

USWSU

England & Wales · Charity number 1153572

Details

Status Registered

Legal form Charitable company

Company number [08629047](#)

Registered 2013-08-29

Register [View on the Charity Commission register](#)

Contact

Address University Of South Wales
Students Union
Forest Grove
Treforest
Pontypridd
CF37 1UF

Phone 01443483500

Email studunion@southwales.ac.uk

Website www.uswsu.com

Activities

Objects: THE OBJECTS OF THE UNION ARE THE ADVANCEMENT OF EDUCATION OF STUDENTS AT THE UNIVERSITY OF SOUTH WALES FOR THE PUBLIC BENEFIT BY:4.1 PROMOTING THE INTERESTS AND WELFARE OF STUDENTS AT THE UNIVERSITY OF SOUTH WALES DURING THEIR COURSE OF STUDY AND REPRESENTING, SUPPORTING AND ADVISING STUDENTS;4.2 BEING THE RECOGNISED REPRESENTATIVE CHANNEL BETWEEN STUDENTS AND THE UNIVERSITY OF SOUTH WALES AND ANY OTHER EXTERNAL BODIES; AND4.3 PROVIDING SOCIAL, CULTURAL, SPORTING AND RECREATIONAL ACTIVITIES AND FORUMS FOR DISCUSSIONS AND DEBATE FOR THE PERSONAL DEVELOPMENT OF ITS STUDENTS.

Activities: Extra-curricular and development opportunities through sports teams, clubs and societies. Community volunteering and fundraising.Democratic engagement of students through its' governance structures creating employability skills. The development of cultural and civic values such as tolerance and social cohesion, in order to have a wider and positive influence on social and political development.

Classification

- **How:** Provides Other Finance, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Accommodation/housing, Amateur Sport
- **Who:** Children/young People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Defined Groups

Geography

- Cardiff
- Newport City
- Rhondda Cynon Taff

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£2,085,898	£1,988,292	£-2,453,243	136
2024-06-30	£2,312,937	£2,236,817	£-2,550,849	136
2023-06-30	£2,191,859	£2,132,449	£-2,576,777	139
2022-06-30	£2,499,846	£2,259,152	£-2,434,432	117
2021-06-30	£1,825,943	£1,306,408	£-2,517,641	70
2020-06-30	£2,516,841	£2,416,516	£-2,955,586	128

Trustees

Name	Role	Appointed
Emilie Tapping	Chair	2024-09-30
Amy Louise Cooper		2026-07-01
Katrina Cookson		2025-06-26
Lucy Squire		2025-06-26
Md Meraz MIA		2026-07-01
Michael Chigozie Anasonye		2026-07-01
Razifa Yeasmin		2026-07-01
Richard Main MBE		2023-09-24

USWSU

England & Wales - Charity number 1153572

Accounts

REGISTERED COMPANY NUMBER: 08629047 (England and Wales)
REGISTERED CHARITY NUMBER: 1153572

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2025
FOR
USWSU**

USWSU

REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2025

	Page
Report of the Trustees	1 to 8
Report of the Independent Auditors	9 to 10
Statement of Financial Activities	11
Balance Sheet	12
Cash Flow Statement	13
Notes to the Cash Flow Statement	14
Notes to the Financial Statements	15 to 23

USWSU**REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2025**

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 period ended 31 July 2025. 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

The objectives of the University of South Wales Students' Union are:

- The advancement of education of students at the University of South Wales.
- Promoting the interests and welfare of students at the University during their course of study.
- Representing, advising, and supporting students.
- Providing social, cultural, sporting, and recreational activities, and forums for discussions and debate, for the personal development of our students.
- Campaign, influence public opinion, and seek to influence government and other institutions regarding the reform, development, and implementation of appropriate policies.

The Students' Union planned to achieve this through:

- Advancement of the education of students through the provision of opportunities to engage in activities that are both academic and extra-curricular, such as sports, fundraising and volunteering, and political debate.
- Contribute to the employability agenda of the University of South Wales by providing opportunities for students to develop key employability skills. through developing student jobs and volunteering opportunities throughout the regions. Engage with, and fully support, the University's employability initiatives, and work in partnership with them whenever possible.
- Maintain a high-level student experience across all campuses and strive, where possible, to create parity of student experience, irrespective of the place of study. The Union is mindful of student demographic and strives to provide services that enhance their student experience.

The trustees of USWSU have had due regard to the Charity Commission's guidance on public benefit and maintain oversight of this through regular meetings held throughout the academic year to ensure strategic oversight and accountability.

ACHIEVEMENTS AND PERFORMANCE

The Board of Trustees reviews organisational objectives annually, with work underway on a new strategy to be implemented from 2026. During the year, USWSU continued to deliver and expand its activities in support of its charitable purposes, achieving the following:

Empowering Democratic Action

Democratic engagement remains central to USWSU's mission. USWSU is led by student leaders across all levels of the University from Course Reps to Full-time Sabbatical Officers. In total, we had over 500 student representatives, most of which were course reps. Elsewhere there were also 150 student leaders who formed parts of Club and Society Committees, ensuring that democratic action within constituted student groups was carried out and reflected in the wider organisation work. In addition, students reviewed the Union's constitution and governing documents and attended the Annual General Meeting, with over 200 students participating in various policy discussions.

The annual Leadership Race achieved its highest turnout to date, with 8.6% of the student body voting. This involved more than 25 candidates across 19 roles. While the Union continues to prioritise the quality of democratic engagement over volume, these results demonstrate increasing student empowerment and participation in shaping the organisation's direction.

Celebrating Success and Enhancing Activities

The Union facilitates a wide range of activities that support its charitable objects, including celebrating excellence across the University.

The twelfth annual Student Choice Awards was held this year at the Cardiff SU Space, creating a more intimate event setting. Over 1,100 nominations were submitted, recognising the work and impact of lecturers, course leaders, supervisors, student representatives, and inspirational students across the University.

USWSU strengthened partnerships across the University through collaborative activity with academic subject areas and teams within the Student Life Directorate. A notable new initiative was the inaugural "*campus 2 campws*" event, which saw over 50 staff and students walk 13 miles from the Glyntaff campus to the Cardiff campus, raising donations for the University's Student Stationery Cupboard and, the charity, Brynawel.

USWSU**REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2025**

Sports participation remained consistent with around 380 student participants across 13 sports competing in over 130 fixtures across BUCS. Out of these, the largest sporting areas continue to be Football with 96 members, followed by Badminton with 55 members.

Through the Union's support for competitive sport via BUCS, students achieved strong outcomes, including Women's Football continuing to compete at premiership level. USWSU also participated in its third Varsity competition with UWE Bristol Students' Union, with closer overall results than previous years, reflecting improvements in sporting performance.

Revitalising Spaces and Places

In response to stakeholder feedback and ongoing assessment of student needs, USWSU worked with University partners to revitalise several Union-designated spaces that had become outdated.

At Treforest, MEDR funding supported significant redevelopment of the social learning space, including new flooring, soft furnishings, and lockers for commuting students. A disused commercial outlet was repurposed into a PlayStation room, while a new pantry area with microwaves was created to support students accessing warm food. The Coal House bar was refreshed with new dart lanes, a pool table, and the removal of fixed furniture to increase flexibility for events.

In Cardiff, the Union collaborated with the Faculty of Business and Creative Industries to install new staging in the SU Space, enhancing its use as both a performance venue and teaching resource. At Newport, the Students' Union Pod on B-Floor was refurbished with support from the Student Life Directorate and now functions as a multi-purpose shared space for Union and University staff to meet students and provide information, further strengthening collaborative provision across campuses.

Financial position

The total income for the period was £2,085,898, £1,268,000 of which is the subvention grant received from the University of South Wales, with a further £60,000 contributed towards continued support of the Union through a period of transformation. Income from charitable activities decreased to £485,796 (2024: £774,410). Other trading activities increased slightly to give a total of £91,964 (2024: £83,005).

Expenditure for the period totalled £1,911,994 (2024: £2,236,817), which results in a surplus for the period of £173,298 before accounting for the unwinding for the discounting of the pension provision of £76,298 (2024: £50,192), which gave an overall surplus of £97,606 (2024: £25,928).

The balance sheet position at 31 July shows negative unrestricted funds of £2,453,243 (2024: £2,550,849). The majority of this relates to the provision for the defined pension liability of £2,422,089 (2023: £2,584,738).

Reserves policy

The Board of Trustees have reviewed USWSU's reserve requirement and recognises that a liquidity cash reserve reflective of the cash trading position is required for troughs in our funding. The Trustees recognise that reserves are part of USWSU's unrestricted funds, which are freely available to spend on any of USWSU's charitable purposes. When deciding on the level of reserves, the Board recognise that reserve levels which are too high could limit the amount USWSU spends on charitable activities, thereby reducing the benefits to USWSU members. Likewise, the Board recognises a risk to USWSU and its future activities if reserves are too low. USWSU's reserves cover an operating surplus, designated capital commitments, and designated service investment.

The Board has set an ideal level of reserves at between 2 - 3 months operating costs, amounting to approximately £318,500 - £477,500 based on 2025 expenditure levels. There are no free reserves at 31 July 2025. Although reserves after adjustments for pension provision and fixed assets would be £38,929. Last year's reserves after adjustments were negative £23,248.

USWSU expects to work towards this longer-term goal through a continued transformation plan that will deliver surplus balances until targeted levels are achieved.

Pension liabilities

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

USWSU**REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2025**

The most recent valuation of the scheme was carried out as at 30 June 2022 and showed that the market value of the scheme's assets was £106.7m with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £133.6m. The assumptions which have the most significant effect upon the results of the Valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumptions applied at 30 June 2022:-

- The investment return would be 4.0% per annum before retirement and 2.0% per annum after retirement
- Pensions accruing on a post-1997 basis would revalue at 3.7% per annum and 3.4% per annum on the post 2000 basis
- Present and future pensions would increase at rates specified by Scheme rules, with appropriate assumptions where these are dependent on inflation.

The 2022 valuation extended the scheme's recovery plan until May 2037, and recommended a monthly contribution requirement by each Participating Employer. This was expressed in monetary terms intended to clear the ongoing funding deficit over a period of 15 years, and increased by 5% in October 2023 and by at least 5% each year thereafter. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2025. Surpluses or deficits which arise at future valuations will also impact on the Students' Union's future contribution commitment. In addition to the above contributions, the Students' Union also pays its share of the scheme's levy to the Pension Protection Fund.

SUSS is a multi-employer scheme, and as such, it is not possible to account for it as a defined benefit scheme because the share of the overall deficit cannot be allocated to individual participants. The liability included in the accounts is therefore calculated as being the net present value of future funding payments.

In accordance with FRS 102, the net present value of the future contributions required over 13 years to clear the funding deficit is £2,422,089 (2023 - £2,584,738). In calculating this net present value, annual increases of 5% have been made and a discount rate of 5.2% representing the typical yield of high-quality corporate bonds has then been applied.

Going concern

The University accepted the USWSU plan for Transformation and has agreed to provide subvention funding for 2025/26, with commitment from the SU to agree a funding agreement and provide longer-term budget forecasts. The University is committed to working with the USWSU and has been encouraged by progress made.

The trustees have assessed the Students' Union's ability to continue as a going concern. They have considered several factors when forming their conclusions, including liquidity, cash resources, liabilities, and support from the University of South Wales. The trustees have concluded that there is a reasonable expectation that adequate resources are available to continue to operate for at least 18 months from the date of signing the financial statements and have therefore continued to prepare the financial statements on a going concern basis. The University continue to support the Students' Union.

Principal funding

USWSU's funding is derived in two main ways: Through a subvention from the University of South Wales, and through income from commercial services. Payment of the subvention grant is transferred monthly.

USWSU

**REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2025**

STRATEGY

The 2024/25 financial period marked a period of relative stability and constructive relationship-building between the Students' Union and the University, following several years of challenging relations. Under the leadership of the new Chair of the Board of Trustees and the Chief Executive - whose secondment has been extended to July 2027 - the Students' Union has worked to rebuild trust and collaborate with the University on initiatives that directly enhance the student experience. Examples include participation in challenge-based curriculum validation activities, jointly delivered student and staff wellbeing events, and support for the development of new Students' Union facilities, most notably the new "Cwtch" social space within the Treforest SU building. These developments reflect a shared recognition that students thrive when institutions work together with clarity, ambition, and unity of purpose.

On appointment, the Chief Executive made it a priority to rapidly strengthen systems and processes to ensure robust financial management and restore confidence in the Students' Union's financial position. Working alongside external consultants, Counterculture, several improvements were implemented, including the completion of the 2023/24 accounts, the introduction of monthly management accounts, and the development of a high-level three-year budget. Progress has been regularly reported to the University's Finance & Resources Committee, where there is clear recognition that significant improvement has been achieved within a relatively short period. This progress was formally demonstrated in late Autumn 2025 through the joint approval by both the University and the Students' Union of a new Financial Agreement outlining the terms and conditions of the block grant. This milestone signals not only improved governance but a deeper commitment to shared accountability and long-term sustainability.

Internally, the Board of Trustees has focused on stabilising the organisation while laying the foundations for a Students' Union that drives positive change and delivers meaningful impact - today and in the years to come. To guide this transformation, a new strategy has been approved that sets out a bold, future-focused direction for the organisation. Our vision is clear: *"your amazing Students' Union that is inclusive, fun, connected and excellent to make your student life better wherever, whenever, however and whatever you study at USW."* Our purpose is equally compelling: *"to put students first by creating opportunities, delivering outstanding services, and fostering a community across every campus and mode of study."*

This strategy signals a step-change in who we are and how we will operate. It is not simply a plan - it is a commitment:

- *A commitment to students that their Students' Union will be courageous, agile, and unequivocally student-led*
- *A commitment to the Trustee Board that progress will be transparent, measurable, and celebrated, and*
- *A commitment to the wider University community that the Students' Union will serve as a model of collaboration, professionalism, and innovation*

PRINCIPAL RISKS AND UNCERTAINTIES

The Students' Union has developed a new risk register aligned with the priorities and enablers of the new strategy.

Several strategic risks and uncertainties have been carried forward from the previous risk register - most notably our relationship with the University. However, positive progress has been made. For example, as indicated, a new Financial Agreement has been approved, and a revised Relationship Agreement has been prepared for consideration by the Trustee Board and Board of Governors. This revised agreement places a stronger emphasis on regular dialogue between the Students' Union and the University regarding emerging opportunities and challenges.

The Students' Union Superannuation Scheme (SUSS) - the closed pension scheme of which USWSU was a member - continues to pose a long-term financial risk. Although the fund is closed to future contributions, former participating organisations remain responsible for deficit-recovery payments. These payments are increasing by 5% annually until the end of the recovery period, which is currently projected for May 2037. This situation represents a sustained financial pressure, and it is anticipated that the Students' Union, with the support of the University, will review its position regarding SUSS during Summer 2026.

The decline in student enrolments in higher education, including at USW, presents a significant strategic risk and creates uncertainty about the future. This risk could affect the Students' Union in two key ways.

First, the block grant is partly dependent on student numbers; therefore, a decline in enrolments may result in reduced financial support from the University. In line with the Financial Agreement, the Students' Union will prepare a 2026/27 budget and an accompanying impact report by early Spring. These documents will inform discussions regarding the block grant, including the value added by the Students' Union within the wider University ecosystem, for example, in student recruitment, retention and success.

USWSU**REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2025**

Second, lower student numbers may reduce demand for commercial services such as events, catering, and retail, limiting the organisation's ability to deliver these services at previous levels. The Students' Union has already experienced reduced performance in several commercial areas, particularly retail and food sales. While decreased footfall is a contributing factor, there is also a need to assess whether the current offer aligns with students' changing expectations and behaviour. An initial review of commercial operations has been completed and will inform the development of a new Commercial Strategy ahead of the next academic year.

The new risk register captures these and other strategic risks - such as effective multi-campus service provision, safe participation in student-led activities, robust contingency management procedures, and legislative compliance. These risks will be considered at every Trustee Board meeting to ensure that risks are consistently identified, assessed, and monitored, and to safeguard the Students' Union's ability to achieve its long-term vision and strategic priorities.

FUTURE PLANS

The Students' Union now stands at a significant juncture in its organisational development - one shaped not by our past trajectory, but by the direction in which we intend to progress. The new strategy will serve both as a guiding framework and an operational blueprint as we continue to build an amazing Students' Union that is proudly:

Inclusive - Fun - Connected - Excellent

Supported by a solid foundation, strengthened partnerships, and a clearly defined vision, we are ready to progress toward becoming the Students' Union that our members expect and deserve - enhancing student life at USW. We recognise that implementing this strategy will bring challenges in the short to medium term, particularly within a higher education environment that continues to evolve rapidly. Yet we face this reality with confidence and purpose. Our commitment to investing in our people - ensuring they are equipped, supported, connected, and inspired - remains central to our pursuit of excellence in everything we do.

During Spring and Summer 2026, we will prepare for our engagement with the "Quality Students' Union" framework, led by NUS Charity, which we will undertake during the next academic year. Upon completing Parts A and B of the framework (by Spring 2027), we will achieve QSU verification. This recognition will assure our quality to our members, the University, and our strategic partners. We fully acknowledge that this process will be demanding and may require the reconsideration - and, where necessary, transformation - of established practices. Nevertheless, this engagement is essential to our strategic development as a professional, respected, dependable, and impactful organisation.

We also look forward to welcoming Professor Osama Khan, who will join the University of South Wales in May 2026 as Vice-Chancellor and Chief Executive. His strong commitment to enhancing the student experience and his enthusiasm for collaborative working across the USW community mark an exciting opportunity. The Students' Union stands ready to work alongside Professor Khan and the University's senior leadership team to shape a bold, ambitious future - one that positions USW as a destination of choice for students, colleagues, partners, and the communities we proudly serve.

STRUCTURE, GOVERNANCE AND MANAGEMENT

USWSU is a Students' Union within the meaning of the Education Act 1994. The Union is devoted to promoting the education, interests and welfare of its members, students at the University of South Wales. It is the recognised independent representative body of students at the University.

The charity is a registered charitable company that is limited by guarantee. The charity is governed by the Memorandum and Articles of Association.

Trustee selection methods

Not more than four Sabbatical Trustees shall be elected by the Student Members of the Union at an election held in accordance with the Standing Orders and shall remain in office for a term of usually twelve months, as specified in the Standing Orders. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end.

Student Trustees may be re-elected for a further non-renewable term of usually one year. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end. The maximum period that a Student Trustee may serve is twenty-four months. The Trustees shall co-opt by a simple majority of those present and voting up to five such persons as they consider suitable to be charity trustees (having regard to their skills and experience) as Co-opted Trustees.

USWSU**REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2025**

Trustee induction and training

New trustees are trained at the beginning of each academic year to ensure they understand their roles and responsibilities. This forms part of a comprehensive in-house/external training programme and focuses in depth on their full responsibilities, accountability and Nolan Principles.

Organisational structure

The Students' Union is run by students for students, supported by a number of staff, and overseen by a Board of Trustees.

Elections are held annually for the students at the University of South Wales to vote for their full-time and part-time student officers. These form the Student Council, who are responsible for the representation and campaigning function of the Students' Union.

The Board of Trustees are responsible for the legal, financial and governance arrangements of the Students' Union, and delegates day-to-day responsibility of their duties to the Chief Executive Officer and Senior Management Team.

Pay and remuneration

The arrangements for setting pay and remuneration of the Union's key management are in line with sector practice and take into account the financial performance of the Union. The Students' Union is a Living Wage Employer and ensures all employees are paid in accordance with relevant legislation governing pay.

USWSU**REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2025**

REFERENCE AND ADMINISTRATIVE DETAILS**Registered Company number**

08629047 (England and Wales)

Registered Charity number

1153572

Registered office

University of South Wales Students' Union
Forest Grove
Treforest
Pontypridd
Rhondda Cynon Taff
CF37 1UF

Trustees**Officer Trustees**

Md Irfanur Rahman Fahim	President	Appointed 1 July 2025
Abm Rahat Mubassir		Appointed 1 July 2025
Rhodri Owain Morris-Stiff		Appointed 1 July 2025
Imam Hossain		Appointed 1 August 2024
Jahid Hasan		Appointed 1 November 2024, Resigned 1 July 2025
Georgia Daisy Powell		Appointed 1 July 2024, Resigned 1 July 2025
Dmsa Navid		Appointed 1 August 2024, Resigned 1 July 2025

External Trustees

Emilie Janette Tapping	Chair	Appointed 30 September 2024
Rebecca Nyasha Mamhende		Appointed 15 September 2023, Resigned 21 January 2025
Josef Walsh		Appointed 12 September 2023, Resigned 1 April 2025
Richard Main MBE		Appointed 24 September 2023
Stuart Leonard Williams		Appointed 5 September 2023, Resigned 6 December 2024
Richard Mark Cadwallader		Appointed 5 October 2023, Resigned 31 October 2024
Lucy Claire Squire		Appointed 26 June 2025
Katrina Cookson		Appointed 26 June 2025

Student Trustee

Katherine Louise Eyley	Appointed 11 January 2026
Doreen Rassbach	Appointed 5 April 2024, Resigned 22 August 2024
Holly Grindlay	Appointed 13 May 2024
Nicky Kudzaishe Zhou	Appointed 5 April 2024, Resigned 21 October 2024

Senior Management Personnel

Sam Harris	Interim CEO from 15 January 2024 to 22 August 2024
Michelle Howlin	CEO from 12 June 2024 to 7 October 2024
Richard Mark Cadwallader	CEO from 1 November 2024
Emma Powell	Head of People & Operations from 15 January 2025
Ellis James Thomas	Clerk from 1 November 2023, Secretary from 22 August 2024, Head of Engagement from 15 January 2025

Auditors

HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

USWSU**REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2025**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

AUDITOR

HaysMac LLP have been appointed in accordance with section 487(2) of the Companies Act 2006.

In preparing this report, the trustees have taken advantage of the exemptions available to smaller companies, including from the requirement to prepare a strategic report.

Report of the trustees, approved by order of the board of trustees, as the company directors, on 01/04/2026..... and signed on the board's behalf by:

E Tapping



.....
Emilie Tapping – Trustee & Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**USWSU**

Opinion

We have audited the financial statements of USWSU for the period ended 31 July 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 2025 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees (which includes the directors' report prepared for the purpose 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 Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees (which incorporates the directors' 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 by the charitable company; or
- the 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; or

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**USWSU**

- 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 Report of the Trustees and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to company law and charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, payroll tax, sales tax and Health and Safety laws.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to revenue recognition from charitable and other trading activities. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities; and
- Challenging assumptions and judgements made by management in their accounting estimates.

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. The 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.

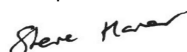
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Steve Harper (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditor
Date: 16/04/2026

S Harper



10 Queen Street Place
London
EC4R 1AG

USWSU**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 JULY 2025**

	Notes	2025 Unrestricted funds £	2024 Unrestricted funds £
INCOME FROM			
Donations and legacies	3	1,506,000	1,453,182
Charitable activities	6	485,796	774,410
Other trading activities	4	91,964	83,005
Investment income	5	2,138	2,340
Other Income		-	-
Total		<u>2,085,898</u>	<u>2,312,937</u>
EXPENDITURE ON			
Charitable activities	7	(1,911,994)	(2,236,817)
Unwinding discount rate on defined benefit scheme provision	21	(76,298)	(50,192)
Total		<u>(1,988,292)</u>	<u>(2,287,009)</u>
NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS		97,606	25,928
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>(2,550,849)</u>	<u>(2,576,777)</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>(2,453,243)</u></u>	<u><u>(2,550,849)</u></u>

The notes on pages 15 to 23 form part of these financial statements.

There were no recognised gains and losses other than those shown on the above Statement of Financial Activities.

