

Registered number: 08475916
Charity number: 1152549

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

ArmstrongWatson[®]
Accountants, Business & Financial Advisers

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

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HULL UNIVERSITY UNION LIMITED
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2022

Company registered number

08475916

Charity registered number

1152549

Registered office

Student Central
Cottingham Road
Hull
HU6 7RX

Senior Leadership Team

Jane Stafford, Chief Executive Officer
Andy King, Commercial Services Director
Nicole Steele, Membership Services Director
Kevin Pearson, Finance and HR Director

Company secretary

Jane Stafford

Chief executive officer

Jane Stafford

Independent auditor

Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors
York House
Northallerton
North Yorkshire
DL6 2XQ

Bankers

Natwest Bank PLC
PO Box 955
1 Humber Quays
Wellington Street West
Hull
HU1 2BN

Cazenove Capital Management
31 Gresham Street
London
EC2V 7QA

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

Solicitors

Barrass Whiting LLP
The Deep Business Centre
Tower Street
Hull
HU1 4BG

Rollits LLP
Citadel House
58 High Street
Hull
HU1 1QE

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2022

The Trustees of Hull University Union Limited (HUSU) are pleased to present their annual trustees' report together with the audited consolidated financial statements of the charity and its subsidiary for the year ended 31 July 2022. In this regard the Trustees have considered the requirements of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and Administrative details of Hull University Union Limited, its Trustees and Advisers

The Board of Trustees

Student Presidents and Trustees	(to 17.06.22)	(from 19.06.21)
President of the Students Union	Phoebe Bastiani	N/A
President Activities	Ellis Leonard (to 18.03.22)	N/A
President Education	Peace Igi-Ehon	Peace Igi-Ehon
President Sport	Sian Doherty	N/A
President of Opportunities	N/A	Muhammad Sohaib Hameed
President Inclusivity & Diversity	Holly Burton (to 31.03.22)	Olatomide Fadipe
President of Union Development	N/A	Huseyin Arslan

Student Trustees

Huseyin Arslan (Vice Chair) (to 17.06.22)
Chinonyelum Udemu
Abdulguddus Sotayo (from 01.01.22 to 12.09.22)
Hannah Pearson (to 12.10.22)
Hasan Badat (to 28.09.21)
Matthew Lloyd (from 10.03.22)

External Trustees

Sara Webb (Chair)
Gaius Powell
Alan Bolchover
Stuart Ferguson (to 08.04.22)
Philip Dolling (from 24.01.22)

HUSU employs Jane Stafford as Chief Executive, who works closely with the Student Presidents and Trustee Board to ensure effective governance and management of the organisation. The Chief Executive's senior direct reports include, Andy King (Commercial Services Director), Nicole Steele (Membership Services Director) and Kevin Pearson (Finance and HR Director).

TRUSTEES' REPORT

The trustees (who are also directors of Hull University Union Limited (HUSU) for the purposes of company law) present their Annual Report for the year ending 31 July 2022 which includes the administrative information set out on page 3, together with the audited accounts for the year.

Structure, Governance and Management

HUSU's key governing documents are the Articles of Association and the Bye Laws. The Bye Laws provide for the conduct of Union affairs and the implementation of Union strategy and policy and are interpreted in such a manner as not to conflict with Articles of Association. The Articles of Association were updated following a successful referendum in October 2019.

Union Council may consider any matters affecting the interests of students of the University. Council's major role is to scrutinise and hold to account elected presidents (Sabbatical Trustees). The decisions of Council are subordinate to those made by referenda or the Board of Trustees. Major policy matters are put before the membership through electronic referenda.

Prior to 2013, HUSU operated as an unincorporated association formed under the Education Act 1994 for many years. On 5 April 2013 Hull University Union was incorporated as a charitable company (company number 8475916, charity number 1152549). On 1 August 2013 the charitable company took over the activities and operations of a connected unincorporated charity called Hull University Union. The primary aim of HUSU is the advancement of the education of students at the University of Hull for the public benefit.

HUSU established a wholly owned subsidiary company, HUSU Services Ltd, on 14th January 2000 (company number 3906837). HUSU and its subsidiary company comprise "the Group". HUSU carries out the charitable activities and the trading activities are carried out through the subsidiary company. The main activities of the

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

trading subsidiary are the operations of the bars, food outlets, entertainment, and the retail shops of HUSU. The subsidiary has the same year end of 31 July 2022.

The Board of Trustees are responsible for the strategic direction, governance and sustainability of HUSU. The Board is made up of four President Trustees, four Student Trustees and four External Trustees. The President Trustees are elected by a secret ballot by the members each year; they are able to serve a second term in office of a further year if re-elected. The Student Trustees are selected via a recruitment and interview process and following a simple majority vote of a panel made up from the Appointments, Governance and Development Committee. The External Trustees are recruited to the Board through an interview process to bring a wider perspective and skill set from outside HUSU; currently the External Trustees are all Alumni of the University of Hull. A term for an External Trustee is up to three years, and they may serve for up to two terms.

