

**LONDON METROPOLITAN
UNIVERSITY STUDENTS' UNION**

(Company limited by guarantee no. 08576499
registered charity no. 1153293)

REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 JULY 2021



REPORT AND FINANCIAL STATEMENTS
For the period ended 31 July 2021

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LONDON METROPOLITAN UNIVERSITY STUDENTS' UNION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

For the period ended 31 July 2021

Board of Trustees	O Agho	(appointed 1 July 2020)
	Y Bashir	(appointed 1 July 2020)
	M Doran	(appointed 7 December 2020)
	I Fufeyin	(appointed 7 December 2020)
	N Iddirisu	(resigned 31 January 2020)
	M Jeddi	(resigned 24 September 2020)
	W Lee	(appointed 1 April 2019)
	C Margallo	(resigned 2 July 2021)
	J Thorp	(appointed 25 December 2020)
	S To	(appointed 1 April 2019)
	J Abbasi	(appointed 25 December 2020)
Company Secretary	Meg Mannion	(appointed 7 December 2020)
Principal Officers	Andy Morwood	Chief Executive (from 21 Sept 2020)
	Alan Roberts	Interim Chief Executive (to 30 Sept 2020)
	Jacqueline Molineaux	Deputy CEO (from 30 Nov 2020)
Company reg. no.	08576499 (England and Wales)	
Charity reg. no.	1153293	
Registered office	166-220 Holloway Road London N7 8DB	
Accountants	Knox Cropper LLP 65 Leadenhall Street London EC3A 2AD	
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP	

BOARD OF TRUSTEES' REPORT

For the year ended 31 July 2020

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2021.

The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charitable object of London Metropolitan University Students' Union (LMSU) is the advancement of education of students at London Metropolitan University for the public benefit by,

- promoting the interests and welfare of students at London Metropolitan University during their course of study and representing, supporting and advising students;
- being the recognised representative channel between students and London Metropolitan University and any other external bodies; and
- providing social, cultural and recreational activities and forums for discussions and debate for the personal development of its students.

Activities and Achievements

Across the 2020/21 financial year, there was a huge amount of change and upheaval at the Students' Union. Almost the entire staff team changed starting with the appointment of a permanent Chief Executive in September 2020, the global pandemic continued, impacting the entire year and requiring a completely new way of working and our elected officer team faced challenges which had never been even thought about before the existence of Covid-19.

Out with this significant work the three principal areas of activity for the Students' Union in terms of work undertaken towards achieving the charitable aims and objectives are highlighted below:

BOARD OF TRUSTEES' REPORT

For the year ended 31 July 2020

Student Activities and Development (Activity)

LMSU aims to be a physical and a virtual space for students to connect, learn and grow. We support a number of student groups. If our members are looking for a community - whether they share faith, interest, culture, sport, hobby, passion or subject of study - there's something on offer. From debating to football, we have it all!

During this financial year, it was largely impossible to host in-person events and sports, causing great difficulties for our student groups to maintain the traditional level of engagement though we were still able to run some events online such as our 'Olympics' and student groups hosted multiple online social sessions for them and their members. We hope to relaunch our activities in the next financial year to be able to start to rebuild our activities.

Student Representation and Campaigns (Voice)

We amplified the voices of students on a huge range of topics this year. Within the University, we campaigned hard on academic matters, working to prevent academic decisions negatively affecting the wellbeing of our members.

We put in place a new system of school representation, moving from elected volunteer school representatives to appoint and paid school reps. Our National Student Survey score for Question 26 remained high for London, with a 60% agreement from students putting us as the sixth-highest ranked Students' Union in London out of 22 other Students' Unions despite having a relatively low block grant compared to other SUs. The top-scoring Students' Union in London was West London University Students' Union with 69% agreement, and the lowest-scoring Students' Union was at Birkbeck with 44%.

Outside of class, we grew our Liberation Zones and hosted a series of events, campaigns and debates, including Black History Month, LGBT+ History Month, and International Women's Day. We also formally agreed to our Student Partnership Agreement with the broad commitment of 'nothing about you without you' by the Students' Union and the University.

