

**UNIVERSITY OF EAST LONDON STUDENTS' UNION**

**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 JULY 2022**

Registered charity number: 1173994

Registered company number: 10820498

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## ADMINISTRATIVE INFORMATION

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**Charity number** 1173994  
**Company number** 10820498

### Trustees

Amar Abbas	appointed 01 July 2018
Najwa Al Basri	appointed 02 February 2023
Craig Bailey	appointed 01 July 2018
Pippa Evans	appointed 01 July 2022
Fathimath Irfana Kottikulam-Aboobacker	appointed 01 July 2021
Rev. Nicholas Leggett	appointed 15 June 2017
Anita Lewis	appointed 02 February 2023
Anthony Mansfield	appointed 11 March 2022
Lavanya Rajendran	appointed 01 July 2021
Martin Young (chair)	appointed 15 June 2017
Jasmeetsingh Gupta	appointed 01 July 2021, resigned 03 August 2021
Blessing Ogokeh	appointed 24 November 2021, resigned 30 June 2022
Siobhán Robinson	appointed 24 November 2021, resigned 30 June 2022

### Chief Executive

Patrick Reilly

### Principal office

4-6 University Way  
London  
E16 2RD

### Auditors

Knox Cropper LLP  
65-68 Leadenhall Street  
London  
EC3A 2AD

### Accountants

Blue Spire Limited  
Cawley Priory  
South Pallant  
Chichester  
PO19 1SY

### Bankers

Barclays Bank PLC  
737 Barking Road  
Plaistow  
London  
E13 9PL

### Solicitors

Wrigleys Solicitors LLP  
19 Cookridge Street  
Leeds  
LS2 3AG

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

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## REPORT OF THE TRUSTEES

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The Trustees of University of East London Students' Union ("the Union") present their annual report for the period from 01 August 2021 to 31 July 2022, which includes the legal and administrative information set out on page one, together with the audited financial statements for that period.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities in preparing the annual report and financial statements.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

### Legal and charitable status

University of East London Students' Union is a company limited by guarantee registered in England and Wales (registered number 10820498) and is a charity registered in England and Wales (registered number 1173994). The company was incorporated on 15 June 2017.

### Governing documents

The Union is constituted and governed under the memorandum and articles of association, the bye-laws and other regulations approved from time-to-time by the Trustees. Those parts of the above documents relating to the Education Act 1994 which are subject to the approval of the University have been approved by the University. The articles of association are subject to review by the University every five years.

### Board of Trustees

The Union is administered by its Board of Trustees. The Trustees are the directors and members of the company for the purposes of company law. In accordance with the articles of association, the Board of Trustees must consist of:

- not more than three Executive Officer Trustees;
- not more than two Student Trustees;
- not more than four Lay Trustees;
- not more than one trustee nominated by the University of East London ("the University").

Three Executive Officer Trustees (student officers) are elected by cross-campus ballot each spring and serve for a term of one year from 01 July; they can serve two such terms. Ms Kottikulam-Aboobacker and Ms Rajendran were re-elected for a further year as Executive Officer Trustees. Lay Trustees are appointed for a four-year term (renewable once) following an open recruitment and selection process. Mr Abbas and Mr Bailey were reappointed for a second four-year period which will expire on 30 July 2026. The two Student Trustees, Blessing Ogokeh and Siobhán Robinson, were appointed by the Trustees after an open competition. Mr Mansfield was nominated by the University after an open competition.

Upon appointment, all Trustees receive a variety of information through their induction relating to their legal and administrative obligations as trustees and directors. Executive Officer Trustees and Student Trustees undertake bespoke trustee training. Additional briefings on specific issues are provided when the need arises from time-to-time.

The Trustees have established several sub-committees to assist them in carrying out their duties. The sub-committees were restructured during the period and there are now three sub-committees:

- appointments committee
- audit, finance and risk committee
- human resources committee

The powers and responsibilities of those sub-committees are outlined in the bye-laws. The sub-committees report on their activities and actions to the Trustees on a regular basis.



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### Senior management team

The Trustees delegate the day-to-day management, the development of strategy and overall leadership of the Union to the chief executive. The chief executive leads a senior management team to ensure effective management of the Union. These team members are regarded as being the key management personnel outside of the Trustees.

Chief Executive  
Head of Policy and Advice

Patrick Reilly  
Lisa Thomas

### Relationship with University of East London

Under the Education Act 1994, the University must take reasonably practicable steps to ensure the Union is run in a fair and democratic manner and that it is held to account for its finances. The relationship between the Union and the University is established in the articles of associations, the University's regulations, the memorandum of understanding between the organisations, and the code of practice.

The Union receives an annual grant from the University and part-occupies, at no cost, buildings owned by the University. The University covers the cost of some utilities, services and staff support and employs the chief executive, who is seconded to the Union. This non-monetary support is intrinsic to the relationship between the organisations and is detailed elsewhere in this report.

### Remuneration

A sub-committee of the Board of Trustees, the human resources committee, is responsible for reviewing the salaries of key staff members. The committee considers relevant data from other students' union and comparable organisations to assist with their decision-making in accordance with the pay policy. The committee makes recommendations to the University on the remuneration of the chief executive.

### Aims and objectives

The Union's charitable objects are the advancement of education of students at University of East London for the public benefit by:

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

The Union's current vision was redefined in 2016/17 as follows: "we will ensure that every UEL student has an exceptional and diverse university experience that makes them feel valued, supported and empowered to break through any barrier that stands between them and their aspirations".

In pursuit of its aims for the public benefit, the Union ensures the diversity of its membership is recognised, valued and supported and it has established departments and services for use by its members and to support its work with the University and other organisations on behalf of students.

