

READING UNIVERSITY STUDENTS' UNION

FINANCIAL STATEMENTS

31st JULY 2023

**Registered Charity Number 1158523
Registered Company Number 08840709**

READING UNIVERSITY STUDENTS' UNION

FINANCIAL STATEMENTS

YEAR ENDED 31st JULY 2023

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Reading University Students' Union
Trustee and Administrative Information

Trustees	Jack Maddock (Co-Chair)	
	Debra Soper	
	Tim Bertram	
	Ray Ellison	
	Mike Phillips	
	Oscar Minto	until 24.06.23
	Sheldon Allen	until 08.05.23
	Harry Everitt	until 24.06.23
	Eleanor Benford	until 24.06.23
	Steve Cave	until 24.06.23
	Charlie Dennis	until 24.06.23
	Rusafa Karim	until 24.06.23
	Poppy Lindsey	until 24.06.23
	Jemima Mckenzie	until 24.06.23
	Edward Gregory	from 25.06.23
	Gwyneth James	from 25.06.23
	Aishath Ish Aa Sujau	from 25.06.23
	Shaniya Dyer	from 25.06.23
	Sophie Jordan	from 25.06.23
	Jessica Sams	from 25.06.23
	Leighton Monty	from 25.06.23
	Rachel Ng	from 25.06.23
	Talor Boyd	from 25.06.23
	Thomas Hudson	from 25.06.23

The Co-Chairs of Trustees were Jack Maddock and Sheldon Allen (until 08.05.2023) and Oscar Minto (from 09.05.2023 to 24.06.2023) and Edward Gregory from 26.06.2023

Charity registration number	1158523
Company registration number	8840709
Website	www.rusu.co.uk

Registered address	Whiteknights Campus Pepper Lane Reading RG6 6EH
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Chief Executive Officer	Ryan Bird (to 30 June 2023) Ceri Davies (from 1 July 2023)
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Company Secretary	Ryan Bird (to 31 July 2023) Ceri Davies (from 1 July 2023)
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Auditor	Critchleys Audit LLP Beaver House, 23 – 38 Hythe Bridge Street, Oxford, OX1 2EP
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Bankers	Barclays Apex Plaza, Reading, RG1 1AX
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Solicitors	Barrett & Co LLP 87 Castle Street, Reading, RG1 7SN
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Reading University Students' Union **Trustees' Report**

The Board of Trustees, who act as Directors for the purposes of Company Law, present their consolidated Annual Report for the year ended 31 July 2023 which has also been prepared to meet the requirements for a directors' report and accounts for Companies Act Purposes. The administrative information is set out on page 1, together with the audited accounts for the year.

A: Structure, Governance & Management

Charitable status

Reading University Students' Union (Reading SU) is a company limited by guarantee registered in England and Wales (company number: 8840709) which was formally registered as a charity with the Charity Commission in September 2014 (charity registration number: 1158523). The Directors of Reading SU are its Trustees for the purposes of Charity Law and throughout this report are collectively referred to as the Trustees. Reading SU is governed by its Articles of Association which were amended in March 2022.

Governance

Reading SU is a students' union within the meaning of the Education Act 1994. The SU's Articles of Association are approved by the governing body of the University of Reading, which has a statutory duty to ensure that the organisation operates in a fair and democratic manner and is held to proper account for its finances. Reading SU is devoted to the educational interests and welfare of its student members and works alongside the University of Reading to achieve its aims. The Articles of Association and supporting Byelaws have been structured to give the Trustees authority to manage the affairs of the organisation in a professional manner. The Trustees give the utmost consideration to the views of the student members.

The objects of Reading SU are the advancement of education of Students at the University of Reading for the public benefit by:

- i. promoting the interests and welfare of Students at the University of Reading during their course of study and representing, supporting and advising Students;
- ii. being the recognised representative channel between Students and the University of Reading and any other external bodies; and
- iii. providing social, cultural, sporting and recreation activities and forums for discussions and debate for the personal development of its Students.

In shaping Reading SU's strategy and objectives the Trustees have considered the Charity Commission guidance on exercising of duty and power for the public benefit.

Board of Trustees

The Board of Trustees is responsible for the strategic direction, governance, and financial sustainability of Reading SU. The Board is made up of five Officer Trustees, four Student Trustees and five External Trustees. The Officer Trustees and two of the Student Trustees are elected by and from the students at the University of Reading each year, through a cross-campus secret ballot, and serve in office for one year. The External Trustees and the remaining two Student Trustees are appointed by the Board via the Appointments Committee. The External Trustees are recruited to bring a wider perspective and skill set from outside Reading SU.

Reading University Students' Union

Trustees' Report

A term in office for an External Trustee lasts up to four years and they may be reappointed for a second term of up to a total maximum of eight years. The Student Trustees are appointed for a term in office of one year and they must be a registered student for the duration of their term in office. Student Trustees can be appointed for a second year. They are selected based on their skills, knowledge and experience, taking into account the demographics of the elected student Board members. Selection decisions of the appointments committee must be ratified by the Trustee Board.

The Trustee Board holds a minimum of four meetings per academic year and is responsible for establishing and delegating to committees.

Committees

The Trustee Board has 4 formally constituted committees:

1. Finance & Risk Committee has delegated responsibility from the Board of Trustees to oversee the finances of the organisation and to analyse and monitor risk management. Matters considered include financial and risk strategy, approval of annual budgets, ongoing monitoring of financial performance and quarterly review of the risk register.
2. People & Culture Committee has delegated responsibility from the Board of Trustees to oversee people, development and cultural matters of the organisation. Matters considered include Reading SU's people strategy and associated plans, staff satisfaction, employee related policies and procedures and work to improve equality, diversity and inclusion.
3. Remuneration Committee is responsible for considering the remuneration of the Chief Executive and Officer Trustees.
4. Appointments Committee is responsible for overseeing the appointment of External Trustees, Student Trustees and other key governance roles, such as Student Voice Chair and Subsidiary Board Directors.

The Board delegates day-to-day oversight of Little Learners Nursery to a Subsidiary Company Board, with a reporting line to the Finance & Risk Committee. Most operational decisions are delegated to the Leadership Team, which consists of the Officer Trustees and members of the Senior Leadership Team.

Training of Trustees

Upon appointment, all trustees receive an induction, which includes their legal obligations and other trustee responsibilities and is tailored according to their knowledge and experience. The Officer Trustees receive a more intensive and in-depth induction and training programme as they have a variety of responsibilities within the organisation, University, and local community in addition to their unpaid Trustee roles.

Reading University Students' Union

Trustees' Report

Senior Leadership Team

Reading SU employs a Chief Executive, Ryan Bird (until June 30th 2023), who supports the Officer Trustees and the Board of Trustees. The day-to-day management of the organisation is delegated to the Chief Executive who manages Reading SU by implementing the policy and strategy adopted by and within a budget approved by the Trustees and, where appropriate advises the Trustees in relation to such policy, strategy, and budget.