BOARD OF TRUSTEES' REPORT

For the year ended 31 July 2020

Student Advice (Advice)

Our Advice Service supported students in acute academic crises throughout the year. As a confidential service, operated independently of the University, the Advice Service is a vital lifeline for the small number of students who find themselves in complex situations - such as termination of studies, misconduct appeals, or seeking extensions to deadlines due to personal circumstances.

This year, our officers and staff have also supported a large number of students to navigate wider crises, such as funding errors made by Student Finance England or the widespread disruption caused by the pandemic. We also advocated for students collectively, seeking to prevent problems occurring and building a more just and fair learning environment for all.

During the year we undertook a review of our advice service to ensure that what we were delivering to students was relevant and that we would be ready to launch our service for students again as part of the Students' Union's wider rebranding exercise.

Public benefit

The trustees have considered the Charity Commission's guidance on public benefit in developing the activities and services of the charity to meet its objectives.

FINANCIAL REVIEW

Reserves policy

It is considered best practice for charities to establish a level of reserves sufficient to enable core services to members to be delivered in the event of a disruption to its funding or operation.

At the year-end, the unrestricted funds of the Union stood at £71,193 and free reserves excluding fixed assets stood at £65,588.

The Union maintains reserves in accordance with the Charity Commission's guidance which represent the 'free' reserves available to the Union's Trustees to be unrestrictedly spent on the purposes of the Union.

They do not include any endowments, restricted or designated funds, nor do they include funds that could only be realised by disposing of fixed assets or stock in trade (or working capital).

BOARD OF TRUSTEES' REPORT

For the year ended 31 July 2020

There was a commitment to developing a formal reserves policy within the 2021/22 financial year as our previous formal policy has expired. However, the trustees' view is that the Union should maintain 'free' reserves that are appropriate to the Union's size, activity and structure and that there are no concerns around the union's ability to exist as an ongoing entity. This would be set at one month's worth of reserves.

During the year of operation, the Union received a block grant of £610,000 from the London Metropolitan University who also provided £50,233 of additional funding on top of our block grant. This income was expended on the Union's charitable activities, primarily as staff costs. The year as a whole was an abnormal year financially as the normal amount of student staffing and sporting activity did not take place. Due to this, net income for the year amounted to £41,886 that increased the unrestricted general funds to £71,193.

Future Plans

Due to the significant changes which have taken place at the Students' Union in this and the previous financial year, it was decided that the previous strategy was no longer relevant or valid and so a new piece of work was undertaken to set out a new strategy for the Students' Union from 2021 to 2025. This strategy was developed in partnership with the research organisation 'Alterline' who engaged a large number of students with qualitative and quantitative research.

The strategy is now in place and is centred on four promises to students rather than themes.

"We promise to help you feel part of a community at London Met"

"We promise to help you be more employable"

"We promise to support your wellbeing"

"We promise to give you a strong voice at London Met"

Each promise links to clear outcomes and objectives with measurable KPIs. Every staff member has at least four objectives linked back to the main strategy to ensure that everyone's main work links back to our reason for existing as an organisation. This has been a significant amount of work to put in place and we hope will last the distance as we strongly believe it's what students at London Met want to see the Students' Union focus on.

BOARD OF TRUSTEES' REPORT

For the year ended 31 July 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its governing document, its memorandum and articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. In the event of winding up the liability of each Company Law Member is limited to £1.

Recruitment and appointment of new trustees

The Board of Trustees is made up of not more than two sabbatical officer trustees, not more than two student trustees, one alumni trustee and not more than three external trustees. The sabbatical officer trustees are elected by secret ballot by the members of the Union and serve one year in office unless re-elected for the second year. The student trustees are elected by a simple majority vote of the Student Council from its membership and include one undergraduate and one postgraduate student. Student trustees serve for a two-year term and must be a student for the duration of their term in office. Student trustees can serve for a maximum of two consecutive terms. The alumni and external trustees are appointed by the Appointments Committee and ratified by the trustees. They can serve for a maximum of 2 terms of 2 years each.