### Public benefit

In furtherance of the charity's aims and objectives, the Trustees have complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act.

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

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## REPORT OF THE TRUSTEES

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### **Achievements and performance 2021/22**

The Union started the period with three new student officers (Executive Officer Trustees) who were elected in spring 2021:

- activities and opportunities officer: Irfana Kottikulam-Aboobacker;
- education officer: Jasmeetsingh Gupta;
- wellbeing and community officer: Lavanya Rajendran.

The education officer resigned in August. The role was not filled during the rest of the academic year, and the remaining two student officers shared the duties of the role along with their own.

Of six school representative positions, four were filled in elections in spring 2021:

- architecture, computing and engineering: Rebeca Fernandez Gonzalez;
- education and communities: Ruth Hayden-Wason;
- health, sport and bioscience: Esosa Edosomwan;
- psychology: Kellie Golborne.

By-elections were held in November 2021 for two positions and candidates were elected to both posts:

- arts and creative industries: Cristian Miclaus;
- business and law: Petre Stan.

The school representative for psychology resigned in October. Two attempts to fill the post in bye-elections were unsuccessful and the post remained vacant for the rest of the year.

The student officers and school representatives together form the student leadership committee, the Students' Union's primary policy-making body. None of the members had been involved in the Students' Union prior to their election. The summer training plan was the most comprehensive in recent years, with a mix of internal training and briefings by Students' Union and University staff and external training and events led by the National Union of Students, Wonkhe and others. Participation by the elected representatives was excellent. This was a marked improvement on previous years and was reflected in their work during the year.

### **Activities and events**

The Union had two related objectives for the period which related to activities and events:

- Deliver a wide-ranging welcome week programme which will commence the reinvigoration of our activities, events, and student and community groups. It will include a large welcome fair which displays the best of what we have to offer and start to raise charitable income throughout external partnerships.
- Deliver a programme of regular term-time activities and events in conjunction with Residential Life and other partners to support a sense of community and belonging.

### **Core Students' Union programme**

One of our main goals was to reinvigorate our activities and events after 17 months of primarily online activity due to the pandemic. In summer 2021, there were high hopes of a full return to campus by students in the autumn semester. We supported the University's efforts to make this happen.

Our events in the welcome period and the autumn semester focused on two objectives:

- Creating a greater sense of belonging among students;
- Helping students to quickly make friends.

We organised a broad range of activities seeking to engage as many students as possible. Due to campus redevelopments, venue availability for many spaces at the start of term was not confirmed until September, which delayed confirmation of many events. This affected the quality of the welcome week programme. Despite this, we held almost 60 events across nine days in September welcome week. In total, there were more than 2,500 attendees at these events, which were organised in Docklands, Stratford and off campus. Three club nights were organised in conjunction with three other students' unions to give our students access to events in large popular venues in central London which would otherwise not be available to them.

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The welcome fair continued to be our largest event of the year and the second largest event in the University after graduation, with 1,010 students attending. There were 57 stalls including 19 Students' Union student groups, most of which had 4-5 students volunteering at the event. There were seven University services and 17 sports clubs and several commercial/external stalls.

During the first term, we organised more than 200 different events, continuing the theme of organising different events to test what worked and was of interest to students. We shared a programme of late-night events with Residential Life which ran every Friday in the Underground Bar. However, the number of students on campus continued to decline as the term progressed, before the rise of the latest COVID variant in London in early December led to a collapse in the number of students attending events.

For the spring term, we organised more events, again testing different ideas. We hosted another 100 or so events but, in line with the numbers of students on campus, attendance numbers were much lower than in September and before the pandemic.

Across the full year, we recorded more than 6,000 attendances at approximately 300 events.

### *Student groups (societies, communities, campaigns)*

The pandemic had a very negative impact on our student groups in the 2020/21 academic year due to most of their events being online. We worked hard to have 19 student groups represented at the welcome fair. We supported those groups to build their membership and to start organising events again.

After welcome week, we had achieved 431 memberships of student groups. This was more than had been achieved in the same period in the last pre-pandemic year (413; 2019). Memberships continued to grow slowly in the autumn semester. We achieved more than 900 memberships in the full year. However, many of the groups became disillusioned by the lack of engagement from students on campus, and most groups ceased activities by December.

There is still a lack of knowledge among the student body about how extra-curricular activities work, with many believing student group activities are organised by 'somebody else'. Dispelling this myth is part of our ongoing work to educate students about how to get the most out of their education, i.e. 'how to do university'.

We trialled other activities including launching a conversation club, which was intended to pair native English speakers with non-native English speakers to help them to improve their conversational English language skills. This project is continuing in the current year.

### ***Democracy, representation and staff support***

The Union had two objectives in this area:

- Re-build and induct a team of permanent and student staff, student representatives and student trustees;
- Run the course representative election system and training entirely online in October 2021 and repeat for levels four and five in spring 2022.

### *Student officer elections*

One of our goals in recent years has been to improve democratic engagement in our election processes through having higher-quality candidates and more voter participation. Since 2019, we have taken a zero-tolerance approach to cheating to rid the organisation of the problems it suffered in previous years and to improve credibility.

Although we had a smaller number of candidates for the student officer elections, the quality of candidates was noticeably higher, with clearer motivations and manifestos aligned to the roles being sought.

After two years of elections which had been affected by the pandemic, we returned to on-campus campaigning. This had a direct impact on participation with candidates engaging with more voters. We secured the highest numbers of voters since 2018 (1,764). We had zero allegations of cheating or coercion for the second consecutive year.

