

Company Number: 09628909
Charity Number (England & Wales): 1164033

UNIVERSITY OF BRIGHTON STUDENTS' UNION
ANNUAL REPORT AND FINANCIAL STATEMENTS
31 JULY 2022

**TRUSTEES' ANNUAL REPORT
for the year ended 31 July 2022**

The trustees present their report and the financial statements of the University of Brighton Students' Union (which is also known as "UBSU" or "the Union", and which also operates under the name "Brighton SU") for the year ended 31 July 2022. The trustees' report serves the purpose of both a trustees' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting; Statement of Recommended Practice (applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019.

OBJECTIVES AND ACTIVITIES

Charitable objectives

The charitable objectives for which the charitable company was established are:

The advancement of education of students at the University of Brighton for the public benefit by:

- The promotion of the interests and welfare of students of Brighton during their course of study and representing, supporting, and advising students
- Recognition as the representative channel between students and the University of Brighton and any other external bodies; and
- The provision of social, cultural, sporting, and recreational activities and forums for discussion and debate for the personal development of its students.

Charitable activities

In pursuit of these objectives, we support and represent over 19,000 students. We do this by:

- Operating a support and advocacy service providing individual advice and support to students through the Students' Union Support Service
- Working with students and the University to maintain and improve the quality of academic support to students
- Enabling and encouraging democratic participation in student leadership elections
- Encouraging student participation in activities, events and societies
- Building communities and facilitating engagement between students and local residents
- Working with students to run entertainments and events that improve the overall student experience; and
- Providing employment opportunities and training through UBSU run outlets.

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TRUSTEES' ANNUAL REPORT (Continued)
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The trustees have taken The Charity Commission's guidance on public benefit into consideration in reviewing and managing the objectives and activities of the charity and are satisfied the information presented within this annual report demonstrates UBSU's public benefit.

Our Mission is to *Make Student Life Better*.

The use of volunteers and donated services

The charity makes considerable use of the services of volunteers in order to not only manage the charitable company at trustee level, but also to deliver activities and outcomes for the benefit of its beneficiaries. The charity is also reliant upon donated services, and those donated services which can be quantified, are recognised in the financial statements as donations in kind.

ACHIEVEMENTS AND PERFORMANCE

2021/22 marked the Union's 100 years since it started as the Brighton Student Association as part of Brighton Technical College, which later became University of Brighton. Due to the ongoing impact of the pandemic, it was inappropriate to fully celebrate this achievement, but we held a celebratory Union Awards evening, inviting back former staff and officers.

This year saw the gradual return of students to the campus following the pandemic. All areas of work were focused on getting the best experience possible for students under continued challenging circumstances.

The Five Strategic Themes

Education: Challenge the University to provide our students with the best education possible.

Most of the efforts this year were regarding the return to campus for as many students as possible. We used our numerous feedback tools such as the Survey Superheroes scheme to gain valuable feedback and insight, highlighting the areas of improvement needed throughout the University.

We successfully lobbied for the continuation of more student focused academic regulations, taking into account the continuing impact of the pandemic. This saw the University introduce the 'best of 80 credits' system to the majority of courses and also allowed self-certification on requests for extensions for the first time.

We supported nearly 1,000 students with academic issues throughout the year, ensuring that they had fair processes applied in a consistent and student focused manner.

Employability: Help our students stand out.

We continued to embed employability skills into the training and development of all our volunteers. Our 1,000+ society leaders, course reps, and post graduate research reps all have a section on employability skills embedded into their training. On completion of their role at the end of the academic year they also receive a certificate that outlines all of the employability skills they have gained throughout the year.

We worked more closely with the University employability team to ensure that employability skills are recognised throughout the curriculum, and helped students translate those skills into interviews.

Post Graduate students were offered work placements with the University, and we worked with all sides to achieve a fair and equitable situation for both the post graduate lecturer and undergraduate students.

Inclusive: Create a Union that is welcoming and relevant to all our students.

The Officer's main campaign for the year was 'Be Loud, Be Proud' which incorporated raising awareness of

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TRUSTEES' ANNUAL REPORT (Continued) for the year ended 31 July 2022

challenges and celebrating diversity. Each month focused on a different demographic of students, including Black History month, Disability and carers, mental wellbeing, LGBTQ+ and culture and faiths.

Society membership returned to over 2,000 active members across the 50 societies which were able to meet again in person. This was hugely appreciated by all our society members, whilst also maintaining an online facility as required, to ensure no students were prevented from participating. 100 free memberships were given away to celebrate the Union's 100 year anniversary.

The Union took an active role in Brighton Pride, with staff and students participating in the Parade. This was the first in person event for 2 years, and continues to be an important show of pride and allyship to all our students.

We ran an extremely successful Culture Fest which saw 200 students from different backgrounds coming together to share experiences, food and traditions. This is an event which will continue in future years.

We more accurately recorded the number of students involved in our activities throughout the year. We particularly noted the interactions of students who were highly engaged:

3076 students were actively connected (society member, event attendee, support user, give it a go, voter)
1025 students were actively engaged (student staff, course rep, society committee, election candidate)
40 students were leaders (officers, trustees, award winners, student staff supervisors)

This will be tracked in more detail in coming years, including evaluating the movement up these groups.

Welfare: Support our students with their mental health and general wellbeing.

We proactively contacted nearly 7,000 students for a wellbeing check in message as students started returning to campus. This provided valuable feedback as well as giving those students an actual name for any future concerns.

There was significant concern regarding the apparent increase in drink spiking nationally. We worked alongside our partner nightclubs to ensure that they were doing all they could to keep students as safe as possible. We relaunched the student safe taxi scheme and provided students with information, advice, and free testing kits.

Communication: Be clear and transparent about who we are and what we do.

We have started to redevelop our website to make it clearer and more accessible. We have also reworked our social media channels to ensure that the right messages are in the right places. This work continues at pace to keep up with ever changing trends.

The Three Foundations

The five strategic themes are supported by three key foundations. We have developed these foundations throughout the year to ensure they best support the strategic themes.

Our People

Our people continue to be BSU's most valuable asset, and we acknowledge that the Union needs to provide a supportive environment to ensure that we retain our best staff. Over the past year we have continued to offer a hybrid working pattern for our staff, recognising individual needs and preferences wherever possible, whilst ensuring a high level of services remains for our students.

We continue to be committed to providing a work environment that is diverse, inclusive, and free from discrimination, and undertook a diversity audit of all our internal and external systems, including a staff survey.

UNIVERSITY OF BRIGHTON STUDENTS' UNION**TRUSTEES' ANNUAL REPORT (Continued)
for the year ended 31 July 2022**

The audit confirmed that there is no systemic discrimination or exclusionary behaviour embed within the organisation. It also found that BSU is a positive place to work, with 90% of staff saying that they would recommend working at BSU to a friend. This is an excellent position to be able to build on it's culture of proactive inclusion and increase opportunities for staff to contribute, develop and innovate in order to take the organization to the next level. We will continue to build upon this work over the coming year.