Organisational Structure

The Board of Trustees met three times during the year. It is responsible for the strategic direction, governance and sustainability of the charity but delegates its day-to-day running to the Student Officer team and its Senior Management. The Board established a Transition Board to oversee the transition between Chief Executives which met fortnightly between March and September.

Induction and Training of New Trustees

Once elected or appointed all trustees receive tailored training to enable them to understand their legal obligations and their other important responsibilities as charity trustees. The Student Officer Trustees also receive training that is more comprehensive as they work full time for the organisation and complete a portfolio of duties, alongside their Trustee roles.

Key Management Remuneration

The levels of remuneration for all staff including those of senior management are calculated on the basis of salary scales which map responsibilities and experience to set scales. The salary scales are reviewed annually to take into account of the cost of living and the London living allowance.

Risk Management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The staff senior leadership team identify the union's top 10 risks and review them every month, then update the board on these areas for all trustee meetings. Each risk identified is assessed for its impact and likelihood, actions required to mitigate or manage it are noted and the risk is assigned to a senior staff member or trustee.

BOARD OF TRUSTEES' REPORT

For the year ended 31 July 2020

The top risks identified for the union for the 2020/21 financial year were as follows,

1	Lack of clear strategic plan and operating plan based on evidence and research
2	Level of student engagement and participation
3	National Student Survey score
4	External factors risking future grant level
5	Officers not feeling effectively supported
6	Data compliance processes not existing or not being followed
7	Single staff member having responsibility for areas, resulting in a single point of failure
8	IT Failure
9	Bank account access being restricted stopping our ability to make payments
10	Election turnout

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of London Metropolitan University Students' Union for the purposes of company law) are responsible for preparing the Board of Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- § select suitable accounting policies and then apply them consistently;
- § observe the methods and principles in the Charity SORP;
- § make judgements and estimates that are reasonable and prudent;
- § prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BOARD OF TRUSTEES' REPORT

For the year ended 31 July 2020

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 2022-04-11 and signed on its behalf by:



Simon To

Signed on 11/04/22 @ 14:26

Simon To – Chair, Board of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LONDON METROPOLITAN UNIVERSITY STUDENTS' UNION FOR THE PERIOD ENDED 31 JULY
2021

Opinion

We have audited the financial statements of London Metropolitan University Students' Union (the 'charitable company') for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

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.

/Continued ...

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

LONDON METROPOLITAN UNIVERSITY STUDENTS' UNION FOR THE PERIOD ENDED 31 JULY
2021

(Continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement in the Trustees' Report, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

LONDON METROPOLITAN UNIVERSITY STUDENTS' UNION FOR THE PERIOD ENDED 31 JULY
2021

(Continued)

Auditor's responsibilities for the audit of the financial statements

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

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:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2019), in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) applicable to smaller entities and the Companies Act 2006.
- We understood how the charitable company is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures. The charitable company is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override and allocation of costs to charitable activities and restricted funds.
- Our approach was to check that the income from grants and donations were properly identified and accurately disclosed, that expenditure complied with the control procedures and was appropriately charged. We also reviewed the major journal adjustments along with unusual transactions and considered the identification and disclosure of related party transactions.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

LONDON METROPOLITAN UNIVERSITY STUDENTS' UNION FOR THE PERIOD ENDED 31 JULY
2021

(Continued)

Use of our report

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



Shoaib Arshad
Countersigned on 12/04/22 @ 09:55

Shoaib Arshad (Senior Statutory Auditor)

For and on behalf of:

Knox Cropper LLP

Chartered Accountants & Statutory Auditors

65 Leadenhall Street

London

EC3A 2AD

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the Income and Expenditure Account)
For the period ended 31 July 2021