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### *School representatives*

School representatives are elected annually in spring and work part-time during the autumn and spring terms. Our attempts to elect six school reps for the 2022/23 academic year in April were unsuccessful. We believe this was due to the low number of students on campus by April. The election process was postponed until the autumn semester.

### *Student trustees*

In 2019, we changed the process to appoint students to the board of trustees, because it was clear that the election process was discouraging certain groups of students from participating. (The three student officers are ex officio trustees.) The new appointment process is conducted by a sub-committee of the board of trustees, with support from the University's legal team, and involves an open selection process including applications and interviews. The appointments are subject to ratification by the student leadership committee.

This was the second year we used the new process. It has resulted in student trustees being appointed who are much more engaged in the work of the trustees, with close to 100% participation in board and sub-committee meetings.

### *Course representatives*

We run a system of course representatives who are central to our representation structure. There are approximately 475 students who volunteer an average of five hours per semester to represent their course mates on course-related matters. This system is operated in conjunction with the University. We train and support course representatives, while the University is expected to support the election process, listen to course representatives' concerns and act on them.

In September, as part of our attempts to use digital systems to improve engagement and to reduce workload, we tried to expand the use of our online election system for all course representatives. It is a fair and simple system, and is used widely in the sector, including in students' unions in similar universities. We proposed a joint plan of action to the University. Despite preparing all the relevant systems and documentation, the plan was implemented inconsistently. This was repeated in April when we tried to elect second- and third-year course representatives, again with the intention of improving engagement and reducing workload. Unfortunately, it was again unsuccessful.

We are determined to implement this solution as it is good for students, the Union and the University. We will review the processes in 2022/23 to ensure it is fit for purpose.

We are proud to say that it was widely acknowledged by course representatives and University staff that the training and ongoing support we provide to course representatives after their election is very good and that it continues to improve year-on-year.

### *Staff team*

Like many other similar organisations, we struggled to recruit a full team of permanent staff. Where possible, we used contractors to ensure our work was completed. Work continues to fill all the staffing vacancies on a permanent basis.

### ***Strategic plan and new brand***

We had two objectives in this area:

- Finalise the new strategic plan after consulting students on the headline objectives;
- Develop a new brand for the Union alongside the strategic plan and launch this simultaneously.

We developed a new strategic plan, which involved more than 1,000 students in research and consultations. This was supported by the University. It will be publicly launched along with our new brand in February 2023.

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

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### ***Advice and advocacy***

The Union has an excellent advice team which advises students on academic appeals, complaints and regulations. We previously offered advice on housing but that has become increasingly complex, so we now refer such cases to reputable third parties.

The number of contacts we received from students seeking advice has continued to rise but, over the last year, we have introduced a new process to triage all queries from students. This has successfully reduced the number of students requiring advice from an advice caseworker. However, those cases now being handled by advice caseworkers are increasing complex, with more time being devoted to each case. This mirrors a trend seen in other students' unions in recent years.

We have continued to support students in complex complaints against the University, and several of these have resulted in substantial financial settlements. It is regrettable that these cases continue to arise. We advised many students who successfully appealing progression or similar decisions which would have required them to repeat a year or, in some cases, would have resulted in them being removed from the University.

We report regularly on issues which are increasing in the University or on processes/procedures which are causing particular difficulties for students. However, the lack of a devoted education officer to lead campaigns for change on many of these matters was noticeable for the year.

We are very supportive of the University's attempts to improve its regulations, to improve staff training and to implement customer experience standards to try to avoid such situations arising in the first place.

### ***Policy and regulation***

We arguably make our broadest impact and achieve benefits for most students through our work on policy and regulations. This includes initiating policy change in the University, taking those policies through the committee structure, and working to have them implemented, and also working with University staff to improve policy proposals from their side.

The student officers had clear action plans, informed by evidence from Students' Union and University research and reports in previous years. They led several campaigns which we believe are of importance and relevance to students, including sexual violence and sustainability.

Our sexual violence campaign sought to educate students about sexual violence on campus and what students can do about it. Our work directly contributed to a new specialist staff member being appointed in the University, and to changes to policy and processes. Unfortunately, we failed to convince the University to implement a ban on student-staff intimate relationships which we believe is essential to protect students. This is something which is being introduced across the sector. We are continuing this campaign in 2022/23.

Our sustainability campaign was mainly an information campaign in its first year, with student officers and student volunteers providing guidance to students on living more sustainably. We also organised several demonstrations from experts such as sustainable cooking and helping students to reuse leftover foods. We sought a commitment from the University to divest from fossil fuel investments by signing People & Planet's fossil-free declaration. Around 100 universities in the UK have now publicly committed to divesting from fossil fuels. We have not yet convinced the University to support this, but we are continuing our campaign.

We prepared a comprehensive data-informed student submission for the University Mental Health Charter, an award the University was seeking. We organised surveys, focus groups and other exercise to ensure we presented an honest and fair reflection of students' experiences. Our report was commended by the charter assessors and University staff.

A core role of all students' unions is to be a critical friend to its university. We believe we provide excellent support to the University to ensure its policies and regulations are fit-for-purpose and to avoid unwanted side effects for our students. We have critiqued and commented on a wide range of topics including extensions and extenuations for academic work, misconduct policies, assessment and feedback, the access and participation plan, learning resources, social media, and many more areas, to ensure students' best interests were considered.



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We were the main drivers behind the University implementing new best practice guidance from the Office of the Independent Adjudicator for Higher Education on the handling of extenuation and extensions. We prepared documentation on the changes we wanted to see, such as less stringent evidence being required for bereavement- and disability-related claims, and clearer guidance for course leaders on pregnancy risk assessments. Although we did not achieve all our objectives in this area, we ensured the key points which would have most benefit for students were implemented. On points where we did not agree with the decisions the University had taken, we still worked with the University to try to ensure the path chosen would be as successful as it could be.