The Chief Executive was supported during the year by a Senior Leadership Team consisting of:

- Richard Lines: Head of Business Development & Operations
- Kath Davey: Head of Student Voice & Engagement
- Annie Willmot: Head of Digital & Communications
- Jane Williams: Head of Finance & Resources

Student Council

Student Council is the democratic policy making body of Reading SU. It has the authority to represent the voice of students and set our policy as outlined in the Byelaws. Student Council receives updates from Officer Trustees and holds them accountable for their representative work. It considers ideas, campaigns and projects that impact the student experience. A referendum may be called on any issue by either a resolution of the Trustees, a majority vote of Student Council or a petition by at least 4% of the student members. Annually Reading SU holds a Student Members' meeting (known as The Big Student Update) in accordance with the Byelaws. During this meeting a report is from the Trustees, annual accounts are formally presented, affiliations are approved as required by the Education Act (1994), appointment of auditors is approved and questions are asked of the Trustees by our student members.

Relationship with the University of Reading

The relationship between the University of Reading (UoR) and Reading SU is established in a Students' Union Code of Practice which has been agreed by the governing body of the University. Reading SU is grateful for the financial contribution it receives from Reading University via an annual Block Grant which is subject to approval by the governing body of the University. Reading SU occupies premises owned by the UoR, which are provided free of charge. Reading SU is responsible for the day-to-day maintenance of its buildings. Reading SU also receives a range of administrative support which enable its operations to continue successfully. Reading SU continues to operate various trading activities for students, these are dependent on UoR's support, for which the organisation is grateful. There is no reason to believe that the support from UoR will not continue for the foreseeable future. Our University has a regulatory responsibility for oversight of the proper financial management of Reading SU under the Education Act 1994.

Reading University Students' Union **Trustees' Report**

Relationship with Subsidiary Companies

Little Learners at RUSU Ltd (company number 03723877) and RUSU Trading Limited (company number 08308331) are both limited liability companies wholly owned by Reading Students' Union. Little Learners at RUSU Ltd operates a day nursery which provides childcare for students and staff at the University of Reading. With effect from January 2021, the Nursery has also been marketed to the wider community. RUSU Trading Limited operates several services for non-students which are classed as non-primary purpose trading.

Relationship with the National Union of Students

Reading SU had been a member of the NUS and paid an annual affiliation fee to access training, resources and centrally negotiated purchasing agreements for many years. In 2022, however, the members of Reading SU voted in a referendum to leave NUS UK. However, they remain affiliated to the NUS Charity which allows them continued access to group purchasing and trading support services which benefit the Union's commercial operations. As a result of this decision Reading SU has strengthened its links with other students' union sector groupings and consultancy services to ensure that its elected representatives and staff have access to support and sector research and good practice.

B:Strategy

In 2021/22 Reading SU undertook a full strategic review and has started to implement its new strategy, 'Helping Students have the Best Time' this year.

Purpose: Our top priority is making sure students at the University of Reading have the best time.

Vision: To be a strong, inclusive, and dynamic students' union that is central to the student experience.

To achieve this, Reading SU is focusing on building communities, facilitating opportunities, and harnessing the collective voice of students to effect positive change.

Values: How we do things is important and so underpinning our work are five key values:

1. **Student-led:** putting students at the heart of everything we do
2. **Purposeful:** being bold, principled and a force for good
3. **Inclusive:** challenge inequalities, create diverse spaces, activities and services that are accessible to all students from all backgrounds
4. **Sustainable:** championing sustainability in all that we do and harnessing opportunities to collectively make a difference
5. **Accountable:** ensuring we are transparent and fair in what we say and do. Ensuring democracy drives us.

Reading University Students' Union **Trustees' Report**

Reading SU's work will be focused around four strategic themes, which will drive our work and allocation of resources over the coming years:

1. **Being the voice of students:** We will ensure an effective voice on the issues facing students and harness the collective power we have to achieve positive change
2. **Supporting students to succeed:** We want to help students on their journey. We will do this through providing support, advice, employment and personal development opportunities.
3. **Creating a sense of belonging and community:** We will facilitate opportunities for students to come together and encourage participation in our activity. We know it takes time to feel part of a community and we recognise our role in helping to make this happen in an inclusive way.
4. **Making university life fun:** We want to ensure students have the best time at Reading, making memories for life.

To transform the way we work and to underpin the strategic themes, we have outlined eight foundations:

1. People & Culture
2. Wellbeing
3. Digital Transformation
4. Engaging Communications v. Resources & infrastructure
5. Partnership
6. Engagement & Outreach
7. Good Governance & Democracy

As part of the strategy RUSU has committed to two overarching measures of success:

1. % of students that agree we have had a positive impact on their life during their time at the University of Reading (2020: 41%, 2021/22: 57%; 2022/23: 50%)
2. % of students that are satisfied with the students' union (2020: 49%, 2021/22: 72% 2022/23: 56%)

To support the implementation of the new strategy, the SU has refreshed its branding this year. The aim is to improve student engagement with our brand, helping students to see themselves represented through the SU and to help staff confidently tell our 'story' as a Students' Union. Research conducted as part of this exercise demonstrated that students were confused by who we were as an organisation and many found the RUSU acronym particularly confusing, not understanding who we were or what we did. As a result, and as part of the bigger re-branding project, the SU will be identified in future as Reading Students' Union or Reading SU. The new branding is being implemented during the summer of 2023.

Review of 2022/23 Achievements

While the operational disruption and student well-being issues related to Covid have receded during the year under review. There has been a sustained impact on students' behaviour. The pandemic has affected students' social habits, and this has in turn affected patterns of activity in the night-time economy. Footfall on campus during the working day has yet to recover to pre-pandemic levels. Nevertheless, the union has continued to deliver a range of services and opportunities to its members.

Reading University Students' Union **Trustees' Report**

Being the voice of students:

- 11,591 votes were cast by 1,900 voters in the Leadership Elections in February 2023 and 238 votes were cast in our By-Elections in June 2023
- Over 1,000 students were elected to represent students' interests throughout the year. Positions varied from the SU's elected sabbatical officers, some of whom are also members of Council, the University's Governing Body, and all of whom are trustees and Directors of the Union and its subsidiary companies to committee members for the union's student led sports clubs and societies.
- As a result of our EDI work, our full-time officer elections candidate diversity increased significantly with 14% identifying as disabled, 19% as mature students, 36% as BAME, 25% as international and 22% as LGBTQ+.
- In addition to directly delivering one of our charitable objectives, reps also recognised the personal development that arises from elected roles in the Union. 62% of our reps felt their employability had either increased or greatly increased because of undertaking the role, with 86% of reps feeling that they had increased their personal development. Reading SU worked closely with the University of Reading to introduce self-certification for the exceptional circumstances process. If students have a minor illness or situation that gaining evidence for will be difficult, then they can complete a form and be granted a two-day extension for coursework.
- Course reps achieved a range of local successes, from introduction of pre-study modules, to improving transition from sixth form or college to university and from adjusting assessment timetables to creating community on their course.
- We celebrated excellence in teaching through 267 nominations for the Excellence Awards.
- We held a referendum on our NUS UK membership and a majority voted to leave.
- Online Engagement:
 - Improved engagement rate - our page and profile reach across our social media platforms compared to last year have improved from 3.8K to 2.3M!*
 - Increased social media followers on our main Instagram channel since last year by - 75.6% from 4K to over 7k*
 - Compared to the industry standard on social media we have ensured our students have had their voice shared and broadcasted our events and campaigns successfully:
 - On Instagram - we created 1.55 more posts per week than the education industry average, which is 189% increase over the year.*
 - On Facebook - Our posts received 1.23% more engagement than the education industry average, a 72.5% over the year.*