Upon appointment all trustees receive two detailed training sessions led by the Chief Executive and Finance and HR Director, Supported by a Charity legal expert and Auditor each of around three hours. A Trustee handbook sets out all of the detail and is issued as part of their induction. The Trustees also have an online reading room, past papers for both Board and Committee meetings are available along with useful articles and weblinks. Trustees are briefed on their legal obligations and other trustee responsibilities. The President Trustees are new to the Board each year unless re-elected for a second year and they all undergo a range of training to support their unique roles in addition to the training set out above.

President training covers all aspects of their roles including strategy, operational planning and governance, the HUSU Articles and Bye-laws, their legal responsibilities as trustees, key issues and decisions that have been made by the Board of Trustees and services provided to the members. A number of training sessions are given over the summer vacation period alongside induction sessions with the University complemented by specific role training provided by external trainers.

The Finance and Human Resources Committee reviews HUSU's finances, human resources, risks, and compliance with all relevant legislation and other matters that could affect HUSU's future performance. The Committee reviews audit work and scrutinises the annual accounts, financial performance and annual budget. It also scrutinises the future financial and HR strategies.

The Appointments and Governance Development Committee is responsible for monitoring and improving all governance at HUSU. It is also responsible for ensuring that new trustees are effectively recruited and inducted and that appropriate training and development is planned and undertaken by all Trustees. It is also responsible for recruiting the CEO.

The Equality Diversity and Inclusion Committee monitored and improved HUSU's Equality, Diversity and Inclusion policy and processes and compliance with the Charity governance code, in particular section six. The work of this committee has been taken on by a new committee for 2022/23, the Membership, Participation and Inclusion Committee. This new committee is responsible for overseeing, reviewing and making recommendations to the Board on matters relating to Student engagement, participation, equality, diversity and inclusion.

The Union Executive Committee is responsible for implementing the mission, vision, values and strategy set by the Board of Trustees with the main aims being to develop a democratic organisation; improve participation in all activities available in the Union; represent members to the University, local community and nationally; provide members with appropriate support and advice and continually strive to improve everything the Union undertakes. HUSU operates on democratic principles, with Policy being acted upon by the four Presidents. During the year, each President is responsible to their own individual zone, and is held accountable by Union Council. Full details are outlined in HUSU's Bye laws and standing orders.

The Senior Leadership Team

The Chief Executive is supported by three Directors that form the Senior Leadership Team. This team provides the executive management of HUSU, and HUUS Ltd managing the group's activities, providing leadership to staff and ensuring that the Boards and committees are fully informed on all aspects of the organisation.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

Relationship with the University of Hull

Under the Education Act 1994, the University of Hull has a statutory duty to take such steps as are reasonably practicable to ensure that HUSU operates in a fair and democratic manner and is held to proper account for its finances. HUSU works in partnership with the University of Hull in ensuring that the affairs of HUSU are properly conducted and that the educational and welfare needs of HUSU's members are met. The formal relationship with the University is governed by the Code of Practice which is reviewed regularly.

The Partnership Agreement is reviewed by both parties annually. The agreement establishes a joint set of operating principles and provides the terms of reference for a Partnership Committee with members from the University Leadership team and the Union Presidents, Leadership team and a Trustee.

Risk Management

The Trustees fulfil their role in assessing the risks that face HUSU. The Board has responsibility for overseeing risk management as a whole and uses the following approach to risk:

- There is an open and receptive approach to solving risk problems adopted by the Board and its committees.
- HUSU makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risks.
- All staff are responsible for encouraging good risk management practice within their areas of work.
- Key risks are identified by the Board and key employees and will be closely monitored on a regular basis.

HUSU uses a dynamic approach towards its risk register. It is updated on a quarterly basis and is reviewed by the Finance Audit and Human Resources Committee overall, with each of the remaining committees focusing on their key areas of risk and mitigation. This approach feeds any issues and actions being undertaken to the Board of Trustees and into the Board of HUU Services Ltd.

The focus during the year has been on continuing to mitigate risks associated with HUSU's finances especially as we returned to normal operations following the Covid 19 pandemic. There continues to be a risk of increases in pension costs and liabilities associated with the Universities Superannuation Scheme. The University grant increased to £1.4m in 2021/22 from £1.354m in 2020/21. The success of our commercial operation was boosted with the opening of Wetherspoon at Sanctuary and Asylum which is the first partnership of its kind in the UK.

Trustees recognise the dependence on the grant from the University and this is reflected in the reserves policy in the financial review.

Objectives and Activities

The objectives of HUSU are the advancement of the education of students at the University of Hull. HUSU achieves this by:

- Promoting the interests and welfare of students at the University of Hull during their course of study and representing, supporting and advising Members.
- Being the recognised representative channel between students and the University and any other external bodies.
- Providing cultural, sporting, social and recreational activities, opportunities to volunteer in the community and forums for discussion and debate for the personal development of its Members.
- Providing opportunities to develop future employability skills through employment in HUSU's venues.

Achievements and Performance

This year, surveying of members to monitor HUSU's progress against KPIs took place through the Alterline Student Life Pulse Survey. 1,728 students completed the survey between October 2021 and June 2022 which provided data about the student experience, engagement with and knowledge of the Students' Union and the range of services and activities provided.

