental lease**

Grant funding was kindly received from Cardiff Met University to cover the rental lease costs for the Campus Centre, Cyncoed.

**22. EMPLOYEE BENEFIT OBLIGATIONS**

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

The most recent Valuation of the Scheme was carried out as at 30 June 2019 and showed that the market value of the Scheme's assets was £119.1m with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £140.9m which reported an increase to the previous 2016 valuation deficit of £119.7m.

The assumptions which have the most significant effect upon the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The previous 2016 actuarial valuation recommended a monthly contribution requirement by each Union expressed in monetary terms intended to clear the ongoing funding deficit over a period of 16 years which was due to end in 2033. Given the already substantial level of contributions being made to the scheme by employers, the Trustees of the scheme concluded that extending the recovery period was the most appropriate option.

In summary, employer contributions increased by 5% in October 2020 as planned under the previous valuation, and will increase by 8% from October 2021, and then by 5% each year thereafter until the end of the deficit recovery period, which is now expected to be in August 2035. However, contributions due from October 2023 onwards will be reviewed following the next actuarial valuation.

In addition to the above contributions, the Union also pays its share of the scheme's levy and associated expenses to the Pension Protection Fund.

The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 30 June 2021 amounted to £32,064 which are all deficit contributions (2020: £30,543). At the year end a liability was recognised for the present value of the contributions payable of £514,424 (2020: £528,818).

The Union also participates in the National Union of Students Pension Scheme, a defined contribution scheme. During the year ended 30 June 2021 the Union contributed a total of £16,766 into the scheme (2020: £16,981). At the year end there were outstanding contributions of £137 (2020: £112).

**CARDIFF MET STUDENTS' UNION**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 JUNE 2021**

**23. RELATED PARTY DISCLOSURES**

K Davies, a trustee, was paid a total amount of £715 (2020: £838) for coaching fees.

There were no other transactions for the year ended 30 June 2021 which required disclosure.

**24. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	Restricted funds £	Unrestricted funds £	Total £
<b>Fund balances at 30 June 2021 are represented by:</b>			
Tangible fixed assets	-	39,970	39,970
Current assets	27,500	687,022	714,522
Current liabilities	(27,500)	(301,144)	(328,644)
Pension liability	-	(514,424)	(514,424)
<b>Total net assets/(liabilities)</b>	<b>-</b>	<b>(88,576)</b>	<b>(88,576)</b>

**25. SUBSIDIARY COMPANY**

During the year the charity owned 100% of the issued ordinary share capital of Futura Marketing and Promotions Limited, a company registered in England and Wales. The subsidiary was used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the SOFA.

A summary of the results of the subsidiary for the year is shown below:

	£
Turnover	41,316
Cost of sales	(6,000)
	<hr/>
Gross profit	35,316
Administrative expenses	(22,059)
	<hr/>
	13,257
	<hr/>
Interest receivable and similar income	4
	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>13,261</b>
Taxation	-
	<hr/>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b><u>13,261</u></b>
	<hr/>
The aggregate of the assets, liabilities and funds was:	
	£
Assets	48,359
Liabilities	(34,326)
	<hr/>
Funds	<u>14,033</u>