

Registered number: 07623621
Charity number: 1149397

Chester Students' Union

Trustees' Report and Financial Statements

For the Year Ended 31 July 2020



Chester Students' Union
(A Company Limited by Guarantee)

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Chester Students' Union
(A Company Limited by Guarantee)

Reference and Administrative Details of the Company, its Trustees and Advisers
For the Year Ended 31 July 2020

Trustees	R Winkler (resigned 20 September 2019) J Appleby (resigned 30 June 2020) N Hodson (resigned 20 September 2019) R Hall (resigned 30 June 2020) M Hooper (resigned 30 June 2020) E Lewis, President C Marsland (resigned 20 September 2019) A Spencer (resigned 20 September 2019) T Bond (appointed 1 January 2020, resigned 25 June 2020) N Dodd (appointed 2 January 2020) K Dar (appointed 2 January 2020) C Dignall (appointed 2 January 2020, resigned 30 June 2020) Y Ruane (appointed 2 January 2020, resigned 30 June 2020) H Doon (appointed 2 January 2020) V Pritchard (appointed 15 January 2020) D Forrester (appointed 1 July 2020) J Rankin (appointed 1 July 2020) L Singer (appointed 1 July 2020) J Sanderson (appointed 1 July 2020) C Roberts (appointed 1 July 2020) S Derbyshire (appointed 1 July 2020)
Company registered number	07623621
Charity registered number	1149397
Registered office	Chester Students' Union Parkgate Road Chester CH1 4BJ
Senior management team	J Whelan, CEO (resigned 20 December 2019) M Webber, CEO (appointed 6 January 2020)
Independent auditors	Dains LLP Statutory Auditor Chartered Accountants Suite 2, Albion House 2 Etruria Office Village Forge Lane Stoke on Trent Staffordshire ST1 5RQ

Chester Students' Union
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Trustees' Report
For the Year Ended 31 July 2020

The Trustees present their annual report together with the audited financial statements of the company for the year 1 August 2019 to 31 July 2020. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) published in October 2019.

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

Chester Students' Union mission is to be constantly "Improving the Student Experience".

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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Objectives and activities (continued)

b. Strategies for achieving objectives

Strategic Plan

The organisation is undertaking extensive strategic plan research around student lifestyle, needs and wants. This research will inform our longer term strategic direction. In the interim we have a one year operating plan setting out measurable targets that demonstrate how the organisation adds value to students' lives.

Representation

Chester Students' Union represents all 19,000 students at the University of Chester, representing their interests to the University, the local community and nationally via our work with the National Union of Students.

The Union represents the student body by attending various committee meetings. The President is a University Governor, sitting on the University Council. The President and Vice Presidents sit on the various university committees that enhance the academic rights of students and their student experience. We also represent individual students at meetings and panels for, academic integrity, complaints disciplinary and professional suitability issues. We encourage/empower students to represent themselves but offer support and advice during the entire process.

We have a Student Council which provides a forum for students across the University to listen to and share ideas to make a positive change to the University of Chester experience.

The Union administers and supports the Student Experience Reps who sit on staff student liaison meetings to collect and articulate student feedback at a course and module level.

Advice

The Union runs a professional and confidential advice service to cover matters that a student may encounter in either their academic or personal life. Where matters are beyond the expertise of the team students are referred to the appropriate University department or an external organisation.

We advise on academic integrity, appeals, mitigating circumstances, complaints, the University Disciplinary Procedure, the Professional Suitability Procedure, housing/accommodation issues, the financial assistance fund and Lucy Blackburn fund.

Campaigns

The Union carries out various campaigns during the year to engage with students, improve their awareness to their health, wellbeing and rights and to lobby for improvement in the services provided for students. Responding to the University being a multi-campus institution and as a Union, reflecting that in our own services we offer advice and campaign across all sites to allow as many students as possible feel the sense of belonging to the University and Union.

Societies

We fund and facilitate over 80 societies across the different sites. These range from faith and cultural groups, to general interest groups, performance groups, political and campaigning groups.

Events

The Union are committed to delivering a year round calendar of events for student to be entertained and engaged with.

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Objectives and activities (continued)

c. Main activities undertaken to further the charity's purposes for the public benefit

The Union promotes the interests of the students by providing representation, advice and support as well as sporting, social and cultural activities. In addition, we provide opportunities for personal development.

We work closely with the University and the local community to resolve matters and to promote community cohesion. It also undertakes projects in conjunction with the local community to clean up the local area.