There was no restricted income or expenditure in 2024 or 2025. All funds in both periods were unrestricted.

USWSU

Company number 08629047

**BALANCE SHEET
AS AT 31 JULY 2025**

	Notes	2025 £	2024 £
FIXED ASSETS			
Tangible assets	13	37,741	57,137
CURRENT ASSETS			
Stocks	14	19,920	51,237
Debtors	15	99,560	49,188
Cash at bank and in hand		<u>217,700</u>	<u>142,005</u>
		<u>337,180</u>	<u>242,430</u>
CREDITORS			
Amounts falling due within one year	16	(366,075)	(207,444)
NET CURRENT (LIABILITIES)/ASSETS		<u>(28,895)</u>	<u>34,986</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,846	92,123
CREDITORS			
Amounts falling due after more than one year	17	-	(18,234)
PROVISIONS FOR LIABILITIES			
Other provisions	19	(40,000)	(40,000)
Pension liability	21	(2,422,089)	(2,584,738)
NET (LIABILITIES)/ ASSETS		<u>(2,453,243)</u>	<u>(2,550,849)</u>
FUNDS			
Unrestricted funds	20	<u>(2,453,243)</u>	<u>(2,550,849)</u>
TOTAL FUNDS		<u>(2,453,243)</u>	<u>(2,550,849)</u>

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

01/04/2026

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

E Tapping



.....
Emilie Tapping – Trustee & Chair

The notes on pages 15 to 23 form part of these financial statements.

USWSU

**CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 JULY 2025**

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash (used in)/generated from operations	1	<u>91,791</u>	<u>(22,578)</u>
Net cash (used in)/provided by operating activities		<u>91,791</u>	<u>(22,578)</u>
Cash flows from Investing activities			
Purchased of tangible fixed assets		-	-
Interest received		<u>2,138</u>	<u>2,340</u>
Net cash used in investing activities		<u>2,138</u>	<u>2,340</u>
Cash flows from financial activities			
Loan repayments in year		<u>(18,234)</u>	<u>(20,100)</u>
Net cash used in financing activities		<u>(18,234)</u>	<u>(20,100)</u>
Change in cash and cash equivalents in reporting period		75,695	(40,338)
Cash and cash equivalents at the beginning of the reporting period		<u>142,005</u>	<u>182,343</u>
Cash and cash equivalents at the end of the reporting period		<u><u>217,700</u></u>	<u><u>142,005</u></u>

The notes on pages 15 to 23 form part of these financial statements.

USWSU

NOTES TO THE CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 JULY 2025

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

	2025 £	2024 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	97,606	25,928
Adjustments for:		
Depreciation charges	19,396	21,561
Unwinding of pension scheme provision	76,298	50,192
Interest received	(2,138)	(2,340)
(Increase) in stocks	31,317	(7,900)
Decrease/(increase) in debtors	(50,372)	37,112
Increase/(decrease) in creditors	158,630	62,664
Difference between pension charge and cash contributions	<u>(238,946)</u>	<u>(209,795)</u>
Net cash (used in)/provided by operations	<u>91,791</u>	<u>(22,578)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/24 £	Cash flow £	At 31/7/25 £
Net cash			
Cash at bank and in hand	<u>142,005</u>	<u>75,695</u>	<u>217,700</u>
	<u>142,005</u>	<u>75,695</u>	<u>217,700</u>
Debt			
Debts falling due within 1 year	(20,000)	3,433	(16,567)
Debts falling due after 1 year	<u>(18,234)</u>	<u>18,234</u>	<u>-</u>
	<u>(38,234)</u>	<u>21,667</u>	<u>(16,567)</u>
Total	<u>103,771</u>	<u>97,362</u>	<u>201,133</u>

The notes on pages 15 to 23 form part of these financial statements.

USWSU**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2025****1. STATUTORY INFORMATION**

USWSU is a registered charity and private company limited by guarantee, having no share capital, incorporated in Wales in the United Kingdom. The registered office is University of South Wales Students' Union, Forest Grove, Treforest, Pontypridd, Rhondda Cynon Taff, CF37 1UF. The nature of the company's operations and principal activities are disclosed within the Report of the Trustees.

In the event of the company being wound up, the liability of its members is limited to a sum of £1.

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

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

2. ACCOUNTING POLICIES**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Going concern

During the period the University placed a number of actions on the Union in order to continue their funding. The majority of these actions have been completed. The University and the Students' Union currently have a much-improved relationship.

The trustees have assessed the Student Union's ability to continue as a going concern, they have considered several factors when forming their conclusions including liquidity, cash resources, liabilities, support available from government initiatives and the current position with the University of South Wales.

Like many organisations, the financial position has been, and will continue to be impacted by real-world events that will require ad hoc actions, but the trustees are confident in their ability to do so.

After assessing the impact of possible different scenarios, which assume continuing support from the University, the trustees have concluded that there is a reasonable expectation that adequate resources are available to continue to operate for at least 12 months from the date of signing the financial statements and have therefore continued to prepare the financial statements on a going concern basis. The trustees further confirm that they have not identified any material uncertainties in preparing the financial statements on the going concern basis.

Income

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

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

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

Other income, including income from other trading activities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

USWSU**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2025**

2 ACCOUNTING POLICIES - continued**Basis of recognition of liabilities**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate a 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.

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

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

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource.

Tangible fixed assets

Tangible fixed assets are initially recorded at cost. The Union has implemented a minimum cost of £2,500 for capital items.

Depreciation is provided at 20% on cost and 33.33% in reducing balance per annum.

Investments

Fixed asset investments are stated at cost.

Stocks

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

Taxation

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

Fund accounting

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

Financial instruments

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

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

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.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

USWSU

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2025**
2. ACCOUNTING POLICIES - continued
Pension costs and other post-retirement benefits

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

Significant accounting judgements and estimates

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

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, be likely to differ from the related actual results. The most significant estimate relates to the discount rate utilized for the unwinding of the pension scheme liability. No other estimates or assumptions have been identified that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. DONATIONS AND LEGACIES

	2025	2024
	£	£
Subvention Grant	1,446,000	1,268,000
Higher Education Funding Council for Wales	-	12,000
Support grant	60,000	173,182
	<u>1,506,000</u>	<u>1,453,182</u>

Grants received, included in the above, are as follows:

	2025	2024
	£	£
University of South Wales Grant	1,446,000	1,268,000

4. OTHER TRADING ACTIVITIES

	2025	2024
	£	£
Travel and employment services	69,227	55,197
Sponsorship and other trading activities	22,737	27,808
	<u>91,964</u>	<u>83,005</u>

5. INVESTMENT INCOME

	2025	2024
	£	£
Deposit account interest	<u>2,138</u>	<u>2,340</u>

USWSU

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2025**6. INCOME FROM CHARITABLE ACTIVITIES**

	2025	2024
	£	£
Shop income	226,021	444,461
Bar income	153,987	172,695
Catering income	66,790	104,018
ENTS department income	827	8,255
SU Sport income	38,170	44,982
	<u>485,796</u>	<u>774,410</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs (see note 8) £	Support costs (see note 9) £	Totals £
General	<u>1,200,114</u>	<u>711,880</u>	<u>1,911,994</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2025 £	2024 £
Staff costs	430,791	469,916
Insurance	28,161	26,552
Rent - Campus Centre	182,000	168,000
Bar expenditure	128,766	121,839
Shop expenditure	180,090	353,132
Catering expenditure	40,466	55,924
ENTS department expenditure	12,156	58,025
SU Sport expenditure	148,552	160,058
Irrecoverable VAT	9,009	40,926
Training & development programme expenditure	-	6,667
Welfare, representation	9,996	10,442
Affiliations	28,136	28,322
Minibus hire costs	1,991	2,223
	<u>1,200,114</u>	<u>1,502,027</u>

9. SUPPORT COSTS

	Salaries £	Management £	Depreciation £	Governance costs £	Totals £
General	<u>389,499</u>	<u>178,664</u>	<u>19,396</u>	<u>124,321</u>	<u>711,880</u>

USWSU**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2025****10. NET INCOME/(EXPENDITURE)**

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

	2025	2024
	£	£
Auditor's remuneration	22,945	17,240
Depreciation - owned assets	19,396	21,561

11. TRUSTEES' REMUNERATION AND BENEFITS

The Union's sabbatical officers received the following amounts for the period ending 31 July 2025, as authorized in the Union's governing document. There were seven trustees (2024: four) who received remuneration in the year totaling £92,492 (2024: £62,566).

	Gross Pay £	Pension £
Dmsa Navid	21,291	452
Imam Hossain	23,143	491
Georgia Powell	19,468	348
Jahid Hasan	21,291	452
Md Irfanur Rahman Fahim	1,852	-
Rhodri Morris-Stiff	1,852	-
Adm Rahat Mubassir	1,852	-
	90,749	1,743

Trustees' expenses

1 trustee was reimbursed in the year (2024: three) for a total of £144 (2024: £1,115) in respect of travel and subsistence in accordance with section 6.3 of the articles of association.

12. STAFF COSTS

	2025 £	2024 £
Wages and salaries	844,875	870,625
Social security costs	54,143	55,297
Other pension costs and deficit contribution	22,647	29,773
	921,665	955,695

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

2025	2024
136	136

No employees received emoluments in excess of £60,000.

Total remuneration paid to key management personnel in the year was £227,087 (2024 - £319,750).

During the year USWSU entered into compromise agreements with former members of key management personnel in the amount of £nil (2024: £84,213).

USWSU

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2025

13. TANGIBLE FIXED ASSETS

	Office Fixtures & Fittings £	Motor Vehicles £	Totals £
COST			
At 1 July 2024	300,997	15,995	316,992
Additions	-	-	-
At 31 July 2025	300,997	15,995	316,992
DEPRECIATION			
At 1 July 2024	254,523	5,332	259,855
Charge for year	16,508	2,888	19,396
At 31 July 2025	271,031	8,220	279,251
NET BOOK VALUE			
At 31 July 2025	29,966	7,775	37,741
At 30 June 2024	46,474	10,663	57,137

14. STOCKS

	2025 £	2024 £
Stocks	19,920	51,237

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade debtors	30,353	35,794
Prepayments and accrued income	69,206	13,394
	99,560	49,188

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Bank loans and overdrafts (see note 18)	16,567	20,000
Trade creditors	250,977	46,807
Social security and other taxes	11,980	12,899
VAT	(37,277)	8,536
Other creditors	89,174	84,938
Accruals and deferred income	34,654	34,265
	366,075	207,444

USWSU

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2025

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025 £	2024 £
Bank loans (see note 18)	-	18,234

18. LOANS

An analysis of the maturity of loans is given below:

	2025 £	2024 £
Amounts falling due within one year on demand:		
Bank Loans	16,567	20,000
Amounts falling due between one and two years:		
Bank Loans	-	18,234

One bank loan bears interest of 4.42% p.a. over Base Rate. Instalments are paid monthly until 2025.

19. PROVISIONS FOR LIABILITIES

The charity had the following provisions during the year:

	2025 £
At 1 July 2024	40,000
Additions in the period	-
At 31 July 2025	40,000

The provision relates to the estimated taxation liabilities where there is uncertainty over the amount and timing of the amounts due.

20. MOVEMENT IN FUNDS

	At 01/07/24 £	Net movement in funds £	At 31/07/25 £
Unrestricted funds			
General fund	(2,550,849)	97,606	(2,453,243)
TOTAL FUNDS	(2,550,849)	97,606	(2,453,243)

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

	Income £	Expenditure on charitable activities £	Unwinding discount rate £	Movement in funds £
Unrestricted funds				
General fund	2,085,898	(1,911,994)	(76,298)	97,606
TOTAL FUNDS	2,085,898	(1,911,994)	(76,298)	97,606

USWSU

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2025

Comparatives for movement in funds

	At 01/07/23 £	Net movement in funds £	At 30/06/24 £
Unrestricted funds			
General fund	<u>(2,576,777)</u>	<u>25,928</u>	<u>(2,550,849)</u>
TOTAL FUNDS	<u>(2,576,777)</u>	<u>25,928</u>	<u>(2,550,849)</u>

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

	Income £	Expenditure on charitable activities £	Unwinding discount rate £	Movement in funds £
Unrestricted funds				
General fund	<u>2,312,937</u>	<u>(2,236,817)</u>	<u>(50,192)</u>	<u>25,928</u>
TOTAL FUNDS	<u>2,312,937</u>	<u>(2,236,817)</u>	<u>(50,192)</u>	<u>25,928</u>

21. EMPLOYEE BENEFIT OBLIGATIONS

	2025 £	2024 £
At 1 July 2024	2,584,738	2,744,341
Amounts paid	(238,947)	(209,795)
Unwinding of discounted scheme	<u>76,298</u>	<u>50,192</u>
At 31 July 2025	<u>2,422,089</u>	<u>2,584,738</u>

The above schedule shows the present value at the year- end for the multi-employer defined benefit Students' Union Superannuation Scheme.

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

The most recent Valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £106m with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £133.6m which reported a decrease to the previous 2019 valuation deficit of £140.9m.

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

The 2022 valuation extended the scheme's recovery plan until May 2037, and recommended a monthly contribution requirement by each Participating Employer. This was expressed in monetary terms intended to clear the ongoing funding deficit over a period of 15 years and increased by 5% in October 2023 and at least 5% each year thereafter. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme. These rates will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2025. Surpluses or deficits which arise at future valuations will also impact on the Students' Union's future contribution commitment. In addition to the above contributions, the Students' Union also pays its share of the scheme's levy to the Pension Protection Fund.

USWSU**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2025**

In summary, employer contributions will increase by 5% each year until the end of the deficit recovery period, which is now expected to be in May 2037. However, contributions due from October 2026 onwards will be reviewed following the next actuarial valuation.

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

The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 31 July 2025 amounted to £238,947 which are all deficit contributions (2023: £209,796). At the year-end a liability was recognised for the present value of the contributions payable of £2,422,090 (2023 - £2,584,737).

The Union also participates in the National Union of Students Pension Scheme, a defined contribution scheme. During the year ended 31 July 2025 the Union contributed a total of £6,175 into the scheme (2024: £7,837). At the year-end there were outstanding contributions of £Nil (2024: £5,132).

22. RELATED PARTY DISCLOSURES

During the year, salaries totaling £0 (2024: £13,065) were paid to close family members of key management personnel.

There were also travel expenses of £0 (2024: £127) reimbursed in the year to two members of key management personnel.

There were no other related party transactions to disclose other than set out elsewhere in the accounts, including in note 11 and note 12 (2024: none).



This Document has been Signed with a **secure electronic signature** via E-Sign.

Envelope Details

Title	USWSU_Accounts_Final_010426.pdf
Author	S M Executive Services Limited (sam@smlimited.uk)
Envelope Created on	Wed, 01 Apr 2026 12:52:21
Envelope ID	653280c5-115b-46ec-887a-9f402f988277

Document Details

Title	USWSU_Accounts_Final_010426.pdf
Digital Fingerprint	2fa382fb-515c-45b6-8a31-1be4cb5ee2bc

Document Signers

Scan/Click the QR Code to view signature information

Name	Emilie Tapping
Email	emilietapping@gmail.com
Status	SIGNED at Wed, 01 Apr 2026 20:43:11 BST(+0100)
Signature Fingerprint	c02f0096-5a34-43ec-95f9-6486421f59a8



Name	Steve Harper
Email	SHarper@haysmac.com
Status	SIGNED at Thu, 16 Apr 2026 19:44:40 BST(+0100)
Signature Fingerprint	6d287bf5-4385-4b5c-aa42-80ca99e3cef3



Document History

Thu, 16 Apr 2026 19:44:40	Steve Harper Signed the Document (IP: 31.119.3.9)
Wed, 01 Apr 2026 20:43:12	Emilie Tapping Signed the Document (IP: 148.252.144.223)



USWSU

England & Wales - Charity number 1153572

Accounts

REGISTERED COMPANY NUMBER: 08629047 (England and Wales)
REGISTERED CHARITY NUMBER: 1153572

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024
FOR
USWSU**

USWSU

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2024**

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 22

USWSU**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2024**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2024. 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

The objectives of the University of South Wales Students' Union are:

- The advancement of education of students at the University of South Wales.
- Promoting the interests and welfare of students at the University during their course of study.
- Representing, advising and supporting students.
- Providing social, cultural, sporting and recreational activities, and forums for discussions and debate, for the personal development of our students.
- Campaign, influence public opinion, and seek to influence government and other institutions regarding the reform, development and implementation of appropriate policies.

The Students' Union planned to achieve this through:

- Advancement of the education of students through the provision of opportunities to engage in activities that are both academic and extra-curricular, such as sports, fundraising and volunteering, and political debate.
- Contribute to the employability agenda of the University of South Wales by providing opportunities for students to develop key employability skills through developing student jobs and volunteering opportunities throughout the regions. Engage with, and fully support, the University's employability initiatives, and work in partnership with them whenever possible.
- Maintain a high-level student experience across all campuses and strive, where possible, to create parity of student experience, irrespective of the place of study. The Union is mindful of the demographic of students and strives to provide services that contribute positively to and enhance their student experience.

The trustees of USWSU have had due regard to the guidance issued by the Charity Commission on public benefit and maintain oversight of this through regular meetings.

ACHIEVEMENTS AND PERFORMANCE

USWSU contributed to the advancement of its charitable objectives and civic duty through a number of activities and projects. This has included empowering students to promote causes which matter to them including from an Equality, Diversity and Inclusion perspective. In February USWSU supported a number of societies to run a 'Mother Tongue Day' event, bringing together a number of cultures which were showcased by students to other students.

From Student Voice, USWSU achieved a successful election period, having 12 candidates for full-time positions and a turnout of 5.5%, the highest the SU has achieved since the COVID-19 pandemic. Student Voice successes also saw the Student Choice Awards, the annual event organized by USWSU to celebrate staff and students across the institution, saw an increase in nominations by over 100 to 1352. A drop in student representatives has occurred from 610 in the previous year down to 483. In terms of a national scale, USWSU scored 69% in the National Student Survey. This is below the benchmark of 73% within the sector but has seen a slight increase from the previous academic year, demonstrating USWSU's commitment to representing academic interests.

USWSU was also nominated and shortlisted for the 'Professionals Award' in the University Alliance Awards. The nomination referenced the hard work that staff had put into ensuring the interests and experience of students were not impacted with other changes within the organization.

Financial position

The total income for the year was £2,312,937, £1,268,000 of this is the subvention grant received from the University of South Wales with a further £173,182 contributed towards supporting the Union through a period of transformation. Income from charitable activities decreased to £774,410 (2023: £784,478). Other trading activities increased slightly to give a total of £83,005 (2023: £77,760).

Expenditure for the year totaled £2,236,817 (2023: £2,132,449) which results in a surplus for the year of £76,120 before accounting for the unwinding for the discounting of the pension provision of £50,192 (2023: £201,755), which gave an overall surplus of £25,928 (2023: deficit of £142,345).

USWSU**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2024**

The balance sheet position at 30 June shows negative unrestricted funds of £2,550,849 (2023: £2,576,777) the majority of this relates to the provision for the defined pension liability of £2,584,738 (2023: £2,744,341).

Reserves policy

The Board of Trustees have reviewed USWSU's reserve requirement and recognises that a liquidity cash reserve reflective of the cash trading position is required for troughs in our funding. The Trustees recognise that reserves are part of USWSU's unrestricted funds, which are freely available to spend on any of USWSU's charitable purposes. When deciding on the level of reserves, the Board recognise that reserve levels which are too high could limit the amount USWSU spends on charitable activities thereby reducing the benefits to USWSU members. Likewise, the Board recognises a risk to USWSU and its future activities if reserves are too low. USWSU's reserves cover an operating surplus, designated capital commitments, and designated service investment.

The Board has set an ideal level of reserves at between 2 - 3 months operating costs amounting to approximately £366,000 - £555,000 based on 2024 expenditure levels. There are no free reserves at 30 June 2024. Although reserves after adjustments for pension provision and fixed assets would be negative £23,248. USWSU expect to work towards this longer-term goal by a continued plan for transformation that will deliver surplus balances until targeted levels are achieved.

Pension liabilities

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

The most recent valuation of the scheme was carried out as at 30 June 2022 and showed that the market value of the scheme's assets was £106.7m with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £133.6m. The assumptions which have the most significant effect upon the results of the Valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumptions applied at 30 June 2022:-

- The investment return would be 4.0% per annum before retirements and 2.0% per annum after retirement
- Pensions accruing on post 1997 basis would revalue at 3.7% per annum and 3.4% per annum on the post 2000 basis
- Present and future pensions would increase at rates specified by Scheme rules with appropriate assumptions where these are dependent on inflation.

The 2022 valuation extended the scheme's recovery plan until May 2037, and recommended a monthly contribution requirement by each Participating Employer. This was expressed in monetary terms intended to clear the ongoing funding deficit over a period of 15 years and increased by 5% in October 2023 and at least 5% each year thereafter. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme. These rates will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2025. Surpluses or deficits which arise at future valuations will also impact on the Students' Union's future contribution commitment. In addition to the above contributions, the Students' Union also pays its share of the scheme's levy to the Pension Protection Fund.

SUSS is a multi-employer scheme and as such it is not possible to account for it as a defined benefit scheme because the share of the overall deficit cannot be allocated to individual participants. The liability included in the accounts is therefore calculated as being the net present value of future funding payments.

In accordance with FRS 102, the net present value of the future contributions required over 13 years to clear the funding deficit is £2,584,738 (2023 - £2,744,341). In calculating this net present value, annual increases of 5% have been made and a discount rate of 5.2% representing the typical yield of high-quality corporate bonds has then been applied.

Going concern

Following concerns in relation to the financial management and operation of the USWSU in the previous financial year, the University placed a number of conditions on the Union in order to continue funding. This included obtaining sign-off of the audited accounts, providing management accounts for the 2023/24 budget year and having an approved budget

USWSU**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2024**

for 2024/25 in place, as part of a wider plan for sustainable operation. The University accepted USWSU plan for Transformation and have agreed to provide subvention funding for 2025/26, with commitment from the SU to agree a funding agreement and provide longer term budget forecasts. The University are committed to working with the USWSU and have been encouraged by progress made. Separately, there has been a change in Senior management team.

The trustees have assessed the Student's Union ability to continue as a going concern. They have considered several factors when forming their conclusions including liquidity, cash resources, liabilities, and support from the University of South Wales. The trustees have concluded that there is a reasonable expectation that adequate resources are available to continue to operate for at least 18 months from the date of signing the financial statements and have therefore continued to prepare the financial statements on a going concern basis. The University continue to support the Students' Union.

Principal funding

USWSU's funding is derived in two main ways: Through a subvention from the University of South Wales, and through income from commercial services. Payment of the subvention grant is transferred monthly.

STRATEGY

The previous trustees' report stated that the relationship between the Student's Union Board of Trustees and the University's Board of Governors had deteriorated due to concerns about financial and operational management. At that time, the Board of Trustees reported that work was underway to address these issues and rebuild a close working relationship with the Board of Governors.

The 2023/24 academic year posed significant challenges for the Students' Union, particularly in terms of governance and leadership. In September 2023, a new Chair of the Board of Trustees was appointed alongside several new external trustee members, followed by the appointment of a University-nominated Trustee Board member in October 2023. These appointments aimed to enhance the board's effectiveness and support the management team in addressing ongoing concerns.

After careful strategic and operational reflection, key members of the management team - the CEO, Membership Services Manager, and Commercial Manager - departed from the organisation in October and November 2023. This bold decision was considered essential for transforming the organisation to better serve its students.

In January 2024, an interim CEO was appointed on secondment from NUS Charity Services. This individual was tasked with stabilising the organisation and conducting a comprehensive review as a preliminary step toward appointing a new CEO in Spring 2024. Short-term stability was achieved through various measures, including financial and staffing interventions. Additionally, a thorough review conducted by external consultants, Counterculture, provided a toolkit for transformational change across several areas, including Finance, HR, Commercial, Governance, and Compliance.