We reshaped our finance team during the year, following the resignation of the previous Director of Finance. A new Director was appointed in December 2021, Aksana Trifonos.

Responsible Union

We have maintained a stable financial position despite COVID-19 and a significant decrease in income. This was achieved through responsible decision making and accurate and timely financial reporting. The Development Fund and Minimum Reserve Fund are likely to be critical over the next few years as UBSU adjusts to new operating environments as a result of COVID-19 and potential national and international political decisions that could impact the University and UBSU.

We have reviewed, updated and introduced policies across all areas of governance as a result of our periodic review timetable.

Relationship with the University

Our relationship with the University has grown even stronger over the past year, with representation on the Covid Response committees and regular meetings with all academic schools and professional departments. We have been invited to speak at a number of University staff conferences about the student experience during covid and race and faith.

It remains a positive critical friend relationship that has led to positive changes for students, such as the introduction of self certification and anonymous exam boards.

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TRUSTEES' ANNUAL REPORT (Continued)
for the year ended 31 July 2022**FINANCIAL REVIEW****Financial results of activities and events**

Total income for the year was £2,255,493 (20/21 – £1,760,023) which is an increase of £494,470 (28.2%). Income from cafes and shops increased by £449,363 (85%) which reflects the impact of the lifting Covid 19 restrictions. Income generated by Societies decreased to zero, although the shops and cafes were opened, there were still less students on campus who were joining the societies. Entertainments and Events income increased by £91,111 (98%) the festivals programme was resumed after all some of Covid 19 restrictions were lifted, although we still saw a reduced number of students on all campuses. UBSU continues to benefit from the financial support of the University of Brighton through the block grant, which increased by £54,000 (5%). Donations and Grants from other funders decreased by £146,950 (50%). UBSU has not received COVID-19 Job Retention Scheme Grants from HMRC due to the scheme has ended in 20/21, £122,542 was received in 20/21.

Total expenditure for the year was £2,213,495 (20/21 - £1,737,189) which is an increase of £476,306 (27%). Café and Shop expenditure increased by £341,759 (58%) in line with increased sales. Academic Experience, Campus and Community, and Other Student Activities expenditure decreased by a combined total of £15,523 (5%). All these decreases reflect UBSU's response to COVID-19 either through restrictions enforcing a reduction in physical activity, or through UBSU's attempt to manage expenditure during a period of reduced income. Entertainments and Events expenditure increased by £108,668 (60%) in line with increased income. The Provision for Pension deficit Payments increased by £18,196, reflecting a movement in the interest rate used to discount future cash payments. This was offset by a £83,966 recovery plan cash payment during theyear, resulting in a total provision decrease of £65,770.

Funds increased by £41,998 during the year. These funds will be used to support a new UBSU strategic plan that will be implemented in 2022-23. They will also be used to support the launch of a new UBSU venue. The Minimum Reserve has been maintained at £100,000, in line with the Reserves Policy.

Cash decreased by £46,958, which mainly reflects the SOFA surplus for the year (£41,998), minus the decrease in the SUSS Pension provision (£65,770), minus the increase in debtors as sales and marketing activity gains momentum before the start of 21/22 (£50,828) plus increase in creditors (£18,298) and movements in stock (£5,777) and depreciation charge (£15,204).

Reserves policy

Although the charitable company had no free reserves at 31 July 2022, excluding the pension deficit liability of £1,465,922 (20/21 - £1,531,692), free reserves would have been £417,294 (20/21 – £441,064).

The Trustees reviewed the UBSU Reserves Policy in 21/22. The policy follows Charity Commission guidelines and considers the risks associated with its activity and the financial impact of these risks on income and expenditure. The review concluded an appropriate minimum reserve level remains at no less than £100,000. At the end of 2021/22 UBSU had a minimum reserve of £100,000 (20/21 - £100,000) and a Development reserve of £269,032 ((20/21 - £322,926). Development reserves are primarily held to support one-off strategic projects in line with the strategic plan and society activity throughout the year.

The trustees are committed to reviewing the Reserves Policy on an annual basis.

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for the year ended 31 July 2022**

Investments policy

The trustees, having regard to the liquidity requirements of UBSU, have kept available funds in an interest-bearing deposit account bearing an interest rate of 0.01%.

Going concern

As at 31 July 2022, the balance sheet showed net liabilities of £1,048,630 after recognising the SUSS pension deficit liability of £1,465,922.

In considering the going concern basis of preparation of the financial statements, the trustees have reviewed the three-year finance plan. The plan aims to achieve at least a breakeven position across the three years of the plan.

The Union's main income streams are the University of Brighton in the form of subvention, and commercial trading activity from its outlets (cafes and shops) and student events. The University of Brighton has confirmed its support in the form of a Block Grant for the year ended 31 July 2023 totaling £1,122,000 (2021/22: £1,122,000). The Union's commercial activity provides a diversified and robust source of income. Costs associated with generating commercial income primarily vary with the level of commercial activity thus reducing the financial risks associated with this activity.

The Union held £369,154 (2020/21 - £449,801) in cash and bank deposits at the end of 2021/22 and had net current assets of £369,031 (2020/21 - £422,926). Free reserves are maintained in low risk, high liquidity deposit accounts ensuring cash will be readily available to support operating activity. The profile of the Union's income, expenditure, and cashflow is closely correlated, ensuring there are no periods of significant net cash outflow.

The Trustees have considered the impact of COVID-19 and any post-epidemic impacts and believe the current level of free reserves, along with close control of expenditure will be sufficient to manage any decreases in income over at least the next twelve months.

BSU Enterprise Limited is a trading subsidiary company wholly owned by UBSU. The trading subsidiary normally generates a net profit, however, COVID restrictions resulted in significant reductions in activity and a net loss of £60,490 (2020/21 - net loss £60,599). Sales revenue was £711,537 (2020/21 - £114,908) and expenditure was £772,027 (2020/21 - £175,508). It is anticipated BSU Enterprise Limited will return to profit in 22/23 after making some significant changes to the trading outlets and opening a new venue.

On the basis of this information, the trustees consider the going concern basis to be appropriate.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error. Systems and procedures have been established to mitigate the financial and trading risks. Procedures are in place to ensure compliance with health and safety legislation in relation to staff, volunteers and participants in all activities of the Union.

TRUSTEES' ANNUAL REPORT (Continued)
for the year ended 31 July 2022

PLANS FOR FUTURE YEARS

In 2018/19 we created a new three-year Strategic Plan. This plan came to an end at the end of 2020/21. The Trustee Board took the decision to defer the development of a new three-year plan until 2022/23. We will use the five Strategic Themes and three Foundations of the existing plan to guide our activity during 2022/23, setting goals and objectives that align with this plan. We will also aim to focus our efforts transitioning to a post-pandemic environment as we return to campus.