The officers sit on a University and Community Liaison committee.

Our input into University committees provides good governance and helps promote effective spending of the University's public and private funds.

Achievements and performance

a. Review of activities

CSU has undertaken an extensive review of activities focusing on the core purposes of any Students' Union. As a result it is focusing on providing independent advice and representation as well as a range of student led activities through societies and one-off events.

Over the past 12 months we were delighted to be shortlisted for the Educate North 'Students' Union of the Year' award and await the outcome with anticipation.

We also appointed a new Chief Executive Officer who working closely with officer, staff and trustee colleagues assessing our current performance, developed short term strategy and working closely with our members creating a longer term strategic plan that reflects the needs of University of Chester students.

We have committed additional resourcing to our student opportunities with a new post to run these activities. We also undertook an extensive review of our website, re-launching the site in summer 2020 with significantly improved functionality and a focus on ensuring our site was accessible to all students.

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Achievements and performance (continued)

Representation and Campaigns

Our work on representation was extensive with a number of campaigns for the benefit of students. This included a 'Dear VC' campaign with over 1600 responses. This enabled Chester Students' Union to articulate the key issues for students to the University of Chester's new Vice-Chancellor and a tangible outcome of the key feedback was created and enacted.

In collaboration with colleagues in the University, we ran a 'Go Green Week' which included a clothing swap shop to encourage students to recycle. We contributed to a Green Impact University accolade and are focused on achieving the Students' Union accreditation for this over the next academic year.

During the General Elections in December 2019, we ran a hustings with all candidates for Chester attending.

For our Shrewsbury students we expanded our provision with a new Vice President role solely responsible for representing the needs of students at the University Centre Shrewsbury. This role has developed Welcome activities, events throughout the year and campaigns around activity such as LGBT History Month.

We ran our 3rd rebranded student led teaching award, now known as the 1839 Awards. For the first time we held the awards online generating a wider audience through being able to engage remotely.

Our work on academic representation system continues to grow with a range of training and dedicated support for our Student Experience Reps (SER's). We have also reviewed the number of reps ensuring a clearer ratio of reps to students across academic cohorts.

We ran a membership engagement survey tracking the views and perceptions of the Union from over 1000 students.

A campaign was undertaken on Personal Academic Tutors (PAT) to ascertain what worked well with the current system and where student feedback could enhance existing practices. We received 633 responses and have worked closely with the University in enacting recommendations based on student feedback.

Advice

Our advice service continues to see a similar number of cases to the previous year. These cases are primarily around appeals, academic integrity and housing. We have observed areas of advice overlapping more particularly around appeals, housing and complaint and professional suitability cases.

We reviewed our drop in times based on student footfall and need mid way through the academic year. The pandemic moved our advice to being remotely based after this point. We have found remote appointments to be incredibly effective with clients often more comfortable having a discussion remotely rather than in person. As a result we have launched virtual appointments and will be putting in place a live chat function with our advisers via our website.

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Achievements and performance (continued)

Student Activities

We launched our free societies taking our number of groups to 80. This initiative was recognised in good sector practice in the National Union of Students (NUS) resources.

We held our 'Societies Showcase' in January 2020 which highlighted the excellent work of many of our groups. This was held at an external performing arts venue in Chester. We are committed to celebrating and championing the work of student led societies and this event set the tone for future work in this area.

We began a dedicated 'Give it a Go' programme in February 2020 with future events going online due to the global pandemic. Online events have been well received with a range of 'how to videos,' viewing parties and quizzes to bring people together at a time where many are vulnerable and experiencing limited social interaction.

We conducted a review of our approach to societies risk management during the 2019/20 academic year with an external consultant and this led to us creating a new management post to develop this area.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Financial review

The detail of the 2019/20 financial performance is detailed later in this document. For the year ended 31 July 2020, the CSU net position was a net increase in funds of £62,775, which increased total funds to £154,118

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Trust deed .

The company is constituted under a Trust deed and is a registered charity number 1149397.

The principal object of the company is "to enhance the student experience."

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co opted under the terms of the Trust deed.

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Structure, governance and management (continued)

c. Related party relationships

The relationship between University of Chester and Chester Students' Union is established in the Regulations of the University and detailed in the Chester Students' Union's Articles approved by both organisations.

Chester Students' Union receives a block grant from the University of Chester and rents a building in Chester, plus part of a building at the Shrewsbury and Warrington Campus. The union continues to generate a surplus from media sales activity.