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FOR THE YEAR ENDED 31 JULY 2022

Student groups – At their peak during this year, a choice of 54 sports clubs and 83 societies offered a diverse range of opportunities for students to develop their skills, interests and socialise. 4048 students registered to join a HUSU student group or get involved in student-led or community volunteering during the year, which demonstrates that student engagement has shown signs of recovery following the challenges of the pandemic and associated restrictions. There are some student groups and student-led volunteering projects which have remained inactive due to the impact of the pandemic.

The Student Opportunities team is made up of staff and students and provides support and assistance in the safe running of activities including health and safety, recruitment and finance including fundraising and development.

Student Voice and Influence – President elections were held in March 2022, and attracted a high level of students interested in running for a position – 77 individuals expressed initial interest, which then reduced to 18 candidates. Voter turnout returned to healthier numbers, with 14.7% of the student population casting a total of 6,364 votes (almost double the turnout of 7.7% in spring 2021 due to pandemic restrictions at the time). Elections for volunteer Student Representatives (formerly known as Part-Time Officers) were more successful in October 2021 than in April 2022, due in large part to the high number of international postgraduate taught students studying a one-year programme who were interested in running for a position. This has led to the President of Union Development and staff team assessing how these could be improved for the 2022/23 academic year. The Student Voice and Influence team is made up of staff and students working to improve the academic experience for all students, and leads on all democratic activities of the Union including facilitating Union Council and providing support and training and assistance in the elections and by-elections and referendum activity.

The Advice Centre has extended its opening hours to 10am-5pm throughout the year and offers pre-bookable appointments to students needing advice on a wide range of topics including housing, finance, academic appeals and benefits. Making this change has had a positive impact in the past year, with an increase of 54.9% of students being supported through the service compared to the 2020-2021 period. Advisors have also supported students to access an additional £241,168.46 over the past year through a range of sources including benefits, grants and bursaries.

Catering outlets, Licenced Premises and Events – HUSU has 2 licenced premises; Sanctuary bar and Asylum night club. Both venues operate as JD Wetherspoon outlets under a franchise agreement. Sanctuary bar is the main student union bar which provides the full Wetherspoon experience, including extensive food menu daily (8am – 11pm), customer food and drink app and their renowned club deals including curry club, steak club and fish Fridays. Sanctuary bar also has SKY & BT Sport, darts and pool tables and a large outdoor beer garden for customers to use.

Asylum night club hosts the city's largest student night 'Tower' every Wednesday and has regular live music and entertainment acts at other times throughout the year, which are promoted in conjunction with our venue partner TEGMJR. The venue also holds weekly quiz and karaoke events for students' during term time and also Bongo Bingo once a week throughout the year. The venues are also used to host large scale student events including Welcome Fest in September and our End of Year Ball celebration at the end of May.

Shop – HUSU operate a full convenience store complete with bakery under a purchase only agreement with SPAR. The store also includes a University of Hull clothing range and full stationery offer.

FINANCIAL REVIEW

Summary of the Year

There has been an overall negative net movement in funds of £526k in the current year compared to a positive movement of £194k in 2021. Total income for the year was £5.28m compared to £3.32m in 2021. The University subvention was £1.4m compared to £1.35m in 2021. Our commercial operation recovered significantly from the pandemic with sales at £3.53m compared to £1.36m in 2021. Total expenditure was £5.835m compared to £3.27m in 2021. The expenditure includes an increase in pension provisions of £327k and a disposal of fixed assets net book value of £207k in preparation for refurbishment works in the Summer of 2022.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

The Trustees have recognised a requirement to hold free reserves as a contingency to protect the day to day and short-term financial stability of the organisation. This may occur if there is a one off or series of events that threatens our key income sources. The policy, reviewed in January 2022, is to hold £1.2m of free reserves to meet 6 months of operating costs of the group to recover, allow the organisation to manage the impact of a reduction in income and put plans in place to ensure that financial sustainability is maintained. Annually, the Trustees will assess the need to designate some of the free reserves to invest in projects to deliver the strategic plan. The reserves position at 31st July 2022 is £2.21m of which £207k is allocated to tangible fixed assets leaving £2m of free reserves.

Investment Powers of HUU

The Chief Executive is authorised to make short and medium-term investments, consistent with the objectives of the Union stated above. Long term investments are to be made on the advice of a Manager who is regulated under the terms of the Financial Services Act 1986. The Trustees are responsible for appointing a Manager.

Any decisions by the Trustees to invest must be centred on the interests of HUSU and not of the Trustees. Trustees may not exclude, to the financial detriment of HUSU, a particular range or class of investments in order to give effect to some moral, political, social, environmental or ethical belief held by the Trustees but not directly related to the interests of the Union.

Future Plans

Our mission continues to be to enhance the lives of every student studying at the University of Hull, HUSU's strategic plan was launched in October 2020. A mid-point review on targets commenced in June 2022, this work focused on the impact of the Pandemic on engagement and reviewing the five-year targets set in 2020. Agreement will be reached at the start of the new year on any changes to be implemented to the strategy and targets for the remainder of the current strategy cycle.

Vision

By 2025, we want to be a sector-leading Students' Union in both academic and non-academic representation for our members. We will have a flexible and adaptable offer, which creates high levels of sustained participation across our student community.

Values

The values underpin the vision and are a demonstration of the culture and approach we strive for at the Union.