We lobbied the University to ensure the proposed new social media policy, which would have inadvertently led to the creation of a 'shadow' student disciplinary process and applied wholly unreasonable expectations on students' personal social media accounts was rewritten to ensure it was proportionate and in line with existing University regulations.

We worked with University staff to agree a new tariff of penalties for academic misconduct, ensuring it properly align with the new (2019) academic framework.

We have continued to lobby for consistent and accurate application of policies and regulations across all areas of the University. This is one of the areas which leads to negative experiences for many students, and which results in even more work for us and the University through complaints and appeals.

### ***National Student Survey***

There is one question in the National Student Survey about students' unions: "The students' union (association or guild) effectively represents students' academic interests" (question 26). Our target was to maintain our score from the previous year, which would be a very good achievement for a cohort which had pandemic-affected experiences across three academic years. We achieved our target of 54% and remained ahead of the sector average for this question (53%).

### ***Space for undertaking our activities***

We face increasingly difficult challenges in relation to the space available for our activities and those of our student groups. This is negatively impacting on our work and our ability to deliver our charitable objectives. There is now very limited opportunity to create a clear physical base for the Union where students know activities, events and services are available for them. We have lost approximately 65% of the space we held in spring 2020, and now have a reception and offices only on the Docklands campus. One of the objectives in our new strategic plan is to agree a multi-year plan with the University to develop suitable spaces across all campuses which meets our needs and help us to achieve our strategic objectives. We will progress this in 2022/23.

### ***Financial review***

The Union's gross income from all sources during the period totalled £1,096,473, all of which was unrestricted. This includes grants from the University of £868,595 and an estimated value of £204,309 for in-kind benefits such as serviced accommodation and the chief executive's remuneration. It also includes grants from the Coronavirus Job Retention Scheme of £2,720 and income totalling £20,849 generated from charitable activities.

The costs of services provided to the membership including representation, advice and activities and costs associated with generating charitable income was £640,869. This included legal and professional fees and other governance cost totalling £47,841.

Net income of £455,604 and a pension provision of £289,078 increased overall reserves from a deficit of £827,898 to a deficit of £83,216. At the balance sheet date, free reserves, being unrestricted income funds not represented by fixed assets, amounted to a deficit of £111,235 and a revised fund of £909,177 excluding the pension liability.

The Union is affiliated to the National Union of Students, for which the affiliation fee in the period was £19,126. The other affiliation in the period was to AdviceUK (£263).

No donations were made to any external organisations from the Union's own resources.

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# UNIVERSITY OF EAST LONDON STUDENTS' UNION

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### Reserves

The Union's reserves policy is to maintain cover for 30 days' operating costs to cope with any unexpected downturn in funding or additional calls on our resources without immediately curtailing activities. This new policy reflects that the Union's main source of funding is stable and agreed in advance, with very limited reliance on other fundraising or trading. The current general fund of £881,158 comfortably exceeds the policy requirement. The Trustees will continue to maintain reserves in accordance with the reserves policy.

### Fundraising

The Union had no fundraising activities which require disclosure under s162A of the Charities Act 2011.

### Future plans

The Union has five broad areas of work for 2022/23, which are supported by an operational plan. Responsibility for delivery of the operational plan lies with the senior management team and the student officers.

1. Develop a new brand for the Union to support the delivery of the strategic plan and launch both.
2. Re-build and induct a team of permanent and student staff, student representatives and student trustees.
3. Build on the activities and events programme to deliver more of both, and a wider range across all campuses and off campus.
4. Support the student officers to deliver three campaigns for change to support improvements in the students' experience.
5. Work with the University to develop suitable facilities for the Students' Union to undertake its work in Docklands and Stratford.

### Risk management

The major strategic, business and operational risks faced by the Union have been examined and are included in a risk register. This register is periodically scrutinised and updated by the management team and the audit committee. Systems or procedures are established or amended as required to mitigate and manage risks.

Budgetary and internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These are periodically reviewed by the finance committee. Procedures are in place to ensure compliance with health and safety of all staff, student officers, volunteers and participants in all activities organised by the Union.

In addition to an external audit process, the Union is subject to occasional internal audit review by the University's internal auditors.

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

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## REPORT OF THE TRUSTEES

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### Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK Accounting Standards).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the Union for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate records that are sufficient to show and explain the charity's transactions, 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 Charities (Accounts and Reports) Regulations 2008, Companies Act 2006 and the provisions of the Union's governing documents. 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.

### Provision of Information to Auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed:

- that, so far as that Trustees are aware, there is no relevant audit information of which the Union's auditors are unaware; and
- that Trustees have taken all steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information needed by the Union's auditors in connection with preparing their report and to establish that the Union's auditors are aware of that information.

Approved by the Trustees and signed on their behalf.