The following section outlines the five Strategic Themes of the plan which are supported by our three key Foundations. The plan is underpinned by UBSU's Vision, Mission and Values;

Vision: All our students have the best experience imaginable

Mission: Making student life better

Values: Supportive, Transparent, Approachable, Dynamic, Inclusive

The five Strategic Themes within the plan, developed from student feedback are outlined below, with key objectives for listed underneath each one. These are underpinned by three key Foundations:

Education: Challenge the University to provide our students with the best education possible.

- Ensure course reps are well trained, supported and empowered to make a difference in their schools.
- Raise awareness of our education support service.
- Provide an accessible education support service that is responsive to evolving student needs.
- Challenge the University to ensure they meet their own strategic objective to put our students at the heart of everything they do.
- Support and empower our students to make change happen.

Employability: Help our students stand out.

- Help our students to identify and articulate the skills they develop when being a union volunteer or student staff member.
- Continue to provide student staff opportunities throughout our organisation.
- Challenge the University's Careers Service to ensure they provide the services that our students want and need.
- Ensure the development of an employability skills award scheme.

Inclusive: Create a Union that is welcoming and relevant to all our students.

- Create and deliver engagement plans to provide opportunities for all students to engage with us.
- Provide opportunities, societies, communities and events to suit all our students' backgrounds, hobbies and lifestyles.
- Get to know our students better in order to understand their needs.
- Create welcoming student spaces on all campuses and continue to campaign for the University to do the same.

Welfare: Support our students with their mental health and general wellbeing.

- Continually improve awareness of and access to resources, support and partner services.
- Challenge the University to provide appropriate services to support our students with mental health concerns.
- Actively campaign for the rights of our students, inside and outside the University community.

Communication: Be clear and transparent about who we are and what we do.

- Develop a clear brand identity so our students recognise our activities and services, and the quality of experience we provide.

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- Produce targeted and relevant communications to our students.
- Increase our staging and officer presence across all our campuses.
- Invest in digital communications to adapt to the evolving needs of our students.

We have also identified the following key Foundations to support our work:

Our People

- Create and implement a People Plan to develop and support our team.
- Be an employer of choice and an organisation people are proud to work for.
- Ensure our people have up to date knowledge, skills, and support to carry out their roles.
- Create a culture that embodies our value and recognises outstanding work.
- Provide meaningful employment for students.

Responsible Union

- Have a decisive, diverse and engaged Trustee Board.
- Develop robust and transparent governance systems.
- Spend our money effectively to achieve our Strategic Plan.
- Focus on commercial services to ensure they provide value for money for all.
- Utilise all appropriate opportunities to increase our funds to support our core objectives.

Relationship with the University

- Work in collaboration with the University to maintain and strengthen our relationship.
- Improve our mutual understanding of each other.
- Development an operational agreement between us.

UNIVERSITY OF BRIGHTON STUDENTS' UNION

TRUSTEES' ANNUAL REPORT (Continued)
for the year ended 31 July 2022**STRUCTURE, GOVERNANCE AND MANAGEMENT****Status and history**

UBSU is a registered charity, and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £1 to the assets of the charity in the event of the charity being wound-up during the period of membership, or within one year thereafter.

The Union was originally set up by the University of Brighton. It created its own unique constitution which was formally adopted on 30 April 2010 and it was registered as a charitable trust in England and Wales on 25 August 2010. The new charitable company was incorporated on 8 June 2015, took over all the activities of the charitable trust with effect from 31 July 2015, and was registered as a charity in England and Wales on 20 October 2015.

UBSU is governed by the rules and regulations set down in its company Memorandum and Articles of Association dated 8 June 2015.

Organisational structure

UBSU is administered by its Board of Trustees consisting of up to four Lay Persons, up to four Students and four Sabbatical Trustees (students elected annually by cross-campus secret ballot of the UBSU membership). The four sabbatical posts of President, Education Officer, Activities Officer and Post Graduate Officer.

The sabbatical posts are full-time, remunerated posts as authorised by the Education Act 1994.

Business and employment decisions are the responsibility of the Board, as are the approvals of the annual budgets and accounts. The Board meet on a regular basis to receive reports and review the charity's performance. The board of trustees has delegated the day-to-day running of UBSU to a Chief Executive, named under 'Reference and Administrative details'. UBSU employs several full-time staff undertaking the management of its many activities and these staff are accountable to the Chief Executive in the performance of their duties.

The Sabbatical Trustees attend several training events designed to ensure they understand their role as Trustees. All external trustees and student trustees are also given an induction session before they join the Board which includes the role and responsibilities of trustees generally and in relation to Brighton Students' Union; conflicts of interest; and the principles of good governance.

Relationships with related parties and co-operation with other organisations

With the exception of the Sabbatical Officers (as discussed above), none of the trustees receive remuneration or other benefit from their work with the charity. Trustees are required to make declarations of interest at the start of every board meeting. In the current year no such related party transactions were reported.

The relationship between the University of Brighton and UBSU is established in the Regulations of the University. UBSU receives a block grant from the University of Brighton. UBSU occupies space in the buildings owned by the University inclusive of utilities, caretaking and cleaning staff. An estimated value to UBSU for this free serviced accommodation has been included in the financial statements at a conservative £274,111. Although UBSU continues to generate supplementary funding from various mutual trading activities, it will remain dependent on the University of Brighton for support. The Education Act 1994 imposes a duty on the University of Brighton to ensure the financial viability of its student representative body and therefore the board of trustees considers this support will continue in the foreseeable future.

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for the year ended 31 July 2022**

Arrangements for setting remuneration of key management personnel

Remuneration of UBSU's key management personnel is decided by the Trustee Board. These decisions are based on recommendations from the CEO following an annual appraisal of the post holders. The CEO's remuneration is decided by the trustees.

Trustees' responsibilities in the preparation of financial statements

The trustees (who are also the directors of University of Brighton Students' Union for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company as at the balance sheet date, and of its income and expenditure for that year.

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 Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- 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 enable them to ensure that the financial statements comply with 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.

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

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TRUSTEES' ANNUAL REPORT (Continued)
for the year ended 31 July 2022

Auditor

Knill James LLP has been appointed as the auditor to the charitable company and has indicated its willingness to continue in office.