These were refreshed in consultation with staff and students during the 2019-20 academic year:

Inclusive: We actively support Equality and Diversity, we adapt our services to reflect and meet the evolving needs of our members.

Innovative: We look to the future, seeking new opportunities, collaborations and partnerships; we are imaginative, creative and progressive.

Positive: We continually work to improve your Union, we are confident, optimistic and solution focused.

Fun: We focus on making your time at University as enjoyable as possible.

Supportive: We listen, look out for your best interests and make sure your voice is heard.

There are four Key Objectives that create the cornerstones of the strategy, these are:

Being sustainable and secure, that Students know who we are, what we do and trust us, that we are effective at making change and are known as change makers and finally that we are part of the student, University and City Communities.

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FOR THE YEAR ENDED 31 JULY 2022

During the coming year, the Students' Union will focus on raising student engagement across all of the Student Union activities, making our services more visible and accessible to members. We have seen improvements to our social spaces and our commercial areas towards the end of the last financial year and the work will be completed by mid-November 2022. A key focus will be to ensure these spaces are well utilised and meet the needs of our members.

Our President of Union Development is focused on ensuring we have a robust mental health support plan in place, using the Student Minds SU mental health Framework. The Union is also working with the University of Hull as they progress towards achieving the Mental health Charter.

Directors/Trustees Statement

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The Directors 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. In so far as each of the Directors is aware:

- There is no relevant audit information of which the company's auditors are unaware.
- The Directors 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

Approval of the Trustees report and Strategic report on behalf of the board.



Sara Webb
Chair



Huseyin Arslan
President/Deputy Chair

Date: 26.01.23

Student Central
Cottingham Road
Hull
HU6 7RX

HULL UNIVERSITY UNION LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF HULL UNIVERSITY UNION LIMITED

Opinion

We have audited the financial statements of Hull University Union Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise the Consolidated statement of financial activities, the Consolidated statement of financial position, the , the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF HULL UNIVERSITY UNION LIMITED
(CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have 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 including the Strategic 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:

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

Responsibilities of trustees

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

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

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF HULL UNIVERSITY UNION LIMITED
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector the company operates in;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

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

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

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF HULL UNIVERSITY UNION LIMITED
(CONTINUED)

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 Turner (Senior statutory auditor)

for and on behalf of

Armstrong Watson Audit Limited

Chartered Accountants & Statutory Auditors

Northallerton

02 February 2023

HULL UNIVERSITY UNION LIMITED
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2022**

	Note	Unrestricted funds 2022 £	Unrestricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	1,428,349	-	1,428,349	1,529,092
Charitable activities	5	250,743	-	250,743	245,865
Other trading activities	6	3,533,470	-	3,533,470	1,357,643
Investments	7	32,722	-	32,722	28,294
Other income	8	39,232	-	39,232	161,068
Total income		5,284,516	-	5,284,516	3,321,962
Expenditure on:					
Raising funds		3,340,637	-	3,340,637	1,600,500
Charitable activities	9	2,167,995	325,949	2,493,944	1,666,196
Total expenditure		5,508,632	325,949	5,834,581	3,266,696
Net (expenditure)/income before net gains on investments		(224,116)	(325,949)	(550,065)	55,266
Net gains on investments		24,228	-	24,228	138,742
Net (expenditure)/income		(199,888)	(325,949)	(525,837)	194,008
Transfers between funds	22	(185,556)	185,556	-	-
Net movement in funds		(385,444)	(140,393)	(525,837)	194,008
Reconciliation of funds:					
Total funds brought forward		2,244,844	347,881	2,592,725	2,398,717
Net movement in funds		(385,444)	(140,393)	(525,837)	194,008
Total funds carried forward		1,859,400	207,488	2,066,888	2,592,725

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 42 form part of these financial statements.

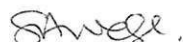
HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 08475916

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	207,488	347,881
Investments	16	1,302,580	1,306,901
		<u>1,510,068</u>	<u>1,654,782</u>
Current assets			
Stocks	17	99,138	92,113
Debtors	18	59,992	28,352
Cash at bank and in hand		1,342,390	1,365,814
		<u>1,501,520</u>	<u>1,486,279</u>
Creditors: amounts falling due within one year	19	(456,720)	(387,825)
Net current assets		<u>1,044,800</u>	<u>1,098,454</u>
Total assets less current liabilities		<u>2,554,868</u>	<u>2,753,236</u>
Provisions for liabilities		(487,981)	(160,511)
Total net assets		<u><u>2,066,887</u></u>	<u><u>2,592,725</u></u>
Charity funds			
Unrestricted fixed asset funds	22	207,488	347,881
Unrestricted funds	22	1,859,399	2,244,844
Total funds		<u><u>2,066,887</u></u>	<u><u>2,592,725</u></u>

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

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



Sara Webb
Chair



Huseyin Arslan
President/Deputy Chair

Date: 26 January 2023

The notes on pages 18 to 42 form part of these financial statements.