In May 2024, with the assistance of Atkinson HR, a successful recruitment process led to the appointment of a new CEO, who began their role in mid-June 2024. Unfortunately, this appointment was short-lived, as the new CEO left the organisation in late September 2024 due to personal reasons.

In response to the urgent need for stability and transformation within the organisation, the Students' Union and the University reached an agreement in November 2024 to second the University's Director of Strategy & Development to the role of CEO for an initial period of nine months. This secondment may be extended for up to two years to facilitate strategic and operational transformation of the organisation. Additionally, in December 2024, the Chair of the Board of Trustees resigned, leading to the selection of a new Chair from among the existing Trustee Board members.

Principal risks and uncertainties

The previous trustees' report stated that the principal risk was the potential withdrawal of block grant funding, which could lead to the insolvency of the Students' Union. This risk continues to be significant because, although the University is providing additional financial support in 2024/25 and has agreed to second a senior leadership team member to the CEO role, it expects with some urgency, improved financial performance and organisational transformation to benefit the students it serves.

The Students' Union Superannuation Scheme (SUSS), which is the closed pension scheme of which USWSU was a member, continues to pose a risk to the Students' Union. The pension fund is no longer open to future contributions, and previous members are responsible for making deficit contribution payments to the scheme. These payments are increasing by 5% each year until the end of the deficit recovery period, which is now expected to be in May 2037. This situation presents a financial risk not only to USWSU but also to all other member Students' Unions.

The recent decline in student enrolments in higher education, particularly at the University level, poses a significant risk and

USWSU**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2024**

creates uncertainty for the future. This situation could have a twofold impact on the Students' Union. First, the block grant funding is dependent on student numbers, so a decrease in enrolments may lead to reduced financial support from the University. Second, fewer students could result in lower demand for commercial services, such as events, food and beverage, and retail operations, limiting the organisation's ability to offer these services at the same scale as before. For instance, nightclub operations were suspended in 2023/24 due to a drop in student demand.

The external consultancy review conducted by Counterculture identified several compliance and operating practices that require attention to demonstrate strong organisational health. This work has been prioritised, however, until it is completed, the organisation operates at risk. Key areas for consideration include data protection, regular policy reviews, business continuity planning and financial systems development.

Future plans

Students' Unions must evolve from traditional roles of representation and service provision to actively fostering cooperation with the broader university ecosystem. This transformation is essential for driving student success and ensuring institutional sustainability.

USWSU has effectively represented and served the student community but based on the findings and recommendations from the external consultancy review and the new CEO's initial insights and experiences, the organisation now requires a new, fit-for-purpose strategy that provides clear direction within the ever-changing landscape of higher education.

As of early March 2025, the process of developing a new strategy has begun. This process includes a strategic analysis exercise aimed at gathering insights about USWSU, focusing on both its current status and future direction. A diverse group of stakeholders are involved, including student representatives, such as student voice representatives, as well as representatives from clubs and societies, staff, and board members from the SU and the University.

The outcome of this exercise will be the formulation of a draft strategy for the period 2025-2030. This draft will undergo broader consultation within the organisation and the wider university community during Spring 2025, with the goal of obtaining approval from the Board of Trustees in late June 2025.

It has been emphasised to USWSU colleagues that we must act with urgency to enhance services for all students, irrespective of their study methods or locations within the University. It is crucial that we fully embrace transformational change to become an organisation that promotes positive development and makes a significant impact on students' lives, now and in the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The USWSU is a Students' Union within the meaning of the Education Act 1994. The Union is devoted to promoting the education, interests and welfare of its members, students at the University of South Wales. It is the recognised independent representative body of students at the University.

The charity is a registered charitable company that is limited by guarantee. The charity is governed by Memorandum and Articles of Association.

Trustee selection methods

Not more than four Sabbatical Trustees shall be elected by the Student Members of the Union at an election held in accordance with the Standing Orders and shall remain in office for a term of usually twelve months, as specified in the Standing Orders. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end.

Student Trustees may be re-elected for a further non-renewable term of usually one year. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end. The maximum period that a Student Trustee may serve is twenty-four months. The Trustees shall co-opt by a simple majority of those present and voting up to five such persons as they consider suitable to be charity trustees (having regard to their skills and experience) as Co-opted Trustees.

Trustee induction and training

New trustees are trained at the beginning of each academic year to ensure they understand their roles and responsibilities. This forms part of a comprehensive in-house training programme and focuses in depth on their full responsibilities, accountability and Nolan Principles.

Organisational structure

The Students' Union is run by students for students, supported by a number of staff, and overseen by a Board of Trustees.

USWSU**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2024**

Elections are held annually for the students at the University of South Wales to vote for their full-time and part-time student officers. These form Student Council, who are responsible for the representation and campaigning function of the Students' Union and Student Voice Forum, who are responsible for the academic representation function of the Students' Union.

The Board of Trustees are responsible for the legal, financial and governance arrangements of the Students' Union, and delegates day-to-day responsibility of their duties to the Chief Executive Officer and Senior Management Team.

Pay and remuneration

The arrangements for setting pay and remuneration of the Union's key management are in line with sector practice and take in to account the financial performance of the Union. The Students' Union is a Living Wage Employer and ensures all employees are paid in accordance with relevant legislation governing pay.

USWSU**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2024**

REFERENCE AND ADMINISTRATIVE DETAILS**Registered Company number**

08629047 (England and Wales)

Registered Charity number

1153572

Registered office

University of South Wales
Students' Union
Forest Grove
Pontypridd
Rhondda Cynon Taff
CF37 1UF

Trustees**Officer Trustees**

Jamal Abdilahi	President	Appointed 1 July 2022; Resigned 28 June 2024
Cheryl T Chinghoso		Appointed 1 July 2023
Kenul M N Herath		Appointed 1 July 2023; Resigned 12 February 2024
Sofia Soberson		Appointed 1 July 2023; Resigned 25 March 2024

External Trustees

Richard Seymour		Resigned 22 August 2023
Caroline Smith		Resigned 29 August 2023
Susan Hayes		Resigned 1 August 2023
Stuart Leonard Williams	Chair	Appointed 5 September 2023, Resigned December 2024
Rebecca Nyasha Mamhende		Appointed 15 September 2023
Josef Walsh		Appointed 12 September 2023
Richard Main MBE		Appointed 24 September 2023
Richard Mark Cadwallader		Appointed 5 October 2023, Resigned 31 October 24
Emilie Tapping		Appointed 30 September 2024

Student Trustee

Kelly-Marie Williams	Appointed 22 September 2023; Resigned 24 April 2024
Kudzaishe Zhou	Appointed 5 April 2024
Doreen Rassbach	Appointed 5 April 2024
Holly Grindlay	Appointed 13 May 2024

Key Management Personnel

Sian Taylor	CEO until November 2023
Sam Harris	Interim CEO from 15 January 2024 to 22 August 2024
Michelle Howlin	CEO from 12 June 2024 to 7 October 24
Helen Thomas	Central Resources Manager
Michael Borley	Commercial Services Manager until 31 October 2023
Rhiannon Jones	Membership Services Manager until 31 October 2023
Emma Powell	Interim Central Services Manager from 26 February 2024
Ellis Thomas	Clerk from 1 November 2023, Secretary from 22 August 2024, Interim Membership Services Manager from 26 February 2024

Auditors

HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

USWSU**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2024****STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

AUDITOR

HaysMac LLP have been appointed in accordance with section 487(2) of the Companies Act 2006.

In preparing this report, the trustees have taken advantage of the exemptions available to smaller companies including from the requirement to prepare a strategic report.

Report of the trustees, approved by order of the board of trustees, as the company directors, on
.27/03/2025..... and signed on the board's behalf by:

E Tapping



27/03/2025

.....
Emilie Tapping – Trustee & Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

USWSU

Opinion

We have audited the financial statements of USWSU for the year ended 30 June 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 30 June 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees (which includes the directors' report prepared for the purpose 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 Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees (which incorporates the directors' 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 by the charitable company; or
- the 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies'

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

USWSU

regime and take advantage of the small companies' exemptions in preparing the Report of the Trustees and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to company law and charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, payroll tax, sales tax and Health and Safety laws.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to revenue recognition from charitable and other trading activities. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities; and
- Challenging assumptions and judgements made by management in their accounting estimates.

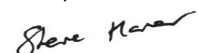
Because of the inherent limitations of an audit there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed 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 auditor's report.

Use of our report

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

S Harper



27/03/2025

Steve Harper (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditor
Date:

10 Queen Street Place
London
EC4R 1AG

USWSU
**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 Unrestricted funds £	2023 Unrestricted funds £
INCOME FROM			
Donations and legacies	3	1,453,182	1,327,194
Charitable activities	6	774,410	784,478
Other trading activities	4	83,005	77,760
Investment income	5	2,340	1,856
Other Income		-	571
Total		<u>2,312,937</u>	<u>2,191,859</u>
EXPENDITURE ON			
Charitable activities	7	(2,236,817)	(2,132,449)
Unwinding discount rate on defined benefit scheme provision	21	(50,192)	(201,755)
Total		<u>(2,287,009)</u>	<u>(2,334,204)</u>
NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS		25,928	(142,345)
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>(2,576,777)</u>	<u>(2,434,432)</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>(2,550,849)</u></u>	<u><u>(2,576,777)</u></u>

The notes on pages 14 to 22 form part of these financial statements.

There were no recognised gains and losses other than those shown on the above Statement of Financial Activities.

There was no restricted income or expenditure in 2023 or 2024. All funds in both years were unrestricted.

USWSU

Company number 08629047

**BALANCE SHEET
AS AT 30 JUNE 2024**

	Notes	2024 £	2023 £
FIXED ASSETS			
Tangible assets	13	57,137	78,698
CURRENT ASSETS			
Stocks	14	51,237	43,337
Debtors	15	49,188	86,300
Cash at bank and in hand		<u>142,005</u>	<u>182,343</u>
		<u>242,430</u>	<u>311,980</u>
CREDITORS			
Amounts falling due within one year	16	(207,444)	(184,780)
NET CURRENT ASSETS		<u>34,986</u>	<u>127,200</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		92,123	205,898
CREDITORS			
Amounts falling due after more than one year	17	(18,234)	(38,334)
PROVISIONS FOR LIABILITIES			
Other provisions	19	(40,000)	-
Pension liability	21	(2,584,738)	(2,744,341)
NET ASSETS/(LIABILITIES)		<u>(2,550,849)</u>	<u>(2,576,777)</u>
FUNDS			
Unrestricted funds	20	<u>(2,550,849)</u>	<u>(2,576,777)</u>
TOTAL FUNDS		<u>(2,550,849)</u>	<u>(2,576,777)</u>

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime, and in accordance with the provisions of FRS 102 Section 1A – Small Entities.

27/03/2025

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

E Tapping



27/03/2025

.....
Emilie Tapping – Trustee & Chair

The notes on pages 14 to 22 form part of these financial statements.

USWSU**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash (used in)/generated from operations	1	<u>(22,578)</u>	<u>(249,132)</u>
Net cash (used in)/provided by operating activities		<u>(22,578)</u>	<u>(249,132)</u>
Cash flows from Investing activities			
Purchased of tangible fixed assets		-	(58,122)
Interest received		<u>2,340</u>	<u>1,856</u>
Net cash used in investing activities		<u>2,340</u>	<u>(56,266)</u>
Cash flows from financial activities			
Loan repayments in year		<u>(20,100)</u>	<u>(20,000)</u>
Net cash used in financing activities		<u>(20,100)</u>	<u>(20,000)</u>
Change in cash and cash equivalents in reporting period		(40,338)	(325,398)
Cash and cash equivalents at the beginning of the reporting period		<u>182,343</u>	<u>507,741</u>
Cash and cash equivalents at the end of the reporting period		<u><u>142,005</u></u>	<u><u>182,343</u></u>

The notes on pages 14 to 22 form part of these financial statements.

USWSU

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024**
1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	25,928	(142,345)
Adjustments for:		
Depreciation charges	21,561	30,383
Unwinding of pension scheme provision	50,192	201,755
Interest received	(2,340)	(1,856)
(Increase) in stocks	(7,900)	(8,499)
Decrease/(increase) in debtors	37,112	(19,104)
Increase/(decrease) in creditors	62,664	(108,844)
Difference between pension charge and cash contributions	<u>(209,795)</u>	<u>(200,622)</u>
Net cash (used in)/provided by operations	<u><u>(22,578)</u></u>	<u><u>(249,132)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/23 £	Cash flow £	At 30/6/24 £
Net cash			
Cash at bank and in hand	<u>182,343</u>	<u>(40,338)</u>	<u>142,005</u>
	<u>182,343</u>	<u>(40,338)</u>	<u>142,005</u>
Debt			
Debts falling due within 1 year	(20,000)	-	(20,000)
Debts falling due after 1 year	<u>(38,334)</u>	<u>20,100</u>	<u>(18,234)</u>
	<u>(58,334)</u>	<u>20,100</u>	<u>(38,234)</u>
Total	<u><u>124,009</u></u>	<u><u>(20,238)</u></u>	<u><u>103,771</u></u>

The notes on pages 14 to 22 form part of these financial statements.

USWSU**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

1. STATUTORY INFORMATION

USWSU is a registered charity and private company limited by guarantee, having no share capital, incorporated in Wales in the United Kingdom. The registered office is University of South Wales Students' union, Forest Grove, Treforest, Rhondda Cynon Taff, CF37 1UF. The nature of the company's operations and principal activities are disclosed within the Report of the Trustees.

In the event of the company being wound up the liability of its members is limited to a sum of £1.

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

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

2. ACCOUNTING POLICIES**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Going concern

During the year the University placed a number of actions on the Union in order to continue their funding. The majority of these actions have been completed. The University and the Students' Union currently have a much-improved relationship.

The trustees have assessed the Student Union's ability to continue as a going concern, they have considered several factors when forming their conclusions including liquidity, cash resources, liabilities, support available from government initiatives and the current position with the University of South Wales.

Like many organisations, the financial position has been, and will continue to be impacted by real-world events that will require ad hoc actions, but the trustees are confident in their ability to do so.

After assessing the impact of possible different scenarios, which assume continuing support from the University, the trustees have concluded that there is a reasonable expectation that adequate resources are available to continue to operate for at least 12 months from the date of signing the financial statements and have therefore continued to prepare the financial statements on a going concern basis. The trustees further confirm that they have not identified any material uncertainties in preparing the financial statements on the going concern basis.

Income

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

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

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

Other income, including income from other trading activities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

USWSU**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

2 ACCOUNTING POLICIES - continued**Basis of recognition of liabilities**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate a 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.

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

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

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource.

Tangible fixed assets

Tangible fixed assets are initially recorded at cost.

Depreciation is provided at 20% on cost and 33.33% in reducing balance per annum.

Investments

Fixed asset investments are stated at cost.

Stocks

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

Taxation

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

Fund accounting

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

Financial instruments

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

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

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.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

USWSU**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024****2. ACCOUNTING POLICIES - continued****Pension costs and other post-retirement benefits**

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

Significant accounting judgements and estimates

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

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, be likely to differ from the related actual results. The most significant estimate relates to the discount rate utilized for the unwinding of the pension scheme liability. No other estimates or assumptions have been identified that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Subvention Grant	1,268,000	1,268,000
Higher Education Funding Council for Wales	12,000	59,194
Support grant	173,182	-
	<u>1,453,182</u>	<u>1,327,194</u>

Grants received, included in the above, are as follows:

	2024	2023
	£	£
University of South Wales Grant	1,268,000	1,268,000

4. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Travel and employment services	55,197	61,671
Sponsorship and other trading activities	27,808	16,089
	<u>83,005</u>	<u>77,760</u>

5. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	<u>2,340</u>	<u>1,856</u>

USWSU**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024****6. INCOME FROM CHARITABLE ACTIVITIES**

	2024	2023
	£	£
Shop income	444,461	392,333
Bar income	172,695	201,789
Catering income	104,018	140,572
ENTS department income	8,255	20,164
SU Sport income	44,982	29,620
	<u>774,410</u>	<u>784,478</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs (see note 8) £	Support costs (see note 9) £	Totals £
General	<u>1,502,027</u>	<u>734,789</u>	<u>2,236,817</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024	2023
	£	£
Staff costs	469,916	675,453
Insurance	26,552	18,621
Rent - Campus Centre	168,000	168,000
Bar expenditure	121,839	145,194
Shop expenditure	353,132	314,059
Catering expenditure	55,924	76,224
ENTS department expenditure	58,025	47,645
SU Sport expenditure	160,058	177,406
Irrecoverable VAT	40,926	769
Training & development programme expenditure	6,667	6,916
Welfare, representation	10,442	5,588
Affiliations	28,322	26,820
Minibus hire costs	2,223	1,440
	<u>1,502,027</u>	<u>1,664,136</u>

9. SUPPORT COSTS

	Salaries £	Management £	Depreciation £	Governance costs £	Totals £
General	<u>419,097</u>	<u>210,210</u>	<u>21,561</u>	<u>83,921</u>	<u>734,789</u>

USWSU**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024****10. NET INCOME/(EXPENDITURE)**

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

	2024	2023
	£	£
Auditor's remuneration	17,240	5,440
Depreciation - owned assets	<u>21,561</u>	<u>30,383</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

The Union's sabbatical officers received the following amounts for the period ending 30th June 2024, as authorized in the Union's governing document. There were four trustees (2023: three) who received remuneration in the year totaling £62,566 (2023: £47,374).

	Gross Pay £	Pension £
Jamal Abdilahi	19,054	-
Cheryl T Chinghoso	20,028	414
Kenul M N Herath	6,220	-
Sofia Soberson	<u>16,511</u>	<u>339</u>
	<u>61,813</u>	<u>753</u>

Trustees' expenses

Three trustees were reimbursed in the year (2023: Two) for a total of £1,115 (2023: £140) in respect of travel and subsistence in accordance with section 6.3 of the articles of association.

12. STAFF COSTS

	2024 £	2023 £
Wages and salaries	870,625	903,613
Social security costs	55,297	53,577
Other pension costs and deficit contribution	<u>29,773</u>	<u>54,561</u>
	<u>955,695</u>	<u>1,011,751</u>

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

2024	2023
136	139

No employees received emoluments in excess of £60,000.

Total remuneration paid to key management personnel in the year was £319,750 (2023 - £217,127).

During the year USWSU entered into compromise agreements with former members of key management personnel in the amount of £84,213 (2023: £nil).

USWSU

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

13. TANGIBLE FIXED ASSETS

	Office Fixtures & Fittings £	Motor Vehicles £	Totals £
COST			
At 1 July 2023	300,997	15,995	316,992
Additions	-	-	-
At 30 June 2024	<u>300,997</u>	<u>15,995</u>	<u>316,992</u>
DEPRECIATION			
At 1 July 2023	235,628	2,666	238,294
Charge for year	18,895	2,666	21,561
At 30 June 2024	<u>254,523</u>	<u>5,332</u>	<u>259,855</u>
NET BOOK VALUE			
At 30 June 2024	<u>46,474</u>	<u>10,663</u>	<u>57,137</u>
At 30 June 2023	<u>65,369</u>	<u>13,329</u>	<u>78,698</u>

14. STOCKS

	2024 £	2023 £
Stocks	<u>51,237</u>	<u>43,337</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	35,794	61,993
Prepayments and accrued income	<u>13,394</u>	<u>24,307</u>
	<u>49,188</u>	<u>86,300</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Bank loans and overdrafts (see note 18)	20,000	20,000
Trade creditors	46,807	15,400
Social security and other taxes	12,899	13,222
VAT	8,536	9,246
Other creditors	84,938	104,463
Accruals and deferred income	<u>34,265</u>	<u>22,449</u>
	<u>207,444</u>	<u>184,780</u>

USWSU**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024****17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2024 £	2023 £
Bank loans (see note 18)	<u>18,234</u>	<u>38,334</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2024 £	2023 £
Amounts falling due within one year on demand:		
Bank Loans	<u>20,000</u>	<u>20,000</u>
Amounts falling due between one and two years:		
Bank Loans	<u>18,234</u>	<u>38,334</u>

One bank loan bears interest of 4.42% p.a. over Base Rate. Instalments are paid monthly until 2025.

19. PROVISIONS FOR LIABILITIES

The charity had the following provisions during the year:

	2024 £
At 1 July 2023	-
Additions in the period	<u>40,000</u>
At 30 June 2024	<u>40,000</u>

The provision relates to the estimated taxation liabilities where there is uncertainty over the amount and timing of the amounts due.

20. MOVEMENT IN FUNDS

	At 01/07/23 £	Net movement in funds £	At 30/06/24 £
Unrestricted funds			
General fund	<u>(2,576,777)</u>	<u>25,928</u>	<u>(2,550,849)</u>
TOTAL FUNDS	<u>(2,576,777)</u>	<u>25,928</u>	<u>(2,550,849)</u>

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

	Income £	Expenditure on charitable activities £	Unwinding discount rate £	Movement in funds £
Unrestricted funds				
General fund	<u>2,312,937</u>	<u>(2,236,817)</u>	<u>(50,192)</u>	<u>25,928</u>
TOTAL FUNDS	<u>2,312,937</u>	<u>(2,236,817)</u>	<u>(50,192)</u>	<u>25,928</u>

USWSU

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Comparatives for movement in funds

	At 01/07/22 £	Net movement in funds £	At 30/06/23 £
Unrestricted funds			
General fund	<u>(2,434,432)</u>	<u>(142,345)</u>	<u>(2,576,777)</u>
TOTAL FUNDS	<u><u>(2,434,432)</u></u>	<u><u>(142,345)</u></u>	<u><u>(2,576,777)</u></u>

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

	Income £	Expenditure on charitable activities £	Unwinding discount rate £	Movement in funds £
Unrestricted funds				
General fund	<u>2,191,859</u>	<u>(2,132,449)</u>	<u>(201,755)</u>	<u>(142,345)</u>
TOTAL FUNDS	<u><u>2,191,859</u></u>	<u><u>(2,132,449)</u></u>	<u><u>(201,755)</u></u>	<u><u>(142,345)</u></u>

21. EMPLOYEE BENEFIT OBLIGATIONS

	2024 £	2023 £
At 1 July 2023	2,744,341	2,743,208
Amounts paid	(209,795)	(200,622)
Unwinding of discounted scheme	<u>50,192</u>	<u>201,755</u>
At 30 June 2024	<u><u>2,584,738</u></u>	<u><u>2,744,341</u></u>

The above schedule shows the present value at the year end for the multi-employer defined benefit Students' Union Superannuation Scheme.

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

The most recent Valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £106m with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £133.6m which reported a decrease to the previous 2019 valuation deficit of £140.9m.

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

The 2022 valuation extended the scheme's recovery plan until May 2037, and recommended a monthly contribution requirement by each Participating Employer. This was expressed in monetary terms intended to clear the ongoing funding deficit over a period of 15 years and increased by 5% in October 2023 and at least 5% each year thereafter. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme. These rates will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2025. Surpluses or deficits which arise at future valuations will also impact on the Students' Union's future contribution commitment. In addition to the above contributions, the Students' Union also pays its share of the scheme's levy to the Pension Protection Fund.

USWSU**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

In summary, employer contributions will increase by 5% each year until the end of the deficit recovery period, which is now expected to be in May 2037. However, contributions due from October 2026 onwards will be reviewed following the next actuarial valuation.

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

The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 30 June 2024 amounted to £209,796 which are all deficit contributions (2023: £200,622). At the year-end a liability was recognised for the present value of the contributions payable of £2,584,737 (2023 - £2,744,341).