Statement as to disclosure of information to the auditor

The trustees at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

REFERENCE AND ADMINISTRATIVE DETAILS

The trustees of the charity, who are also the directors of the company, have held office as follows:

Rayan Badrie	(resigned 1 July 2022)
Sufia Begum (Chair)	
Jenniver Girgawi	(resigned 1 July 2022)
Hadi Hassoun	(resigned 1 July 2022)
Sean Heath	(resigned 1 November 2022)
Caroline Walmsley	(resigned 1 November 2022)
Alistair Welham	
John Wilson	
Jonathan Tindall	(appointed 1 November 2022)
Lauren Harrison	(appointed 1 November 2022)
Anuraj Karmacharya	(appointed 1 July 2022)
Anna Mcelhinney	(appointed 1 January 2022)
Ilia Mirsky Katz	(appointed 1 July 2022)
Doris Ugochi Uche	(appointed 1 July 2022)
Elizabeth Quigg	(appointed 14 February 2022)

The principal address of the charity and the registered office of the company is Watts Building, Lewes Road, Brighton BN2 4GJ.

The charity is registered under the Charity Commission number 1164033 and the company is incorporated with the company registration number 09628909 in England and Wales. Laura Greenwood-Pearsons is the charitable company's correspondence contact.

The charity has made the following professional appointments:

Auditor	Knill James LLP, One Bell Lane, Lewes, East Sussex, BN7 1JU
Banker	Barclays Bank Plc, 139 North Street, Brighton, East Sussex BN1 1SJ
	NatWest Bank, 8-11 Pavillion Buildings, Catsle Square, Brighton, East Sussex BN1 1DP

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TRUSTEES' ANNUAL REPORT (Continued)
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The following staff are responsible for the day-to-day management of the charity:

Chief Executive	Laura Greenwood-Pearsons
Director of Human Resources	Jaci Baker
Director of Commercial Services	Justin Brentnall
Director of Finance	Richard Burgess-Gamble (until 5 December 2021) Aksana Trifonos (from 6 December 2021)

EXEMPTIONS FROM DISCLOSURE

No exemptions from the disclosure requirements applicable to a larger charity have been taken in this trustees' annual report.

FUNDS HELD AS CUSTODIAN

The charitable company acts as custodian for the funds raised by the students' many sports clubs. The charitable company is also custodian of the annual Raising and Giving (RAG) proceeds arising from the various fundraising events organised by the students each year and then distributed to the nominated charities involved. Finally, the charity is custodian of funds raised by students on certain courses to supplement their course activity. Funds of £57,526 were held on behalf of these clubs and groups as at 31 July 2022 – see note 15.

This report was approved by the board of trustees on06/12/2022..... 2022, and was signed for and on behalf of the board by



.....
Sufia Begum

.....09/12/2022..... 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF BRIGHTON STUDENTS' UNION

Opinion

We have audited the financial statements of University of Brighton Students' Union (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Group and Company Cash Flow Statements 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 31 July 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF BRIGHTON STUDENTS' UNION
(Continued)**

Other information

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

We have nothing to report in this regard.

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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF BRIGHTON STUDENTS' UNION (Continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company, we identified that the principal risk of non-compliance with laws and regulations related to employment regulation and health and safety regulation, 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 financial statements such as the companies act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings
- Performing audit procedures on the risk of management override of controls, including testing 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.

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF BRIGHTON STUDENTS' UNION
(Continued)**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees 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.

Knill James LLP

David W Martin
For and on behalf of Knill James LLP, Statutory Auditor
Chartered Accountants
One Bell Lane
Lewes
East Sussex
BN7 1JU

Date: *9 December 2022*

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including Consolidated Income and Expenditure Account)
for the year ended 31 July 2022

		Unrestricted	Restricted	Total 2022	Total 2021
		Funds	Funds	£	£
	Notes	£	£		
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	1,468,347	75,000	1,543,347	1,635,710
Charitable activities					
Working with students	4	620,310	-	620,310	89,036
Other trading activities	5	91,756	-	91,756	35,073
Investments	6	81	-	81	204
TOTAL		2,180,494	75,000	2,255,494	1,760,023
EXPENDITURE ON:					
Raising funds	7	80,268	-	80,268	43,681
Charitable activities:					
Working with students	8	2,040,032	75,000	2,115,032	1,677,640
Provision for pension deficit payments	8	18,196	-	18,196	15,868
TOTAL		2,138,496	75,000	2,213,496	1,737,189
NET INCOME FOR THE YEAR & NET MOVEMENT IN FUNDS	10	41,998	-	41,998	22,834
RECONCILIATION OF FUNDS					
Total funds brought forward at 1 August 2021		(1,090,628)	-	(1,090,628)	(1,113,462)
TOTAL FUNDS CARRIED FORWARD AT 31 JULY 2022	17	(1,048,630)	-	(1,048,630)	(1,090,628)

BALANCE SHEETS
for the year ended 31 July 2022

	Notes	Group 2022 £	Charity 2022 £	Group 2021 £	Restated Charity 2021 £
FIXED ASSETS					
Tangible assets	11	48,261	48,261	18,138	18,138
Investments	12	-	2	-	2
		48,261	48,263	18,138	18,140
CURRENT ASSETS					
Stocks	13	77,445	77,445	83,223	83,223
Debtors	14	118,389	239,476	67,561	135,346
Cash at bank and in hand		369,154	369,154	449,801	442,611
		564,988	686,075	600,583	661,180
LIABILITIES					
Creditors: Amounts falling due within one year	15	(195,957)	(195,957)	(177,659)	(177,659)
NET CURRENT ASSETS		369,031	490,118	422,926	483,521
TOTAL ASSETS LESS CURRENT LIABILITIES		417,292	538,381	441,064	501,661
Provisions for liabilities	16	(1,465,922)	(1,465,922)	(1,531,692)	(1,531,692)
NET LIABILITIES		(1,048,630)	(927,541)	(1,090,628)	(1,030,031)
THE FUNDS OF THE GROUP AND CHARITY					
Restricted income funds	17	-	-	-	-
Unrestricted income funds	17	(1,048,630)	(927,541)	(1,090,628)	(1,030,031)
TOTAL GROUP AND CHARITY FUNDS	18	(1,048,630)	(927,541)	(1,090,628)	(1,030,031)

As permitted by S408 Companies Act 2006, the charity has not prepared its own Statement of Financial Activities and related notes as it prepares group accounts. The charity's surplus for the year ended 31 July was £102,448 (2020/21 - £83,433).