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 08475916

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	207,488	347,881
Investments	16	1,302,582	1,306,903
		<u>1,510,070</u>	<u>1,654,784</u>
Current assets			
Debtors	18	96,224	59,686
Cash at bank and in hand		1,114,907	1,167,872
		<u>1,211,131</u>	<u>1,227,558</u>
Creditors: amounts falling due within one year	19	(150,810)	(100,868)
Net current assets		<u>1,060,321</u>	<u>1,126,690</u>
Total assets less current liabilities		<u>2,570,391</u>	<u>2,781,474</u>
Provisions for liabilities		(362,506)	(105,197)
Total net assets		<u><u>2,207,885</u></u>	<u><u>2,676,277</u></u>
Charity funds			
Unrestricted fixed asset fund	22	207,488	347,881
Unrestricted funds			
General funds	22	2,000,397	2,328,396
Total unrestricted funds	22	<u>2,000,397</u>	<u>2,328,396</u>
Total funds		<u><u>2,207,885</u></u>	<u><u>2,676,277</u></u>

The Company's net movement in funds for the year was £(468,392) (2021 - £259,153).

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

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



Sara Webb
Chair



Huseyin Arslan
President/Deputy Chair

Date: 26 January 2023

The notes on pages 18 to 42 form part of these financial statements.

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities (note 26)	162,136	358,074
Cash flows from investing activities		
Purchase of tangible fixed assets	(201,230)	(21,289)
Proceeds from sale of investments	15,670	-
Net cash used in investing activities	(185,560)	(21,289)
Change in cash and cash equivalents in the year	(23,424)	336,785
Cash and cash equivalents at the beginning of the year	1,365,814	1,029,029
Cash and cash equivalents at the end of the year	1,342,390	1,365,814

The notes on pages 18 to 42 form part of these financial statements

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

1. General information

The company is limited by guarantee. The members of the company are each and every member who has not opted out and the student trustees. In the event of the company being wound up the liability in respect of the guarantee is limited to £1 per member of the company.

The principal activity of the company is to provide support and entertainment to the students of Hull University.

The company's registered office is Student Central, Cottingham Road, Hull, HU6 7RX, from where the company operates.

These financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the company operates.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The Consolidated statement of financial activities (SOFA) and Consolidated statement of financial position consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The Trustees feel that the company is well placed to negotiate the unique set of conditions currently facing the UK economy and has recovered well since the restrictions from the pandemic were fully lifted. The company's current level of cash and investments is in a good position and they could be liquidised should it be necessary.

In addition to this, given the strong net asset position, cash balance and confirmed subvention funding for the year ended 31 July 2023 the Trustees consider it reasonable that the company will be able to pay its debts and known committed costs as they fall due for at least 12 months from the date of approval of these financial statements.

After consideration of all factors, the Trustees continue to adopt the going concern basis in preparing the financial statements.

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

2. Accounting policies (continued)

2.3 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.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Statement of financial position. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Voluntary income is received by way of grants, donations and gifts and is included in full in the SOFA when receivable. Grants, where the entitlement is not commercial on the delivery of a specific performance by the Charity, are recognised when the charity becomes unconditionally entitled to the grant.

Grant income is recognised in the year to which the award relates.

Investment income is recognised when receivable.

Administration charges being rental income from H.U.U Services Limited are recognised when they are due. Gift Aid income from H.U.U. Services Limited is recognised annually when the calculation has been performed.

Incoming resources from charitable trading activities are accounted for when earned.

2.4 Expenditure

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. 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 educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

2. Accounting policies (continued)

2.5 Taxation

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

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for 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.

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

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

Depreciation is provided on the following bases:

Short-term leasehold property	- Straight line over length of lease
Motor vehicles	- Straight line basis of 5 years
Fixtures and fittings	- Straight line basis between 3 - 10 years

2.7 Investments

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

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

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit and loss.

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

2. Accounting policies (continued)

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Statement of financial position 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 Consolidated statement of financial activities as a finance cost.

2.12 Financial instruments

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

2.13 Pensions

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

The Group operates a defined benefits pension scheme, the Universities Superannuation Scheme (USS). However, the scheme is a multiple employer scheme and the group is unable to identify its share of the underlying assets and liabilities. As permitted by Section 28 - Employee Benefits, the scheme has been accounted for, in these financial statements as if the scheme was a defined contribution scheme.

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

2. Accounting policies (continued)

2.14 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 Group 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 Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

FRS 102 makes the distinction between a group and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer.

A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the profit and loss in accordance with section 28 of FRS102.

The directors are satisfied that the scheme provided by the Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements as a provision (see note 20).

A key judgement is a provision/accrual for future pension liabilities relating to the USS scheme. These reflect the known deficit contribution schedules to which the entity is due to pay in line with the agreement between the entity and the pension fund. The calculation of this judgement is dependent upon certain assumptions including the length of the deficit repayment scheme, 16 years, the discount applicable to the time value of future money 3.37% and salary increases 5%. This results in a liability on the balance sheet of £487,981 for the group. If the length of the deficit was increased by 1 years the liability would increase by £34,802 for the group. A change in salary increase variation of 1% would cause a change in liability of £43,172 for the group. A change in salary increase of 1% along with an increase of 1.63% for the discount rates would produce a decrease in liability of £25,715 for the group. Whilst acknowledging these alternative scenarios exist management are of the view that the assumptions applied reflect the known situation at the balance sheet date.