Martin Young  
Chair of the Board of Trustees

Date

29 MARCH 2023



# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## INDEPENDENT AUDITOR'S REPORT

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### Independent Auditor's Report to the Members of University of East London Students' Union

#### Opinion

We have audited the financial statements of University of East London Students' Union (the 'charitable company') for the year ended 31<sup>st</sup> July 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> July 2022 and of its 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. 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

**INDEPENDENT AUDITOR'S REPORT**

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- 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 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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# UNIVERSITY OF EAST LONDON STUDENTS' UNION

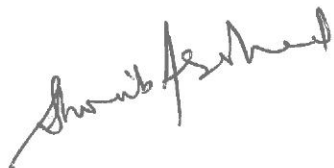
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## INDEPENDENT AUDITOR'S REPORT

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### Use of our report

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



Shoaib Arshad (Senior Statutory Auditor)  
For and on behalf of Knox Cropper LLP, Statutory Auditor  
65 Leadenhall Street  
London  
EC3A 2AD

17 April 2023

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## STATEMENT OF FINANCIAL ACTIVITIES

				Year ended 31 July 2022 Total Funds £	Year ended 31 July 2021 Total Funds £
	Note	Unrestricted Funds £	Restricted Funds £		
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	1	1,075,624	-	1,075,624	1,073,647
Charitable activities	2	20,849	-	20,849	11,316
<b>Total</b>		<u>1,096,473</u>	<u>-</u>	<u>1,096,473</u>	<u>1,084,963</u>
<b>EXPENDITURE ON:</b>					
Charitable activities	3	640,869	-	640,869	895,169
<b>Total</b>		<u>640,869</u>	<u>-</u>	<u>640,869</u>	<u>895,169</u>
<b>Net Income</b>		455,604	-	455,604	189,794
<b>Transfers between funds</b>	13	-	-	-	-
Pension charges	12	289,078	-	289,078	17,754
<b>Net movement in funds</b>		<u>744,682</u>	<u>-</u>	<u>744,682</u>	<u>207,548</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>	13	(841,420)	13,522	(827,898)	(1,035,446)
<b>Total funds carried forward</b>	13	<u>(96,738)</u>	<u>13,522</u>	<u>(83,216)</u>	<u>(827,898)</u>

The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## BALANCE SHEET AS AT 31 JULY 2022

	Note	31 July 2022 £	31 July 2021 £
<b>FIXED ASSETS</b>			
Tangible assets	9	14,497	19,418
<b>Total fixed assets</b>		14,497	19,418
<b>CURRENT ASSETS</b>			
Debtors	10	54	73,222
Cash at hand and in bank		908,925	458,717
<b>Total current assets</b>		908,979	531,939
<b>CURRENT LIABILITIES</b>			
Creditors: amounts falling due within one year	11	98,023	20,117
<b>Net current assets/(liabilities)</b>		810,956	511,822
<b>Total assets less current liabilities</b>		825,453	531,240
Creditors: amounts falling due after more than one year	12	(908,669)	(1,359,138)
<b>Net assets/(liabilities)</b>		(83,216)	(827,898)
<b>THE FUNDS OF THE CHARITY</b>			
<b>Restricted funds</b>		13,522	13,522
<b>Unrestricted funds</b>			
Designated pension fund	13	(992,393)	(1,359,138)
Designated capital fund	13	14,497	19,418
General funds	13	881,158	498,300
<b>Total unrestricted funds</b>		(96,738)	(841,420)
<b>Total charity funds</b>	13	(83,216)	(827,898)

Approved by the trustees and signed on their behalf.



Martin Young  
Chair of the Board of Trustees

Date 29 MARCH 2023

Registered company number: 10820498

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## STATEMENT OF CASH FLOWS

		Year ended 31 July 2022		Year ended 31 July 2021	
	Note	£	£	£	£
Net cash flow from operating activities (see below)			451,408		95,795
Cash flow from investing activities					
Payments to acquire tangible fixed assets		(1,200)		(23,241)	
Net cash flow from investing activities			(1,200)		(23,241)
Net increase/(decrease) in cash and cash equivalents			450,208		72,554
Cash and cash equivalents at 31 July 2021	15		458,717		386,163
Cash and cash equivalents at 31 July 2022	15		908,925		458,717
Cash and cash equivalents consist of:					
Cash at bank and in hand			908,925		458,717
Cash and cash equivalents at 31 July 2021	15		908,925		458,717
Reconciliation of net income to net cash flow from operating activities					
			Year ended 31 July 2022		Year ended 31 July 2021
		£	£	£	£
Net income/(expenditure) for the period			455,604		189,794
Adjusted for:					
Depreciation and impairment of tangible fixed assets		4,749		3,823	
Decrease/(increase) in stocks		-		-	
Decrease/(increase) in debtors		73,168		(27,751)	
Increase/(decrease) in trade creditors & accruals		(5,818)		(2,307)	
Loss on disposal of fixed assets		1,372		-	
Scheduled pension deficit payments		(77,667)		(67,764)	
			(4,196)		(93,999)
			451,408		95,795

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## ACCOUNTING POLICIES

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### General information, scope and basis of the financial statements

University of East London Students' Union is an incorporated charity established under a memorandum and articles of association with the company number 10820498 and with the registered charity number 1173994. The principal address of the charity is given in the charity information page of these financial statements and the nature of the charity's operations and principal activities are outlined in the trustees' report.

University of East London Students' Union incorporated on 15 June 2017. A transfer agreement was signed by the Board of the previously unincorporated entity on 21 July 2017, transferring all the operations, assets and liabilities of that charity to the newly registered entity on that date.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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

### Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make judgements and estimates. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are that of the SUSS pension scheme deficit. A discount rate of 5.75% has been used in line with industry standards.

### Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

In their assessment of going concern the directors have considered the current and developing impact on the charity as a result of the COVID19 virus. This has not had a significant, immediate impact on the Charity as they are able to continue to operate in a remote environment and forecasted income and expenditure is sufficient with the level of reserves for the charity but the Trustees are aware that if the current situation becomes prolonged then this may change.

Having regard to the above, the Trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements

### Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from trading activities includes income received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and cash deposits. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.



# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## ACCOUNTING POLICIES

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### **Recognition of expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities; which includes costs in furtherance of the charity's objects and costs to support those activities

### *Support cost allocation*

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with use of the resources.