The financial statements on pages 18 to 38 were approved by the trustees and authorised for issue on 06/12/2022 2022, and are signed on their behalf by



Sufia Begum

UNIVERSITY OF BRIGHTON STUDENTS' UNION

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 July 2022

		Group 2022	Charity 2022	Group 2021	Charity 2021
	Notes	£	£	£	£
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net cash (outflow)/inflow from operating activities	19	(35,402)	(28,212)	(49,229)	(52,017)
		(35,402)	(28,212)	(49,229)	(52,017)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Dividends, interest and rents from investments		81	81	204	204
Purchase of property, plant and equipment		(45,326)	(45,326)	-	-
Net cash used in investing activities		(45,245)	(45,245)	204	204
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING YEAR		(80,647)	(73,457)	(49,025)	(51,813)
Cash and cash equivalents at the beginning of the reporting year		449,801	442,610	498,826	494,424
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING YEAR	20	369,154	369,154	449,801	442,611

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2022

The charitable company, which is a public benefit entity under FRS 102, is constituted as a company limited by guarantee, incorporated in England and Wales and governed by its Memorandum and Articles of Association. The members of the charitable company and the principal address are given in the Reference and Administrative Details of the Trustees' Annual Report. The nature of the charitable company's operations and principal activities are included on page 1.

1. ACCOUNTING POLICIES
Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2020 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2020.

Going concern

As at 31 July 2022, the balance sheet showed net liabilities of £1,048,630 after recognising the SUSS pension deficit liability of £1,465,922.

In considering the going concern basis of preparation of the financial statements, the trustees have reviewed the three-year finance plan. The plan aims to achieve at least a breakeven position across the three years of the plan.

The Union's main income streams are the University of Brighton in the form of subvention, and commercial trading activity from its outlets (cafes and shops) and student events. The University of Brighton has confirmed its support in the form of a Block Grant for the year ended 31 July 2023 totaling £1,122,000 (2021/22: £1,122,000). The Union's commercial activity provides a diversified and robust source of income. Costs associated with generating commercial income primarily vary with the level of commercial activity thus reducing the financial risks associated with this activity.

The Union held £369,154 (2020/21 - £449,801) in cash and bank deposits at the end of 2021/22 and had net current assets of £369,031 (2020/21 - £422,926). Free reserves are maintained in low risk, high liquidity deposit accounts ensuring cash will be readily available to support operating activity. The profile of the Union's income, expenditure, and cashflow is closely correlated, ensuring there are no periods of significant net cash outflow.

The Trustees have considered the impact of COVID-19 and any post-epidemic impacts and believe the current level of free reserves, along with close control of expenditure will be sufficient to manage any decreases in income over at least the next twelve months.

BSU Enterprise Limited is a trading subsidiary company wholly owned by UBSU. The trading subsidiary normally generates a net profit, however, COVID restrictions resulted in significant reductions in activity and a net loss of £60,489 (20/21 - net loss £60,599). Sales revenue was £711,537 (20/21 - £114,908) and expenditure was £772,027 (20/21 - £175,508). It is anticipated BSU Enterprise Limited will return to profit in 22/23 after making some significant changes to the trading outlets and opening a new venue.

On the basis of this information, the trustees consider the going concern basis to be appropriate.

Basis of consolidation

The statement of financial activities and the balance sheet consolidate the results of the activities of both University of Brighton Students' Union and its wholly owned subsidiary undertaking, BSU Enterprise Limited.

UNIVERSITY OF BRIGHTON STUDENTS' UNION**NOTES TO THE FINANCIAL STATEMENTS (Continued)**
for the year ended 31 July 2022

1. ACCOUNTING POLICIES (Continued)**Income**

All income is recognised in the statement of financial activities when the charitable company is legally entitled to the funds, the receipt of those funds is probable, and the amount can be measured reliably and quantified with reasonable accuracy.

Income from grants, including government grants, where related to performance and specific deliverables, is accounted for as the charitable company earns the right to consideration by its performance.

Gifts in kind donated for distribution and/or utilisation are included at valuation and recognised as income when the related projects are undertaken. Gifts donated for resale are included as income when sold. Donated facilities are included at the value to the charitable company, where this can be quantified, and a third party is bearing the cost.

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis.

Expenditure is allocated to the charitable company's principal activity, as the costs of raising funds or as governance costs where the costs can be identified as being directly related to those activities. All costs that cannot be so identified are categorised as support costs. Support costs are then allocated over the different categories of expenditure on the basis of estimated time spent by members of staff in those particular areas.

Grants payable are recognised in the year in which the approved offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised only when the conditions attaching to the award are fulfilled.

Governance costs are the costs associated in running the University of Brighton Students' Union as a United Kingdom charitable company and specifically include the costs of the external audit.

Taxation

University of Brighton Students' Union is a registered charitable company and as such its income and gains falling due under section 471 to 489 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporate tax to the extent that they are applied to its charitable objectives.

Termination Payments

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 July 2022

1. ACCOUNTING POLICIES (Continued)**Tangible fixed assets**

All tangible assets purchased at a cost of £1,000 or more and that have an expected useful economic life that exceeds one year are capitalised and classified as tangible fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Equipment - over five years

Investments

All of the charitable company's fixed asset investments are carried in the balance sheet at cost less provisions for impairment. These assets are not readily realisable through sale and accordingly, a reliable market value cannot be ascertained.

Stocks

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

Liabilities

A contingent liability is disclosed for those grants, which do not represent liabilities, where the possible obligation, which arises from past events, will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control. Provisions are recognised for those grants where there is uncertainty as to the timing or amount, and any uncertainty regarding the amount is more than one of the determining factors as a basis for reasonable estimation of the liability arising from that constructive obligation.

Leased assets and obligations

All of the charitable company's leases are "operating leases" and the annual rentals are charged to the statement of financial activities on a straight-line basis over the lease term.

**FINANCIAL STATEMENTS
for the year ended 31 July 2022**

1. ACCOUNTING POLICIES (Continued)**Financial instruments**

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are therefore classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

Financial assets and liabilities

The charitable company's debtors and creditors that meet the definition of either a financial asset or a financial liability are initially recognised at fair value and thereafter are stated at amortised cost using the effective interest method.

Provisions for liabilities

Provisions are recognised when the charitable company has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at a discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within finance costs.

Pension contributions

The University of Brighton Students' Union participates in the Students' Union Superannuation Scheme (SUSS), a defined benefit multi-employer pension scheme, which is externally funded and contracted out of the State Second Pension. SUSS is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees of SUSS on the advice of the actuary. The 2013 valuation recommended a monthly contribution requirement by each participating employer expressed in monetary terms intended to clear the ongoing funding deficit. As a consequence under FRS 102, the University of Brighton Students' Union has recognised a liability in the balance sheet equal to the net present value of future deficit reduction payments. These payments are discounted to the present value using the market yield on high quality bonds.

The charitable company also makes contributions into a group personal pension plan with Aegon and additionally, participates in NEST. The Aegon scheme is available to certain employees, while the NEST scheme is available to all employees. The assets of these defined contribution pension schemes are held separately from those of the charitable company in independent trustee-administered funds. The amount charged to the statement of financial activities in respect of pension costs is the contributions payable for the year.