The Union also participates in the National Union of Students Pension Scheme, a defined contribution scheme. During the year ended 30 June 2024 the Union contributed a total of £7,837 into the scheme (2023: £37,598). At the year-end there were outstanding contributions of £5,132 (2023: £Nil).

22. RELATED PARTY DISCLOSURES

During the year, salaries totaling £13,065 (2023: £13,865) were paid to close family members of key management personnel.

There were also travel expenses of £127 (2023: £140) reimbursed in the year to two members of key management personnel.

There were no other related party transactions to disclose other than set out elsewhere in the accounts, including in note 11 and note 12 (2023: none).



This Document has been Signed with a **secure electronic signature** via E-Sign.

Envelope Details

Title	USWSU Accounts 2024
Author	S M Executive Services Limited (sam@smlimited.uk)
Envelope Created on	Thu, 27 Mar 2025 19:27:40
Envelope ID	d1c5fede-a21d-46a0-a1fc-1bce7f30cb14

Document Details

Title	USWSU_Accounts_2024.pdf.pdf
Digital Fingerprint	3823e18d-03ec-4687-846a-f58800561f17

Document Signers

Scan/Click the QR Code to view signature information

Name	<u>Emilie Tapping</u>
Email	emilietapping@gmail.com
Status	SIGNED at Thu, 27 Mar 2025 19:40:55 GMT(+0000)
Signature Fingerprint	84abc762-7fff-4569-9015-6dfe50896955



Name	<u>Steve Harper</u>
Email	SHarper@haysmac.com
Status	SIGNED at Thu, 27 Mar 2025 20:45:42 GMT(+0000)
Signature Fingerprint	4f323cba-c9f7-4102-ba15-2d9bc6b228fa



Document History

Thu, 27 Mar 2025 20:45:43	Steve Harper Signed the Document (IP: 94.12.105.59)
Thu, 27 Mar 2025 19:40:56	Emilie Tapping Signed the Document (IP: 85.255.235.26)



USWSU

England & Wales - Charity number 1153572

Accounts

REGISTERED COMPANY NUMBER: 08629047 (England and Wales)
REGISTERED CHARITY NUMBER: 1153572

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023
FOR
USWSU**

MHA
Chartered Accountants and Statutory Auditor
Elfed House
Oak Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8RS

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 10
Statement of Financial Activities	11
Balance Sheet	12
Cash Flow Statement	13
Notes to the Cash Flow Statement	14
Notes to the Financial Statements	15 to 23

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2023. 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

Objective and aims

The objectives of the University of South Wales Students' Union are:

- The advancement of education of students at the University of South Wales.
- Promoting the interests and welfare of students at the University during their course of study.
- Representing, advising and supporting students.
- Providing social, cultural, sporting and recreational activities, and forums for discussions and debate, for the personal development of our students.
- Campaign, influence public opinion, and seek to influence government and other institutions regarding the reform, development and implementation of appropriate policies.

The Students' Union planned to achieve this through:

- Advancement of the education of students through the provision of opportunities to engage in activities that are both academic and extra-curricular, such as sports, fundraising and volunteering, and political debate.
- Contribute to the employability agenda of the University of South Wales by providing opportunities for students to develop key employability skills, through developing student jobs and volunteering opportunities throughout the regions. Engage with, and fully support, the University's employability initiatives, and work in partnership with them whenever possible.
- Maintain a high-level student experience across all campuses and strive, where possible, to create parity of student experience, irrespective of the place of study. The Union is mindful of the demographic of students and strives to provide services that contribute positively to and enhance their student experience.

The trustees of USWSU have had regard to the guidance issued by the Charity Commission on public benefit and maintain oversight of this through regular meetings.

Contributions made by volunteers

Student volunteers are key to the success and engagement of our student community. Our volunteers are responsible for running our sports teams, clubs and societies, therefore delivering weekly activities for over 1,000 students. This year, our volunteers became even more important in creating communities for our students to keep them engaged during the final stages of the pandemic.

The academic representation network has 583 Course Representatives and 10 Student Voice Representatives (faculty representatives) ensuring that the student voice remains at the heart of academic decisions.

The Student Council are a group of elected part-time officers who represent their specific demographic. During 2022-2023, eleven part-time officers held a number of different positions, and were responsible for delivering virtual and in-person campaigns throughout the academic year. Notable successes include the response to the cost-of-living crisis, and Disability Awareness Week.

Course representative numbers increased from 450 in 2021-2022, to 583 in 2022-2023. Both Student Council and Student Voice Forum increased to levels which ensured quoracy, with Student Council Officers increased from seven in 2021-2022 to eleven in 2022-2023 and Student Voice Forum returning 77% of all roles in place. The increasing engagement by students in the Students' Union voice activities, demonstrates a strong student voice here at USWSU, and a return to pre-pandemic levels with over 1,200 nominations in the Student Choice Awards and 159 attendees at the Annual General Meeting.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2023**

**OBJECTIVES AND ACTIVITIES
ACHIEVEMENTS AND PERFORMANCE**

The Board of Trustees reviewed the Students' Union's Mission, Strategic Aims and Strategic Focus at the beginning of the academic year. The Students' Union's mission is "To Put Students First", and this has underpinned all work this year.

COST OF LIVING CRISIS

The Cost-of-Living crisis was a key focus this year, and work was undertaken in partnership with the University to make students' lives better. As part of the cross-University working group we worked to develop initiatives for students and to monitor the impact of these. The Students' Union was a key partner in the development of the bursary scheme and aided in publicising the scheme to members. We also worked in partnership to develop a free breakfast scheme available to both students and staff. The free breakfast offer was available across all campuses and in both Students' Union's and University catering outlets. The Students' Union distributed 785 free breakfasts to our students.

In addition to the free breakfast initiative, the Students' Union introduced a range of 'meal deals' in the SU shops and in the hot food provision across the USW campuses. Over 8.5k meal deals were sold in the SU shops, and over 1.7k 'plain and simple' meals were purchased through our catering outlets.

The SU has free sanitary products across all campuses, including in gender neutral toilets. This ensured that students who bleed can access free products when required. The SU also gave away 150 mooncups to completely mitigate the requirement for purchasing sanitary products.

Recognising that up-front fees were a barrier to some students who participate in the sporting programme, the SU introduced a payment plan for students struggling to pay. Students were given the option of paying two-thirds of the tuition fee in the first term and then the remainder at the beginning of the second term. If this still posed a problem for students, individual payment plans were developed. This ensured students could still engage in their sport, which not only retained their skills for sports teams, but contributed to their physical and mental health, as well as their sense of wellbeing and belonging.

The Students' Union, in conjunction with Student Council and Student Voice Forum responded to the All-Party Parliamentary Group Inquiry into Cost-of-Living pressures. The submission, informed by students, highlighted five key areas where students were experiencing pressures; namely housing and rent, transport, finance / grants, participation in clubs and societies / less socialising leading to social isolation, and employment.

COMMUNITY WORK

The Students' Union continues its partnership with Stamp Out Spiking, a charitable organisation, established to tackle the increasing incidents of drink spiking across the UK and worldwide; purchasing their StopTopps drink covers and participating in their accredited Drink Spiking Aware Training programme. The Students' Union is recognised as a Drink Spiking Aware venue, enabling us to carry the SOS Drink Spike Aware logo on all merchandise to publicise our ongoing mission to create safeguarding and safe spaces for our students and staff. The SU's work with StopTopps was recognised in Pontypridd PubWatch and has been replicated throughout the Treforest and Pontypridd areas. This demonstrates how the SU can influence policy and practice outside of the usual 'political' arena.

The Students' Union was pleased to participate in Rhondda Cynon Taff County Council Santa Appeal again this year. The appeal asks for participants to buy a gift for a child that would not usually receive a gift at Christmas. This was the 11th year of participation, and this year the Students' Union was highlighted by the council as a key partner in its' delivery of the campaign. The number of presents donated this year tripled from December 2021, with over 150 gifts donated to children who were at risk.

PARTNERSHIP

The Students' Union focused on engaging the wider student voice this year, and targeted work with partner colleges and Degree Apprentices. We worked closely with our HE in FE partners to ensure students could access opportunities to make their voice heard; through hosting a Student Voice Summit in November, making campaigns collaborative across partners, and by making the Student Choice Awards accessible for HE in FE students.

The Students' Union worked hard this year establishing relationships with the Degree Apprenticeship Operational Policing team, the providers of Initial Police Education across five police forces in Wales and England. Whilst the Operational Policing team has its own processes in place, the SU worked with the academic staff to ensure policing students have their student voice heard. The SU has a presence at Staff- Student - Employer Liaison Groups to enable us to produce a thematic report on student feedback, which will encourage improvements in their learning experience. The Su has also developed bespoke resources for off-campus Police apprentices, available through their Blackboard portal.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2023**

The Student Choice Awards are a student-led, student-run awards event, and an annual opportunity to celebrate success across USW. Students nominate the staff and other students who have made a real difference to their student experience. The eleventh Student Choice Awards was held this year, but this time the Students' Union included USW staff and students across partner institutions and Degree Apprenticeships. A specific award was created for Degree Apprenticeship of the Year, which encouraged nominations from the Police Apprentices in other categories.

Financial position

The total income for the year was £2,191,859, £1,268,000 of this is the subvention grant received from the University of South Wales. Income from charitable activities increased to £784,478 (2022: £776,496). Other trading activities also increased to give a total of £77,760 (2022: £42,028).

Expenditure for the year totalled £2,132,449 (2022: £2,039,413) which results in a surplus for the year of £59,410 before accounting for the unwinding for the discounting of the pension provision of £201,755 (2022: £157,485), which gave an overall deficit of £142,345 (2022: surplus of £83,209).

The balance sheet position at 30 June shows negative unrestricted funds of £2,576,777 (2022: £2,434,432) the majority of this relates to the provision for the defined pension liability of £2,744,341 (2022: £2,743,208).

Reserves policy

The Board of Trustees have reviewed USWSU's reserve requirement and recognises that a liquidity cash reserve reflective of the cash trading position is required for troughs in our funding. The Trustees recognise that reserves are part of USWSU's unrestricted funds, which are freely available to spend on any of USWSU's charitable purposes. When deciding on the level of reserves, the Board recognise that reserve levels which are too high could limit the amount USWSU spends on charitable activities thereby reducing the benefits to USWSU members. Likewise, the Board recognises a risk to USWSU and its future activities if reserves are too low. USWSU's reserves cover an operating surplus, designated capital commitments, and designated service investment.

The Board has set an ideal level of reserves at between 2 - 3 months operating costs amounting to approximately £377,000 - £565,000 based on 2023 expenditure levels. There are no free reserves at 30 June 2023. Although reserves after adjustments for pension provision and fixed assets would be £88,866. USWSU expect to work towards this longer term goal through investment in commercial activity and implementation of a plan for transformation.

Pension liabilities

The Students' Union is part of a closed pension scheme, and as such must make annual deficit contributions which are expected to eliminate the deficit by August 2035. The most recent valuation of SUSS showed assets of £119.1m and liabilities of £260.0m, a funding deficit of 46%. This year's accounts demonstrate the full impact of the pension's deficit provision under FRS102, which means the Students' Union has to show provision for our proportion of the above funding deficit.

Going concern

Following ongoing concerns in relation to the financial management and operation of the USWSU, the University placed a number of conditions on the Union in order to continue funding. This included obtaining sign-off of the audited accounts, providing management accounts for the 2023/24 budget year and having an approved budget for 2024/25 in place, as part of a wider plan for sustainable operation. The University have accepted USWSU plan for Transformation and have agreed to provide subvention funding for 2024/25, with commitment from the SU to agree a funding agreement and provide longer term budget forecasts in November 2024. The University are committed to working with the USWSU and have been encouraged by progress made. Separately, there has been a change in senior management team during this period, although all roles are now filled and in post.

In light of the above challenges, official disclosure has been made to the Charity Commission, Hefcw and Companies House and has resulted in the considerable delay in filing these audited accounts.

With this in mind, the trustees have assessed the Student's Union ability to continue as a going concern, taking into account the financial impacts of Covid-19. They have considered several factors when forming their conclusions including liquidity, cash resources, liabilities, support available from government initiatives and support from the University of South Wales.

Like many organisations, our financial position has been and will continue to be impacted by the financial impact of real world events that will require ad hoc actions, but we are confident in our ability to do so.

After assessing the impact of possible different scenarios, which assume that support from the University will continue, the trustees have concluded that there is a reasonable expectation that adequate resources are available to continue to operate for at least 12 months from the date of signing the financial statements and have therefore continued to prepare the financial statements on a going concern basis.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2023**

Principal funding

USWSU's funding is derived in two main ways: through a subvention from the University of South Wales, and through income from commercial services.

STRATEGIC REPORT

Principal risks and uncertainties

The relationship between the Students' Union Board of Trustees and the University's Board of Governors deteriorated this year, as a result of the financial management and operational concerns raised. The Students' Union is working hard to meet these, and the USWSU Board of Trustees is confident that a close working relationship can be re-established with the USW Board of Governors. These actions reduce the risk of defunding, but the principal risk still remains that if funding is withdrawn then the Students' Union will become insolvent.

The Students' Union Superannuation Scheme, the closed pension scheme of which USWSU was a member, continues to be a risk to the Students' Union. The pension fund is closed to future accrual, therefore previous members are responsible for the deficit payments to the scheme. The deficit payments are increasing year on year, which pose a financial risk to both USWSU and all other Students' Unions who are members.

The national decrease in students entering Higher Education is also a principal risk to the charity. This has a twofold effect on the Students' Union:

- 1) The subvention is based on student numbers, and therefore a decrease in numbers equals a decrease in funding from the University.
- 2) Decreasing student numbers results in a decrease in income as less students use the Students' Union facilities.

Future plans

- Develop strong sustainable and satisfying relationships with our stakeholders whilst ensuring that the Union actively engaging its stakeholders in setting strategy and operational plans.
- Continually improve what the Union does whilst equipping staff, officers and volunteers with the skills and knowledge they need to achieve the Union's Vision.
- Achieve financial stability through robust financial management, reviewing existing practices and investing in the Union's services to students.
- Ensure that the Union's systems, policies and procedures add value, enable greater student engagement and are easy to understand.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The USWSU is a students' union within the meaning of the Education Act 1994. The Union is devoted to promoting the education, interests and welfare of its members, students at the University of South Wales. It is the recognised independent representative body of students at the University.

The charity is a registered charitable company that is limited by guarantee. The charity is governed by Memorandum and Articles of Association.

Trustee selection methods

Not more than four Sabbatical Trustees shall be elected, by secret ballot, by the Student Members of the Union at an election held in accordance with the Standing Orders and shall remain in office for a term of usually twelve months, as specified in the Standing Orders. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end.

Three Student Trustees shall be elected by secret ballot by the Student Members of the Union at an election to be held in accordance with the Standing Orders and shall remain in office for a term of usually twelve months as specified in the Standing Orders. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end.

Student Trustees may be re-elected for a further non-renewable term of usually one year. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end. The maximum period that a Student Trustee may serve is twenty-four months.

The Trustees shall co-opt by a simple majority of those present and voting up to five such persons as they consider suitable to be charity trustees (having regard to their skills and experience) as Co-opted Trustees.

Two of the five will be alumni of the University of South Wales (including any and all of its former names) subject to ratification by the Student Council and the Student Voice Forum. Unless their appointment is terminated in accordance with Article 18, Co-opted Trustees shall remain in office for terms of up to three years calculated from the date of appointment. At the end of their term of office Co-opted Trustees shall be eligible for reappointment by a simple majority of those trustees present and voting for a further term of up to three years but shall not be eligible for re-appointment once they have served six years in aggregate.

Trustee induction and training

New trustees are trained at the beginning of each academic year to ensure they understand their roles and responsibilities. This forms part of a comprehensive in-house training programme and focuses in depth on their full responsibilities, accountability and Nolan Principles.

Organisational structure

The Students' Union is run by students for students, supported by a number of staff, and overseen by a Board of Trustees.

Elections are held annually for the students at the University of South Wales to vote for their full-time and part-time student officers. These form Student Council, who are responsible for the representation and campaigning function of the Students' Union and Student Voice Forum, who are responsible for the academic representation function of the Students' Union.

The Board of Trustees are responsible for the legal, financial and governance arrangements of the Students' Union, and delegates day-to-day responsibility of their duties to the Chief Executive Officer and Senior Management Team.

The Students' Union is affiliated to the National Union of Students, and through them, works closely with the National Union of Students in Wales. The student officers regularly meet with the officers of NUS Wales to collaborate on campaigns and activities.

Pay and remuneration

The arrangements for setting pay and remuneration of the Union's key management are in line with sector practice and take in to account the financial performance of the Union. Normally, a 1% cost of living increase is agreed annually by the Board of Trustees, however this is dependent on future financial forecasts. The Students' Union is a Living Wage Employer and ensures all employees are paid in accordance with relevant legislation governing pay.

Risk management

The trustees have identified and reviewed the risks to which the charity is exposed and ensured appropriate controls are in place to provide reasonable assurance against fraud and error.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
08629047 (England and Wales)

Registered Charity number
1153572

Registered office
University of South Wales
Students' Union
Forest Grove
Pontypridd
Rhondda Cynon Taff
CF37 1UF

Trustees

Officer Trustees

David Pye	President	Resigned 1 December 2022
Jamal Abdilahi		Appointed 1 July 2022
Kyle Eldridge		Appointed 1 July 2022: Resigned 30 June 2023
Cheryl T Chinghoso		Appointed 1 July 2023
Kenul M N Herath		Appointed 1 July 2023: Resigned 12 February 2024
Sofia Soberson		Appointed 1 July 2023: Resigned 25 March 2024

External Trustees

Anna Morgan	Chair	Resigned 25 July 2022
Richard Seymour		Resigned 22 August 2023
Caroline Smith		Resigned 29 August 2023
Susan Hayes		Appointed 28 July 2022: Resigned 1 August 2023
Stuart Leonard Williams		Appointed 5 September 2023
Rebecca Nyasha Mamhende		Appointed 15 September 2023
Josef Walsh		Appointed 12 September 2023
Richard Main MBE		Appointed 24 September 2023
Richard Mark Cadwallader		Appointed 5 October 2023

Student Trustee

Kelly-Marie Williams	Appointed 22 September 2023: Resigned 24 April 2024
Kudzaishe Zhou	Appointed 5 April 2024
Doreen Rassbach	Appointed 5 April 2024
Holly Grindlay	Appointed 13 May 2024

Key Management Personnel

Sian Taylor	CEO until November 2023
Sam Harris	Interim CEO from 15 January 2024 to 22 August 2024
Michelle Howlin	CEO from 12 June 2024
Helen Thomas	Central Resources Manager
Michael Borley	Commercial Services Manager until 31 October 2023
Rhiannon Jones	Membership Services Manager until 31 October 2023
Emma Powell	Interim Central Services Manager from 26 February 2024
Ellis Thomas	Clerk from 1 November 2023, Secretary from 22 August 2024, Interim Membership Services Manager from 26 February 2024

Auditors

MHA
Chartered Accountants and Statutory Auditor
Elfed House
Cardiff
CF23 8RS

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

AUDITOR

On 30 June 2023 as a result of a recent merger, Watts Gregory LLP resigned as auditor in accordance with Section 516 of the Companies Act 2006 and re-engaged its services as MHA.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 5/9/2024 and signed on the board's behalf by:



.....
S Williams – Trustee & Chair

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF USWSU

Opinion

We have audited the financial statements of USWSU (the 'charitable company') for the year ended 30 June 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

- Enquiries of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

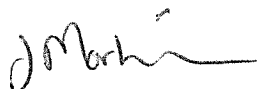
Because of the inherent limitations of an audit there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed 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 misrepresentations.

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 Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
USWSU**

Use of our report

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



Julia Mortimer (Senior Statutory Auditor)
for and on behalf of MHA
Chartered Accountants and Statutory Auditor
Cardiff
CF23 8RS

Date: 9 September 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership
in England and Wales (registered number OC312313)

USWSU**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2023**

		2023 Unrestricted funds £	Restated 2022 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	3	1,327,194	1,461,439
Charitable activities	6		
General		784,478	776,496
Other trading activities	4	77,760	42,038
Investment income	5	1,856	134
Other income		571	-
Total		<u>2,191,859</u>	<u>2,280,107</u>
EXPENDITURE ON			
Charitable activities	7		
General		<u>2,132,449</u>	<u>2,039,413</u>
Actuarial loss/Unwinding of pension scheme provision		<u>(201,755)</u>	<u>(157,485)</u>
NET INCOME/(EXPENDITURE)		(142,345)	83,209
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>(2,434,432)</u>	<u>(2,517,641)</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>(2,576,777)</u></u>	<u><u>(2,434,432)</u></u>

The notes form part of these financial statements

USWSU

BALANCE SHEET
30 JUNE 2023

	Notes	2023 Unrestricted funds £	2022 Total funds £
FIXED ASSETS			
Tangible assets	15	78,698	50,959
CURRENT ASSETS			
Stocks	16	43,337	34,838
Debtors	17	86,300	67,195
Cash at bank and in hand		<u>182,343</u>	<u>507,741</u>
		311,980	609,774
CREDITORS			
Amounts falling due within one year	18	(184,780)	(293,624)
NET CURRENT ASSETS		<u>127,200</u>	<u>316,150</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		205,898	367,109
CREDITORS			
Amounts falling due after more than one year	19	(38,334)	(58,333)
PENSION LIABILITY	23	(2,744,341)	(2,743,208)
NET ASSETS/(LIABILITIES)		<u>(2,576,777)</u>	<u>(2,434,432)</u>
FUNDS	22		
Unrestricted funds		<u>(2,576,777)</u>	<u>(2,434,432)</u>
TOTAL FUNDS		<u>(2,576,777)</u>	<u>(2,434,432)</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 5/9/2024 and were signed on its behalf by:


S Williams – Trustee & Chair

The notes form part of these financial statements

USWSU

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(249,132)</u>	<u>222,265</u>
Net cash (used in)/provided by operating activities		<u>(249,132)</u>	<u>222,265</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(58,122)	(27,017)
Interest received		<u>1,856</u>	<u>134</u>
Net cash used in investing activities		<u>(56,266)</u>	<u>(26,883)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(20,000)</u>	<u>(44,661)</u>
Net cash used in financing activities		<u>(20,000)</u>	<u>(44,661)</u>
Change in cash and cash equivalents in the reporting period		(325,398)	150,721
Cash and cash equivalents at the beginning of the reporting period		<u>507,741</u>	<u>357,020</u>
Cash and cash equivalents at the end of the reporting period		<u>182,343</u>	<u>507,741</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023**

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

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(142,345)	83,209
Adjustments for:		
Depreciation charges	30,383	18,818
Unwinding of pension scheme provision	201,755	157,485
Interest received	(1,856)	(134)
(Increase)/decrease in stocks	(8,499)	6,214
Increase in debtors	(19,104)	(22,356)
(Decrease)/increase in creditors	(108,844)	163,022
Difference between pension charge and cash contributions	<u>(200,622)</u>	<u>(183,993)</u>
Net cash (used in)/provided by operations	<u>(249,132)</u>	<u>222,265</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/22 £	Cash flow £	At 30/6/23 £
Net cash			
Cash at bank and in hand	<u>507,741</u>	<u>(325,398)</u>	<u>182,343</u>
	<u>507,741</u>	<u>(325,398)</u>	<u>182,343</u>
Debt			
Debts falling due within 1 year	(20,000)	-	(20,000)
Debts falling due after 1 year	<u>(58,333)</u>	<u>19,999</u>	<u>(38,334)</u>
	<u>(78,333)</u>	<u>19,999</u>	<u>(58,334)</u>
Total	<u>429,408</u>	<u>(305,399)</u>	<u>124,009</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. STATUTORY INFORMATION

USWSU is a registered charity and private company limited by guarantee, having no share capital, incorporated in Wales in the United Kingdom. The registered office is University of South Wales Students' union, Forest Grove, Treforest, Rhondda Cynon Taff, CF37 1UF. The nature of the company's operations and principal activities are disclosed within the Report of the Trustees.