	Note	Total & Unrestricted Funds 2021 £	Total & Unrestricted Funds 2020 £
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	2	660,233	669,300
Other trading activities	3	6,867	31,294
TOTAL		<u>667,100</u>	<u>700,594</u>
EXPENDITURE ON:			
Fund raising costs		-	-
Charitable activities			
Student activities and development		337,331	355,915
Student representation and campaigns		148,568	172,754
Student advice		139,315	163,280
TOTAL EXPENDITURE	4	<u>625,214</u>	<u>691,949</u>
Net income		41,886	8,645
NET MOVEMENT IN FUNDS		<u>41,886</u>	<u>8,645</u>
RECONCILIATION OF FUNDS:			
TOTAL FUNDS AT 1 AUGUST 2020		29,307	20,662
TOTAL FUNDS AT 31 JULY 2021		<u>£ 71,193</u>	<u>£ 29,307</u>

BALANCE SHEET
As at 31 July 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	10	<u>5,605</u>	<u>6,275</u>
		<u>5,605</u>	<u>6,275</u>
CURRENT ASSETS			
Debtors	11	10,231	20,800
Cash at bank and in hand		107,270	70,014
		<u>117,501</u>	<u>90,814</u>
CREDITORS: amounts falling due within one year	12	(51,913)	(67,782)
NET CURRENT ASSETS		<u>65,588</u>	<u>23,032</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		71,193	29,307
TOTAL NET ASSETS		<u>£ 71,193</u>	<u>£ 29,307</u>
FUNDS			
Unrestricted funds:			
General fund	13	<u>71,193</u>	<u>29,307</u>
		<u>71,193</u>	<u>29,307</u>
		<u>£ 71,193</u>	<u>£ 29,307</u>

The financial statements have been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved, and authorised for issue, by the Board of Trustees on 2022-04-11 and signed on their behalf by:-



Simon To
Signed on 11/04/22 @ 14:26

S TO, Trustee

CASH FLOW STATEMENT

For the period ended 31 July 2021

	2021 £	2020 £
Cash flows from operating activities		
Surplus for the financial year	41,886	8,645
Adjustments for:		
Depreciation	1,769	1,751
Decrease/(increase) in debtors	10,569	(14,804)
(Decrease)/increase in creditors	(15,869)	42,449
	<u>38,355</u>	<u>38,041</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(1,099)	-
Net increase in cash and cash equivalents	<u>37,256</u>	<u>38,041</u>
Cash and cash equivalents at 1 August 2020	70,014	31,973
Cash and cash equivalents at 31 July 2021	<u>£ 107,270</u>	<u>£ 70,014</u>
Components of cash and cash equivalents		
	At 1 August 2020	Cashflows At 31 July 2021
Cash at bank and in hand	<u>£ 70,014</u>	<u>£ 107,270</u>

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 July 2021

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention. They have been prepared in accordance with applicable United Kingdom accounting standards, the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2019), in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) and the Companies Act 2006. The presentational currency of the financial statements is Pound Sterling (£).

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Company status

London Metropolitan University Students' Union is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

Fund accounting

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

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

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

Incoming resources

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

Resources Expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 July 2021

Pension costs and other post-retirement benefits

The Union participates in two pension schemes, the London Pensions Fund Authority (LPFA) and the National Employment Savings Trust (NEST). NEST is a defined contribution scheme open to the Union's sabbatical officers and staff. Contributions payable to the scheme are charged to the Statement of Financial Activities in the period to which they relate.

LPFA is a statutory, contributory, defined benefit scheme and is contracted out of the State Earnings-Related Pension Scheme. The scheme is valued every three years and in the intervening years the actuaries review the progress of the scheme. Administration staff of the Union have joint contracts of employment with London Metropolitan University and are entitled to join the LPFA. Although the University is able to identify its share of the underlying assets and liabilities of the LPFA, the Union is not. Therefore, using the exemption under FRS 102, contributions to the scheme are accounted for as if they were defined contribution schemes and employer contributions payable to the scheme are charged as expenditure in the period to which they relate.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixture and fittings	-	5 years
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Debtors

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

Cash at bank and in hand

Cash at bank and cash 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.

Creditors and provisions

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

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 July 2021

Financial Instruments

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

Judgements and key sources of estimation uncertainty

Judgements and key sources of estimation uncertainty are detailed in the above accounting policies, where applicable.