UNIVERSITY OF BRIGHTON STUDENTS' UNION

FINANCIAL STATEMENTS
for the year ended 31 July 2022

1. ACCOUNTING POLICIES (Continued)**Funds held as custodian**

The charitable company acts as custodian for the funds raised by the students' many sports clubs. The charitable company is also custodian of the annual Raising and Giving (RAG) proceeds arising from the various fundraising events organised by the students each year and then distributed to the nominated charities involved. Finally, the charity is custodian of funds raised by students on certain courses to supplement their course activity. The cash balances in respect of these custodian activities are held in the charitable company's bank accounts together with a corresponding liability for the amounts involved. Prior to 18/19 the charitable company also acted as custodian for funds raised by student societies. These are now considered part of UBSU's financial activity and have now been incorporated into the Consolidated Statement of Financial Activities and Balance Sheet Reserves.

Fund accounting

The general fund comprises the accumulated surpluses of unrestricted income over expenditure, which are available for use in furtherance of the general objectives of the charitable company.

Designated funds are a particular form of unrestricted funds consisting of amounts, which have been allocated or designated for specific purposes by the trustees. The use of designated funds remains at the discretion of the trustees.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the year-end are carried forward in the balance sheet.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are those used by the scheme actuary in calculating the University of Brighton Students' Union's portion of the SUSS defined benefit pension scheme liability.

In the opinion of the trustees, there are no other estimates and underlying assumptions in the application of accounting policies that are considered to be critical, because they either require a significant amount of management judgement or the results are material to the charitable company's financial statements.

UNIVERSITY OF BRIGHTON STUDENTS' UNION

FINANCIAL STATEMENTS
for the year ended 31 July 2022

3. DONATIONS AND LEGACIES	Unrestricted funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Block grant from the University of Brighton	1,122,087	-	1,122,087	1,067,500
Donations from other funders	72,149	75,000	147,149	294,099
Grant of serviced accommodation	274,111	-	274,111	274,111
	<u>1,468,347</u>	<u>75,000</u>	<u>1,543,347</u>	<u>1,635,710</u>

Of the total donations and legacies income for the year ended 31 July 2022 £75,000 is attributable to restricted funds and £1,468,347 to unrestricted funds.

4 INCOME FROM WORKING WITH STUDENTS	Unrestricted Total 2022 £	Unrestricted Total 2021 £
Cafes and shops	526,891	77,528
Entertainments and events	93,419	2,308
Societies	-	9,200
	<u>620,310</u>	<u>89,036</u>

5 OTHER TRADING ACTIVITIES	Unrestricted Total 2022 £	Unrestricted Total 2021 £
Commercial marketing sponsorship	91,756	35,073
	<u>91,756</u>	<u>35,073</u>

6 INVESTMENTS	Unrestricted Total 2022 £	Unrestricted Total 2021 £
Bank interest receivable on short term cash deposits	81	204
	<u>81</u>	<u>204</u>

7 RAISING FUNDS	Unrestricted Total 2022 £	Unrestricted Total 2021 £
Commercial activities:		
Direct costs	15,654	19,548
Direct staff costs	6,088	7,602
Support staff costs	15,231	10,595
Rent	500	500
Other support costs	42,795	5,436
	<u>80,268</u>	<u>43,681</u>

UNIVERSITY OF BRIGHTON STUDENTS' UNION

FINANCIAL STATEMENTS
for the year ended 31 July 2022

8 COSTS OF WORKING WITH STUDENTS	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Analysed by activity:				
Cafes and shops	591,620	-	591,620	249,861
Entertainments and events	180,407	-	180,407	71,739
Academic experience, advice and wellbeing	287,326	-	287,326	278,535
Campus and community	15,744	75,000	90,744	162,395
Other student activities	855,408	-	855,408	817,040
Provision for pension deficit payments	18,196	-	18,196	15,868
Governance costs	109,526	-	109,526	98,070
	2,058,227	75,000	2,133,227	1,693,508
	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Analysed by type of cost:				
Direct costs	349,384	-	349,384	244,454
Direct staff costs	167,237	75,000	242,237	633,009
Support staff costs	826,138	-	826,138	310,200
Provision for pension deficit payments	18,196	-	18,196	15,868
Rent	274,111	-	274,111	273,611
Other support costs	331,832	-	331,832	118,297
Governance costs	109,526	-	109,526	98,070
	2,058,227	75,000	2,151,423	1,693,508
Governance costs are made up as follows:			Total 2022	Total 2021
			£	£
Sabbatical Officer salaries			90,108	81,859
Sabbatical Officer training			4,528	5,036
Trustees' expenses				65
Auditors' remuneration:				
External audit services			13,750	12,500
Corporate tax compliance services			1,140	1,100
(Over)/Under accrual in respect of prior years			-	(555)
			109,526	100,005

Of the total costs of working with students for the period to 31 July 2022 £75,000 is attributable to restricted funds and £2,058,227 is attributable to unrestricted funds.

FINANCIAL STATEMENTS
for the year ended 31 July 2022

9 STAFF COSTS	2022	2021
	No.	No.
The average monthly number of persons working with the charitable company (excluding trustees) during the year was:		
Cafes and shops	6	8
Entertainments and events	1	1
Academic experience, advice and wellbeing	11	8
Campus and community	3	6
Office and management	8	9
Sabbatical Officers	4	4
Raising funds	1	1
	<u>34</u>	<u>37</u>
	£	£
Staff costs for the above persons:		
Wages and salaries	930,080	954,175
Social security costs	88,557	85,615
Pension costs - regular annual contributions	38,125	40,537
Pension costs - provision for pension deficit payments	18,196	15,868
Termination payments	-	11,968
Other costs	26,711	21,157
	<u>1,101,669</u>	<u>1,129,320</u>

The total amount of employee benefits received by key management personnel for their services to the charitable company during the year amounted to £209,649 (20/21 - £210,146) and the charitable company incurred employers' national insurance contribution costs of a further £24,525 (20/21 - £22,495) in relation to the employment of these same members of staff. One member of staff received a salary plus employer contributions towards national insurance and pension during the year of between £80,000 and £90,000.

The Sabbatical Trustees, who are also all trustees, received employee benefits as authorised in the charitable company's governing document, for their representation, campaigning and support work they undertake as distinct from their role as trustees. Those employee benefits comprised:

	Gross salary £	Employer pension contributions £
Ramy Badrie	19,795	-
Sufia Begum	21,502	860
Ilia Mirsky Katz	2,687	107
Jenniver Girgawi	19,879	-
Hadi Hassoun	19,795	-
Anuraj Karmacharya	2,687	107
Doris Uche	2,687	-

UNIVERSITY OF BRIGHTON STUDENTS' UNION

FINANCIAL STATEMENTS
for the year ended 31 July 2022
9. STAFF COSTS (Continued)

Other than as disclosed above, no trustees received remuneration for their services to the charitable company during the current year.