In the event of the company being wound up the liability of its members is limited to a sum of £1.

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

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Going concern

During the year the University placed a number of actions on the Union in order to continue their funding. The majority of these actions have been completed. The University and the Students' Union currently have a much-improved relationship.

The trustees have assessed the Student's Union ability to continue as a going concern, they have considered several factors when forming their conclusions including liquidity, cash resources, liabilities, support available from government initiatives and the current position with the University of South Wales.

Like many organisations, the financial position has been, and will continue to be impacted by real-world events that will require ad hoc actions, but the trustees are confident in their ability to do so.

After assessing the impact of possible different scenarios, which assume continuing support from the University, the trustees have concluded that there is a reasonable expectation that adequate resources are available to continue to operate for at least 12 months from the date of signing the financial statements and have therefore continued to prepare the financial statements on a going concern basis.

Income

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

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

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

2. ACCOUNTING POLICIES - continued**Basis of recognition of liabilities**

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

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

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

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource.

Tangible fixed assets

Tangible fixed assets are initially recorded at cost.

Depreciation is provided at 20% on cost and 33.33% in reducing balance per annum.

Investments

Fixed asset investments are stated at cost.

Stocks

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

Taxation

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

Fund accounting

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

Financial instruments

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

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

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

Significant accounting judgements and estimates

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

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

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Subvention Grant	1,268,000	1,268,000
Government Grants	-	3,642
HMRC Job retention scheme grant	-	25,117
Higher Education Funding Council for Wales	59,194	164,680
	<u>1,327,194</u>	<u>1,461,439</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
University of South Wales Grant	<u>1,268,000</u>	<u>1,268,000</u>

4. OTHER TRADING ACTIVITIES

	2023	Restated 2022
	£	£
Travel and employment service	61,671	27,937
Sponsorship and other trading activities	16,089	14,101
	<u>77,760</u>	<u>42,038</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>1,856</u>	<u>134</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

6. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Shop income	392,333	292,427
Bar income	201,789	289,258
Catering income	140,572	93,916
ENTS department income	20,164	50,747
SU Sport income	<u>29,620</u>	<u>50,148</u>
	<u>784,478</u>	<u>776,496</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)	Support costs (see note 9)	Totals
	£	£	£
General	<u>1,664,136</u>	<u>468,313</u>	<u>2,132,449</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023	2022
	£	£
Staff costs	675,453	619,081
Insurance	18,621	28,668
Rent - Campus Centre	168,000	168,000
Bar expenditure	145,195	169,528
Shop expenditure	314,059	222,671
Catering expenditure	76,224	49,525
ENTS department expenditure	47,645	45,865
SU Sport expenditure	177,406	150,237
Irrecoverable VAT	769	37,983
Training & development programme expenditure	6,916	54,074
Welfare, representation	5,588	5,073
Affiliations	26,820	26,525
Minibus hire costs	<u>1,440</u>	<u>2,069</u>
	<u>1,664,136</u>	<u>1,579,299</u>

9. SUPPORT COSTS

	Salaries	Management	Depreciation	Governance costs	Totals
	£	£	£	£	£
General	<u>290,272</u>	<u>95,400</u>	<u>30,383</u>	<u>52,258</u>	<u>468,313</u>

10. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Auditors' remuneration	5,440	8,893
Depreciation - owned assets	<u>30,383</u>	<u>18,818</u>

11. PRIOR YEAR ADJUSTMENT

The comparative figures for year ended 30 June 2022 have been restated to reduce both wages and income by £219,739 as this relates to students employed by the University. Travel and employment service income now only reflects the commission for processing the payroll. There is no impact on the net income for the year or on the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

12. TRUSTEES' REMUNERATION AND BENEFITS

There were three trustees (2022: four) who received remuneration in the year totalling £47,374 (2022: £50,703)

	Gross Pay £	Pension £
Jamal Abdilahi	18,862	-
Kyle Elderidge	19,177	386
David Pye	<u>8,779</u>	<u>170</u>
	<u>46,818</u>	<u>556</u>

Trustees' expenses

Two trustees were reimbursed in the year (2022: Nil) for a total of £140 (2022: £Nil) in respect of travel and subsistence in accordance with section 6.3 of the articles of association.

13. STAFF COSTS

	2023 £	Restated` 2022 £
Wages and salaries	903,613	850,645
Social security costs	53,577	52,574
Other pension costs and deficit contributions	<u>54,561</u>	<u>56,620</u>
	<u>1,011,751</u>	<u>959,839</u>

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

2023	2022
<u>139</u>	<u>117</u>

No employees received emoluments in excess of £60,000.

Total remuneration paid to key management personnel in the year was £217,127 (2022 - £209,693).

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

All income and expenditure in the prior year related to unrestricted funds.

15. TANGIBLE FIXED ASSETS

	Office fixtures & fittings £	Motor vehicles £	Totals £
COST			
At 1 July 2022	258,870	-	258,870
Additions	<u>42,127</u>	<u>15,995</u>	<u>58,122</u>
At 30 June 2023	<u>300,997</u>	<u>15,995</u>	<u>316,992</u>
DEPRECIATION			
At 1 July 2022	207,911	-	207,911
Charge for year	<u>27,717</u>	<u>2,666</u>	<u>30,383</u>
At 30 June 2023	<u>235,628</u>	<u>2,666</u>	<u>238,294</u>
NET BOOK VALUE			
At 30 June 2023	<u>65,369</u>	<u>13,329</u>	<u>78,698</u>
At 30 June 2022	<u>50,959</u>	<u>-</u>	<u>50,959</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

16. STOCKS		
	2023	2022
	£	£
Stocks	<u>43,337</u>	<u>34,838</u>
17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2023	2022
	£	£
Trade debtors	61,993	38,529
Prepayments and accrued income	<u>24,307</u>	<u>28,666</u>
	<u>86,300</u>	<u>67,195</u>
18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2023	2022
	£	£
Bank loans and overdrafts (see note 19)	20,000	20,000
Trade creditors	15,400	41,939
Social security and other taxes	13,222	12,611
VAT	9,246	41,943
Other creditors	104,463	78,083
Accruals and deferred income	<u>22,449</u>	<u>99,048</u>
	<u>184,780</u>	<u>293,624</u>
19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	2023	2022
	£	£
Bank loans (see note 19)	<u>38,334</u>	<u>58,333</u>
20. LOANS		
An analysis of the maturity of loans is given below:		
	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>20,000</u>	<u>20,000</u>
Amounts falling between one and two years:		
Bank loan	<u>38,334</u>	<u>58,333</u>
One bank loan bears interest of 4.2% p.a. over LIBOR. Instalments are paid monthly until 2022. The other bank loan bears interest of 4.42% p.a. over Base Rate. Instalments are paid monthly until 2025.		
21. LEASING AGREEMENTS		
Minimum lease payments under non-cancellable operating leases fall due as follows:		
	2023	2022
	£	£
Within one year	<u>168,000</u>	<u>168,000</u>

The above lease commitment each year is in respect of the annual rent charge to the University.

22. MOVEMENT IN FUNDS

	At 1/7/22 £	Net movement in funds £	At 30/6/23 £
Unrestricted funds			
General fund	(2,434,432)	(142,345)	(2,576,777)
TOTAL FUNDS	<u>(2,434,432)</u>	<u>(142,345)</u>	<u>(2,576,777)</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,191,859	(2,132,449)	(201,755)	(142,345)
TOTAL FUNDS	<u>2,191,859</u>	<u>(2,132,449)</u>	<u>(201,755)</u>	<u>(142,345)</u>

Comparatives for movement in funds

	At 1/7/21 £	Net movement in funds £	At 30/6/22 £
Unrestricted funds			
General fund	(2,517,641)	83,209	(2,434,432)
TOTAL FUNDS	<u>(2,517,641)</u>	<u>83,209</u>	<u>(2,434,432)</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,280,107	(2,039,413)	(157,485)	83,209
TOTAL FUNDS	<u>2,280,107</u>	<u>(2,039,413)</u>	<u>(157,485)</u>	<u>83,209</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2023

23. EMPLOYEE BENEFIT OBLIGATIONS

	2023	2022
	£	£
At 1 July 2022	2,743,208	2,769,716
Amounts paid	(200,622)	(183,993)
Unwinding of discounted scheme	<u>201,755</u>	<u>157,485</u>
At 30 June 2023	<u>2,744,341</u>	<u>2,743,208</u>

The above schedule shows the present value at the year end for the multi-employer defined benefit Students' Union Superannuation Scheme.

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

The most recent Valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £106.7m with these assets representing 44% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £136.6m which reported a decrease to the previous 2019 valuation deficit of £140.9m.

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

The previous 2019 actuarial valuation recommended a monthly contribution requirement by each Union expressed in monetary terms intended to clear the ongoing funding deficit over a period of 16 years which was due to end in 2035. Given the already substantial level of contributions being made to the scheme by employers, the Trustees of the scheme concluded that extending the recovery period was the most appropriate option.

In summary, employer contributions will increase by 5% each year until the end of the deficit recovery period, which is now expected to be in May 2037. However, contributions due from October 2026 onwards will be reviewed following the next actuarial valuation.

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

The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 30 June 2023 amounted to £200,622 which are all deficit contributions (2022: £183,993). At the year end a liability was recognised for the present value of the contributions payable of £2,744,341 (2022 - £2,743,208).

The Union also participates in the National Union of Students Pension Scheme, a defined contribution scheme. During the year ended 30 June 2023 the Union contributed a total of £37,598 into the scheme (2022: £37,566). At the year end there were outstanding contributions of £Nil (2022: £Nil).

24. RELATED PARTY DISCLOSURES

During the year, salaries totalling £13,865 (2022: £6,356) were paid to close family members of key management personnel.

25. FINANCIAL INSTRUMENTS

The charity has the following financial liabilities measured at fair value:

	2023	2022
	£	£
Financial liabilities		
Provision - pension liability	<u>2,744,341</u>	<u>2,743,208</u>
	<u>2,744,341</u>	<u>2,743,208</u>

USWSU

England & Wales - Charity number 1153572

Accounts

REGISTERED COMPANY NUMBER: 08629047 (England and Wales)
REGISTERED CHARITY NUMBER: 1153572

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
FOR
USWSU**

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

USWSU

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

	Page
Report of the Trustees	1 to 6
Report of the Independent Auditors	7 to 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 22
Detailed Statement of Financial Activities	23 to 24

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022**

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2022. 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

Objective and aims

The objectives of the University of South Wales Students' Union are:

- The advancement of education of students at the University of South Wales.
- Promoting the interests and welfare of students at the University during their course of study.
- Representing, advising and supporting students.
- Providing social, cultural, sporting and recreational activities, and forums for discussions and debate, for the personal development of our students.
- Campaign, influence public opinion, and seek to influence government and other institutions regarding the reform, development and implementation of appropriate policies.

The Students' Union planned to achieve this through:

- Advancement of the education of students through the provision of opportunities to engage in activities that are both academic and extra-curricular, such as sports, fundraising and volunteering, and political debate.
- Contribute to the employability agenda of the University of South Wales by providing opportunities for students to develop key employability skills, through developing student jobs and volunteering opportunities throughout the regions. Engage with, and fully support, the University's employability initiatives, and work in partnership with them whenever possible.
- Maintain a high-level student experience across all campuses and strive, where possible, to create parity of student experience, irrespective of the place of study. The Union is mindful of the demographic of students and strives to provide services that contribute positively to and enhance their student experience.

The trustees of USWSU have had regard to the guidance issued by the Charity Commission on public benefit and maintain oversight of this through regular meetings.

Contributions made by volunteers

Student volunteers are key to the success and engagement of our student community. Our volunteers are responsible for running our sports teams, clubs and societies, therefore delivering weekly activities for over 1,000 students. This year, our volunteers became even more important in creating communities for our students to keep them engaged during the final stages of the pandemic.

The academic representation network has over 450 Course Representatives and 12 Student Voice Representatives (school representatives) ensuring that the student voice remains at the heart of academic decisions.

The Student Council are a group of elected part-time officers who represent their specific demographic. During 2021-2022, seven part-time officers held a number of different positions, and were responsible for delivering virtual and in-person campaigns throughout the academic year. Notable successes include participation in the Winter of Wellbeing activities and the Dydd Gwyl Dewi Hapus campaign which contributed to a sense of community across campuses.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022**

**OBJECTIVES AND ACTIVITIES
ACHIEVEMENTS AND PERFORMANCE**

The Students' Union committed to full delivery across all campuses for this academic year, with all services delivered in person. In practice, this meant a return to pre-pandemic operation, albeit remaining cognisant of, and adhering to, Welsh Government advice. The remaining restrictions meant decreasing the capacity of the Students' Union's commercial venues, ensuring sanitising stations were in place around all buildings, strict cleaning and sanitising regimes, wearing masks at all times, and social distancing when in meetings. We were pleased to be able to return to participating in the competitive BUCS sports programme, and for clubs and societies to return to in-person meetings. This contributed to creating communities on campus at a time when face to face interactions was limited, and reassured students that they were able to access in-person support at any time.

The Students' Union received funding from the Higher Education Funding Council for Wales to deliver a Winter of Wellbeing campaign. As part of this activity, the Students' Union partnered with Stamp Out Spiking, a charitable organisation, established to tackle the increasing incidents of drink spiking across the UK and worldwide; purchasing their StopTopps drink covers and participating in their accredited Drink Spiking Aware Training programme. This has led to the Students' Union being recognised as a Drink Spiking Aware venue, enabling us to carry the SOS Drink Spike Aware logo on all merchandise to publicise our ongoing mission to create safeguarding and safe spaces for our students and staff.

The Students' Union was pleased to participate in Rhondda Cynon Taff County Council Santa Appeal again this year. The appeal asks for participants to buy a gift for a child that would not usually receive a gift at Christmas. This was the 11th year of participation, and this year the Students' Union was highlighted by the council as a key partner in its' delivery of the campaign. The positive press gained from this led to the Students Union winning a citizenship award and being recognised as a Community Saint in Pontypridd. The awards ceremony was attended by both the local Member of Parliament and Member of the Senedd, and gained extensive coverage in the local media.

Working in partnership with Cwm Taff Health Board and St Catherine's Church in Pontypridd, the Students' Union coordinated a collection for Ukrainian refugees. There was an overwhelming response from all campuses, with students, staff and local businesses contributing specific items. The contributions filled a lorry that went to Ukraine in late February.

The number of Course Representatives elected remained around 450, ensuring consistent academic support to our students. Meetings were held through TEAMS and in person to ensure the student voice remained at the heart of decision making and had the mechanisms to raise concerns and issues if required.

STRATEGIC REPORT

Financial position

The total income for the year was £2,499,846 (2021 - £1,825,943). £1,268,000 of this is the subvention grant received from the University of South Wales. The HEFCW grant of £164,680 was recognised and further grants of £25,117 were received through the government job retention scheme for those employees placed on furlough. Income from charitable activities was £776,496, an increase of £656,064 due to the easing of restrictions in the year. Other trading activities also increased to give a total of £261,777 (2021 - £103,419).

Expenditure for the year totalled £2,259,152 (2021 - £1,306,408) which results in a surplus for the year of £240,694 before accounting for the unwinding for the discounting of the pension provision of £157,485 (2021 - £81,590), which gave an overall surplus of £83,209 (2021 - £437,945).

The balance sheet position at 30 June shows negative unrestricted funds of £2,434,432 (2021 - £2,517,641) the majority of this relates to the provision for the defined pension liability of £2,743,208 (2021 - £2,769,716).

Reserves policy

The Board of Trustees have reviewed USWSU's reserve requirement and recognises that a liquidity cash reserve reflective of the cash trading position is required for troughs in our funding. The Trustees recognise that reserves are part of USWSU's unrestricted funds, which are freely available to spend on any of USWSU's charitable purposes. When deciding on the level of reserves, the Board recognise that reserve levels which are too high could limit the amount USWSU spends on charitable activities thereby reducing the benefits to USWSU members. Likewise, the Board recognises a risk to USWSU and its future activities if reserves are too low. USWSU's reserves cover an operating surplus, designated capital commitments, and designated service investment.

The Board has set an ideal level of reserves at between 2 - 3 months operating costs amounting to approximately £377,000 - £565,000 based on 2022 expenditure levels. There are no free reserves at 30 June 2022.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022**

STRATEGIC REPORT

Financial review

Pension liabilities

The Students' Union is part of a closed pension scheme, and as such must make annual deficit contributions which are expected to eliminate the deficit by August 2035. The most recent valuation of SUSS showed assets of £119.1m and liabilities of £260.0m, a funding deficit of 46%.

This year's accounts demonstrate the full impact of the pension's deficit provision under FRS102, which means the Students' Union has to show provision for our proportion of the above funding deficit.

Going concern

The trustees have assessed the Students' Union's ability to continue as a going concern, taking into account the financial impacts of Covid-19. They have considered several factors when forming their conclusions including liquidity, cash resources, liabilities, support available from government initiatives and support from the University of South Wales.

Like many organisations, our financial position has been, and will continue to be impacted by the financial impact of recent events.

After assessing the impact of possible different scenarios, which assume that support from the University will continue, the trustees have concluded that there is a reasonable expectation that adequate resources are available to continue to operate for at least 12 months from the date of signing the financial statements and have therefore continued to prepare the financial statements on a going concern basis.

Principal funding

USWSU's funding is derived in two main ways: through a subvention from the University of South Wales, and through income from commercial services.

The pandemic continued to impact the Students' Union's ability to raise funds through our commercial provision through a restriction on the numbers allowed into our commercial venues. This has been mitigated by the ability to furlough commercial staff through the UK Government furlough scheme until August 2021.

This year, the Students' Union also received additional funding of £238,624 from the Higher Education Funding Council for Wales, via the University. £9,000 was reallocated to the Students' Union at the Royal Welsh College of Music and Drama. This funding was used for the specific purposes of welfare, support and activities

Principal risks and uncertainties

This year, a global pandemic remained the principal risk facing the charity. Keeping staff and students safe, whilst ensuring the charity remained viable became the main focus of the Trustees and the Senior Management Team. This remained the key focus, whilst continuing to operate, as long as the Covid-19 virus remains active.

The Students' Union Superannuation Scheme, the closed pension scheme of which USWSU was a member, continues to be a risk to the Students' Union. The pension fund is closed to future accrual, therefore previous members are responsible for the deficit payments to the scheme. The deficit payments are increasing year on year, which pose a financial risk to both USWSU and all other Students' Unions who are members.

The national decrease in students entering Higher Education is also a principal risk to the charity. This has a twofold effect on the Students' Union:

- 1) The subvention is based on student numbers, and therefore a decrease in numbers equals a decrease in funding from the University.
- 2) Decreasing student numbers results in a decrease in income as less students use the Students' Union facilities.

Future plans

- Develop strong sustainable and satisfying relationships with our stakeholders whilst ensuring that the Union actively engaging its stakeholders in setting strategy and operational plans.
 - Undertake a constitutional review, as required every five years, as stipulated in the 1994 Education Act Part II.
 - Continually improve what the Union does whilst equipping staff, officers and volunteers with the skills and knowledge they need to achieve the Union's Vision.
 - Achieve financial stability through robust financial management, reviewing existing practices and investing in the Union's services to students.
 - Ensure that the Union's systems, policies and procedures add value, enable greater student engagement and are easy to understand.
-

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The USWSU is a students' union within the meaning of the Education Act 1994. The Union is devoted to promoting the education, interests and welfare of its members, students at the University of South Wales. It is the recognised independent representative body of students at the University.

The charity is a registered charitable company that is limited by guarantee. The charity is governed by Memorandum and Articles of Association.

Trustee selection methods

Not more than four Sabbatical Trustees shall be elected, by secret ballot, by the Student Members of the Union at an election held in accordance with the Standing Orders and shall remain in office for a term of usually twelve months, as specified in the Standing Orders. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end.

Three Student Trustees shall be elected by secret ballot by the Student Members of the Union at an election to be held in accordance with the Standing Orders and shall remain in office for a term of usually twelve months as specified in the Standing Orders. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end.

Student Trustees may be re-elected for a further non-renewable term of usually one year. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end. The maximum period that a Student Trustee may serve is twenty-four months.

The Trustees shall co-opt by a simple majority of those present and voting up to five such persons as they consider suitable to be charity trustees (having regard to their skills and experience) as Co-opted Trustees.

Two of the five will be alumni of the University of South Wales (including any and all of its former names) subject to ratification by the Student Council and the Student Voice Forum. Unless their appointment is terminated in accordance with Article 18, Co-opted Trustees shall remain in office for terms of up to three years calculated from the date of appointment. At the end of their term of office Co-opted Trustees shall be eligible for reappointment by a simple majority of those trustees present and voting for a further term of up to three years but shall not be eligible for re-appointment once they have served six years in aggregate.

Trustee induction and training

New trustees are trained at the beginning of each academic year to ensure they understand their roles and responsibilities. This forms part of a comprehensive in-house training programme and focuses in depth on their full responsibilities, accountability and Nolan Principles.

Organisational structure

The Students' Union is run by students for students, supported by a number of staff, and overseen by a Board of Trustees.
Elect

Elections are held annually for the students at the University of South Wales to vote for their full-time and part-time student officers. These form Student Council, who are responsible for the representation and campaigning function of the Students' Union.

The Board of Trustees are responsible for the legal, financial and governance arrangements of the Students' Union, and delegates day-to-day responsibility of their duties to the Chief Executive Officer and Senior Management Team.

The Students' Union is affiliated to the National Union of Students, and through them, works closely with the National Union of Students in Wales. The student officers regularly meet with the officers of NUS Wales to collaborate on campaigns and activities.

Governance Review

Following the resignation of the VP Activities in November 2021, the Trustee Board, with the support of the University of South Wales commissioned a review into the governance practices of the Students Union. The Charities Commission was informed of the resignation, the review, and the subsequent findings of the review. The Trustee Board was pleased with the positive outcome of the review and has developed an action plan to implement the recommendations.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022**

Pay and remuneration

The arrangements for setting pay and remuneration of the Union's key management are in line with sector practice and take in to account the financial performance of the Union. Normally, a 1% cost of living increase is agreed annually by the Board of Trustees, however this is dependent on future financial forecasts. The Students' Union is a Living Wage Employer and ensures all employees are paid in accordance with relevant legislation governing pay.