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

4. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £
University of Hull subvention grant	1,400,000	1,400,000
Other grant income	28,349	28,349
Total 2022	<u>1,428,349</u>	<u>1,428,349</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
University of Hull subvention grant	1,354,000	1,354,000
Other grant income	175,092	175,092
	<u>1,529,092</u>	<u>1,529,092</u>

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Charitable activities	250,743	250,743

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Charitable activities	245,865	245,865

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £
Sales	3,533,470	3,533,470

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Sales	1,357,643	1,357,643

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Dividends from investments	32,032	32,032
Bank interest received	690	690
	32,722	32,722

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Dividends from investments	28,184	28,184
Bank interest received	110	110
	28,294	28,294

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

8. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £
Government grants	27,691	27,691
Other incoming resources	11,541	11,541
	<u>39,232</u>	<u>39,232</u>

Government grants received in the previous year consist of amounts received in relation to the Job Retention Scheme

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Government grants	149,152	149,152
Other incoming resources	11,916	11,916
	<u>161,068</u>	<u>161,068</u>

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Unrestricted fixed asset funds 2022 £	Total 2022 £
Governance	79,822	-	79,822
Activities	201,424	-	201,424
Inclusivity and diversity	69,476	-	69,476
Sports	340,635	-	340,635
Education	174,945	-	174,945
Admin	1,301,693	93,827	1,395,520
Loss on sale of fixed assets	-	232,122	232,122
	<u>2,167,995</u>	<u>325,949</u>	<u>2,493,944</u>

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

9. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total 2021 £</i>
Governance	57,337	-	57,337
Activities	86,295	-	86,295
Welfare and Community	55,292	-	55,292
Sports	156,928	-	156,928
Education	152,744	-	152,744
Admin	990,482	167,118	1,157,600
	<u>1,499,078</u>	<u>167,118</u>	<u>1,666,196</u>

10. Analysis of expenditure by activities

	<i>Activities undertaken directly 2022 £</i>	<i>Total funds 2022 £</i>
Governance	79,822	79,822
Activities	201,424	201,424
Welfare and Community	69,476	69,476
Sports	340,635	340,635
Education	174,945	174,945
Admin	1,395,520	1,395,520
Loss on fixed assets disposal	232,122	232,122
	<u>2,493,944</u>	<u>2,493,944</u>

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

10. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2021 £</i>	<i>Total funds 2021 £</i>
Governance	57,337	57,337
Activities	86,295	86,295
Welfare and Community	55,292	55,292
Sports	156,928	156,928
Education	152,744	152,744
Admin	1,157,600	1,157,600
	<u>1,666,196</u>	<u>1,666,196</u>

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

11. Trading activities - H.U.U Services Limited

	2022 £	2021 £
H.U.U. Services Limited - Trading		
Turnover	3,565,904	1,434,071
Other operating income	40,043	310,676
Charity trading cost of sales	(1,799,218)	(609,447)
Administrative expenses	(1,864,376)	(1,201,679)
	(3,623,351)	(1,500,450)
Net profit from trading activities	<u>(57,447)</u>	<u>(66,379)</u>
	2022 £	2021 £
Net profit from trading activities		
Net income from trading activities	265,220	144,643
Rent and fees paid to parent	(322,757)	(211,033)
Investment income	90	11
Net profit prior to consolidation	<u>(57,447)</u>	<u>(66,379)</u>

Hull University Union Limited owns 100% of the issued share capital in H.U.U. Services Limited.

Company registration number	03906837
Total assets as at 31 July 2022	£381,561
Total liabilities as at 31 July 2022	£522,556
Total equity as at 31 July 2022	(£140,995)

12. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	13,000	13,500
Fees payable to the Company's auditor in respect of:		
All taxation advisory services not included above	1,000	800
All non-audit services not included above	1,000	150
Total	<u>15,000</u>	<u>14,450</u>

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

13. Staff costs and trustee remuneration

	2022 £	2021 £
Total Charity cost of employment (including recruitment and training)	1,415,749	950,842
	<u>1,415,749</u>	<u>950,842</u>

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

	2022 No.	2021 No.
Charitable activities	17	18
Costs of generating funds	3	3
Management and administration of the union	17	16
	<u>37</u>	<u>37</u>

The number of higher paid employees was:

	2022 £	2021 £
In the band £70,001 - £80,000	1	1
	<u>1</u>	<u>1</u>

Staff costs for the company are:

Wages and salaries	948,123	811,033
National insurance	75,978	67,031
Pension contributions	341,464	59,413
Other staff costs (recruitment and training)	50,184	13,365
Total	<u>1,415,749</u>	<u>950,842</u>

	2022 £	2021 £
Group staff costs were as follows:		
Wages and salaries	2,035,720	1,446,658
National insurance	169,370	136,990
Pension contributions	446,694	94,658
Total	<u>2,651,784</u>	<u>1,678,306</u>

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

14. Student officers remuneration

	2022	2021
	£	£
M S Habeeb	1,495	-
Peace Igi-Ehon	20,262	2,643
H Burton	13,416	2,643
N Orduen	-	18,812
O Fadipe	2,767	-
H Arslan	2,767	-
P Bastiani	18,552	19,635
S Doherty	18,552	19,252
E Kyte	-	17,022
E Leonard	13,426	19,254
	91,237	99,261

The Internal Trustees are remunerated in accordance with a pay scale used by HUU to pay its employees. The amount is not related to the responsibilities of the roles, as it is for other staff members but merely to reimburse them for cost of living expenses, as they are precluded from other full time work during their period of office. They undertake full time, full year executive management activities. Authority for payment is by HUU Constitution.