### *Governance costs*

Governance costs comprise the costs associated with the governance arrangements of the charity and include audit fees, legal advice (if any) for trustees, costs associated with constitutional and statutory requirements and any costs associated with the strategic as opposed to the day to day management of the charity's assets.

### **Donated services and facilities**

The University of East London provides the charity with office space and the services of the Chief Executive Officer at no charge. As required by SORP 2019, the donation of these facilities and services is included as an incoming resource and a matching outgoing resource within the statement of financial activities at the trustees' estimate of their value to the charity.

### **Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

### **Pension Costs**

University of East London Students' Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the pension scheme trustees on the advice of the actuary. The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to University of East London Students' Union. Under the terms of FRS 102, the discounted present value of future cash flows under a deficit funding arrangement is included as a liability in these accounts and the change in that valuation from year to year is taken to the statement of financial activities.

With effect from 30 September 2011 the scheme was closed to future accrual. Payments to the Students' Union Superannuation Scheme continued after the closure of the scheme in the form of deficit funding and levies.

The Union also operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

### **Taxation**

The charity is considered to pass the tests set out in sections 521 to 536 Income Tax Act 2007 (ITA 2007), as such no income tax is payable on the charity's activities.

### **Leases**

All leases are operating leases and the annual rentals are charged to the income and expenditure account on a straight line basis over the life of the lease.



# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## ACCOUNTING POLICIES

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### **Tangible Fixed Assets**

Tangible fixed assets, costing more than £1,000, are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Clubs' and societies' equipment	- 33.33% reducing balance
Computer equipment	- 20% per annum on cost
Fixtures and fittings	- 10%-20% reducing balance

### **Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### **Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are funds set aside by the trustees to be used at their discretion in furtherance of one or more specific purposes in furtherance of the objects.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or raised by the charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Donations and legacies

			Year ended 31 July 2022			Year ended 31 July 2021
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Block grant	868,595	-	868,595	779,015	-	779,015
Donated services and facilities	204,309	-	204,309	270,685	-	270,685
Other grants	2,720	-	2,720	23,947	-	23,947
	<u>1,075,624</u>	<u>-</u>	<u>1,075,624</u>	<u>1,073,647</u>	<u>-</u>	<u>1,073,647</u>

Donated services and facilities comprises provision by the University of fully serviced space to the Students' Union at a value to the Union estimated at £300 per square metre and the provision of services for the supply of the Chief Executive Officer. The trustees regard this as an appropriate basis for determining value to the charity.

Other grants includes Coronavirus Job Retention Scheme income of £2,720 (2021: £23,947).

### 2. Income from charitable activities

			Year ended 31 July 2022			Year ended 31 July 2021
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Balls and events income	7,069	-	7,069	129	-	129
Societies income	2,488	-	2,488	-	7,601	7,601
NUS and other income	11,292	-	11,292	3,586	-	3,586
	<u>20,849</u>	<u>-</u>	<u>20,849</u>	<u>3,715</u>	<u>7,601</u>	<u>11,316</u>

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## NOTES TO THE FINANCIAL STATEMENTS

### 3. Expenditure on charitable activities

	Staff costs £	Other direct costs £	Support costs (note 4) £	Year ended 31 July 2022 Total Funds £
<u>Charitable activities</u>				
Student Advice	-	25,502	23,700	49,202
Shops and Bars	-	-	-	-
Campaigns and Comms	-	353	328	681
Events and Entertainments	-	49,159	45,690	94,849
Clubs, Affiliations	227,160	5,186	215,950	448,296
Societies (restricted)	-	-	-	-
	<u>227,160</u>	<u>80,200</u>	<u>285,668</u>	<u>593,028</u>
<u>Governance</u>				
Legal and professional fees	-	7,200	-	7,200
Other governance costs	-	17,595	23,046	40,641
	<u>-</u>	<u>24,795</u>	<u>23,046</u>	<u>47,841</u>
	<u>227,160</u>	<u>104,995</u>	<u>308,714</u>	<u>640,869</u>
Unrestricted	227,160	104,995	308,714	640,869
Restricted	-	-	-	-
	<u>227,160</u>	<u>104,995</u>	<u>308,714</u>	<u>640,869</u>

	Staff costs £	Other direct costs £	Support costs (note 4) £	Year ended 31 July 2021 Total Funds £
<u>Charitable activities</u>				
Student Advice	4,402	21,907	25,133	51,442
Shops and Bars	-	-	-	-
Campaigns and Comms	-	-	-	-
Events and Entertainments	-	11,067	10,572	21,639
Clubs, Affiliations	382,499	-	365,382	747,881
Societies (restricted)	-	-	-	-
	<u>386,901</u>	<u>32,974</u>	<u>401,087</u>	<u>820,962</u>
<u>Governance</u>				
Legal and professional fees	-	13,920	-	13,920
Other governance costs	-	24,033	36,254	60,287
	<u>-</u>	<u>37,953</u>	<u>36,254</u>	<u>74,207</u>
	<u>386,901</u>	<u>70,927</u>	<u>437,341</u>	<u>895,169</u>
Unrestricted	386,901	70,927	437,341	895,169
Restricted	-	-	-	-
	<u>386,901</u>	<u>70,927</u>	<u>437,341</u>	<u>895,169</u>

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## NOTES TO THE FINANCIAL STATEMENTS