Risk management

The trustees have identified and reviewed the risks to which the charity is exposed and ensured appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08629047 (England and Wales)

Registered Charity number

1153572

Registered office

University Of South Wales
Students' Union
Forest Grove
Rhondda Cynon Taff
CF37 1UF

Trustees

Officer Trustees

Kay Dennis	Resigned November 2021
Cobi Flowers	Resigned June 2021
Katie Davies	Resigned November 2021
David Pye	Resigned 1 December 2022
Jamal Abdilahi	Appointed 1 July 2022
Kyle Eldridge	Appointed 1 July 2022

External Trustees

Anna Morgan	Resigned July 2022
Richard Seymour	
Robert Simkins	Resigned March 2022
Isabel Anderson	Resigned August 2021
Caroline Smith	
Susan Hayes	Appointed 28 July 2022

Key Management Personnel

Sian Taylor	CEO
Helen Thomas	Central Resources Manager
Michael Borley	Commercial Services Manager
Rhiannon Jones	Membership Services Manager

Company Secretary

S Taylor

Auditors

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

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

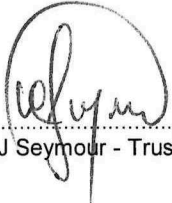
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on and signed on the Board's behalf by:


.....
R J Seymour - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF USWSU

Opinion

We have audited the financial statements of USWSU (the 'charitable company') for the year ended 30 June 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charity's ability to continue as a going concern in exceptional or unforeseen circumstances.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF USWSU

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
USWSU**

Use of our report

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

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

Date:

USWSU

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2022**

		2022 Unrestricted funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	3	1,461,439	1,602,075
Charitable activities			
General		776,496	120,432
Other trading activities	4	261,777	103,419
Investment income	5	134	17
Total		<u>2,499,846</u>	<u>1,825,943</u>
EXPENDITURE ON			
Raising funds	7	219,739	69,072
Charitable activities	8		
General		<u>2,039,413</u>	<u>1,237,336</u>
Total		<u>2,259,152</u>	<u>1,306,408</u>
Actuarial loss/Unwinding for pension scheme provision		<u>(157,485)</u>	<u>(81,590)</u>
NET INCOME		83,209	437,945
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>(2,517,641)</u>	<u>(2,955,586)</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>(2,434,432)</u></u>	<u><u>(2,517,641)</u></u>

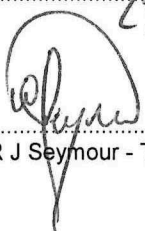
The notes form part of these financial statements

USWSU

BALANCE SHEET
30 JUNE 2022

	Notes	2022 Unrestricted funds £	2021 Total funds £
FIXED ASSETS			
Tangible assets	15	50,959	42,760
CURRENT ASSETS			
Stocks	16	34,838	41,052
Debtors	17	67,195	44,839
Cash at bank and in hand		<u>507,741</u>	<u>357,020</u>
		609,774	442,911
CREDITORS			
Amounts falling due within one year	18	(293,624)	(155,263)
NET CURRENT ASSETS		<u>316,150</u>	<u>287,648</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		367,109	330,408
CREDITORS			
Amounts falling due after more than one year	19	(58,333)	(78,333)
PENSION LIABILITY	23	(2,743,208)	(2,769,716)
NET ASSETS/(LIABILITIES)		<u>(2,434,432)</u>	<u>(2,517,641)</u>
FUNDS	22		
Unrestricted funds		<u>(2,434,432)</u>	<u>(2,517,641)</u>
TOTAL FUNDS		<u>(2,434,432)</u>	<u>(2,517,641)</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23/3/23 and were signed on its behalf by:


R J Seymour - Trustee

The notes form part of these financial statements

USWSU

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>222,265</u>	<u>195,601</u>
Net cash provided by operating activities		<u>222,265</u>	<u>195,601</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(27,017)	(8,382)
Interest received		<u>134</u>	<u>17</u>
Net cash used in investing activities		<u>(26,883)</u>	<u>(8,365)</u>
Cash flows from financing activities			
New loans in year		-	32,703
Loan repayments in year		<u>(44,661)</u>	<u>(42,412)</u>
Net cash used in financing activities		<u>(44,661)</u>	<u>(9,709)</u>
Change in cash and cash equivalents in the reporting period		150,721	177,527
Cash and cash equivalents at the beginning of the reporting period		<u>357,020</u>	<u>179,493</u>
Cash and cash equivalents at the end of the reporting period		<u>507,741</u>	<u>357,020</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	83,209	437,945
Adjustments for:		
Depreciation charges	18,818	15,239
Losses on investments	157,485	81,590
Interest received	(134)	(17)
Decrease in stocks	6,214	19,234
Increase in debtors	(22,356)	(10,303)
Increase/(decrease) in creditors	163,022	(194,076)
Difference between pension charge and cash contributions	(183,993)	(154,011)
Net cash provided by operations	<u>222,265</u>	<u>195,601</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/21 £	Cash flow £	At 30/6/22 £
Net cash			
Cash at bank and in hand	<u>357,020</u>	<u>150,721</u>	<u>507,741</u>
	<u>357,020</u>	<u>150,721</u>	<u>507,741</u>
Debt			
Debts falling due within 1 year	(44,661)	24,661	(20,000)
Debts falling due after 1 year	<u>(78,333)</u>	<u>20,000</u>	<u>(58,333)</u>
	<u>(122,994)</u>	<u>44,661</u>	<u>(78,333)</u>
Total	<u>234,026</u>	<u>195,382</u>	<u>429,408</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

1. STATUTORY INFORMATION

USWSU is a registered charity and private company limited by guarantee, having no share capital, incorporated in Wales in the United Kingdom. The registered office is University of South Wales Students' union, Forest Grove, Treforest, Rhondda Cynon Taff, CF37 1UF. The nature of the company's operations and principal activities are disclosed within the Report of the Trustees.

In the event of the company being wound up the liability of its members is limited to a sum of £1.

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

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Going concern

The Coronavirus pandemic has resulted in a number of uncertainties arising and the trustees have taken steps to minimise the effect on the charity and will continue to do so. These steps include taking advantage of, and continued monitoring of, any appropriate government financial support including the Furlough job retention scheme. During the year, the charity refinanced the existing bank loan and repayment holiday was given until March 2021. Further details on the operational and financial impact of Covid-19 are outlined in the Report of the Trustees.

USWSU is confident of sufficient funds in the coming year to meet its obligations, mainly due to the continued support of the University of South Wales via the subvention grant. Internal forecasting and cashflow projections have been undertaken through to June 2023 and on the basis of the findings, the trustees have concluded that the going concern basis for preparation is appropriate and that the charity will be able to meet its liabilities as they fall due.

Income

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

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

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

It is not the policy of the charity to show income net of expenditure.

2. ACCOUNTING POLICIES - continued**Basis of recognition of liabilities**

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

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

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

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource.

Tangible fixed assets

Tangible fixed assets are initially recorded at cost.

Depreciation is provided at 20% on cost and 33.33% in reducing balance per annum.

Investments

Fixed asset investments are stated at cost.

Stocks

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

Taxation

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

Fund accounting

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

Financial instruments

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

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

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

Operating lease commitments

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

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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

Significant accounting judgements and estimates

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

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

3. DONATIONS AND LEGACIES

	2022 £	2021 £
Subvention Grant	1,268,000	1,232,611
Government Grants	3,642	-
HMRC Job retention scheme grant	25,117	269,464
Higher Education Funding Council for Wales	<u>164,680</u>	<u>100,000</u>
	<u>1,461,439</u>	<u>1,602,075</u>

Grants received, included in the above, are as follows:

	2022 £	2021 £
University of South Wales Grant	<u>1,268,000</u>	<u>1,232,611</u>

4. OTHER TRADING ACTIVITIES

	2022 £	2021 £
Employment service	247,676	82,517
Sponsorship and other trading activities	<u>14,101</u>	<u>20,902</u>
	<u>261,777</u>	<u>103,419</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

5. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>134</u>	<u>17</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Shop income	292,427	108,871
Bar income	289,258	7,861
Catering income	93,916	3,700
ENTS department income	50,747	-
SU Sport income	<u>50,148</u>	<u>-</u>
	<u>776,496</u>	<u>120,432</u>

7. RAISING FUNDS

Other trading activities

	2022	2021
	£	£
Staff costs	<u>219,739</u>	<u>69,072</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Support costs (see note 10) £	Totals £
General	<u>1,579,299</u>	<u>460,114</u>	<u>2,039,413</u>

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Staff costs	619,081	261,222
Hire of plant and machinery	-	751
Rent - Campus Centre	168,000	168,000
Bar expenditure	169,528	18,227
Shop expenditure	222,671	87,647
Catering expenditure	49,525	8,464
ENTS department expenditure	45,865	2,810
SU Sport expenditure	150,237	23,380
Affiliations	26,525	24,027
Insurance	28,668	19,095
Minibus hire costs	2,069	1,125
Welfare, representation	5,073	4,252
Bad debt	-	624
Irrecoverable VAT	37,983	7,902
Training & Development Programme expenditure	<u>54,074</u>	<u>-</u>
	<u>1,579,299</u>	<u>627,526</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

10. SUPPORT COSTS

	Salaries £	Management £	Depreciation £	Governance costs £	Totals £
General	<u>284,375</u>	<u>91,645</u>	<u>18,818</u>	<u>65,276</u>	<u>460,114</u>

11. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Auditors' remuneration	8,893	8,893
Depreciation - owned assets	18,818	15,239
Hire of plant and machinery	<u>-</u>	<u>751</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were four trustees (2021: six) who received remuneration in the year totalling £50,703 (2021: £52,384).

	Gross Pay £	Pension £
Kay Dennis	8,579	164
Cobi Flowers	16,663	328
David Pye	18,182	358
Katie Davies	<u>6,310</u>	<u>119</u>
	<u>49,734</u>	<u>969</u>

Trustees' expenses

No trustees were reimbursed in the year 2022 or in the year 2021 in respect of travel and subsistence in accordance with section 6.3 of the articles of association.

13. STAFF COSTS

	2022 £	2021 £
Wages and salaries	1,066,998	753,406
Social security costs	55,960	46,887
Other pension costs and deficit contributions	<u>56,620</u>	<u>74,440</u>
	<u>1,179,578</u>	<u>874,733</u>

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

2022	2021
<u>117</u>	<u>70</u>

No employees received emoluments in excess of £60,000.

Total remuneration paid to key management personnel in the year was £209,693 (2021 - £204,069).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

All income and expenditure in the prior year related to unrestricted funds.

15. TANGIBLE FIXED ASSETS

	Office fixtures & fittings £
COST	
At 1 July 2021	231,853
Additions	<u>27,017</u>
At 30 June 2022	<u>258,870</u>
DEPRECIATION	
At 1 July 2021	189,093
Charge for year	<u>18,818</u>
At 30 June 2022	<u>207,911</u>
NET BOOK VALUE	
At 30 June 2022	<u>50,959</u>
At 30 June 2021	<u>42,760</u>

16. STOCKS

	2022 £	2021 £
Stocks	<u>34,838</u>	<u>41,052</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	38,529	39,291
Prepayments and accrued income	<u>28,666</u>	<u>5,548</u>
	<u>67,195</u>	<u>44,839</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Bank loans and overdrafts (see note 20)	20,000	44,661
Trade creditors	41,939	10,220
Social security and other taxes	12,611	11,249
VAT	41,943	434
Other creditors	78,083	66,895
Accruals and deferred income	<u>99,048</u>	<u>21,804</u>
	<u>293,624</u>	<u>155,263</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £	2021 £
Bank loans (see note 20)	<u>58,333</u>	<u>78,333</u>

20. LOANS

An analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year on demand:		
Bank loans	<u>20,000</u>	<u>44,661</u>
Amounts falling between one and two years:		
Bank loan	<u>58,333</u>	<u>78,333</u>

One bank loan bears interest of 4.2% p.a. over LIBOR. Instalments are paid monthly until 2022. The other bank loan bears interest of 4.42% p.a. over Base Rate. Instalments are paid monthly until 2025.

21. LEASING AGREEMENTS

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

	2022 £	2021 £
Within one year	<u>168,000</u>	<u>168,000</u>

22. MOVEMENT IN FUNDS

	At 1/7/21 £	Net movement in funds £	At 30/6/22 £
Unrestricted funds			
General fund	(2,517,641)	83,209	(2,434,432)
TOTAL FUNDS	<u>(2,517,641)</u>	<u>83,209</u>	<u>(2,434,432)</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,499,846	(2,259,152)	(157,485)	83,209
TOTAL FUNDS	<u>2,499,846</u>	<u>(2,259,152)</u>	<u>(157,485)</u>	<u>83,209</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/7/20 £	Net movement in funds £	At 30/6/21 £
Unrestricted funds			
General fund	(2,955,586)	437,945	(2,517,641)
TOTAL FUNDS	<u>(2,955,586)</u>	<u>437,945</u>	<u>(2,517,641)</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,825,943	(1,306,408)	(81,590)	437,945
TOTAL FUNDS	<u>1,825,943</u>	<u>(1,306,408)</u>	<u>(81,590)</u>	<u>437,945</u>

23. EMPLOYEE BENEFIT OBLIGATIONS

	2022 £	2021 £
At 1 July 2020	2,769,716	2,842,137
Amounts paid	(183,993)	(154,011)
Unwinding of discounted scheme	<u>157,485</u>	<u>81,590</u>
At 30 June 2021	<u>2,743,208</u>	<u>2,769,716</u>

The above schedule shows the present value at the year end for the multi-employer defined benefit Students' Union Superannuation Scheme.

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2022

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

In summary, employer contributions increased by 5% in October 2020 as planned under the previous valuation, and then by 24.1% in October 2021, and will increase by 5% each year thereafter until the end of the deficit recovery period, which is now expected to be in August 2035. However, contributions due from October 2023 onwards will be reviewed following the next actuarial valuation.

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

The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 30 June 2022 amounted to £183,993 which are all deficit contributions (2021: £154,011). At the year end a liability was recognised for the present value of the contributions payable of £2,743,208 (2021 - £2,769,716).

The Union also participates in the National Union of Students Pension Scheme, a defined contribution scheme. During the year ended 30 June 2022 the Union contributed a total of £37,566 into the scheme (2021: £36,000). At the year end there were outstanding contributions of £Nil (2021: £Nil).

24. RELATED PARTY DISCLOSURES

During the year, salaries totalling £6,356 were paid to close family members of key management personnel.

25. FINANCIAL INSTRUMENTS

The charity has the following financial liabilities measured at fair value:

	2022	2021
	£	£
Financial liabilities		
Provision - pension liability	<u>2,743,208</u>	<u>2,769,716</u>
	<u>2,743,208</u>	<u>2,769,716</u>

USWSU
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Subvention Grant	1,268,000	1,232,611
Government Grants	3,642	-
HMRC Job retention scheme grant	25,117	269,464
Higher Education Funding Council for Wales	<u>164,680</u>	<u>100,000</u>
	1,461,439	1,602,075
Other trading activities		
Travel and employment service	247,676	82,517
Sponsorship and other trading activities	<u>14,101</u>	<u>20,902</u>
	261,777	103,419
Investment income		
Deposit account interest	134	17
Charitable activities		
Shop income	292,427	108,871
Bar income	289,258	7,861
Catering income	93,916	3,700
ENTS department income	50,747	-
SU Sport income	<u>50,148</u>	<u>-</u>
	<u>776,496</u>	<u>120,432</u>
Total incoming resources	2,499,846	1,825,943
EXPENDITURE		
Other trading activities		
Wages	215,778	67,571
Social security	<u>3,961</u>	<u>1,501</u>
	219,739	69,072
Charitable activities		
Wages	558,859	234,153
Social security	33,926	15,479
Pensions	26,296	11,590
Hire of plant and machinery	-	751
Rent - Campus Centre	168,000	168,000
Bar expenditure	169,528	18,227
Shop expenditure	222,671	87,647
Catering expenditure	49,525	8,464
ENTS department expenditure	45,865	2,810
SU Sport expenditure	150,237	23,380
Affiliations	26,525	24,027
Insurance	28,668	19,095
Minibus hire costs	2,069	1,125
Welfare, representation	5,073	4,252
Bad debt	-	624
Irrecoverable VAT	37,983	7,902
Training & Development Programme expenditure	<u>54,074</u>	<u>-</u>
	1,579,299	627,526

This page does not form part of the statutory financial statements

USWSU

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2022

	2022 £	2021 £
Support costs		
Salaries		
Wages	239,511	398,693
Social security	14,540	26,356
Pensions	<u>30,324</u>	<u>62,850</u>
	284,375	487,899
Management		
Bank charges	-	7,802
Telephone costs	6,320	3,365
Post, stationery and other	11,468	3,157
Office equipment	21,229	7,894
Professional fees	9,988	413
Bank charges	8,944	-
Interest charges	7,117	2,060
Staff expenses	5,320	4,175
Sundry expenses	9,374	12,373
Other activities	<u>11,885</u>	<u>-</u>
	91,645	41,239
Depreciation		
Depreciation of tangible fixed assets	18,818	15,239
Governance costs		
Wages	52,850	52,989
Social security	3,533	3,551
Auditors' remuneration	<u>8,893</u>	<u>8,893</u>
	<u>65,276</u>	<u>65,433</u>
Total resources expended	<u>2,259,152</u>	<u>1,306,408</u>
Net income before gains and losses	240,694	519,535
Unwinding of discounted pension provision		
Unwinding of discounted pension provision	<u>(157,485)</u>	<u>(81,590)</u>
Net income	<u>83,209</u>	<u>437,945</u>

This page does not form part of the statutory financial statements

USWSU

England & Wales - Charity number 1153572

Accounts

REGISTERED COMPANY NUMBER: 08629047 (England and Wales)
REGISTERED CHARITY NUMBER: 1153572

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2021
FOR
USWSU

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

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

	Page
Report of the Trustees	1 to 6
Report of the Independent Auditors	7 to 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 22

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

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

OBJECTIVES AND ACTIVITIES

Objective and aims

The objectives of the University of South Wales Students' Union are:

- The advancement of education of students at the University of South Wales.
- Promoting the interests and welfare of students at the University during their course of study.
- Representing, advising and supporting students.
- Providing social, cultural, sporting and recreational activities, and forums for discussions and debate, for the personal development of our students.
- Campaign, influence public opinion, and seek to influence government and other institutions regarding the reform, development and implementation of appropriate policies.

The Students' Union planned to achieve this through:

- Advancement of the education of students through the provision of opportunities to engage in activities that are both academic and extra-curricular, such as sports, fundraising and volunteering, and political debate.
- Contribute to the employability agenda of the University of South Wales by providing opportunities for students to develop key employability skills through developing student jobs and volunteering opportunities throughout the regions. Engage with, and fully support, the University's employability initiatives, and work in partnership with them whenever possible.
- Maintain a high-level student experience across all campuses and strive, where possible, to create parity of student experience, irrespective of the place of study. The Union is mindful of the demographic of students and strives to provide services that contribute positively to, and enhance their student experience.

The trustees of USWSU have had regard to the guidance issued by the Charity Commission on public benefit and maintain oversight of this through regular meetings.

Contributions made by volunteers

Student volunteers are key to the success and engagement of our student community. Our volunteers are responsible for running our sports teams, clubs and societies, therefore delivering weekly activities for over 1,000 students. This year, our volunteers became even more important in creating virtual communities for our students to keep them engaged during the pandemic.

The academic representation network has over 700 Course Representatives and 20 Student Voice Representatives (school representatives) ensuring that the student voice remains at the heart of academic decisions.

The Student Council are a group of elected part-time officers who represent their specific demographic. During 2020-2021, seven part-time officers held a number of different positions, and were responsible for delivering virtual campaigns throughout the academic year.

ACHIEVEMENTS AND PERFORMANCE

This academic year was unprecedented in terms of how the Students' Union operated and delivered services to our members.

Due to the nature of academic delivery, the numbers of students and staff on campus was low. However, as students were resident on the Treforest campus, the Board approved a rota approach to service delivery at the Treforest campus only. This entailed staff splitting into three teams and working a rota of one day in the office and two at home over seven days. This ensured continuity of service provision for students, and also mitigated against the risk of catching and spreading Covid amongst our staff. This worked well until the Welsh Government firebreak in October. When reviewing the risk to staff of continuing face-to-face support, cost of delivery coupled with the night-time curfew, it was decided to cease all commercial provision apart from the shop on the Treforest campus. Commercial staff were placed back on furlough and, where possible, the remaining staff worked from home.

The shop on the Treforest campus remained open; this was deemed imperative as it not only provided a service to our students in halls but also to the local community. The safety procedures in place (one way system, masks wearing to gain entry, hand sanitising station on the way in, anti-bacterial fogging nightly) ensured that the risk of exposure to the virus was minimal.

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

ACHIEVEMENTS AND PERFORMANCE

The Students Union remained cognisant of all Welsh Government advice and adhered to this. In line with guidance from national governing bodies, sporting activities were initially suspended, recommenced at the end of April 2020, and ceased at the end of the academic term. Sports, clubs and societies continued to meet and function virtually, creating virtual communities.

The campaigning, representation and support functions of the Students' Union continued virtually, with the AGM being delivered through Zoom. Engagement in the elections increased this year, with all full-time officer positions being contested for the first time in five years.

The number of Course Representatives elected remained around 700, ensuring consistent academic support to our students. Meetings were held through TEAMS to ensure the student voice remained at the heart of decision making and had the mechanisms to raise concerns and issues if required.

Financial review

The total income for the year was £1,825,943 (2020 - £2,516,841). £1,232,611 of this is the subvention grant received from the University of South Wales, further grants of £269,464 were received through the government job retention scheme for those employees placed on furlough and £100,000 from Higher Education Funding Council for Wales to provide additional support during the COVID pandemic. Income from charitable activities was £136,971, a reduction of £771,459 due to the enforced closure during the year. Other trading activities also decreased to give a total of £103,419 (2020 - £261,914).

Expenditure for the year totalled £1,306,408 (2020 - £2,416,516) which results in a surplus for the year of £519,535 before accounting for the unwinding for the discounting of the pension provision of £81,590 (2020 - £803,769), which creates a surplus of £437,945 (2020 – deficit £703,444). The large deficit last year arose as a result of the planned 24.1% increase to deficit payments in October 2021.

The balance sheet position at 30 June shows negative unrestricted funds of £2,517,641 (2020 - £2,955,586) the majority of this relates to the provision for the defined pension liability of £2,769,716 (2020 - £2,842,137).

Reserves policy

The Board of Trustees have reviewed USWSU's reserve requirement and recognises that a liquidity cash reserve reflective of the cash trading position is required for troughs in our funding. The Trustees recognise that reserves are part of USWSU's unrestricted funds, which are freely available to spend on any of USWSU's charitable purposes. When deciding on the level of reserves, the Board recognise that reserve levels which are too high could limit the amount USWSU spends on charitable activities thereby reducing the benefits to USWSU members. Likewise, the Board recognises a risk to USWSU and its' future activities if reserves are too low. USWSU's reserves cover an operating surplus, designated capital commitments, and designated service investment.

The Board has set an ideal level of reserves at between 2 – 3 months operating costs amounting to approximately £217,000 - £326,000 based on 2021 expenditure levels. There are no free reserves at 30 June 2021.

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

Pension liabilities

The Students' Union is part of a closed pension scheme, and as such must make annual deficit contributions which are expected to eliminate the deficit by August 2035. The most recent valuation of SUSS showed assets of £119.1m and liabilities of £260.0m, a funding deficit of 46%.

This year's accounts demonstrate the full impact of the pension's deficit provision under FRS102, which means the Students' Union has to show provision for our proportion of the above funding deficit.

Going concern

The trustees have assessed the Students' Union's ability to continue as a going concern, taking into account the financial impacts of Covid-19. They have considered several factors when forming their conclusions including liquidity, cash resources, liabilities, support available from government initiatives and support from the University of South Wales.

Like many organisations, our financial position has been, and will continue to be impacted by the financial impact of recent events.

After assessing the impact of possible different scenarios, which assume that support from the University will continue, the trustees have concluded that there is a reasonable expectation that adequate resources are available to continue to operate for at least 12 months from the date of signing the financial statements and have therefore continued to prepare the financial statements on a going concern basis.

Principal funding

USWSU's funding is derived in two main ways: through a subvention from the University of South Wales, and through income from commercial services.

The pandemic has severely impacted the Students' Union's ability to raise funds through our commercial provision. The closure of all but one of our commercial outlets has resulted in a loss of funds. This has been mitigated by the ability to furlough commercial staff through the UK Government furlough scheme.

This year, the Students' Union also received additional funding of £100,000 from the Higher Education Funding Council for Wales, via the University. This funding was used for the specific purposes of welfare, support and activities during the pandemic.

Principal risks and uncertainties

This year, a global pandemic became the principle risk facing the charity. Keeping staff and students safe, whilst ensuring the charity remained viable became the main focus of the Trustees and the Senior Management Team. This remains the key focus, whilst continuing to operate, as long as the Covid-19 virus remains active.