*(*All Data taken from Hootsuite - Brand awareness and engagement report from 01/2021 to 01/2022)*

Supporting students to succeed:

- Since September 2022 we have paid students £343,222 for work undertaken in the SU. This equates to over 32,000 student staff hours!
- 49% of our staff on the payroll were students ensuring that our members are integrated into our service delivery.
- 993 students were supported by our Advice Service this year.
- After engaging with our Advice Service, these students were £161,220 better off.

Reading University Students' Union **Trustees' Report**

- We helped 246 students through an Academic Misconduct process and 141 students through an Appeal.
- We gave advice to 51 students on their housing contracts, and 47 students who had a disrepair issue.
- We supported 91 students with UK student funding issues
- The 'help yourself' shelf, introduced in 2021-22, has continued to be popular with students; one highlight being providing crockery to students who had just moved into halls. This year, as part of our cost-of-living initiatives and sustainability goals, we've started collecting free food from Co-op as part of a waste-saving scheme and giving this to students.

Creating a sense of belonging and community:

- 2984 students were involved in our societies (a 1.3% decrease from 21/22), 2637 involved in sports (an 11.4% increase from 21/22) and 308 involved in volunteering (a 69.2% increase from 21/22).
- Across our clubs and societies, we had 540 society committee members, 556 sports committee members and 64 volunteering committee members; all undertaking critical voluntary roles to enhance the student experience and develop their personal skills.
- A Captains' Club established by the Activities & Opportunities Officer has brought together committees to share best practice, The group also held groups' social and fun activities such as a dodgeball and pizza evening.
- The Activities team was relocated to our Student Opportunities Hub. In total, the building took in 142 bookings for a new bookable meeting/session space, with 5 student groups having weekly sessions in there.
- An Activities Fund was created, as part of our cost of living initiatives, to help students with the cost of membership and associated costs to sports and societies. This was launched in late January 2023 and received 46 applications by the time we closed the fund in March. A total of £10,468 was requested and £7,277 was distributed to 35 students allowing them to access transformational student experiences.
- The SU operated three landlord forums alongside the University, to help engage with landlords to ensure open channels of communication, and to ensure they are better informed about the rules and regulations that relate to student housing. The goal is to encourage landlords to do better for students.
- The Welfare Officer ran a "Wellbeing Fair" event, where local support agencies were welcomed into our 3Sixty venue for students to come and meet them. The event was also a good networking opportunity for the organisations themselves.

Making university life fun:

- We delivered a year-long programme of diverse range events, which included our regular club nights, Quiz & Karaoke, BBC introducing live, patio sessions, film screenings, roller discos, LGBTQ+ events and much more.
- Across our evenings in the venue, we had a total attendance of over 91,500.
- A variety of themed weeks enabled our events programme to link to our wider campaigning work, including highlights such as Pride Week, Black History Month and International Women's Day.
- The highlight of our calendar is the annual Summer Ball. We had over 3,000 attendees and enabled students to celebrate the end of the academic year on the Whiteknights campus in style.

Reading University Students' Union **Trustees' Report**

- Reading SU continued the running of the 3sixty bus service to help students get to and from our regular club nights. The service is run by Reading Buses and has a bespoke route to serve key student accommodation areas.
- Over 800 Reading students took part in our annual varsity sports competition between the University of Reading and Oxford Brookes. The event hosted in Oxford included a wide range of indoor and outdoor sports and was well attended by athletes and supporters alike. Unfortunately, the results did not go in Reading's favour, but nevertheless it was an enjoyable day of sporting activity.

Services for Students

- Reading has continued to provide a variety of services from many different outlets in and around the SU building. The main entertainment venues are the 3sixty venue, Café Mondial, Knights Café, Mojos Bar and the flexible Monterey Lounge. These venues give Reading SU an overall capacity of 2,600 people which enable the venue team to provide a wide range of vibrant student focused events from small activity group sessions to running the largest and most versatile nighttime venue in Reading.
- The main building is host to several franchise spaces including a hairdresser and food outlets. These facilities provide a range of services to students and a consistent income stream to support our strategic aims.
- We continue to operate Little Learners nursery, providing childcare for students alongside staff and the wider community, and this year achieved a 'Good' OFSTED rating.

C: Change Priorities

Progress has been made in our agreed change programme where Trustees agreed to designate funds to support the delivery of the strategy in five key areas; summarised updates are provided below:

1. Spaces

- a. Welcome Area re-decorated including new Welcome Desk & new Officer space created combining 3 x rooms to create more welcoming entrance to SU and more collaborative working for the student leadership team
- b. Relocation and enlargement of the Merchandise store

2. Brand & Identity

- a. Branding re-design completed, including staff workshop, and re-brand launched to enable students to engage more easily with brand and staff to tell core brand story
- b. Building signage (linked with Spaces theme) designed and ordered
- c. New brand assets and merchandise designed and roll-out planned

3. Digital Systems

- a. SUMS (new membership system) onboarding and new website design in progress, aiming for August launch. Both will enable students to engage more effectively with the SU online, for example to buy merch or vote in the elections

Reading University Students' Union **Trustees' Report**

4. Student Voice & Support

- a. Some aspects incorporated into digital systems theme as part of SUMS and website launch, others moved to 2024/25

5. Building Community

- a. Short-term role looking at community in halls resourced through this theme – now incorporated within a different role funded through Activities Team
- b. Voucher Payment for participants involved in BAME Leadership Programme

Further resources have been allocated to the third phase during academic year 2023/24 and SLT will review these to ensure impact is measured and any revisions which need to be made can be incorporated.

D: Financial Review

The Consolidated Statement of Financial Activities outlines the income and expenditure for Reading SU during the financial year of 2022-23. Total income was £5,109,712 (2021-22 £5,076,135) and total expenditure before movement in pension deficit was £5,179,172 (2021-22 £4,665,945).

Although the beginning of the year looked promising for commercial, and catering income did increase year on year, overall it was a challenging year for commercial. Excluding Little Learners (where the income increased by £53.8K) total commercial income dropped by £161.2K. Factors contributing to this include the cost of living (average spend per head dropped by 18%) and the lower number of students attending events. Attendance at Wednesday Union nights continued to be strong but numbers at Saturday events experienced such low numbers that these were cancelled in the Summer term. Although catering income increased, the cost of sales (in line with inflation) also increased squeezing the profit margin. There was pressure from students not to increase food prices in the venue and this resulted in an overall deficit on catering of £5.3K

The total of the Block Grant increased by £147K in line with student numbers and CPI in November. As this was not confirmed until December planned spend for the year was challenging. It has been confirmed that the Block grant will not increase in 23/24 and the budget has been set in line with this.