### 4. Support costs

			Year ended 31 July 2022			Year ended 31 July 2021
	Staff costs £	Other direct costs £	Total Funds £	Staff costs £	direct costs £	Total Funds £
<i>Charitable activities</i>						
Student Advice	721	22,979	23,700	566	24,567	25,133
Retail	-	-	-	-	-	-
Campaigns and Comms	10	318	328	-	-	-
Democratic Representation	-	-	-	-	-	-
Events and Entertainments	1,389	44,301	45,690	238	10,334	10,572
Clubs, Affiliations	6,567	209,383	215,950	8,224	357,158	365,382
Societies (restricted)	-	-	-	-	-	-
	<u>8,687</u>	<u>276,981</u>	<u>285,668</u>	<u>9,028</u>	<u>392,059</u>	<u>401,087</u>
<i>Governance</i>						
Governance	701	22,345	23,046	816	35,438	36,254
	<u>9,388</u>	<u>299,326</u>	<u>308,714</u>	<u>9,844</u>	<u>427,497</u>	<u>437,341</u>

Included in other direct costs above is donated services and facilities of £272,121 (period to 31 July 2021: £270,685) which has been apportioned in line with other support costs as stated in the accounting policy. This relates to the provision by the University of fully serviced space to the Students' Union at a value to the Union estimated at £300 per square metre and the provision of services for the supply of the Chief Executive Officer.

### 5. Pension charges

			Year ended 31 July 2022			Year ended 31 July 2021
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Pension charge	(289,078)	-	(289,078)	(17,754)	-	(17,754)
	<u>(289,078)</u>	<u>-</u>	<u>(289,078)</u>	<u>(17,754)</u>	<u>-</u>	<u>(17,754)</u>

Further information on the pension deficit is given in notes 12 and 16.

### 6. Auditors' remuneration

			Year ended 31 July 2022			Year ended 31 July 2021
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Current year	7,200	-	7,200	13,920	-	13,920

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## NOTES TO THE FINANCIAL STATEMENTS

### 7. Wages and salary cost

	Year ended 31 July 2022 Total Funds £	Year ended 31 July 2021 Total Funds £
Gross wages	203,670	419,045
Employer's national insurance costs	12,989	33,333
Pension costs	9,025	17,705
Pension deficit charge	(289,078)	(17,754)
Termination payments	-	-
	<u>(63,394)</u>	<u>452,329</u>

The average number of employees during the period under review was:

	Year ended 31 July 2022	Year ended 31 July 2021
Assessed on an average headcount basis	10	18

There were no employees with emoluments (excluding employer pension costs) above £60,000 in this or the preceding year

The number of staff to whom retirement benefits are accruing under defined contribution schemes:

	Year ended 31 July 2022	Year ended 31 July 2021
Management	2	2
Student services	3	8
	<u>5</u>	<u>10</u>

### 8. Related party transactions

The union's sabbatical officers received employee benefits totalling £50,178 in the period under review, as authorised under the charity's governing document, for the work they undertake in furtherance of the charity's objects rather than for carrying out their responsibilities as trustees as set out below.

	Salary £	Employer's NI	Pension £	Total £
<i>Sabbatical officers to July 2022</i>				
Kottikulam Aboo	19,635	1,622	-	21,257
Gupta	82	-	-	82
Rajendran	19,635	1,622	-	21,257
<i>Sabbatical officers from July 2022</i>				
Kottikulam Aboo	2,428	251	-	2,679
Evans	2,032	192	-	2,224
Rajendran	2,428	251	-	2,679
	<u>46,240</u>	<u>3,938</u>	<u>-</u>	<u>50,178</u>

No sabbatical officers were reimbursed travel and subsistence expenses during the period under review (period to 31 July 2021: £nil).

During the year 1 (2021: 4) trustee had expenses paid for by the charity totalling £545 (2021: £1,271) in relation to travel and subsistence.

In addition to the employee benefits received by the union's sabbatical officers the senior management team, which make up the remaining key management personnel, received employee benefits totalling £50,519 inclusive of salary, employer national insurance contributions and employer pension contributions. During the year 1 (2021: 0) member of the senior management team was reimbursed expenses totalling £7 for trustee meeting refreshments.

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## NOTES TO THE FINANCIAL STATEMENTS

### 9. Fixed assets

	Club and societies equipment £	Computer equipment £	Fixtures & fittings £	TOTAL £
<i>Cost</i>				
At 31 July 2021	2,438	37,803	4,765	45,006
Additions	-	1,200	-	1,200
Disposals	-	(2,246)	-	(2,246)
At 31 July 2022	<u>2,438</u>	<u>36,757</u>	<u>4,765</u>	<u>43,960</u>
<i>Depreciation</i>				
Accumulated at 31 July 2021	2,438	18,386	4,765	25,589
Charge for the year	-	4,748	-	4,748
On disposals	-	(874)	-	(874)
At 31 July 2022	<u>2,438</u>	<u>22,260</u>	<u>4,765</u>	<u>29,463</u>
Net book value at 31 July 2022	<u>-</u>	<u>14,497</u>	<u>-</u>	<u>14,497</u>
Net book value at 31 July 2021	<u>-</u>	<u>19,417</u>	<u>-</u>	<u>19,418</u>

### 10. Debtors

	31 July 2022 Total Funds £	31 July 2021 Total Funds £
Trade debtors	-	-
Owed from University of East London	-	-
Prepayments and accrued income	54	70,290
Other debtors	-	2,932
	<u>54</u>	<u>73,222</u>

### 11. Creditors

	31 July 2022 Total Funds £	31 July 2021 Total Funds £
Trade creditors	733	1,624
Accruals	13,566	18,493
Pension liability (current)	83,724	-
	<u>98,023</u>	<u>20,117</u>

### 12. Creditors due after more than one year

	31 July 2022 Total Funds £	31 July 2021 Total Funds £
<b>Pension liability</b>		
Balance brought forward	1,359,138	1,444,656
Scheduled payments made	(77,667)	(67,764)
Addition for extended period, change in rate and unwinding of discount	(289,078)	(17,754)
Balance carried forward	<u>992,393</u>	<u>1,359,138</u>
Pension liability (current)	83,724	-
Pension liability (non-current)	<u>908,669</u>	<u>1,359,138</u>
	<u>992,393</u>	<u>1,359,138</u>