There is no reason to believe that this or equivalent support from the university will not continue for the foreseeable future, as the Education Act 1994 imposes a duty on the university to ensure the financial viability of its student representative body.

d. Risk management

The Trustee Board of the Students' Union has examined the major strategic, business and operational risks faced by the Chester Students' Union. A risk register has been established and will be updated at least annually. Risk is also reported and reviewed at a Board sub-committee. Where appropriate, systems or procedures will be established to mitigate the risks that Chester Students' Union faces. Budgetary and internal control risks have been minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety for staff, volunteers and participants of all activities organised by the union.

These procedures are periodically reviewed to ensure that they continue to meet the needs of the Students' Union.

Plans for future periods

a. Future developments

We are optimistic for the future development of Chester Students' Union. We have expanded our democracy and insight work prioritising our engagement with our members to be evidenced based. We have also placed significance on their ability and opportunity to make change and influence their Students' Union policy and democratic decision making processes. We have started this work with the reintroduction of our online 'Big Ideas' hub where any student can put forward an idea to enhance theirs and others student experience.

Our Advice service is committed to running virtual and online appointments including the development of a live chat function. Whilst we hope to eventually run in person appointments again, we see value to our members in continuing to offer a virtual, online service for the future.

The student opportunities offer is blended with us being one of the first virtual Freshers' Fairs of the new academic year. This has been supported by a significant review and investment in our website which has dedicated news channels for our sites at Shrewsbury and Warrington.

Overall we have set out a clear timescale for our approach to developing our longer term strategy. We remain committed to delivering excellent student opportunities and highly effective independent advice and representation. Our work over the next 12 months will be about building on these commitments ensuring students are heard, supported and able to make social connections.

Funds held as custodian

Societies Funds

Chester Students' Union acts as custodian for funds raised by the student societies themselves, amounting to £8,232 (2018: £13,550) at the year end, in addition to the grant support it disburses to them as shown in the accounts.

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Statement of Trustees' responsibilities

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

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

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



E Lewis
President

Date: 7.10.2020

Independent Auditors' Report to the Members of Chester Students' Union

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 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 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

Independent Auditors' Report to the Members of Chester Students' Union (continued)

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 Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Independent Auditors' Report to the Members of Chester Students' Union (continued)

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Simon Hawkins (Senior Statutory Auditor)
for and on behalf of
Dains LLP

Statutory Auditor
Chartered Accountants

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

Date: 7-10-20

Chester Students' Union
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 July 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Donations and legacies	3	463,080	463,080	445,983
Charitable activities	4	51,146	51,146	129,049
Other trading activities	5	-	-	724,331
Investments	6	94	94	412
Total income		514,320	514,320	1,299,775
Expenditure on:				
Raising funds		-	-	733,929
Charitable activities	7	451,545	451,545	682,580
Total expenditure		451,545	451,545	1,416,509
Net movement in funds		62,775	62,775	(116,734)
Reconciliation of funds:				
Total funds brought forward		91,343	91,343	208,077
Net movement in funds		62,775	62,775	(116,734)
Total funds carried forward		154,118	154,118	91,343

The notes on pages 15 to 28 form part of these financial statements.

Chester Students' Union
(A Company Limited by Guarantee)
Registered number: 07623621

Balance Sheet
For the Year Ended 31 July 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	<u>3,486</u>	<u>4,803</u>
		3,486	4,803
Current assets			
Debtors	14	45,233	100,625
Cash at bank and in hand		<u>137,928</u>	<u>37,985</u>
		183,161	138,610
Creditors: amounts falling due within one year	15	<u>(32,529)</u>	<u>(52,070)</u>
Net current assets		150,632	86,540
Total net assets		154,118	91,343
Charity funds			
Restricted funds	17	-	-
Unrestricted funds	17	<u>154,118</u>	<u>91,343</u>
Total funds		154,118	91,343

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

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



E Lewis

Date: 7.10.2020

The notes on pages 15 to 28 form part of these financial statements.

Chester Students' Union
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Statement of Cash Flows
For the Year Ended 31 July 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	100,726	(140,829)
Cash flows from investing activities		
Proceeds from the sale of tangible fixed assets	-	15,308
Purchase of tangible fixed assets	(783)	(6,697)
Net cash (used in)/provided by investing activities	(783)	8,611
Change in cash and cash equivalents in the year	99,943	(132,218)
Cash and cash equivalents at the beginning of the year	37,985	170,203
Cash and cash equivalents at the end of the year	137,928	37,985

The notes on pages 15 to 28 form part of these financial statements

1. Accounting policies

1.1 Basis of preparation of financial statements

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

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

1.2 Company status

The company is a company limited by guarantee. The members of the company are each and every student who has not opted out of membership and the officer Trustees of the Union. In the event of the company being wound up, the liability in respect of the guarantee is limited to one penny per member of the company.