Spending was increased by £513,227 across several areas to enable us to better deliver our new strategy, make longer-term savings and create more potential for future increased income. This included £265,386 from Designated reserves to relocate the Merchandise Store, refurbish part of the building and implement a new website and CMS system - SUMS (£228.150). A new staffing structure (£86,542) was also approved by the Board in June which will enable better strategic impact to be delivered in future at a lower cost. Staff costs increased due to national minimum wage increasing by 9% at the beginning of April and vacant positions being filled.

The final result for the year, before the movement in pension deficit, was a £69,461 deficit.

Reading University Students' Union **Trustees' Report**

Custodian Activities

Reading SU acts as a custodian for several activities:

- There is a balance of £36,135 restricted reserves for funds previously raised by JCR's. Reading SU intends to utilise these funds in Welcome weeks over the next few years.
- Funds raised by students under the Raising and Giving (RAG) initiative for distribution to nominated local and national charities. £807 was raised in the year.

Reserves Policy

The Reserves Policy was reviewed during 2022-23 by the Finance & Risk Committee and approved at Board level.

Reading SU sets the level of reserves which reflects circumstances based on:

- forecasts for levels of income for the current and future years, taking into account the reliability of each source of income and the prospects for developing new income sources.
- forecasts for expenditure for the current and future years on the basis of planned activity
- analysis of any future needs, opportunities, commitments or risks, where future income alone is likely to fall short of the amount of the anticipated costs
- assessment, on the best evidence reasonably available, of the likelihood of a shortfall arising which means that reserves are necessary, and the potential consequences for Reading SU not being able to make up the shortfall

The risks identified and the suggested requirement are detailed in the table below:

Risk	Risk Assessment	Suggested Requirement
Block Grant	Low	£50,000
Commercial Contribution	High	£328,000
Working Capital	Low	£230,000
Student Clubs & Societies	Low	£20,000
Pension Deficit	Medium	£300,000
Future Plans	Low	£50,000
Reserves Policy		£978,000

This will be reviewed and agreed by the Board on an annual basis

The General Reserve amounts to £2,305,397 of which £490,686 is tied up in Fixed Assets which is only accessible following the sale of these assets. After the £978,000 reserves this leaves a balance of £836,711.

Reading University Students' Union

Trustees' Report

A balance of £368,329 is held in the Change Priorities projects from the original transfer agreed by the Board of £647,225 in 21/22. During 22/23 an additional £42,504, was transferred to the Cost of Living Fund match funded (£23,167) by the University, £15,000 to the University sustainability initiative UoR#Bit Fund and £30,000 to the Student Engagement Fund to support the Full Time Officers in delivering their manifestos.

Included in the Designated Reserves is the £1,343,241 long-term pension deficit provision and £238,000 University loan resulting in a Designated negative reserve of £896,554.

The Restricted Reserves totalling £331,232 includes the balances on Student activities and the JCR accounts.

Investments

The Trustees reviewed the Investment Policy in 22/23 and made the decision to remain with low-risk short term investments. The majority of Reading SU surpluses are held in Barclays Deposit accounts, monthly Treasury Deposits and £0.5M is held in a CCLA COIF Deposit account. Interest generated in 22/23 was £24,405 (21/22 £1,872)

Fundraising

The charity has no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Pension Liabilities

The defined benefit pension provision is included on the Balance Sheet to comply with the Charities SORP (FRS 102). The overall impact of this inclusion is a liability of £1,343k (2021-22 £1,511k.) Despite the inclusion of this substantial amount the considerable level of the accumulated reserves, noted above, ensure that Reading SU remains a going concern.

Risk Management

The Board of Trustees reviews the major strategic, operational and reputational risks faced by the organisation on an annual basis or as required. The Risk Management Policy notes the major risks and identifies both their probability and likely impact on the organisation. On behalf of the Trustees, Senior Managers regularly review major risks and mitigating measures. Financial and control risks are mitigated through a robust budget management process and supporting Financial Procedures for the authorisation and processing of transactions. Procedures are also in place to ensure the health and safety of staff, volunteers and participants in all activities organised by Reading SU.

The Trustees believe that all major risks are appropriately addressed. A Risk Assessment Policy has now been developed which requires each department to maintain their own Risk Register. This is reviewed and monitored at Senior Leadership Team level and then the top five risks are taken to the Finance & Risk committee at least twice a year.

Reading University Students' Union

Trustees' Report

Future Funding and Going Concern Assessment

The Trustee Board reviewed the going concern assumption by:

- Evaluating principal risks and uncertainties which includes the challenges to commercial income and the cost of living
- Preparing a provisional three year financial forecast based on current business as usual
- Looking at the impact on cash flow of the three year financial forecast

In evaluating the going concern assumption, stress tests were applied to assess the potential impact of identified uncertainties. These were a reduction of £168.1K in commercial income in 2024/25 and £261.7K in 2025/26, the Block Grant not increasing and the pension deficit increasing by a further £300K. In the unlikely event that all of these should crystallise together the total financial impact on reserves could total c816K. The uncertainties identified above, do not individually or collectively cast significant doubt on Reading SU's ability to continue as a going concern.

Declaration

The Trustees who held office at the date of approval of this trustees' report confirm that they are aware of all the relevant audit information and that there is no relevant audit information which has not been supplied to the charity's auditors.

We wish to thank all staff and volunteers at Reading SU for their continued commitment and hard work to make this another successful year for our members.

Reading University Students' Union **Trustees' Report**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Reading University Students' Union for the purposes of Company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Company law and Charity 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 these financial statements, the Trustees are required to: -

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles of the Charities 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; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing document.

They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that, in the case of each of the persons who are Trustees at the date of this report, the following applies:

- So far as each Trustee is aware there is no relevant audit information (information needed by the Charity's auditors in connection with preparing their report) of which the Charity's auditors are unaware; and
- Each Trustee has taken all the steps necessary to make herself/himself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

This report was approved by the Trustees and signed by order of the Board:

.....
Jack Maddock- Co Chair

.....
Date

Reading University Students' Union **Independent Auditors' Report**

Opinion

We have audited the financial statements of Reading University Students' Union (the 'charitable company') for the year ended 31st July 2023 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31st July 2023 and of its group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Reading University Students' Union **Independent Auditors' Report**

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act

2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 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

Reading University Students' Union **Independent Auditors' Report**

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:

- The Charitable Company is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the charitable company complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charitable company's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report or for the opinions we have formed.