2. DONATIONS AND LEGACIES

	Total Funds 2021 £	Total Funds 2020 £
LMU Block Grant	610,000	610,000
Other LMU Grants	50,233	59,300
	<u>£ 660,233</u>	<u>£ 669,300</u>

3. INCOME FROM OTHER TRADING ACTIVITIES

	Total Funds 2021 £	Total Funds 2020 £
NUS Extra cards commission	1,216	1,667
Sports and membership income	20	6,450
Other income from activities	5,631	23,177
	<u>£ 6,867</u>	<u>£ 31,294</u>

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 July 2021

4. RESOURCES EXPENDED

	Staff costs £	Other direct costs £	Support costs £	Total 2021 £	Total 2020 £
Cost of Charitable Activities					
Student activities and development	183,409	98,653	55,269	337,331	355,915
Student representation and campaigns	117,577	2,294	28,697	148,568	172,754
Student advice	116,992	-	22,323	139,315	163,280
	<u>417,978</u>	<u>100,947</u>	<u>106,289</u>	<u>625,214</u>	<u>691,949</u>
Fund raising costs					
Total expenditure	<u>£ 417,978</u>	<u>£ 100,947</u>	<u>£ 106,289</u>	<u>£ 625,214</u>	<u>£ 691,949</u>

Comparative cost of charitable activities

	Staff costs £	Other direct costs £	Support costs £	Total 2020 £
Cost of Charitable Activities				
Student activities and development	229,669	84,704	41,542	355,915
Student representation and campaigns	147,234	3,951	21,569	172,754
Student advice	146,501	-	16,779	163,280
	<u>523,404</u>	<u>88,655</u>	<u>79,890</u>	<u>691,949</u>
Fund raising costs				
Costs of generating funds	-	-	-	-
Total expenditure 2020	<u>£ 523,404</u>	<u>£ 88,655</u>	<u>£ 79,890</u>	<u>£ 691,949</u>

Resources expended include:

	2021	2020
Auditors' remuneration:		
Audit fee	6,000	5,235
Depreciation - on owned assets	1,769	730

Details of staff costs are given in Note 7.

Details of Support costs is given in Note 6.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 July 2021

5. DIRECT COSTS	2021	2020
	£	£
Society events	9,394	14,457
Affiliation fees	16,887	26,245
Subscriptions and licences	14,966	9,484
Conferences	1,870	869
Marketing and advertising	29,986	11,135
Awards	2,682	596
Catering	-	1,989
Elections	60	-
Training and development	17,448	6,220
Campaign welfare	-	171
Services	6,760	10,315
Sports activities	-	1,286
Travel and subsistence	114	2,889
Legal and professional	780	2,999
	<u>£ 100,947</u>	<u>£ 88,655</u>

6. SUPPORT COSTS	Total	Total
	2021	2020
	£	£
Information technology	2,371	2,996
Insurance	4,269	4,761
Bank charges	683	1,266
General office expenses	33,282	32,845
Professional and consultancy	59,684	32,787
Auditors' audit fee	6,000	5,235
	<u>£ 106,289</u>	<u>£ 79,890</u>

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 July 2021

7. STAFF NUMBERS AND COSTS

	2021	2020
	£	£
Wages and salaries	375,203	460,191
Social security costs	30,031	35,889
Pension costs	11,804	31,235
Cost of contracted staff	940	(3,911)
	<u>£ 417,978</u>	<u>£ 523,404</u>

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

	Number	Number
Sabbatical officers	4.0	4.0
Administration staff	16.0	16.0
	<u>20.0</u>	<u>20.0</u>

No employee received remuneration of more than £60,000.

The key management personnel of the Union are those persons having authority and responsibility for planning, directing and controlling the activities of the Union, directly or indirectly, including any Trustee of the Charity. In addition to the Trustees, Key management personnel includes the Chief Executive. Aggregate remuneration and benefits paid to key management personnel during the year amounted to £197,737 (2020 - £161,139).