1.3 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and therefore the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.4 Income

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

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1. Accounting policies (continued)

1.5 Expenditure

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

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out centrally. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

A review of impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 20% on a straight line basis
Office equipment	- 20% on a straight line basis
Plant and machinery	- 20% on a straight line basis
Computer equipment	- 20% on a straight line basis

1. Accounting policies (continued)

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.8 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 Liabilities and provisions

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

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

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

1.12 Financial instruments

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

1.13 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Notes to the Financial Statements
For the Year Ended 31 July 2020

1. Accounting policies (continued)

1.14 Fund accounting

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no 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.

3. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations	-	-	-
Grants	463,080	-	463,080
	<u>463,080</u>	<u>-</u>	<u>463,080</u>
	<u><u>463,080</u></u>	<u><u>-</u></u>	<u><u>463,080</u></u>
	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Donations	271	-	271
Grants	-	445,712	445,712
	<u>271</u>	<u>445,712</u>	<u>445,983</u>
	<u><u>271</u></u>	<u><u>445,712</u></u>	<u><u>445,983</u></u>

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4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £
Sports & Societies	-	-
Advice & Representation	-	-
Sponsorship Income	15,750	15,750
Freshers Income	32,932	32,932
Sale of Assets	2,364	2,364
Membership Income	100	100
	<u>51,146</u>	<u>51,146</u>

	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Sports & Societies	128,162	128,162
Advice & Representation	887	887
	<u>129,049</u>	<u>129,049</u>

5. Income from other trading activities

Income from fundraising events

	Total funds 2020 £
Fundraising Income	<u>-</u>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Fundraising Income	<u>724,331</u>	<u>724,331</u>

Notes to the Financial Statements
For the Year Ended 31 July 2020

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Bank interest received	94	94
	<u> </u>	<u> </u>
	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Bank interest received	412	412
	<u> </u>	<u> </u>

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Total funds 2020 £	
Improvement of Student Experience	451,545	451,545	
	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Sports & Societies	3,065	352,115	355,180
Advice & Representation	6,138	321,263	327,401
	<u>9,203</u>	<u>673,378</u>	<u>682,581</u>

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8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Improvement of Student Experience	13,666	437,879	451,545

	<i>Activities undertaken directly 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Sports & Societies	133,528	221,651	355,179
Advice & Representation	327,401	-	327,401
	460,929	221,651	682,581

Analysis of direct costs

	Total funds 2020 £	Total funds 2019 £
Staff costs	-	234,771
Depreciation	-	41
Purchases	-	226,117
Events & Campaigns	9,396	-
Student Advice	371	-
Student Activities	3,898	-
	13,666	460,929

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	331,569	110,943
Depreciation	2,099	2,865
Insurance	10,746	1,150
IT costs	13,529	7,325
Staff Training	8,730	566
Technology Costs	498	2,361
Legal & Professional Fees	23,094	33,220
Miscellaneous Expenditure	43,613	57,721
Governance Costs	4,000	5,500
	437,879	221,651

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9. Turnover

The whole of the turnover is attributable to the principal activity of the charitable company.

All turnover arose within the United Kingdom.

10. Net income/(expenditure)

	2020 £	2019 £
Depreciation of tangible fixed assets:		
- owned by the charity	2,100	17,280
Auditors' remuneration	4,000	6,000
Operating lease rentals	15,000	15,000
	<u>21,100</u>	<u>38,280</u>

11. Staff costs

	2020 £	2019 £
Wages and salaries	308,027	572,978
Social security costs	18,533	29,447
Other pension costs	5,009	6,009
	<u>331,569</u>	<u>608,434</u>

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

	2020 No.	2019 No.
Sabbatical Officer Trustees	4	4
Managers	5	5
Staff	6	55
	<u>15</u>	<u>64</u>

No employee received remuneration amounting to more than £60,000 in either year.

The total amount of employee benefits (including pension contributions) received by key management personnel for their services to the charitable company are £174,162 (2019: £102,713).