Robert Kirtland (Senior Statutory Auditor)
For and on behalf Critchleys Audit LLP, Statutory Auditor
Beaver house, 23 – 38 Hythe Bridge Street
Oxford
OX1 2EP

Reading University Students' Union
Consolidated Statement of Financial Activities
(Including the Income and Expenditure Accounts)
For the Year Ended 31st July 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
INCOME AND ENDOWMENTS					
Grant Income					
Grants and Donations	2	1,727,335	-	1,727,335	1,580,362
Charitable Activities					
Student Social Venues and Events	3	1,629,748	-	1,629,748	1,868,932
Student Activities (Clubs and Societies)	3	56,831	512,889	569,720	499,400
Student Democracy and Representation	3	2,200	-	2,200	2,489
Little Learners (Nursery)	3	833,499	-	833,499	779,687
Other Trading Activities					
Franchised Space	4	55,903	-	55,903	54,236
Business Development	4	182,652	-	182,652	226,071
Commercial Trading	4	68,662	-	68,662	59,565
Interest Receivable		24,405	-	24,405	1,889
Other		15,588	-	15,588	3,505
Total Income		<u>4,596,823</u>	<u>512,889</u>	<u>5,109,712</u>	<u>5,076,135</u>
EXPENDITURE					
Charitable Activities					
Student Social Venues and Events	5	1,870,307	-	1,870,307	1,942,594
Student Activities (Clubs and Societies)	5	709,712	487,196	1,196,908	958,985
Student Democracy and Representation	5	287,405	-	287,405	284,103
Student Development	5	131,118	-	131,118	-
Advice Services	5	309,346	-	309,346	281,739
Digital and Communications	5	287,450	-	287,450	285,218
Affiliations	5	47,679	-	47,679	47,039
Governance	5	115,736	-	115,736	-
Little Learners (Nursery)	5	761,990	-	761,990	640,871
Raising Funds					
Franchised Space	6	3,328	-	3,328	7,467
Business Development	6	117,961	-	117,961	158,687
Commercial Trading	6	49,944	-	49,944	59,242
Total Operating Expenditure		<u>4,691,976</u>	<u>487,196</u>	<u>5,179,172</u>	<u>4,665,945</u>
Net Operating Income/(Expenditure)		(95,153)	25,693	(69,461)	410,910
Movement in Pension Deficit		167,412	-	167,412	(38,282)
Transfers between Funds		8,416	(8,416)	-	-
Net Movement in Funds		<u>80,675</u>	<u>17,277</u>	<u>97,952</u>	<u>371,908</u>
Reconciliation of Funds					
Total Funds brought Forward		<u>1,328,166</u>	<u>313,955</u>	<u>1,642,121</u>	<u>1,270,213</u>
Funds Carried Forward		<u>1,408,841</u>	<u>331,232</u>	<u>1,740,073</u>	<u>1,624,121</u>

All transactions noted above derive from continuing operations.

A full Comparative SOFA for 2022 is included in note 26.

Reading University Students' Union
Consolidated Balance Sheet
As At 31st July 2023

		Consolidated		Parent	
		2023	2022	2023	2022
		£	£	£	£
Fixed Assets	10		490,686		447,330
Investments	11		-		4
			<u>490,686</u>		<u>447,334</u>
CURRENT ASSETS					
Stocks	12	111,490	102,288	111,235	102,033
Debtors	13	145,554	158,211	149,422	172,185
Cash at Bank and In Hand		<u>3,041,274</u>	<u>3,183,636</u>	<u>2,871,952</u>	<u>2,973,991</u>
		3,298,318	3,444,135	3,132,609	3,248,209
CREDITORS:					
Amounts falling due within one year	14	<u>(521,690)</u>	<u>(512,726)</u>	<u>(452,204)</u>	<u>(449,049)</u>
		<u>2,776,628</u>	<u>2,931,409</u>	<u>2,680,405</u>	<u>2,799,160</u>
CREDITORS:					
Amounts falling due in more than one year	15	(184,000)	(238,000)	(184,000)	(238,000)
PROVISION FOR LIABILITIES	16	(1,343,241)	(1,510,653)	(1,343,241)	(1,510,653)
NET ASSETS		<u>1,740,073</u>	<u>1,642,121</u>	<u>1,630,667</u>	<u>1,497,841</u>
RESERVES					
General Funds	21	2,305,397	2,324,414	2,195,991	2,180,134
Designated Fund	21	(896,556)	(996,248)	(896,556)	(996,248)
Restricted Fund	22	331,232	313,955	331,232	313,955
Total Reserves		<u>1,740,073</u>	<u>1,642,121</u>	<u>1,630,667</u>	<u>1,497,841</u>

These financial statements were approved by the Board of Trustees on and are signed on their behalf by:

.....
Tim Bertram -Chair of Finance

.....
Jack Maddock- Co Chair

Company Number 08840709

Reading University Students' Union
Consolidated Statement of Cash Flows
For the Year Ended 31st July 2023

Note	2023 £	2022 £
Cash Flows from Operating Activities		
Net movement of funds for the period	97,952	371,908
Adjustments for:		
Depreciation	224,374	166,886
Fixed assets written off	-	-
Loan waived	-	-
Interest received from investments	(24,405)	(1,870)
(Increase)/Decrease in Stock	(9,202)	(6,562)
(Increase)/Decrease in Debtors	12,657	(1,192)
Increase/(Decrease) in Pension Provision	(167,412)	38,282
Increase/(Decrease) in Other Creditors	8,964	53,355
Net Cash provided by Operating Activities	142,928	620,807
Cash Flows from Investing Activities		
Interest received from investments	24,405	1,870
Payments to acquire fixed assets	(255,695)	(122,183)
Net Cash provided by Investing Activities	(231,290)	(120,313)
Cash Flows from Financing Activities		
Loan Repaid	(54,000)	(54,000)
Additional Loans in year	-	-
Net Cash provided by Financing Activities	(54,000)	(54,000)
Change in cash and equivalents in the period	(142,362)	446,494
Cash and equivalents at the start of the period	3,183,636	2,737,142
Cash and equivalents at the end of the period	3,041,274	3,183,636

Reading University Students' Union
Notes to the Financial Statements
For the Year Ended 31st July 2023

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with the Charity's governing document, which is the Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Union is a Public Benefit Entity as defined by FRS 102.

Going Concern

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. As detailed in the Trustees Report, in forming this opinion, they have considered a period of at least twelve months from the date of approval of these financial statements.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value over the useful economic life of that asset as follows:

Other Equipment	5 – 10 years
Bars	5 – 10 years
Shops	5 – 10 years
Office and Facilities	3 – 10 years
Motor Vehicles	3 years

Stocks

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

Operating Lease Agreements

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.

Pension Costs

The Union participated in the Student Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. This scheme is now closed to future accrual. The fund continues to be valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable in respect of the past deficit being determined by the trustees on the advice of the actuary. The scheme operates as a pooled arrangement. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. Under FRS 102 the discounted value of contributions payable in respect of past service deficit have been provided for.

The National Union of Students Pension Scheme (NUSPS), and the National Employment Savings Trust (NEST) are defined contribution schemes and are accounted for in the year in which they are due.

Reading University Students' Union
Notes to the Financial Statements
For the Year Ended 31st July 2023

Investments

Investments are stated at cost less any provision for diminution in value.