The Students' Union Superannuation Scheme, the closed pension scheme of which USWSU was a member, continues to be a risk to the Students' Union. The pension fund is closed to future accrual, therefore previous members are responsible for the deficit payments to the scheme. The deficit payments are increasing year on year, which pose a financial risk to both USWSU and all other Students' Unions who are members.

The national decrease in students entering Higher Education is also a principal risk to the charity. This has a twofold effect on the Students' Union:

- 1) The subvention is based on student numbers, and therefore a decrease in numbers equals a decrease in funding from the University.
- 2) Decreasing student numbers results in a decrease in income as less students use the Students' Union facilities.

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

FUTURE PLANS

- Develop strong sustainable and satisfying relationships with our stakeholders whilst ensuring that the Union actively engaging its stakeholders in setting strategy and operational plans.
- Continually improve what the Union does whilst equipping staff, officers and volunteers with the skills and knowledge they need to achieve the Union's Vision.
- Achieve financial stability through robust financial management, reviewing existing practices and investing in the Union's services to students.
- Ensure that the Union's systems, policies and procedures add value, enable greater student engagement and are easy to understand.

Plans to deal with Covid-19:

- Ensure all buildings are Covid secure in line with Government guidelines.
- Require everyone who accesses the commercial venues in the evening to have either an up-to-date Covid pass, proof of a negative lateral flow test, or proof of having Covid within the last six months.
- All tickets for events are purchased online prior to the event commencing; this will reduce the spread of the virus and also act as a track and trace system.
- Health and safety training, with an emphasis on Covid-19, to be delivered to all staff.
- Ensure daily 'fogging' of all areas, paying particular attention to toilets and shop.
- Ensure staff have appropriate IT equipment, where required, to facilitate home working.
- Remain cognisant of sector practise and ensure parity with this.
- Remain up-to-date with Welsh Government and UK Government guidance.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The USWSU is a students' union within the meaning of the Education Act 1994. The Union is devoted to promoting the education, interests and welfare of its Members, students at the University of South Wales. It is the recognised independent representative body of students at the University.

The charity is a registered charitable company that is limited by guarantee. The charity is governed by Memorandum and Articles of Association.

Trustee selection methods

Not more than four Sabbatical Trustees shall be elected, by secret ballot, by the Student Members of the Union at an election held in accordance with the Standing Orders and shall remain in office for a term of usually twelve months, as specified in the Standing Orders. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end.

Three Student Trustees shall be elected by secret ballot by the Student Members of the Union at an election to be held in accordance with the Standing Orders and shall remain in office for a term of usually twelve months as specified in the Standing Orders. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end.

Student Trustees may be re-elected for a further non-renewable term of usually one year. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end. The maximum period that a Student Trustee may serve is twenty-four months.

The Trustees shall co-opt by a simple majority of those present and voting up to five such persons as they consider suitable to be charity trustees (having regard to their skills and experience) as Co-opted Trustees.

Two of the five will be alumni of the University of South Wales (including any and all of its former names) subject to ratification by the Student Council and the Student Voice Forum. Unless their appointment is terminated in accordance with Article 18, Co-opted Trustees shall remain in office for terms of up to three years calculated from the date of appointment. At the end of their term of office Co-opted Trustees shall be eligible for reappointment by a simple majority of those trustees present and voting for a further term of up to three years but shall not be eligible for re-appointment once they have served six years in aggregate.

Trustee induction and training

New trustees are trained at the beginning of each academic year to ensure they understand their roles and responsibilities. This forms part of a comprehensive in-house training programme and focuses in depth on their full responsibilities, accountability and Nolan Principles.

Organisational structure

The Students' Union is run by students for students, supported by a number of staff, and overseen by a Board of Trustees.

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Elections are held annually for the students at the University of South Wales to vote for their full-time and part-time student officers. These form Student Council, who are responsible for the representation and campaigning function of the Students' Union.

The Board of Trustees are responsible for the legal, financial and governance arrangements of the Students' Union, and delegates day-to-day responsibility of their duties to the Chief Executive Officer and Senior Management Team.

The Students' Union is affiliated to the National Union of Students, and through them, works closely with the National Union of Students in Wales. The student officers regularly meet with the officers of NUS Wales to collaborate on campaigns and activities.

Pay and remuneration

The arrangements for setting pay and remuneration of the Union's key management are in line with sector practice and take in to account the financial performance of the Union. Normally, a 1% cost of living increase is agreed annually by the Board of Trustees, however this is dependent on future financial forecasts. The Students' Union is a Living Wage Employer and ensures all employees are paid in accordance with relevant legislation governing pay.

Risk management

The trustees have identified and reviewed the risks to which the charity is exposed and ensured appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08629047 (England and Wales)

Registered Charity number

1153572

Registered office

University of South Wales
Students' Union
Forest Grove
Rhondda Cynon Taff
CF37 1UF

Officer Trustees

Mishan Wickremasinghe
Lois Jones
Shannon Rosa Gibbs Lee
Kay Dennis
Ali Akthar Surov
Cobi Flowers
Katie Davies
David Pye

Resigned 1 July 2020
Resigned 5 March 2021
Resigned 13 March 2021
Appointed 1 July 2020
Appointed 1 October 2020, Resigned 10 February 2021
Appointed 18 March 2021
Appointed 18 March 2021
Appointed 18 March 2021

External Trustees

Anna Morgan
Richard Seymour
Robert Simkins
Isabel Anderson
Caroline Smith

Appointed 1 July 2017
Appointed 1 October 2020
Appointed 1 October 2020
Appointed 1 October 2020
Appointed 1 October 2020

Key Management Personnel

Sian Taylor
Helen Thomas
Michael Borley
Rhianon Jones

CEO
Central Resources Manager
Commercial Services Manager
Membership Services Manager

Company Secretary

Sian Taylor

USWSU

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

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

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

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

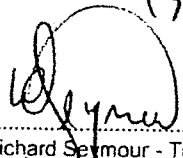
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on and signed on the board's behalf by:

13/12/21

.....
Richard Seymour - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF USWSU

Opinion

We have audited the financial statements of USWSU (the 'charitable company') for the year ended 30 June 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charity's ability to continue as a going concern in exceptional or unforeseen circumstances.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF USWSU

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF USWSU

Use of our report

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

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

22 December 2021

USWSU

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

		2021 Unrestricted funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	3	1,602,075	1,346,273
Charitable activities	6		
General		120,432	908,430
Other trading activities	4	103,419	261,914
Investment income	5	17	224
Total		1,825,943	2,516,841
EXPENDITURE ON			
Costs of other trading activities	7	69,072	190,611
Charitable activities	8		
General		1,237,336	2,225,905
Total		1,306,408	2,416,516
Actuarial loss/Unwinding of pension scheme provision		(81,590)	(803,769)
NET INCOME/(EXPENDITURE)		437,945	(703,444)
RECONCILIATION OF FUNDS			
Total funds brought forward		(2,955,586)	(2,252,142)
TOTAL FUNDS CARRIED FORWARD		(2,517,641)	(2,955,586)

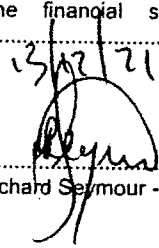
The notes form part of these financial statements

USWSU

**BALANCE SHEET
AT 30 JUNE 2021**

	Notes	2021 Unrestricted funds £	2020 Total funds £
FIXED ASSETS			
Tangible assets	15	42,760	49,617
CURRENT ASSETS			
Stocks	16	41,052	60,286
Debtors	17	44,839	34,536
Cash at bank and in hand		<u>357,020</u>	<u>179,493</u>
		442,911	274,315
CREDITORS			
Amounts falling due within one year	18	(155,263)	(337,381)
NET CURRENT ASSETS/(LIABILITIES)		<u>287,648</u>	<u>(63,066)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		330,408	(13,449)
CREDITORS			
Amounts falling due after more than one year	19	(78,333)	(100,000)
PENSION LIABILITY	23	(2,769,716)	(2,842,137)
NET ASSETS/(LIABILITIES)		<u>(2,517,641)</u>	<u>(2,955,586)</u>
FUNDS	22		
Unrestricted general funds		252,075	(113,449)
Pension liability		<u>(2,769,716)</u>	<u>(2,842,137)</u>
Unrestricted funds		(2,517,641)	(2,995,586)
TOTAL FUNDS		<u>(2,517,641)</u>	<u>(2,955,586)</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 13/07/21 and were signed on its behalf by:


Richard Seymour - Trustee

The notes form part of these financial statements

USWSU

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

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>195,601</u>	<u>42,256</u>
Net cash provided by (used in) operating activities		<u>195,601</u>	<u>42,256</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(8,382)	(5,783)
Interest received		<u>17</u>	<u>224</u>
Net cash provided by (used in) investing activities		<u>(8,365)</u>	<u>(5,559)</u>
Cash flows from financing activities:			
New loans in year		32,703	100,000
Loan repayments in year		<u>(42,412)</u>	<u>(31,830)</u>
Net cash provided by (used in) financing activities		<u>(9,709)</u>	<u>68,170</u>
Change in cash and cash equivalents in the reporting period		177,527	104,867
Cash and cash equivalents at the beginning of the reporting period		<u>179,493</u>	<u>74,626</u>
Cash and cash equivalents at the end of the reporting period		<u>357,020</u>	<u>179,493</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

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

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	437,945	(703,444)
Adjustments for:		
Depreciation charges	15,239	10,125
Unwinding of pension scheme	81,590	803,769
Interest received	(17)	(224)
(Increase)/decrease in stocks	19,234	(3,602)
Decrease in debtors	(10,303)	9,826
Increase in creditors	(194,076)	71,890
Difference between pension charge and cash contributions	(154,011)	(146,084)
Net cash provided by (used in) operating activities	<u>195,601</u>	<u>42,256</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/20 £	Cash flow £	At 30/6/21 £
Net cash			
Cash at bank and in hand	174,493	177,527	357,020
Debt			
Debts falling due within one year	(32,703)	(11,958)	(44,661)
Debts falling due after one year	(100,000)	21,667	(78,333)
	(132,703)	9,709	(122,994)
Total	<u>46,790</u>	<u>187,236</u>	<u>234,026</u>

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

1. STATUTORY INFORMATION

USWSU is a registered charity and private company limited by guarantee, having no share capital, incorporated in Wales in the United Kingdom. The registered office is University of South Wales Students' union, Forest Grove, Treforest, Rhondda Cynon Taff, CF37 1UF. The nature of the company's operations and principal activities are disclosed within the Report of the Trustees.

In the event of the company being wound up the liability of its members is limited to a sum of £1.

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

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

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

Going concern

As a result of the Coronavirus pandemic, the trustees have taken steps to minimise the effect on the charity and will continue to do so. These steps include taking advantage of, and continued monitoring of, any appropriate government financial support including the Furlough job retention scheme. During the year, the charity refinanced the existing bank loan and repayment holiday was given until March 2021. Further details on the operational and financial impact of Covid-19 are outlined in the Report of the Trustees.

USWSU is confident of sufficient funds in the coming year to meet its obligations, mainly due to the continued support of the University of South Wales via the subvention grant. Internal forecasting and cashflow projections have been undertaken through to June 2023 and on the basis of the findings, the trustees have concluded that the going concern basis for preparation is appropriate and that the charity will be able to meet its liabilities as they fall due.

Income

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

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

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

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

2. ACCOUNTING POLICIES - continued

Basis of recognition of liabilities

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

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

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

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource.

Tangible fixed assets

Tangible fixed assets are initially recorded at cost.

Depreciation is provided at 33.33% in reducing balance per annum.

Investments

Fixed asset investments are stated at cost.

Stocks

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

Taxation

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

Fund accounting

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

Financial instruments

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

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

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

Operating lease commitments

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

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

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

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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

Significant accounting judgements and estimates

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

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

3. DONATIONS AND LEGACIES

	2021 £	2020 £
Grants	<u>1,602,075</u>	<u>1,346,273</u>
	<u>1,602,075</u>	<u>1,346,273</u>

Grants received, included in the above, are as follows:

	2021 £	2020 £
University of South Wales Subvention Grant	1,232,611	1,232,611
HMRC Job retention scheme Grant	269,464	113,662
Higher Education Funding Council for Wales	<u>100,000</u>	<u>-</u>
	<u>1,602,075</u>	<u>1,346,273</u>

4. OTHER TRADING ACTIVITIES

	2021 £	2020 £
Travel and employment service	82,517	218,380
Sponsorship and other trading activities	<u>20,902</u>	<u>43,534</u>
	<u>103,419</u>	<u>261,914</u>

5. INVESTMENT INCOME

	2021 £	2020 £
Deposit account interest	<u>17</u>	<u>224</u>
	<u>17</u>	<u>224</u>

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

6. INCOME FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
Shop income	108,871	377,886
Bar income	7,861	314,272
Catering income	3,700	158,201
ENTS department income	-	58,071
	<u>136,971</u>	<u>908,430</u>

7. COSTS OF OTHER TRADING ACTIVITIES

Other trading activities

	2021 £	2020 £
Staff costs – Travel and employment service	69,072	138,117
Other costs - Travel and employment service	-	52,494
	<u>69,072</u>	<u>190,611</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 9) £	Support costs (See note 10) £	Totals £
General	<u>579,027</u>	<u>658,309</u>	<u>1,237,336</u>

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	261,222	478,298
Hire of plant and machinery	751	1,763
Rent - Campus Centre	168,000	168,975
Bar expenditure	18,227	177,110
Shop expenditure	87,647	282,725
Catering expenditure	8,464	82,786
ENTS department expenditure	2,810	81,883
SU Sport expenditure	23,380	96,451
Bad debt	624	-
Irrecoverable VAT	7,902	27,721
	<u>579,027</u>	<u>1,397,712</u>

10. SUPPORT COSTS

	Salaries £	Management £	Depreciation £	Governance costs £	Totals £
General	<u>487,899</u>	<u>89,738</u>	<u>15,239</u>	<u>65,433</u>	<u>658,309</u>

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

11. NET INCOME/(EXPENDITURE)

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

	2021	2020
	£	£
Auditors' remuneration	8,893	12,868
Depreciation - owned assets	15,239	10,125
Hire of plant and machinery	<u>751</u>	<u>1,763</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were seven trustees (2020: four) who received remuneration in the year totalling £54,279 (2020: £72,101)

	Gross Pay	Pension
	£	£
Kay Dennis	17,773	-
Cobi Flowers	4,491	-
Katie Davies	1,895	-
David Pye	2,040	-
Ali Akhtar	1,732	-
Shannon Lee	13,515	-
Lois Jones	<u>12,833</u>	<u>-</u>
	<u>54,279</u>	<u>-</u>

Trustees' expenses

No trustees were reimbursed in the year (2020: £793 to two trustees) in respect of travel and subsistence in accordance with section 6.3 of the articles of association.

13. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	753,406	1,135,334
Social security costs	46,887	61,089
Other pension costs	<u>74,440</u>	<u>73,463</u>
	<u>874,733</u>	<u>1,269,886</u>

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

2021	2020
<u>70</u>	<u>128</u>

No employees received emoluments in excess of £60,000.

Total remuneration paid to key management personnel in the year was £204,069 (2020 - £198,275).

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

All income and expenditure in the prior year related to unrestricted funds.

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

15. TANGIBLE FIXED ASSETS

	Office fixtures & fittings £
COST	
At 1 July 2020	223,471
Additions	<u>8,382</u>
At 30 June 2021	<u>231,853</u>
DEPRECIATION	
At 1 July 2020	173,854
Charge for year	<u>15,239</u>
At 30 June 2021	<u>189,093</u>
NET BOOK VALUE	
At 30 June 2021	<u>42,760</u>
At 30 June 2020	<u>49,617</u>

16. STOCKS

	2021 £	2020 £
Stocks	<u>41,052</u>	<u>60,286</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	39,291	10,459
Prepayments and accrued income	<u>5,548</u>	<u>24,077</u>
	<u>44,839</u>	<u>34,536</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts (see note 20)	44,661	32,703
Trade creditors	10,220	144,218
Social security and other taxes	11,249	9,910
VAT	434	7,634
Other creditors	66,895	52,389
Accruals and deferred income	<u>21,804</u>	<u>90,527</u>
	<u>155,263</u>	<u>337,381</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Bank loans (see note 20)	<u>78,333</u>	<u>100,000</u>

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

20. LOANS

An analysis of the maturity of loans is given below:

	2020 £	2020 £
Amounts falling due within one year on demand:		
Bank loans	<u>44,661</u>	<u>32,703</u>
Amounts falling between one and two years:		
Bank loan	<u>78,333</u>	<u>100,000</u>

One bank loan bears interest of 3.66% p.a. over LIBOR. Instalments are paid monthly until 2022. The other bank loan bears interest of 4.42% p.a. over Base Rate. Instalments are paid monthly until 2025

21. LEASING AGREEMENTS

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

	2021 £	2020 £
Within one year	<u>168,000</u>	<u>168,000</u>
	<u>168,000</u>	<u>168,000</u>

22. MOVEMENT IN FUNDS

	At 1/7/20 £	Net movement in funds £	At 30/6/21 £
Unrestricted funds			
General fund	(2,955,586)	437,945	(2,517,641)
TOTAL FUNDS	<u>(2,955,586)</u>	<u>437,945</u>	<u>(2,517,641)</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,825,943	(1,306,408)	(81,590)	437,945
TOTAL FUNDS	<u>1,825,943</u>	<u>(1,606,408)</u>	<u>(81,590)</u>	<u>437,945</u>

Comparatives for movement in funds

	At 1/7/19 £	Net movement in funds £	At 30/6/20 £
Unrestricted funds			
General fund	(2,252,142)	(703,444)	(2,955,586)
TOTAL FUNDS	<u>(2,252,142)</u>	<u>(703,444)</u>	<u>(2,955,586)</u>

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

22. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,516,841	(2,416,516)	(803,769)	(703,444)
	<u>2,516,841</u>	<u>(2,416,516)</u>	<u>(803,769)</u>	<u>(703,444)</u>
TOTAL FUNDS	<u>2,516,841</u>	<u>(2,416,516)</u>	<u>(803,769)</u>	<u>(703,444)</u>

23. PENSION COMMITMENTS

	2021 £	2020 £
At 1 July 2020	2,842,137	2,184,452
Amounts paid	(154,011)	(146,084)
Unwinding of discounted scheme	<u>81,590</u>	<u>803,769</u>
At 30 June 2021	<u>2,769,716</u>	<u>2,842,137</u>

The above schedule shows the present value at the year end for the multi-employer defined benefit Students' Union Superannuation Scheme.

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

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

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

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

In summary, employer contributions will increase by 5% in October 2020 as planned under the previous valuation, and then by 24.1% from October 2021, and increase by 5% each year thereafter until the end of the deficit recovery period, which is now expected to be in August 2035. However, contributions due from October 2023 onwards will be reviewed following the next actuarial valuation.

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

The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 30 June 2021 amounted to £154,011 which are all deficit contributions (2020: £146,084). At the year end a liability was recognised for the present value of the contributions payable of £2,769,716 (2020 - £2,842,137).

The Union also participates in the National Union of Students Pension Scheme, a defined contribution scheme. During the year ended 30 June 2021 the Union contributed a total of £36,000 into the scheme (2020: £40,059). At the year end there were outstanding contributions of £Nil (2020: £Nil).

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

24. RELATED PARTY DISCLOSURES

There were no related party transactions that require disclosure for the current year or the year ended 30 June 2020.

25. FINANCIAL INSTRUMENTS

The charity has the following financial liabilities measured at fair value:

	2021	2020
Financial liabilities	£	£
Provision - pension liability	<u>2,769,716</u>	<u>2,842,137</u>
	<u>2,769,716</u>	<u>2,842,137</u>

USWSU

England & Wales - Charity number 1153572

Accounts

REGISTERED COMPANY NUMBER: 08629047 (England and Wales)
REGISTERED CHARITY NUMBER: 1153572

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2020
FOR
USWSU

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

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	Page
Report of the Trustees	1 to 6
Report of the Independent Auditors	7 to 8
Statement of Financial Activities	9
Balance Sheet	10
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13 to 21

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 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 30 June 2020. 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

Objective and aims

The objectives of the University of South Wales Students' Union are:

- The advancement of education of students at the University of South Wales.
- Promoting the interests and welfare of students at the University during their course of study.
- Representing, advising and supporting students.
- Providing social, cultural, sporting and recreational activities, and forums for discussions and debate, for the personal development of our students.
- Campaign, influence public opinion, and seek to influence government and other institutions regarding the reform, development and implementation of appropriate policies.

The Students' Union planned to achieve this through:

- Advancement of the education of students through the provision of opportunities to engage in activities that are both academic and extra-curricular, such as sports, fundraising and volunteering, and political debate.
- Contribute to the employability agenda of the University of South Wales by providing opportunities for students to develop key employability skills through developing student jobs and volunteering opportunities throughout the regions. Engage with, and fully support, the University's employability initiatives, and work in partnership with them whenever possible.
- Maintain a high-level student experience across all campuses and strive, where possible, to create parity of student experience, irrespective of the place of study. The Union is mindful of the demographic of students and strives to provide services that contribute positively to, and enhance their student experience.

The trustees of USWSU have had regard to the guidance issued by the Charity Commission on public benefit and maintain oversight of this through regular meetings.

Contributions made by volunteers

Student volunteers are key to the success and engagement of our student community. Our volunteers are responsible for running our sports teams, clubs and societies, therefore delivering weekly activities for over 1,000 students.

The academic representation network has over 700 Course Representatives and 20 Student Voice Representatives (school representatives) ensuring that the student voice remains at the heart of academic decisions.

The Student Council are a group of elected part-time officers who represent their specific demographic. At present, Student Council has thirteen elected part-time officers.

ACHIEVEMENTS AND PERFORMANCE

This year can be described as a year of two halves, with the first half of the academic year promising to be successful in terms of student engagement and commercial provision, and the second dealing with the COVID-19 pandemic. The Students' Union closed all physical premises on the 17 March and moved to homeworking and virtual support of our members.

The Students' Union continues to support and provide for the students at the University of South Wales, as well as benefitting the local community.

This year, the number of Course Representatives elected remained around 700, ensuring consistent academic support to our students. This continued throughout the academic year.

Prior to the onset of the pandemic, and the subsequent cessation of activities, over 1,000 students participated in extra-curricular activities facilitated by the Students' Union, providing a sense of community and belonging, in addition to promoting the need to look after their mental health and wellbeing. This continued virtually from March 2020, with activities, campaigns, and 1-2-1 support being delivered virtually.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2020**

ACHIEVEMENTS AND PERFORMANCE

The Students' Union is an annual supporter of the Rhondda Cynon Taff County Council Christmas Santa Appeal, which collect gifts for looked after children. This year over 300 gifts were collected and donated by USWSU, the largest amount donated by the Students' Union in seven years. This brings the total amount of presents gifted, since the Students' Union started supporting the Santa Appeal, to over 1,500.

Based on the success of last year's Trick or Treat campaign, Cardiff Students' Union asked to partner with USWSU, enabling the Students' Union to run the campaign in both Treforest and Cardiff. Instead of collecting sweets, the Students Union Officers and volunteers asked for a donation of a tin of food to donate to the local food banks. This enabled USWSU to collect over 165 kilos of food items, shared between food banks in Pontypridd and Cardiff.

Prior to lockdown, local community groups continued to use the Students' Union for their meetings and activities. The Pontypridd Soroptimists continued to hold bi-monthly meetings at the Students' Union's Treforest building, as well as the Citizen's Advice Pontypridd Board of Trustees holding their monthly meetings here.

Since March 2020 when the World Health Organisation confirmed the outbreak of Covid-19 to be a global pandemic, several measures were taken globally by governments to protect the population. From the perspective of USWSU this resulted in complete closure of all buildings and commercial services. The support work of the Students' Union moved on-line, and provision continued virtually. The Students' Union worked closely with the University of South Wales during this time, ensuring that the student voice was heard at all levels of the University. Weekly meetings were held with the Vice Chancellor, the President and CEO were members of the USW Operational Group, and Officers and Staff were involved in the development of the University's No Detriment Approach.