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## NOTES TO THE FINANCIAL STATEMENTS

### 13. Analysis of net movement in funds

	Total funds brought forward £	Total incoming resources £	Total resources expended £	Pension charges £	Transfers between funds £	Total funds carried forward £
<i>Restricted funds</i>						
Societies funds	13,522	-	-	-	-	13,522
	<u>13,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,522</u>
<i>Unrestricted funds</i>						
Pension reserve	(1,359,138)	-	-	289,078	77,667	(992,393)
Capital reserve	19,418	-	-	-	(4,921)	14,497
Total designated funds	<u>(1,339,720)</u>	<u>-</u>	<u>-</u>	<u>289,078</u>	<u>72,746</u>	<u>(977,896)</u>
General fund	498,300	1,096,473	(640,869)	-	(72,746)	881,158
Total unrestricted funds	<u>(841,420)</u>	<u>1,096,473</u>	<u>(640,869)</u>	<u>289,078</u>	<u>-</u>	<u>(96,738)</u>
Total funds	<u>(827,898)</u>	<u>1,096,473</u>	<u>(640,869)</u>	<u>289,078</u>	<u>-</u>	<u>(83,216)</u>

Societies' restricted funds represent monies raised for use in furtherance of the Societies' particular activities.

The pension reserve designated fund represents the net present value of future cash flows from an obligation to fund a deficit.

The capital reserve designated fund represents funds used for the acquisition of tangible fixed assets. Depreciation on those assets is charged against the designated capital reserve fund.

### 14. Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31 July 2022 Total Funds £
Fixed assets	-	14,497	-	14,497
Net current assets	797,434	-	13,522	810,956
Provisions for liabilities	-	(908,669)	-	(908,669)
	<u>797,434</u>	<u>(894,172)</u>	<u>13,522</u>	<u>(83,216)</u>

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31 July 2021 Total Funds £
Fixed asset	-	19,418	-	19,418
Net current assets	498,300	-	13,522	511,822
Provisions for liabilities	-	(1,359,138)	-	(1,359,138)
	<u>498,300</u>	<u>(1,339,720)</u>	<u>13,522</u>	<u>(827,898)</u>

### 15. Analysis of changes in net debt

	31 July 2021	Cashflows	31 July 2022
<i>Cash &amp; Cash equivalents:</i>			
Cash	235	-	235
Cash equivalents	458,482	450,443	908,925
	<u>458,717</u>	<u>450,443</u>	<u>909,160</u>

# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## NOTES TO THE FINANCIAL STATEMENTS

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### 16. Pensions

The Union is a Participating Employer 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 United Kingdom. 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 Triannual Valuation of the Scheme was carried out as at 30 June 2019 and showed that the market value of the Scheme's assets was £119,100,000 (2016: £101,131,000) excluding AVC's and insured pensioners with these assets representing 46% (2016: 46%) of the value of benefits that have accrued to members. The deficit on an ongoing funding basis amounted to £140,900,000, (2016: £119,700,000).

The assumptions used in the valuation are as follows:

Pre- retirement discount rate	4.3% pa
Post retirement discount rate	2.3%pa
RPI	3.2% pa
CPI	2.2% pa
Pension increases in payment	
Post 1997 (RPI min 3% max 5%)	3.6% pa
Post 2000 (RPI max 5%)	3.1% pa
Mortality projections	CMI 2015 projections with a long term rate of improvement of 1.5% pa

The 2019 Valuation funding shortfall recovery plan requires a monthly contribution requirement by each Participating Employer up to 30 June 2036 increasing by 5% each year with a one off increase of 17.7% in October 2021. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates apply with effect from 1 October 2020 and will be formally reviewed following completion of the next Valuation due with an effective date of 30 June 2022. 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.

The total contributions paid into the Scheme by University of East London Students' Union in respect of eligible employees for the period ended 31 July 2022 amounted to £77,667 (period ended 31 July 2021: £67,764).

At the balance sheet date the charity had commitments to pay deficit funding contributions of £6,725 per month. This monthly payment is scheduled to increase by 5% per annum at October each year until 31 August 2035, with the exception of the October 2021 increase which is set at 17.7%.

#### Defined Contributions Pension Scheme

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme with Scottish Equitable. Contributions are at the rate of 7.7% for the employer and the % for the employee differs per member. The Union's cost of contribution in the period amounted to £289,078 (2021: £17,705).



# UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

## NOTES TO THE FINANCIAL STATEMENTS

### 17. Comparative figures - Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Year ended 31 July 2021 Total Funds £
<b>INCOME AND ENDOWMENTS FROM:</b>			
Donations and legacies	1,073,647	-	1,073,647
Other trading activities	-	-	-
Charitable activities	3,715	7,601	11,316
<b>Total</b>	<b>1,077,362</b>	<b>7,601</b>	<b>1,084,963</b>
<b>EXPENDITURE ON:</b>			
Charitable activities	895,169	-	895,169
<b>Total</b>	<b>895,169</b>	<b>-</b>	<b>895,169</b>
<b>Net Income</b>	<b>182,193</b>	<b>7,601</b>	<b>189,794</b>
Transfers between funds	-	-	-
Pension charges	17,754	-	17,754
<b>Net movement in funds</b>	<b>199,947</b>	<b>7,601</b>	<b>207,548</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	(1,041,367)	5,921	(1,035,446)
Total funds carried forward	(841,420)	13,522	(827,898)