Taxation

No provision is made in these accounts for tax as the Union is entitled to the exemptions available to charities provided all income is applied for charitable purposes.

Consolidation

The Statement of Financial Activities and Balance Sheet consolidate the results of the two subsidiary companies, Little Learners @ RUSU Ltd and RUSU Trading Ltd.

2. DONATIONS AND GRANTS

	2023	2022
	£	£
Annual Grant	1,727,335	1,580,362
	<u>1,727,335</u>	<u>1,580,362</u>

3. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Student Social Venues and Events	1,629,748	-	1,629,748	1,868,932		1,868,932
Student Activities	56,831	512,889	569,720	36,198	463,202	499,400
Democracy & Representation	2,200	-	2,200	2,489	-	2,489
Little Learners Nursery	833,499	-	833,499	779,687	-	779,687
	<u>2,522,278</u>	<u>512,889</u>	<u>3,035,167</u>	<u>2,687,306</u>	<u>463,202</u>	<u>3,150,508</u>

The Nursery is operated by a subsidiary company, Little Learners Ltd, which is 100% owned by Reading University Students' Union. Included in Little Learner's income is £nil (2022: £1,840) received as part of the government's coronavirus job support scheme.

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Franchised Space	55,903	54,236
Business Development	182,652	266,071
Commercial Trading	68,662	59,565
	<u>307,217</u>	<u>379,872</u>

Reading University Students' Union
Notes to the Financial Statements
For the Year Ended 31st July 2023

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs £	Support Costs £	2023 Total £	Direct Costs £	Support Costs £	2022 Total £
Student Social Venues and Events	1,554,383	315,924	1,870,307	1,625,845	316,749	1,942,594
Student Activities	1,011,529	185,380	1,196,908	774,577	184,408	958,985
Student Development	131,118	-	131,118	-	-	-
Democracy and Representation	177,550	109,855	287,405	174,050	110,053	284,103
Advice Services	207,844	101,502	309,346	181,147	100,592	281,739
Digital and Communication	166,174	121,276	287,450	163,820	121,398	285,218
Affiliations	47,679	-	47,679	47,039	-	47,039
Governance	115,736	-	115,736	-	-	-
Little Learners Nursery	732,034	29,956	761,990	613,071	27,800	640,871
	4,144,846	863,893	5,007,939	3,579,549	861,000	4,440,549

6. EXPENDITURE ON OTHER TRADING ACTIVITIES

	Direct Costs £	Support Costs £	2023 Total £	Direct Costs £	Support Costs £	2022 Total £
Franchised Space	-	3,328	3,328	4,378	3,089	7,467
Business Development	85,238	32,453	117,691	126,757	31,930	158,687
Commercial Trading	38,131	11,813	49,944	47,000	12,242	59,242
	123,369	47,594	170,763	178,135	47,261	225,396

Reading University Students' Union
Notes to the Financial Statements
For the Year Ended 31st July 2023

7. SUPPORT COSTS

	Support Staff	Repairs, Maintenance & Cleaning	Office Costs	Other Costs	2023 Total	2022 Total
	£	£	£	£	£	£
Student Social Venues and Events	169,174	45,507	77,120	24,123	315,924	316,749
Student Activities	108,354	23,885	40,479	12,662	185,380	184,408
Democracy and Representation	59,389	15,650	26,520	8,296	109,855	110,053
Advice Services	61,660	12,355	20,938	6,549	101,502	100,592
Digital and Communication	66,162	17,091	28,963	9,060	121,276	121,398
Little Learners Nursery	29,956	-	-	-	29,956	27,800
Franchised Space	3,328	-	-	-	3,328	3,089
Business Development	21,164	3,501	5,932	1,856	32,453	31,930
Commercial Trading	3,844	2,471	4,188	1,310	11,813	12,242
	523,031	120,460	204,140	63,856	911,487	908,261

Reading University Students' Union
Notes to the Financial Statements
For the Year Ended 31st July 2023

8. NET INCOMING RESOURCES

The net incoming resources is stated after charging:

	2023	2022
	£	£
Depreciation of tangible fixed assets	224,374	166,886
Operating Lease rentals	200	200
Audit Fees	<u>12,000</u>	<u>10,600</u>

9. STAFF COSTS AND KEY MANAGEMENT PERSONNEL

	2023	2022
	£	£
Permanent Staff		
Gross Salaries	1,622,800	1,580,160
Termination payments	71,349	-
Employers N.I.	148,635	139,004
Employers Pension	74,093	66,952
Part Time Students	<u>347,665</u>	<u>260,235</u>
Total Staff Costs	<u>2,264,542</u>	<u>2,046,351</u>

The average number of permanent staff in the year was 66 (2022: 68)

The average number of temporary student staff in the year was 79 (2022:73)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £70,000 was one (2022: one). During the year the contribution to the personal pension plan for this member of staff amounted to £2,219 (2022: £2,873)

Following the Board decision in June to reorganise the senior leadership team, payments made from unrestricted funds have been accrued in the accounts totalling £85,542. To date, £78,030 has been paid.

The total employee benefits (including employer pension and employer national insurance costs) of the key management personnel which consists of five managers was £279,456 (2022: five managers, £274,912).

Expenses totalling £777 were paid to trustees during the period (2022: £683).

Reading University Students' Union
Notes to the Financial Statements
For the Year Ended 31st July 2023

10. TANGIBLE FIXED ASSETS

	Venues £	Other £	Office and Facilities £	Nursery £	Total £
Cost					
At 1 st August 2022	363,192	924,308	759,654	34,045	2,081,199
Additions	-	173,070	77,784	4,841	255,695
Disposals	(21,063)	(53,519)	(38,962)	-	(113,544)
At 31st July 2023	342,129	1,043,859	798,476	38,886	2,223,350
Depreciation					
At 1 st August 2022	220,450	717,373	662,001	22,010	1,621,834
Charge for the Year	56,410	114,941	49,334	3,869	224,374
Disposals	(21,063)	(53,519)	(38,962)	-	(113,544)
At 31st July 2023	255,797	778,795	672,373	25,699	1,732,664
NET BOOK VALUE					
At 31st July 2023	86,322	265,064	126,103	13,187	490,686
At 31 st July 2022	142,742	206,935	97,653	12,035	459,365

Included within this balance is the Net Book Value of all assets purchased using the designated Future Projects fund, which is £243,623 at 31 March 2023 (2022: £159,182).

11. INVESTMENTS

	2023 £	2022 £
Subsidiary Companies:		
Little Learners @ RUSU Limited	2	2
RUSU Trading Limited	2	2
	<u>4</u>	<u>4</u>
Total Parent Investments	<u>4</u>	<u>4</u>

Little Learners at RUSU Limited (Company Number: 03723877) operates a nursery. The results of the subsidiary are consolidated in these accounts and are set out in notes 3 and 5. The net assets of the company at the year end amounted to £109,410 (2022: £144,279).

RUSU Trading Limited (Company Number: 08308331) was incorporated on 27th November 2012 and commenced to trade on 1st August 2015. The company was dormant throughout 2021/22. The net assets of the company at the year end amounted to £2.