Operationally, commercial provision stopped, and the Students' Union took advantage of the Government support available and furloughed around 80% of staff. In addition, a six-month payment holiday was requested from our bank for the outstanding amount of the loan. In April, due to cash-flow pressures, the Students' Union successfully applied for a Coronavirus Business Interruption Loan (CBILS), which was approved extremely quickly.

Plans are being made in order to ensure staff and officers can return to work safely at the start of the new academic year in September. The Student's Union continues to follow government guidance to safeguard our people and everyone who comes into contact with it.

Financial review

The total income for the year was £2,516,841 (2019 - £2,768,009). £1,232,611 of this is the subvention grant received from the University of South Wales, further grants of £113,662 were received through the government job retention scheme for those employees placed on furlough. Income from charitable activities was £908,430, a reduction of £270,790 due to the enforced closure in the last quarter of the year. Other trading activities also decreased to give a total of £261,914 (2019 - £355,542).

Expenditure for the year totalled £2,416,516 (2019 - £2,736,709) which results in a surplus for the year of £100,325 before accounting for the unwinding for the discounting of the pension provision of £803,769 (2019 - £74,898), which creates a deficit of £703,444 (2019 - £43,598). The significant increase arising as a result of the planned 24.1% increase to deficit payments in October 2021.

The balance sheet position at 30 June shows negative unrestricted funds of £2,955,586 (2019 - £2,252,142) the majority of this relates to the provision for the defined pension liability of £2,842,137 (2019 - £2,184,452). There are no free reserves at 30 June 2020.

Reserves policy

The Board of Trustees have reviewed USWSU's reserve requirement and recognises that a liquidity cash reserve reflective of the cash trading position is required for troughs in our funding. The Trustees recognise that reserves are part of USWSU's unrestricted funds, which are freely available to spend on any of USWSU's charitable purposes. When deciding on the level of reserves, the Board recognise that reserve levels which are too high could limit the amount USWSU spends on charitable activities thereby reducing the benefits to USWSU members. Likewise, the Board recognises a risk to USWSU and its' future activities if reserves are too low. USWSU's reserves cover an operating surplus, designated capital commitments, and designated service investment.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2020**

Pension liabilities

The Students' Union is part of a closed pension scheme, and as such must make annual deficit contributions which are expected to eliminate the deficit by August 2035. The most recent valuation of SUSS showed assets of £119.1m and liabilities of £260.0m, a funding deficit of 46%.

This year's accounts demonstrate the full impact of the pension's deficit provision under FRS102, which means the Students' Union has to show provision for our proportion of the above funding deficit.

Going concern

The trustees have assessed the Students' Union's ability to continue as a going concern, taking into account the financial impacts of Covid-19. They have considered several factors when forming their conclusions including liquidity, cash resources, liabilities, support available from government initiatives and support from the University of South Wales.

Like many organisations, our financial position has been, and will continue to be impacted by the financial impact of recent events.

After assessing the impact of possible different scenarios, which assume that support from the University will continue, the trustees have concluded that there is a reasonable expectation that adequate resources are available to continue to operate for at least 12 months from the date of signing the financial statements and have therefore continued to prepare the financial statements on a going concern basis.

Principal funding

USWSU's funding is derived in two main ways: through a subvention from the University of South Wales, and through income from commercial services.

Principal risks and uncertainties

This year, a global pandemic became the principle risk facing the charity. Keeping staff and students safe, whilst ensuring the charity remained viable became the main focus of the Trustees and the Senior Management Team. This remains the key focus, whilst continuing to operate, as long as the Covid-19 virus remains active.

The Students' Union Superannuation Scheme, the closed pension scheme of which USWSU was a member, continues to be a risk to the Students' Union. The pension fund is closed to future accrual, therefore previous members are responsible for the deficit payments to the scheme. The deficit payments are increasing year on year, which pose a financial risk to both USWSU and all other Students' Unions who are members.

- 1) The national decrease in students entering Higher Education is also a principal risk to the charity. This has a twofold effect on the Students' Union:
- 2) The subvention is based on student numbers, and therefore a decrease in numbers equals a decrease in funding from the University.

Decreasing student numbers results in a decrease in income as less students use the Students' Union facilities.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2020**

FUTURE PLANS

- Develop strong sustainable and satisfying relationships with our stakeholders whilst ensuring that the Union actively engaging its stakeholders in setting strategy and operational plans.
- Continually improve what the Union does whilst equipping staff, officers and volunteers with the skills and knowledge they need to achieve the Union's Vision.
- Achieve financial stability through robust financial management, reviewing existing practices and investing in the Union's services to students.
- Ensure that the Union's systems, policies and procedures add value, enable greater student engagement and are easy to understand.

Plans to deal with Covid-19:

- Ensure all buildings are Covid secure in line with Government guidelines.
- Health and safety training, with an emphasis on Covid-19, to be delivered to all staff.
- On-line ordering developed and implemented for food and beverages, to be used in the pub and coffee shop.
- Three team rota to be developed to minimise the amount of time on campus, along with minimum face-to-face contact.
- Provide PPE to all staff.
- Ensure daily 'fogging' of all areas, paying particular attention to toilets and shop.
- Ensure staff have appropriate IT equipment, where required, to facilitate home working.
- Maintain weekly meetings with the University.
- Remain cognisant of sector practise and ensure parity with this.
- Remain up-to-date with Welsh Government and UK Government guidance.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The USWSU is a students' union within the meaning of the Education Act 1994. The Union is devoted to promoting the education, interests and welfare of its Members, students at the University of South Wales. It is the recognised independent representative body of students at the University.

The charity is a registered charitable company that is limited by guarantee.

Trustee selection methods

Up to four Officer Trustees are elected by secret ballot of the Members of the Students' Union, at elections held in accordance with the Standing Orders. The Officer Trustees shall be elected to sabbatical posts within the Students' Union. Officer Trustees remain in office for a term of one year, although this may be shorter or longer on a transitional basis to coincide with an alteration of the year start or end.

Up to three Student Trustees are elected by the Students' Union Student Council, provided that the appointment of each Student Trustee is ratified by a 2/3 majority. Each Student Trustee must be a Student at the time of their election. Student Trustees shall remain in office for a term of two years commencing in accordance with the Standing Orders. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year start or end. A Student Trustee may serve a maximum of two consecutive years.

Up to five External Trustees shall be appointed by a simple majority vote of the Appointments Committee, provided that the appointment of each External Trustee is ratified by a 2/3 majority vote of the Student Council. Such appointment shall not take effect until it has been ratified by Student Council. External Trustees shall remain in office for a term of four years commencing in accordance with the Standing Orders. External Trustees may serve for a maximum of two terms which may be either consecutive or non-consecutive.

Trustee induction and training

New trustees are trained at the beginning of each academic year to ensure they understand their roles and responsibilities. This forms part of a comprehensive in-house training programme and focuses in depth on their full responsibilities, accountability and Nolan Principles.

Organisational structure

The Students' Union is run by students for students, supported by a number of staff, and overseen by a Board of Trustees.

Elections are held annually for the students at the University of South Wales to vote for their full-time and part-time student officers. These form Student Council, who are responsible for the representation and campaigning function of the Students' Union.

The Board of Trustees are responsible for the legal, financial and governance arrangements of the Students' Union, and delegates day-to-day responsibility of their duties to the Chief Executive Officer and Senior Management Team.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Students' Union is affiliated to the National Union of Students, and through them, works closely with the National Union of Students in Wales. The student officers regularly meet with the officers of NUS Wales to collaborate on campaigns and activities.

Pay and remuneration

The arrangements for setting pay and remuneration of the Union's key management are in line with sector practice and take in to account the financial performance of the Union. Normally, a 1% cost of living increase is agreed annually by the Board of Trustees, however this is dependent on future financial forecasts. The Students' Union is a Living Wage Employer and ensures all employees are paid in accordance with relevant legislation governing pay.

Risk management

The trustees have identified and reviewed the risks to which the charity is exposed and ensured appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08629047 (England and Wales)

Registered Charity number

1153572

Registered office

University of South Wales
Students' Union
Forest Grove
Rhondda Cynon Taff
CF37 1UF

Officer Trustees

Mishan Wickremasinghe
Oliver Banks
Lois Jones
Shannon Rosa Gibbs Lee
Niall O'Reilly
Rhys-Llywelyn Pewtner
Liam Powell
Kay Dennis
Ali Akthar Surov

Resigned 1 October 2020
Appointed 15 August 2019 & Resigned 30 June 2020
Appointed 15 August 2019
Appointed 15 August 2019
Resigned 15 August 2019
Resigned 15 August 2019
Resigned 15 August 2019
Appointed 1 July 2020
Appointed 1 October 2020

External Trustees

Anna Morgan
Richard Seymour
Robert Simkins
Isabel Anderson
Caroline Smith
Kim Brown
Philip Bowen

Appointed 1 July 2017
Appointed 1 October 2020
Appointed 1 October 2020
Appointed 1 October 2020
Appointed 1 October 2020
Resigned 14 August 2019
Resigned 15 August 2019

Key Management Personnel

Sian Taylor
Helen Thomas

CEO
Central Resources Manager

Company Secretary

S Taylor

USWSU

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

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

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

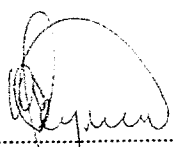
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 27/11/21 and signed on the board's behalf by:


.....
Richard Seymour - Trustee

27/11/21

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF USWSU

Opinion

We have audited the financial statements of USWSU (the 'charitable company') for the year ended 30 June 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF USWSU

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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 Report of the Independent Auditors.

Use of our report

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

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

28 January 2021

USWSU

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2020

		2020 Unrestricted funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	3	1,346,273	1,232,611
Charitable activities	6		
General		908,430	1,179,220
Other trading activities	4	261,914	355,542
Investment income	5	224	636
Total		2,516,841	2,768,009
EXPENDITURE ON			
Costs of other trading activities	7	190,611	230,780
Charitable activities	8		
General		<u>2,225,905</u>	<u>2,505,929</u>
Total		2,416,516	2,736,709
Actuarial loss/Unwinding of pension scheme provision		<u>(803,769)</u>	<u>(74,898)</u>
NET INCOME/(EXPENDITURE)		(703,444)	(43,598)
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>(2,252,142)</u>	<u>(2,208,544)</u>
TOTAL FUNDS CARRIED FORWARD		<u>(2,955,586)</u>	<u>(2,252,142)</u>

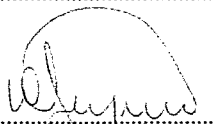
The notes form part of these financial statements

USWSU

**BALANCE SHEET
AT 30 JUNE 2020**

		2020 Unrestricted funds £	2019 Total funds £
FIXED ASSETS	Notes		
Tangible assets	15	49,617	53,959
CURRENT ASSETS			
Stocks	16	60,286	56,684
Debtors	17	34,536	44,362
Cash at bank and in hand		<u>179,493</u>	<u>74,626</u>
		274,315	175,672
CREDITORS			
Amounts falling due within one year	18	<u>(337,381)</u>	<u>(273,464)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(63,066)</u>	<u>(97,792)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(13,449)	(43,833)
CREDITORS			
Amounts falling due after more than one year	19	(100,000)	(23,857)
PENSION LIABILITY	23	<u>(2,842,137)</u>	<u>(2,184,452)</u>
NET ASSETS/(LIABILITIES)		<u>(2,955,586)</u>	<u>(2,252,142)</u>
FUNDS	22		
Unrestricted general funds		(113,449)	(67,690)
Pension liability		<u>(2,842,137)</u>	<u>(2,184,452)</u>
Unrestricted funds		<u>(2,955,586)</u>	<u>(2,252,142)</u>
TOTAL FUNDS		<u>(2,955,586)</u>	<u>(2,252,142)</u>

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


 Richard Seymour - Trustee

The notes form part of these financial statements

USWSU

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>42,256</u>	<u>(45,305)</u>
Net cash provided by (used in) operating activities		<u>42,256</u>	<u>(45,305)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(5,783)	(33,095)
Sale of fixed asset investments		-	2
Interest received		224	385
Dividends received		<u>-</u>	<u>251</u>
Net cash provided by (used in) investing activities		<u>(5,559)</u>	<u>(32,457)</u>
Cash flows from financing activities:			
New loans in year		100,000	-
Loan repayments in year		<u>(31,830)</u>	<u>(43,462)</u>
Net cash provided by (used in) financing activities		<u>68,170</u>	<u>(43,462)</u>
Change in cash and cash equivalents in the reporting period		104,867	(121,224)
Cash and cash equivalents at the beginning of the reporting period		<u>74,626</u>	<u>195,850</u>
Cash and cash equivalents at the end of the reporting period		<u><u>179,493</u></u>	<u><u>74,626</u></u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

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

	2020 £	2019 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(703,444)	(43,598)
Adjustments for:		
Depreciation charges	10,125	18,602
Unwinding of pension scheme	803,769	74,898
Interest received	(224)	(385)
Dividends received	-	(251)
(Increase)/decrease in stocks	(3,602)	674
Decrease in debtors	9,826	9,735
Increase in creditors	71,890	34,709
Difference between pension charge and cash contributions	(146,084)	(139,689)
Net cash provided by (used in) operating activities	<u>42,256</u>	<u>(45,305)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/19 £	Cash flow £	At 30/6/20 £
Net cash			
Cash at bank and in hand	74,626	104,867	179,493
Debt			
Debts falling due within one year	(40,676)	7,973	(32,703)
Debts falling due after one year	(23,857)	(76,143)	(100,000)
	<u>(64,533)</u>	<u>(68,170)</u>	<u>(132,703)</u>
Total	<u>10,093</u>	<u>36,697</u>	<u>46,790</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

1. STATUTORY INFORMATION

USWSU is a registered charity and private company limited by guarantee, having no share capital, incorporated in Wales in the United Kingdom. The registered office is University of South Wales Students' union, Forest Grove, Treforest, Rhondda Cynon Taff, CF37 1UF. The nature of the company's operations and principal activities are disclosed within the Report of the Trustees.

In the event of the company being wound up the liability of its members is limited to a sum of £1.

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

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

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

Going concern

The Coronavirus pandemic has resulted in a number of uncertainties arising and the trustees have taken steps to minimise the effect on the charity and will continue to do so. These steps include taking advantage of, and continued monitoring of, any appropriate government financial support including the Furlough job retention scheme. During the year, the charity was able to take a six-month payment holiday on an existing bank loan and successfully applied for a Coronavirus Business Interruption loan to ease cash-flow pressures. Further details on the operational and financial impact of Covid-19 are outlined in the Report of the Trustees.

USWSU is confident of sufficient funds in the coming year to meet its obligations, mainly due to the continued support of the University of South Wales via the subvention grant. Internal forecasting and cashflow projections have been undertaken through to June 2022 and on the basis of the findings, the trustees have concluded that the going concern basis for preparation is appropriate and that the charity will be able to meet its liabilities as they fall due. Plans are currently being made in order to ensure staff and officers can return to work safely at the start of the new academic year in September 2021.

Income

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

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

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

It is not the policy of the charity to show income net of expenditure.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2020**

2. ACCOUNTING POLICIES - continued**Basis of recognition of liabilities**

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

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

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

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource.

Tangible fixed assets

Tangible fixed assets are initially recorded at cost.

Depreciation is provided at 20% on cost and 33.33% in reducing balance per annum.

Investments

Fixed asset investments are stated at cost.

Stocks

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

Taxation

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

Fund accounting

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

Financial instruments

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

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

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

Operating lease commitments

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

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2020

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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

Significant accounting judgements and estimates

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

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

3. DONATIONS AND LEGACIES

	2020	2019
	£	£
Subvention Grant	1,232,611	1,232,611
HMRC Job retention scheme grant	113,662	-
	<u>1,346,273</u>	<u>1,232,611</u>

Grants received, included in the above, are as follows:

	2020	2019
	£	£
University of South Wales	<u>1,232,611</u>	<u>1,232,611</u>

4. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Travel and employment service	218,380	256,963
Sponsorship and other trading activities	<u>43,534</u>	<u>98,579</u>
	<u>261,914</u>	<u>355,542</u>

5. INVESTMENT INCOME

	2020	2019
	£	£
Shares in group undertakings	-	251
Deposit account interest	<u>224</u>	<u>385</u>
	<u>224</u>	<u>636</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2020

6. INCOME FROM CHARITABLE ACTIVITIES

	2020 £	2019 £
Shop income	377,886	470,836
Bar income	314,272	435,731
Catering income	158,201	204,954
ENTS department income	58,071	67,699
	<u>908,430</u>	<u>1,179,220</u>

7. COSTS OF OTHER TRADING ACTIVITIES

Other trading activities

	2020 £	2019 £
Staff costs – Travel and employment service	138,117	135,047
Other costs - Travel and employment service	52,494	95,733
	<u>190,611</u>	<u>230,780</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 9) £	Support costs (See note 10) £	Totals £
General	<u>1,397,712</u>	<u>828,193</u>	<u>2,225,905</u>

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020 £	2019 £
Staff costs	478,298	524,634
Hire of plant and machinery	1,763	13,741
Rent - Campus Centre	168,975	172,833
Bar expenditure	177,110	233,003
Shop expenditure	282,725	363,601
Catering expenditure	82,786	86,597
ENTS department expenditure	81,883	86,499
SU Sport expenditure	96,451	111,180
Clubs & societies expenditure	-	33,411
Letting agency costs	-	18,401
Irrecoverable VAT	27,721	32,821
	<u>1,397,712</u>	<u>1,676,721</u>

10. SUPPORT COSTS

	Salaries £	Management £	Depreciation £	Governance costs £	Totals £
General	<u>576,347</u>	<u>150,770</u>	<u>10,125</u>	<u>90,951</u>	<u>828,193</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2020

11. NET INCOME/(EXPENDITURE)

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

	2020	2019
	£	£
Auditors' remuneration	12,868	11,440
Depreciation - owned assets	10,125	18,602
Hire of plant and machinery	<u>1,763</u>	<u>13,741</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were four trustees (2019: four) who received remuneration in the year totalling £72,101 (2019: £69,071)

	Gross Pay	Pension
	£	£
Mishan Wickremasinghe	17,501	-
Oliver Banks	18,198	-
Shannon Lee	18,198	-
Lois Jones	<u>18,198</u>	<u>-</u>
	<u>72,101</u>	<u>-</u>

Trustees' expenses

Two trustees were reimbursed for a total of £793 (2018: £1,266 to four trustees) in respect of travel and subsistence in accordance with section 6.3 of the articles of association.

13. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	1,135,334	1,152,166
Social security costs	61,089	62,690
Other pension costs	<u>73,463</u>	<u>71,697</u>
	<u>1,269,886</u>	<u>1,286,553</u>

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

2020	2019
<u>128</u>	<u>139</u>

No employees received emoluments in excess of £60,000.

Total remuneration paid to key management personnel in the year was £95,088 (2019 - £98,440).

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

All income and expenditure in the prior year related to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2020

15. TANGIBLE FIXED ASSETS

	Office fixtures & fittings £
COST	
At 1 July 2019	217,688
Additions	<u>5,783</u>
At 30 June 2020	<u>223,471</u>
DEPRECIATION	
At 1 July 2019	163,729
Charge for year	<u>10,125</u>
At 30 June 2020	<u>173,854</u>
NET BOOK VALUE	
At 30 June 2020	<u>49,617</u>
At 30 June 2019	<u>53,959</u>

16. STOCKS

	2020 £	2019 £
Stocks	<u>60,286</u>	<u>56,684</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	10,459	31,518
Prepayments and accrued income	<u>24,077</u>	<u>12,844</u>
	<u>34,536</u>	<u>44,362</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Bank loans and overdrafts (see note 20)	32,703	40,676
Trade creditors	144,218	75,389
Social security and other taxes	9,910	15,007
VAT	7,634	4,731
Other creditors	52,389	55,781
Accruals and deferred income	<u>90,527</u>	<u>81,880</u>
	<u>337,381</u>	<u>273,464</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £	2019 £
Bank loans (see note 20)	<u>100,000</u>	<u>23,857</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2020

20. LOANS

An analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year on demand:		
Bank loans	<u>32,703</u>	<u>40,676</u>
Amounts falling between one and two years:		
Bank loan	<u>100,000</u>	<u>23,857</u>

One bank loan bears interest of 4.2% p.a. over LIBOR. Instalments are paid quarterly until 2020. The other bank loan bears interest of 4.42% p.a. over Base Rate. Instalments are paid monthly until 2025.

21. LEASING AGREEMENTS

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

	2020 £	2019 £
Within one year	168,000	168,889
Between one and five years	<u>-</u>	<u>42,000</u>
	<u>168,000</u>	<u>210,889</u>

22. MOVEMENT IN FUNDS

	At 1/7/19 £	Net movement in funds £	At 30/6/20 £
Unrestricted funds			
General fund	(2,252,142)	(703,444)	(2,955,586)
TOTAL FUNDS	<u>(2,252,142)</u>	<u>(703,444)</u>	<u>(2,955,586)</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,516,841	(2,416,516)	(803,769)	(703,444)
TOTAL FUNDS	<u>2,516,841</u>	<u>(2,416,516)</u>	<u>(803,769)</u>	<u>(703,444)</u>

Comparatives for movement in funds

	At 1/7/18 £	Prior year adjustment £	Net movement in funds £	At 30/6/19 £
Unrestricted Funds				
General fund	(2,369,341)	160,797	(43,598)	(2,252,142)
TOTAL FUNDS	<u>(2,369,341)</u>	<u>160,797</u>	<u>(43,598)</u>	<u>(2,252,142)</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2020

22. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,768,009	(2,736,709)	(74,898)	(43,598)
	<u>2,768,009</u>	<u>(2,736,709)</u>	<u>(74,898)</u>	<u>(43,598)</u>
TOTAL FUNDS	<u>2,768,009</u>	<u>(2,736,709)</u>	<u>(74,898)</u>	<u>(43,598)</u>

23. PENSION COMMITMENTS

	2020 £	2019 £
At 1 July 2019	2,184,452	2,249,243
Amounts paid	(146,084)	(139,689)
Unwinding of discounted scheme	<u>803,769</u>	<u>74,898</u>
At 30 June 2020	<u>2,842,137</u>	<u>2,184,452</u>

The above schedule shows the present value at the year end for the multi-employer defined benefit Students' Union Superannuation Scheme.

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

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

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

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

In summary, employer contributions will increase by 5% in October 2020 as planned under the previous valuation, and then by 24.1% from October 2021, and increase by 5% each year thereafter until the end of the deficit recovery period, which is now expected to be in August 2035. However, contributions due from October 2023 onwards will be reviewed following the next actuarial valuation.

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

The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 30 June 2020 amounted to £146,084 which are all deficit contributions (2019: £139,689). At the year end a liability was recognised for the present value of the contributions payable of £2,842,137 (2019 - £2,184,452).

The Union also participates in the National Union of Students Pension Scheme, a defined contribution scheme. During the year ended 30 June 2020 the Union contributed a total of £73,463 into the scheme (2019: £71,697). At the year end there were outstanding contributions of £Nil (2019: £Nil).

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2020

24. RELATED PARTY DISCLOSURES

During the year, there were no related party transactions that require disclosure.

During the prior year, a sum of £168 was paid to Tomas Taylor, who is a close family member of key management personnel, for work done at graduation.

25. FINANCIAL INSTRUMENTS

The charity has the following financial liabilities measured at fair value:

	2020	2019
	£	£
Financial liabilities		
Provision - pension liability	<u>2,842,137</u>	<u>2,184,452</u>
	<u><u>2,842,137</u></u>	<u><u>2,452,236</u></u>