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

15. Tangible fixed assets

Group and Company

	Short-term leasehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 August 2021	3,148,553	1,612,707	4,761,260
Additions	-	201,230	201,230
Disposals	-	(1,134,116)	(1,134,116)
At 31 July 2022	<u>3,148,553</u>	<u>679,821</u>	<u>3,828,374</u>
Depreciation			
At 1 August 2021	3,148,553	1,264,826	4,413,379
Charge for the year	-	93,827	93,827
On disposals	-	(886,320)	(886,320)
At 31 July 2022	<u>3,148,553</u>	<u>472,333</u>	<u>3,620,886</u>
Net book value			
At 31 July 2022	<u>-</u>	<u>207,488</u>	<u>207,488</u>
At 31 July 2021	<u>-</u>	<u>347,881</u>	<u>347,881</u>

The group and company have in the current accounting year, disposed of furniture and equipment in preparation for the refurbishment works being undertaken in the summer and have also disposed of any assets that remained from previous refurbishments that no longer have a useful economic life.

HULL UNIVERSITY UNION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

16. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 August 2021	1,306,901
Additions	247,066
Disposals	(261,083)
Amounts written off	9,696
At 31 July 2022	<u>1,302,580</u>
Net book value	
At 31 July 2022	<u>1,302,580</u>
At 31 July 2021	<u>1,306,901</u>

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 August 2021	2	1,306,901	1,306,903
Additions	-	247,066	247,066
Disposals	-	(261,083)	(261,083)
Capital gains	-	9,696	9,696
At 31 July 2022	<u>2</u>	<u>1,302,580</u>	<u>1,302,582</u>
Net book value			
At 31 July 2022	<u>2</u>	<u>1,302,580</u>	<u>1,302,582</u>
At 31 July 2021	<u>2</u>	<u>1,306,901</u>	<u>1,306,903</u>

H.U.U. Services Limited is a subsidiary on the basis of dominant control, which is registered in England and Wales. The capital and reserves of the company at 31 July 2022 amounted to a loss after tax of £64,872 (2021 - £74,378 Loss). H.U.U. Services Limited distributes all profits to Hull University Union Limited under Gift Aid arrangements for the current year and prior year the company has been loss making and consequently it has retained its loss.

Listed investments include £801,836 of equities, £207,927 of bonds, £52,863 of multi-asset funds, and £244,275 of alternatives.

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Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity
H.U.U Services Limited	03906837	Student Central, Cottingham Road, Hull, HU6 7RX	Operation of bars, fundraising events and the operation of retail shop of Hull University Union Limited.

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
H.U.U Services Limited	3,565,904	3,623,351	(57,447)	(140,997)

17. Stocks

	Group 2022 £	Group 2021 £
Goods for resale	99,138	92,113

The amount of stocks recognised as an expense in the Consolidated statement of financial activities was £1,799,218 (2021 - £609,447).

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18. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Due within one year				
Trade debtors	15,521	17,225	76,219	58,399
Other debtors	9,622	-	9,622	-
Prepayments and accrued income	34,849	11,127	10,383	1,287
	<u>59,992</u>	<u>28,352</u>	<u>96,224</u>	<u>59,686</u>

19. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	115,005	24,168	47,986	12,530
Other taxation and social security	172,185	210,850	20,859	20,609
Other creditors	15,970	14,748	5,125	4,285
Accruals and deferred income	153,560	138,059	76,840	63,444
	<u>456,720</u>	<u>387,825</u>	<u>150,810</u>	<u>100,868</u>

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20. Pension commitments

The latest available full actuarial valuation of the scheme was at 31 March 2017 (the valuation date), which was carried out using the projected unit method.

Since the institution cannot identify its share of scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole.

The 2017 valuation was the third valuation for USS under the scheme specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £60.0 billion and the value of the scheme's technical provisions was £67.5 billion indicating a shortfall of £7.5 billion.

Defined benefit liability numbers for the scheme have been produced using the following assumptions:

	2022	2021
Discount rate	2.5%	2.5%
Pension salary growth	n/a	n/a
Pension increases (CPI)	1.5%	1.5%

The main demographic assumption used related to the mortality assumptions. These assumptions have been updated for the 31 March 2022 accounting position, based on updated analysis of the Scheme's experience carried out as part of the 2017 actuarial valuation.

Mortality in retirement is assumed to be in line with the Continuous Mortality Investigations (CMI) SI NA tables as follows:

Mortality base table

Pre-Retirement:

2022: 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.
2021: 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.

Post retirement:

2022: 97.6% of SAPS S1 NMA 'light' for males and 102.7% of RFV00 for females.
2021: 97.6% of SAPS S1 NMA 'light' for males and 102.7% of RFV00 for females.