The Sabbatical Officers incurred normal business expenses for travel, subsistence and training during the course of their employment as Sabbatical Officers and reclaimed them through the normal employee expenses reimbursement procedures. The total of these expenses for all the Sabbatical Officers amounted to £4,528 (20/21 - £5,036).

The use of volunteers and donated services

The charity makes considerable use of the services of volunteers in order to not only manage the charitable company at trustee level but also to deliver services and other similar project outcomes and benefits to beneficiaries. The charitable company is also reliant upon donated services provided by its wide range of supporters, and those donated services which can be quantified, are recognised in the financial statements as donations in kind.

10	NET INCOME FOR THE YEAR	2022	2021
		£	£
	Net income for the year is stated after charging:		
	Depreciation	15,203	9,105
	Operating lease costs - equipment	-	3,118
		<hr/>	<hr/>
11	TANGIBLE ASSETS		
	Group and charity	Equipment £	Total £
	Cost:		
	1 August 2021	175,852	175,852
	Additions	45,326	45,326
	31 July 2022	<hr/> 221,178	<hr/> 221,178
	Depreciation:		
	1 August 2021	157,714	157,714
	Charge in the year	15,203	15,203
	31 July 2022	<hr/> 172,917	<hr/> 172,917
	Net book value:		
	31 July 2022	<hr/> 48,261	<hr/> 48,261
	31 July 2021	<hr/> 18,138	<hr/> 18,138
		<hr/>	<hr/>

BSU Enterprise Limited is a trading subsidiary company wholly owned by UBSU. The trading subsidiary normally generates a net profit, however, COVID restrictions resulted in significant reductions in activity and a net loss of £60,490 (2020/21 – net loss £60,599). Sales revenue was £711,537 (2020/21 - £114,908) and expenditure was £772,027 (2020/21 - £175,508). It is anticipated BSU Enterprise Limited will return to profit in 2022/23 after making some significant changes to the trading outlets and opening a new venue.

13	STOCKS				
		Group 2022	Charity 2022	Group 2021	Charity 2021
		£	£	£	£
	Café supplies	11,999	11,999	4,168	4,168
	Shop supplies	65,446	65,446	79,055	79,055
		<u>77,445</u>	<u>77,445</u>	<u>83,223</u>	<u>83,223</u>

UNIVERSITY OF BRIGHTON STUDENTS' UNION

FINANCIAL STATEMENTS
for the year ended 31 July 2022

14	DEBTORS	Group 2022 £	Charity 2022 £	Group 2021 £	Restated Charity 2021 £
	Amounts falling due within one year:				
	Trade debtors	64,281	64,281	17,131	17,131
	Amounts due to group undertakings	-	121,087	-	67,785
	Other debtors	2,952	2,952	329	329
	Prepayments and accrued income	51,156	51,156	50,101	50,101
		<u>118,389</u>	<u>239,476</u>	<u>67,561</u>	<u>135,346</u>
15	CREDITORS	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
	Amounts falling due within one year:				
	Trade creditors	58,361	58,361	26,488	26,488
	other taxes and social security costs	25,716	25,716	9,595	9,595
	Clubs and societies funds	57,526	57,526	69,860	69,860
	Accruals	27,588	27,588	51,218	51,218
	Deferred income	26,766	26,766	20,499	20,499
		<u>195,957</u>	<u>195,957</u>	<u>177,660</u>	<u>177,660</u>
	Deferred income:				
	Deferred income brought forward	20,499	20,499	22,404	22,404
	Deferred income released to the statement of financial activities	(20,499)	(20,499)	(22,404)	(22,404)
	Income received in advance during the period	26,766	26,766	20,499	20,499
	Deferred income carried forward:	<u>26,766</u>	<u>26,766</u>	<u>20,499</u>	<u>20,499</u>
Deferred income includes those funds received in advance for services to be delivered by the charitable company in the 2021/2022 financial year, and primarily comprises booking fee income received in advance for the 2023 Freshers' Fair. The charitable company receives commission income relating to the sale of NUS Loyalty cards, which can be for periods of up to three years in advance. All such income relating to future years is deferred.					
16	PROVISIONS FOR LIABILITIES	2022	2021		
		SUSS pension deficit provision	SUSS pension deficit provision		
		£	£		
	Balance at 1 August	1,531,692	1,590,158		
	Amounts provided during the year - see note 24	(65,770)	(58,466)		
	Balance at 31 July	<u>1,465,922</u>	<u>1,531,692</u>		

UNIVERSITY OF BRIGHTON STUDENTS' UNION

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for the year ended 31 July 2022

17 THE FUNDS OF THE GROUP AND THE CHARITY

Group	1 August 2021 £	Income £	Expenditure £	Transfers between funds £	31 July 2022 £
Restricted income funds:					
Retention fund	-	75,000	(75,000)	-	-
	-	75,000	(75,000)	-	-
Unrestricted income funds:					
General fund	-	2,180,494	(2,123,292)	(57,202)	-
Designated funds:					
Capital reserve fund	18,138	-	(15,204)	45,326	48,260
Contingency reserve fund	100,000	-	-	-	100,000
Development reserve fund	322,926	-	-	(53,894)	269,032
SUSS pension deficit fund	(1,531,692)	-	-	65,770	(1,465,922)
	(1,090,628)	2,180,494	(2,138,496)	-	(1,048,630)
	(1,090,628)	2,255,494	(2,238,496)	-	(1,048,630)

Group	1 August 2020 £	Income £	Expenditure £	Transfers between funds £	31 July 2021 £
Restricted income funds:					
Retention fund	-	75,000	(75,000)	-	-
	-	75,000	(75,000)	-	-
Unrestricted income funds:					
General fund	-	1,685,023	(1,653,084)	(31,939)	-
Designated funds:					
Capital reserve fund	27,243	-	(9,105)	-	18,138
Contingency reserve fund	100,000	-	-	-	100,000
Development reserve fund	349,453	-	-	(26,527)	322,926
Sports Federation fund	-	-	-	-	-
SUSS pension deficit fund	(1,590,158)	-	-	58,466	(1,531,692)
	(1,113,462)	1,685,023	(1,662,189)	-	(1,090,628)
	(1,113,462)	1,760,023	(1,737,189)	-	(1,090,628)

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17. THE FUNDS OF THE GROUP AND THE CHARITY (Continued)

The Capital reserve fund was set up to separately identify the charitable company's fixed assets that have been purchased from the charitable company's own unrestricted funds. Transfers are made to or from this fund to cover movements on unrestricted fixed assets such as additions, disposals and depreciation so that the closing balance on the fund represents the net book value to the unrestricted fixed assets involved.

The Contingency reserve fund was set up to set aside an amount to cover unforeseen or emergency expenditure. The amount carried forward in this fund is reviewed annually by the trustees.

The balance of the general fund that is not used for any other purposes is transferred to the Development reserve fund to be carried forward and used to further develop the charitable activities of the charitable company.