8. TRUSTEES REMUNERATION AND BENEFITS

	2021	2020
	£	£
Wages and salaries	49,769	85,137
Social security costs	4,299	5,846
Pension costs	531	721
	<u>£ 54,599</u>	<u>£ 91,704</u>

Trustees remuneration relates to the Sabbatical officers, who are also trustees of the Union. No members of the Board of Trustees received reimbursement of expenses (2020 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 July 2021

9. PENSION ARRANGEMENTS

The Union contributes to two pension schemes, the London Pensions Fund Authority (LPFA) and National Employment Savings Trust (NEST).

The LPFA Fund (the Fund) provides members with benefits related to pay and service at rates which are defined under the Local Government Pension Scheme Regulations 1997. This scheme was for the administrative staff of the Union who employed by joint contracts of employment with London Metropolitan University. However, the staff were transferred to full employment of the Union on 1 December 2019 under the Transfer of Undertakings (Protection of Employment) Regulations. The University has also agreed to take up the liabilities arising from the past service pension costs under this pension scheme hence this will have no impact on the Union's liability.

NEST is a defined contribution pension scheme and pension contributions in the current year amounted to £11,804.

10. TANGIBLE FIXED ASSETS

	Fixture and fittings £
Cost	
At 1 August 2020	8,756
Additions	1,099
At 31 July 2021	<u>9,855</u>
Depreciation	
At 1 August 2020	2,481
Charge for the year	1,769
At 31 July 2021	<u>4,250</u>
Net book value	
At 31 July 2021	<u>£ 5,605</u>
At 31 July 2020	<u>£ 6,275</u>

11. DEBTORS

	2021 £	2020 £
Due within one year		
Trade debtors	867	210
Prepayments	9,364	13,961
Accrued income	-	6,629
Other debtors	-	-
	<u>£ 10,231</u>	<u>£ 20,800</u>

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 July 2021

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	14,063	15,524
Deferred income	-	20,000
Social security and other taxes	9,725	7,561
Other creditors	28,125	24,697
	<u>£ 51,913</u>	<u>£ 67,782</u>
<u>Deferred income</u>		
Balance at 1 August 2020	20,000	-
Amount released to incoming resources	(20,000)	-
Amount deferred in the year	-	20,000
Balance at 31 July 2021	<u>£ Nil</u>	<u>£ 20,000</u>

13. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers £	Carried Forward £
SUMMARY OF FUNDS					
General Funds 2021	<u>£ 29,307</u>	<u>£ 667,100</u>	<u>£ (625,214)</u>	<u>£ Nil</u>	<u>£ 71,193</u>
General Funds 2020	<u>£ 20,662</u>	<u>£ 700,594</u>	<u>£ (691,949)</u>	<u>£ Nil</u>	<u>£ 29,307</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds		Restricted Funds	Total Funds
	Designated Funds £	General Funds £	£	£
Tangible fixed assets	-	5,605	-	5,605
Net current assets	-	65,588	-	65,588
Funds 2021	<u>£ Nil</u>	<u>£ 71,193</u>	<u>£ Nil</u>	<u>£ 71,193</u>
Tangible fixed assets	-	6,275	-	6,275
Net current assets	-	23,032	-	23,032
Funds 2020	<u>£ Nil</u>	<u>£ 29,307</u>	<u>£ Nil</u>	<u>£ 29,307</u>

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 July 2021

15. GOING CONCERN

The Union is dependent on the ongoing financial support of the London Metropolitan University. The trustees are of the opinion that this support will be forthcoming from the University for at least a further 12 months from the date of approval of these financial statements.

The trustees have also assessed the impact of Covid-19. The trustees have considered the level of funds held, support from Government schemes and the expected level of income and expenditure is sufficient to be able to continue as a going concern.

16. RELATED PARTIES

Officer Trustees are remunerated for their executive responsibilities in accordance with the Union constitution. Four trustees of the Charity received payment for their services as Sabbatical Officers of the Union totalling as set out in note 8. There were no other related party transactions for the year ended 31 July 2021.