Future improvements to mortality

2022: CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

2021: CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

	2022	2021
Males currently aged 65 (years)	24.4	24.4
Females currently aged 65 (years)	25.9	25.9
Males currently aged 45 (years)	26.3	26.3
Females currently aged 45 (years)	27.7	27.7

	2022	2021
Scheme assets	£63.7bn	£63.7bn
Total scheme liabilities	£67.3bn	£67.3bn
FRS 102 total scheme deficit	£3.6bn	£3.6bn
FRS 102 total funding level	95%	95%

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21. Pension provisions

	2022 £
Group	
At 1 August 2021	158,810
Amounts used	329,171
At 31 July 2022	<u>487,981</u>
	2022 £
Company	
At 1 August 2021	103,497
Amounts used	259,009
At 31 July 2022	<u>362,506</u>

The key assumptions in calculating this provision include a discount rate of 3.4% and an assumed cost of living increase of 5%.

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22. Statement of funds

Statement of funds - current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2022 £
Unrestricted funds						
General Funds - all funds	2,244,844	5,284,515	(5,508,632)	(185,556)	24,228	1,859,399
Fixed asset funds	347,881	-	(325,949)	185,556	-	207,488
Total of funds	2,592,725	5,284,515	(5,834,581)	-	24,228	2,066,887

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22. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2021 £
Unrestricted funds						
General Funds - all funds	1,905,009	3,321,962	(3,099,578)	(21,291)	138,742	2,244,844
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
 Fixed asset funds	 493,708	 -	 (167,118)	 21,291	 -	 347,881
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
 Total of funds	 2,398,717	 3,321,962	 (3,266,696)	 -	 138,742	 2,592,725
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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23. Summary of funds

Summary of funds - current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2022 £
General funds	2,244,844	5,284,515	(5,508,632)	(185,556)	24,228	1,859,399
Fixed asset funds	347,881	-	(325,949)	185,556	-	207,488
	<u>2,592,725</u>	<u>5,284,515</u>	<u>(5,834,581)</u>	<u>-</u>	<u>24,228</u>	<u>2,066,887</u>

Summary of funds - prior year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2021 £
General funds	1,905,009	3,321,962	(3,099,578)	(21,291)	138,742	2,244,844
Fixed asset funds	493,708	-	(167,118)	21,291	-	347,881
	<u>2,398,717</u>	<u>3,321,962</u>	<u>(3,266,696)</u>	<u>-</u>	<u>138,742</u>	<u>2,592,725</u>

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Unrestricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	207,488	207,488
Fixed asset investments	1,302,580	-	1,302,580
Current assets	1,501,520	-	1,501,520
Creditors due within one year	(456,720)	-	(456,720)
Provisions for liabilities and charges	(487,981)	-	(487,981)
Total	<u>1,859,399</u>	<u>207,488</u>	<u>2,066,887</u>

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24. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Unrestricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	347,881	347,881
Fixed asset investments	1,306,901	-	1,306,901
Current assets	1,486,280	-	1,486,280
Creditors due within one year	(387,825)	-	(387,825)
Provisions for liabilities and charges	(160,511)	-	(160,511)
Total	<u>2,244,845</u>	<u>347,881</u>	<u>2,592,726</u>

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

	<i>Group 2022 £</i>	<i>Group 2021 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>(525,837)</u>	<u>194,008</u>
Adjustments for:		
Depreciation charges	93,827	167,116
Listed investment movements and changes in market value	4,321	(160,548)
Loss on the sale of fixed assets	232,122	-
Decrease/(increase) in stocks	(7,025)	4,949
Decrease/(increase) in debtors	(31,640)	60,158
Increase in creditors	68,898	97,599
Movement in pension liability	327,470	(5,208)
Net cash provided by operating activities	<u>162,136</u>	<u>358,074</u>

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26. Analysis of cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>
Cash in hand	1,342,390	1,365,814
Total cash and cash equivalents	1,342,390	<i>1,365,814</i>

27. Analysis of changes in net debt

	At 1 August 2021 £	Cash flows £	At 31 July 2022 £
Cash at bank and in hand	1,365,814	(23,424)	1,342,390
	1,365,814	(23,424)	1,342,390

28. Operating lease commitments

At 31 July 2022 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Not later than 1 year	202,000	202,000	202,000	202,000
Later than 1 year and not later than 5 years	808,000	808,000	808,000	808,000
Later than 5 years	673,333	875,333	673,333	875,333
	1,683,333	<i>1,885,333</i>	1,683,333	<i>1,885,333</i>

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29. Related party transactions

The company taken advantage if the exemption contained in Section 33 of FRS 102 "Related Party Disclosures" from disclosing transactions with entities which are part of the group, since 100% of the voting rights in the company are controlled within the group and the company is included within the group accounts which are publicly available.

There are a number of transactions between HUU and The University of Hull to enable HUU to continue to achieve its objectives and provision of support. The following transactions occurred during the year:

Income:

Subvention Grant £1,400,000 (2021 - £1,354,000).

Expenses:

Rent £202,000 (2021 - £202,000)

At the year end the amount payable to the University of Hull was £13,849 (2021 - £Nil) and receivable was £270 (2021 - £150 receivable).