Reading University Students' Union
Notes to the Financial Statements
For the Year Ended 31st July 2023

12. STOCKS

	Consolidated		Parent	
	2023	2022	2023	2022
	£	£	£	£
Bars	48,296	43,722	48,296	43,722
Merchandise	22,998	23,910	22,998	23,910
Sports Kit	31,940	28,169	31,940	28,169
Catering	8,001	6,232	8,001	6,232
Nursery	255	255	-	-
	<u>111,490</u>	<u>102,288</u>	<u>111,235</u>	<u>102,033</u>

13. DEBTORS

	Consolidated		Parent	
	2023	2022	2023	2022
	£	£	£	£
Trade Debtors	51,373	101,208	45,522	92,763
Other Debtors	22,689	10,235	23,304	10,235
Intercompany Balance	-	-	9,259	22,419
Prepayment and Accrued Income	71,493	46,768	71,337	46,768
	<u>145,555</u>	<u>158,211</u>	<u>149,422</u>	<u>172,185</u>

14. CREDITORS: Amounts falling due within one year

	Consolidated				Parent			
	2023		2022		2023		2022	
	£	£	£	£	£	£	£	£
University Loans		54,000		54,000		54,000		54,000
Trade Creditors		105,566		189,903		94,465		185,604
University Creditor		-		1,456		-		1,456
Other Creditors including Taxation:								
PAYE Social	46,062		65,218		46,062		65,218	
Security								
VAT	-		-		-		-	
Other Creditors	77,262		23,322		28,845		19,191	
Holiday Pay accrual	16,351		30,243		16,351		30,243	
Accruals and								
Deferred Income	222,449		148,584		212,481		93,336	
		<u>362,124</u>		<u>267,367</u>		<u>303,739</u>		<u>207,988</u>
		<u>521,690</u>		<u>512,726</u>		<u>452,204</u>		<u>449,048</u>

Reading University Students' Union
Notes to the Financial Statements
For the Year Ended 31st July 2023

15. **CREDITORS:** Amounts falling due after one year

	Consolidated		Parent	
	2023	2022	2023	2022
	£	£	£	£
University Loans	184,000	238,000	184,000	238,000
	<u>184,000</u>	<u>238,000</u>	<u>184,000</u>	<u>238,000</u>

The Union currently has two interest free loans with the University which are repayable in instalments. As at July 2023, £44,000 is repayable in instalments until 2031 and £140,000 is repayable in instalments until 2029.

16. **PROVISION FOR LIABILITIES**

	Consolidated		Parent	
	2023	2022	2023	2022
	£	£	£	£
Pension Provision	1,343,241	1,510,653	1,343,241	1,510,653
	<u>1,343,241</u>	<u>1,510,653</u>	<u>1,343,241</u>	<u>1,510,653</u>

17. **PENSIONS**

The Union participated 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 30th September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1st October 2003 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30th 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.

The 2022 valuation saw scheme Trustees take steps to ensure that the level of contributions will remain affordable for participating employers. The regular increase of 5% due in October 2023 will proceed as they had planned, with a subsequent increase of 5% each 1 October until the end of the deficit recovery period, which is now expected to be in May 2037. This is an extension from August 2035. Contributions due from 1 October 2026 onwards will be reviewed following the next actuarial valuation, due with an effective date of 30 June 2025. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

In accordance with FRS102, the net present value of the future contributions required over 14 years to clear the funding deficit is £1,343,241 (2022: £1,510,653).

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In calculating this net present value, the extension of the deficit recovery period and then the annual increases of 5% have been taken into account and a discount rate of 6.1% representing the typical yield of high quality corporate bonds has then been applied. The total contributions paid into the scheme in respect of the funding deficit for the period ended 31st July 2023 were £nil (2022: nil).

From 1st October 2011 the Union has participated in the National Union of Students Pension Scheme, NUSPS, which is a defined contribution scheme. This scheme was closed to new entrants on 31st January 2014. From 1st February 2014 new staff are automatically enrolled in the National Employment Savings Trust (NEST). Contributions to these schemes are accounted for in the year in which they are due and amounted to £53,507 (2022: £46,349).

18. COMMITMENTS UNDER OPERATING LEASES

At 31st July 2022 the company had total commitments under non-cancellable operating leases as set out below:

	2023		2022	
	Land & Buildings	Other Items	Land & Buildings	Other Items
	£	£	£	£
<i>Operating Leases which expire :</i>				
Within 1 year	200	-	200	-
After more than 5 years	1,100	-	1,300	-
	<u>1,300</u>	<u>-</u>	<u>1,500</u>	<u>-</u>

The above amount relates to the lease on the nursery building which was renewed during the prior year and runs until March 2024 and the lease on the Student Union building which runs until 2036. Other accommodation is provided free of charge by the University. Were the Union to pay for additional space it uses for its operations this charge would increase by up to £675,000.

19. DONATIONS

The Union made no donations to external bodies during the year except where collections were made on behalf of various charities and lodged with the Union prior to payment to the charity.

20. RELATED PARTY TRANSACTIONS

The Union is in receipt of a recurrent grant from the University of Reading of £1,727,335 (2022: £1,580,362). The Union also received loans from the University in previous years, and in 2023 made repayments totalling £54,000 (2022: £54,000).

In addition, the Union occupies its building under a lease from The University of Reading for a charge of £100 per year until 25th March 2036 under an agreement whereby the Union maintains the building in a good state of repair.

The trustees of the Union are the members of the Trustee Board. The Officer Trustees of the Trustee Board receive remuneration for their services as provided for within the Constitution.

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21. UNRESTRICTED FUNDS

	Balance B/F 2022	Income	Expenditure	Transfers	Balance C/F 2023
DESIGNATED FUNDS					
Capital Equipment Fund	159,182	-	(154,223)	238,663	243,623
University Loan Fund	(292,000)	-	-	54,000	(238,000)
Spaces	350,825	-	(36,166)	(204,969)	109,740
Brand and Identity	51,000	-	(19,642)	-	31,358
Digital Systems	72,600	-	(5,737)	-	66,863
Student Voice	68,700	-	-	-	68,700
Building Community	104,100	-	(12,432)	-	91,668
Pension Reserves	(1,510,653)	-	-	167,412	(1,343,243)
Cost of Living Fund	-	23,167	(32,022)	42,504	33,649
UoR#Bit	-	-	(5,214)	14,300	9,086
Student Engagement Fund	-	-	-	30,000	30,000
	(996,246)	23,167	(265,386)	341,911	(896,556)
UNRESTRICTED FUNDS					
General Funds	2,180,133	3,740,155	(3,502,144)	(222,156)	2,195,987
Little Learners Reserve	144,279	833,499	(757,030)	(111,339)	109,410
	2,324,412	4,573,656	(4,459,174)	(333,495)	2,305,397
	1,328,166	4,596,823	(4,524,564)	8,416	1,408,841

Funding of Capital Expenditure

The Capital Equipment Fund represents the Unions investments in fixed assets. All capitalised assets acquired from other designated funds (e.g. Future Project Fund, Spaces, etc) are represented by the Capital Equipment Fund and appropriate transfers are made. Fixed assets depreciation is charged against this fund.