Key management personnel comprise the CEO, management team and sabbatical officer trustees. Volunteer trustees are not remunerated for their work as trustees (see note 12 below).

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12. Trustees' remuneration and expenses

The total remuneration costs for the sabbatical officer trustees amounted to £73,724 (2019: £58,551). These costs relate to remuneration received as sabbatical officers, rather than as trustees.

Total trustee expenses paid for the year ended 31 July 2020 were £455 (2019: £Nil).

During the year, no trustees received any benefit in kind (2019: £Nil).

During the year retirement benefits were accruing to 4 sabbatical officer trustees (2019 - 4) in respect of defined contribution pension schemes.

13. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 August 2019	27,893	-	24,664	52,557
Additions	-	783	-	783
At 31 July 2020	27,893	783	24,664	53,340
Depreciation				
At 1 August 2019	27,893	-	19,862	47,755
Charge for the year	-	157	1,943	2,100
At 31 July 2020	27,893	157	21,805	49,855
Net book value				
At 31 July 2020	-	626	2,859	3,485
At 31 July 2019	-	-	4,802	4,802

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14. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	3,948	78,558
Other debtors	862	320
Prepayments and accrued income	40,423	21,747
	<u>45,233</u>	<u>100,625</u>

15. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	10,992	11,202
Other taxation and social security	9,306	12,198
Other creditors	8,231	8,827
Accruals	4,000	19,843
	<u>32,529</u>	<u>52,070</u>

16. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at fair value through income and expenditure	137,928	37,985
Financial assets measured at amortised cost	4,810	78,878
	<u>142,738</u>	<u>116,863</u>
	2020 £	2019 £
Financial liabilities		
Financial liabilities measured at amortised cost	32,529	42,867

Financial assets measured at fair value through income and expenditure comprise cash and bank balances.

Financial assets measured at amortised cost comprise trade and other debtors.

Financial liabilities measured at amortised cost comprise trade and other creditors, other taxation and social security and accruals.

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17. Statement of funds

Statement of funds - current year

	Balance at 1 August 2019 £	Income £	Expenditure £	Balance at 31 July 2020 £
Unrestricted funds				
General Funds	91,343	514,320	(451,545)	154,118

Statement of funds - prior year

	Balance at 1 August 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2019 £
Unrestricted funds					
General Funds	208,077	725,014	(743,132)	(98,616)	91,343
Restricted funds					
Student services	-	574,761	(673,377)	98,616	-
Total of funds	208,077	1,299,775	(1,416,509)	-	91,343

The Student Services restricted funds are to be used for the improvement of the student experience for students of Chester University.

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	3,486	3,486
Current assets	183,161	183,161
Creditors due within one year	(32,529)	(32,529)
Total	154,118	154,118

Notes to the Financial Statements
For the Year Ended 31 July 2020

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	4,802	4,802
Current assets	138,611	138,611
Creditors due within one year	(52,070)	(52,070)
Total	91,343	91,343

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

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	62,775	(116,734)
Adjustments for:		
Depreciation charges	2,100	17,280
Loss/(profit) on the sale of fixed assets	-	(3,483)
Decrease in stocks	-	34,081
Decrease/(increase) in debtors	55,392	(16,372)
Decrease in creditors	(19,541)	(55,601)
Net cash provided by/(used in) operating activities	100,726	(140,829)

20. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	137,928	37,985
Total cash and cash equivalents	137,928	37,985

21. Analysis of changes in net debt

	At 1 August 2019	Cash flows	At 31 July 2020
	£	£	£
Cash at bank and in hand	37,985	99,943	137,928
	<u>37,985</u>	<u>99,943</u>	<u>137,928</u>

22. Pension commitments

The union operates a defined pension contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the union in an independently administered fund.

The total cost of the year of £5,009 (2019: £6,009) represents employer contributions to the scheme. At the year end, an amount of £Nil (2019: £Nil) was outstanding.

23. Operating lease commitments

At 31 July 2020 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	<u>15,000</u>	<u>15,000</u>

24. Related party transactions

The charitable company's governing parent body is the University of Chester. During the year the company received grants totalling £463,080 (2019: £435,712).

During the year the union paid rent to the University of Chester of £7,500 (2019: £15,000)

As at 31 July 2020 the amount due from the University of Chester was £175 (2019: £73,385) and the balance owed to the University of Chester was £10,135 (2019: £5,718).

In addition to the above, as at 31 July 2020 accrued income due from the University of Chester was £27,080 (2019: £18,000).