The SUSS pension deficit fund was set up to separately identify the reserves deficit arising from the need to account for a provision in respect of additional SUSS employer pension contributions required to be paid in future years by the charitable company that are intended to eliminate the ongoing and persistent deficit in the overall funding of the SUSS multi-employer defined benefit pension scheme.

FINANCIAL STATEMENTS
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ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Fixed assets £	Current assets £	Current liabilities £	Provisions for liabilities £	Total 2022 £
Restricted income funds:					
Unrestricted income funds:					
Designated funds:					
Capital reserve fund	48,260	-	-	-	48,260
Contingency reserve fund	-	100,000	-	-	100,000
Development reserve fund	-	464,989	(195,957)	-	269,030
SUSS pension deficit fund	-	-	-	(1,465,922)	(1,465,922)
NET LIABILITIES	48,260	564,989	(195,957)	(1,465,922)	(1,048,630)

Charity	Fixed assets £	Current assets £	Current liabilities £	Provisions for liabilities £	Total 2022 £
Unrestricted income funds:					
General fund	2	-	-	-	2
Designated funds:					
Capital reserve fund	48,260	-	-	-	48,260
Contingency reserve fund	-	100,000	-	-	100,000
Development reserve fund	-	586,076	(195,957)	-	390,119
SUSS pension deficit fund	-	-	-	(1,465,922)	(1,465,922)
NET LIABILITIES	48,262	686,076	(195,957)	(1,465,922)	(927,541)

UNIVERSITY OF BRIGHTON STUDENTS' UNION

FINANCIAL STATEMENTS
for the year ended 31 July 202218 ANALYSIS OF NET
ASSETS BETWEEN FUNDS
(continued)

	Fixed assets	Current assets	Current liabilities	Provisions for liabilities	Total 2021
Group	£	£	£	£	£
Restricted income funds:	-	-	-	-	-
Unrestricted income funds:					
General fund	-	-	-	-	-
Designated funds:					
Capital reserve fund	18,138	-	-	-	18,138
Contingency reserve fund	-	100,000	-	-	100,000
Development reserve fund	-	500,585	(177,659)	-	322,926
SUSS pension deficit fund	-	-	-	(1,531,692)	(1,531,692)
NET LIABILITIES	18,138	600,585	(177,659)	(1,531,692)	(1,090,628)

	Fixed assets	Current assets	Current liabilities	Provisions for liabilities	Restated Total 2021
Charity	£	£	£	£	£
Restricted income funds:	-	-	-	-	-
Unrestricted income funds:					
General fund	2	-	-	-	2
Designated funds:					
Capital reserve fund	18,138	-	-	-	18,138
Contingency reserve fund	-	100,000	-	-	100,000
Development reserve fund	-	561,182	(177,659)	-	383,523
SUSS pension deficit fund	-	-	-	(1,531,692)	(1,531,692)
NET LIABILITIES	18,140	661,182	(177,659)	(1,531,692)	(1,030,031)

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19 RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	Group 2022 £	Charity 2022 £	Group 2021 £	Restated Charity 2021 £
Net income for the reporting period	41,998	102,488	22,833	83,432
Adjustments for:				
Dividends, interest and rents from investments	(81)	(81)	(204)	(204)
Depreciation charges	15,204	15,204	9,105	9,105
Decrease in stock	5,778	5,778	4,076	4,076
Increase in debtors	(50,828)	(104,128)	(28,963)	(92,350)
Increase in creditors	9,665	9,665	2,390	2,390
Increase in provisions	(65,770)	(65,770)	(58,466)	(58,466)
Net cash used in operating activities	(35,402)	(28,212)	(49,229)	(52,017)

20 ANALYSIS OF CASH AND CASH
EQUIVALENTS

	Group 2022	Charity 2022	Group 2021	Charity 2021
Cash at bank and in hand	369,154	369,154	449,801	442,611

21 FINANCIAL INSTRUMENTS

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Carrying amount of financial assets:				
Equity instruments measured at fair value				
Debt instruments measured at amortised cost	64,281	64,281	17,131	17,131
Carrying amount of financial liabilities:				
Measured at amortised cost	110,843	110,843	133,635	133,635

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22. OPERATING LEASE COMMITMENTS

	Group 2022	Charity 2022	Group 2021	Charity 2021
	£	£	£	£
Plant and machinery:				
Payable within one year	-	-	1,000	1,000
Payable in two to five years	-	-	-	-
Payable in more than five years	-	-	-	-
	-	-	1,000	1,000

23. RELATED PARTY TRANSACTIONS

During the year, the charitable company undertook various transactions on behalf of its trading subsidiary, BSU Enterprise Limited, a company incorporated in England and Wales (Company registration number 09242214). The charitable company did not recognize any Gift Aid donations from BSU Enterprise Limited during the year due to the fact the trading subsidiary made a net loss. At the balance sheet date, £121,087 was owed by BSU Enterprise Limited. This will be repaid during 22/23 when it is anticipated the trading subsidiary will generated a net profit.

There were no other related party transactions during the year.

24. PENSION COMMITMENTS

UBSU 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 2020 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.

Whilst the assets have performed well, rising by over 17% over the previous three years, the liabilities have increased by a similar percentage. The sustained low yield on government bonds has continued to affect the liabilities, but the increase was driven in large part by the impact of resolving a legal issue relating to changes made to the scheme between 1988 and 1993 by the scheme Trustees at the time.

UNIVERSITY OF BRIGHTON STUDENTS' UNION

FINANCIAL STATEMENTS
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24. PENSION COMMITMENTS (Continued)

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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 were applied at 30 June 2020:-

- The investment return would be 4.0% per annum before retirement and 2.0% per annum after retirement.
- Pensions accruing on the CARE basis would revalue at 3.6% per annum.
- Present and future pensions would increase at rates specified by Scheme rules with appropriate assumptions where these are dependent on inflation.

The 2020 Valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit. Employer contributions was increased by 15.4% from 1 October 2022. Contributions will increase by a further 5% each year thereafter until the end of the deficit recovery period, which is expected to be in August 2035. However, contributions due from October 2023 onwards will be reviewed following the next actuarial valuation.

Surpluses or deficits which arise at future valuations will also impact on UBSU's future contribution commitment. In addition to the above contributions, UBSU also pays its share of the Scheme's levy to the Pension Protection Fund.

FRS102 and Charities SORP (FRS102) require the charitable company's share of past service shortfall is reflected in the financial statements. Based on the most recent valuation, the charitable company contribution to eliminating the shortfall was £83,996 for the year ended 31 July 2022 (2021: £74,334). The statement of financial position as at 31 July 2022 includes a liability of £1,465,922 (2021: £1,531,692) which represents the net present value of all future contributions towards eliminating this shortfall.