University Loan Fund

The University Loan Fund represents the amount still owed to the University to repay loans which have financed fixed asset acquisitions.

Spaces

The Spaces fund is intended to be used to reconfigure several spaces in the summer of 2024, including:

- a new helpdesk
- repurposing the study to a student activities hub
- general uplift of the space
- upgrade of venues spaces
- reallocation of some outlets
- improved office space
- new furniture

Brand and Identity

The Brand and Identity fund has been designated for use in rebranding across the Union. It is intended to be used for the design, physical assets and cultural elements.

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Digital Systems

The Digital Systems fund will cover the upgrade of the IT network and facilities, as well as the investment in a new online membership system and a range of improvements to membership services.

Student Voice

The Student Voice fund will be used to research project capacity and provide improvements to the Union's advice and policy systems. It will also help to make democratic improvements (linked to digital systems).

Building Community

The Building Community fund is a 2-year community engagement project with Halls, to provide targeted interventions for EDI.

Pension Reserve

The Pension Reserve represents the pension provision in respect of the SUSS Scheme of £1,343,241. See note 16 for details of the pension liability.

UNRESTRICTED FUNDS COMPARATIVE

	Balance B/F 2021	Income	Expenditure	Transfers	Balance C/F 2022
DESIGNATED FUNDS					
Capital Equipment Fund	156,672	-	(100,629)	103,139	159,182
University Loan Fund	-	-	-	(292,000)	(292,000)
Future Project Fund	327,887	-	-	(327,887)	-
Student Activities	257,526	-	-	(257,526)	-
Spaces	-	-	-	350,825	350,825
Brand and Identity	-	-	-	51,000	51,000
Digital Systems	-	-	-	72,600	72,600
Student Voice	-	-	-	68,700	68,700
Building Community	-	-	-	104,100	104,100
Pension Reserves	(1,472,371)	-	(38,282)	-	(1,510,653)
	<u>(730,286)</u>	<u>-</u>	<u>(138,911)</u>	<u>(127,049)</u>	<u>(996,246)</u>
UNRESTRICTED FUNDS					
General Funds	1,982,290	3,831,390	(3,500,450)	(133,097)	2,180,133
Little Learners Reserve	3,607	781,543	(640,871)	-	144,279
	<u>1,985,897</u>	<u>4,612,933</u>	<u>(4,141,321)</u>	<u>(133,097)</u>	<u>2,324,412</u>
	<u>1,255,611</u>	<u>4,612,933</u>	<u>(4,280,232)</u>	<u>(260,146)</u>	<u>1,328,166</u>

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22. RESTRICTED FUNDS

	Balance B/F 2022	Income	Expenditure	Transfers	Balance C/F 2023
Student Activities	294,099	498,889	(475,296)	(8,416)	309,276
Activities	15,896	-	-	-	15,896
Balances					
Sporting Balances	2,620	12,500	(11,900)	-	3,220
Volunteering	1,340	-	-	-	1,340
Good Lads	-	1,500	-	-	1,500
	<u>313,955</u>	<u>512,889</u>	<u>(487,196)</u>	<u>(8,416)</u>	<u>331,232</u>

RESTRICTED FUNDS COMPARATIVE

	Balance B/F 2021	Income	Expenditure	Transfers	Balance C/F 2022
Student Activities	-	450,567	(423,995)	247,526	294,099
Activities	13,262	2,635	-	-	15,896
Balances					
Sporting Balances	-	-	-	2,620	2,620
Volunteering	1,340	-	-	-	1,340
	<u>14,602</u>	<u>463,202</u>	<u>(423,995)</u>	<u>260,146</u>	<u>313,955</u>

Student Activities

These are the funds held for the Student clubs and societies. Income is in the form of club membership and income to hold events. Expenditure is on running the club or society including coaching and training, hiring venues, purchase of equipment and the running of events.

CSE Activities Fund

Funds given by the University Alumni Department to fund Sports and Societies projects.

Sporting Excellence

These are annual funds from the university alumni to be used for Scholarships for Sports students.

Volunteering – Shenley Foundation

Funding from the Shanley Foundation to support student volunteering projects.

Good Lads

This is a grant from Reading Borough Council to fund Equality, Diversity and Inclusion training.

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23. SURPLUS FOR THE FINANCIAL YEAR

At permitted by section 408 Companies Act 2006, Reading University Students' Union's individual Statement of Financial Activities has not been included in these financial statements. The surplus for the year is made up as follows:

	2023	2022
	£	£
Reading University Students' Union's individual surplus/(deficit) for the financial year	(132,827)	231,235

24. CONTROLLING PARTY

The Union is controlled by the Trustee Board, up to 10 members of which are subject to democratic election by the voting membership of the Union. The ultimate control of the Union is vested under the constitution in the membership in General meeting. As such no single person or entity controls the Union. The Trustee Board also contains a minimum 4 externally appointed Trustees.

25. CAPITAL COMMITMENTS

At the year end the Union had committed to building refurbishment works and other capital projects totalling £nil (2022: £nil).

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26. COMPARATIVE SOFA 2022

	Unrestricted Funds £	Restricted Funds £	Total 2022 £
INCOME AND ENDOWMENTS			
Grant Income			
Grants and Donations	1,580,362	-	1,580,362
Charitable Activities			
Student Social Venues and Events	1,868,932	-	1,868,932
Student Activities (Clubs and Societies)	36,198	463,202	499,400
Student Democracy and Representation	2,489	-	2,489
Little Learners (Nursery)	781,543	-	781,543
Other Trading Activities			
Franchised Space	54,236	-	54,236
Business Development	226,071	-	226,071
Commercial Trading	59,565	-	59,565
Marketing & Sponsorship	-	-	-
Interest Receivable	1,872	-	1,872
Other	1,665	-	1,665
Total Income	4,612,933	463,202	5,076,135
EXPENDITURE			
Charitable Activities			
Student Social Venues and Events	1,942,594	-	1,942,594
Student Activities (Clubs and Societies)	534,990	423,995	958,985
Student Democracy and Representation	284,103	-	284,103
Advice Services	281,739	-	281,739
Digital and Communications	285,218	-	285,218
Affiliations	47,039	-	47,039
Little Learners (Nursery)	640,871	-	640,871
Raising Funds			
Franchised Space	7,467	-	7,467
Business Development	158,687	-	158,687
Commercial Trading	59,242	-	59,242
Marketing and Sponsorship	-	-	-
Total Operating Expenditure	4,241,950	423,995	4,665,945
Net Operating Income/(Expenditure)	370,983	39,207	410,910
Movement in Pension Deficit	(38,282)	-	(38,282)
Transfers between Funds	(260,146)	260,146	-
Net Movement in Funds	72,555	299,353	371,908
Reconciliation of Funds			
Total Funds brought Forward	1,255,611	14,602	1,270,213
Funds Carried Forward	1,328,166	313,955	1,642,121