

Registered number: 12714026
Charity number: 1191269

The Union, MMU

Trustees' Report and Financial Statements

For the Year Ended 31 July 2022



The Union, MMU
(A Company Limited by Guarantee)

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The Union, MMU
(A Company Limited by Guarantee)

Reference and Administrative Details of the Company, its Trustees and Advisers
For the Year Ended 31 July 2022

Trustees	L Jones S Campbell J Killick I Iftikhar (appointed 1 July 2022) S E Ibifunmilola (appointed 1 July 2022) S Islam (appointed 1 July 2022) P B Crewe (appointed 1 July 2022) J Coe (resigned 31 August 2022) H Maryam (resigned 30 June 2022) Z Sutton (resigned 30 June 2022) M Searle (resigned 23 August 2021) F Robertson-Barnett (resigned 30 June 2022) P Orton (resigned 30 June 2022)
Company registered number	12714026
Charity registered number	1191269
Registered office	21 Higher Cambridge Street Manchester M15 6AD
Chief executive officer	Matt Robinson
Senior leadership team	Matt Robinson, Chief Executive Officer Paul Norman, Head of Membership Development Stephanie Taylor-Wren, Head of Insight Louise White, Head of Finance & Performance Lesley Edwards, Head of People Jo Stafford, Head of Marketing and Communications
Independent auditors	Dains Audit Limited Statutory Auditor Suite 2, Albion House 2 Etruria Office Village Forge Lane Stoke on Trent Staffordshire ST1 5RQ

The Union, MMU
(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 31 July 2022

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 August 2021 to 31 July 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The Union's articles of association identify its charitable objectives as the advancement of education of students at Manchester Metropolitan University for the public benefit by:

- Providing opportunities for the expression of student opinion and actively representing the interests of Students;
- Acting as a channel of communication in dealing with The Manchester Metropolitan University and other external bodies;
- Promoting the welfare of Students at The Manchester Metropolitan University;
- Facilitating the social, recreational, political and educational interests of its Members, through providing services and support for its Members; and
- Working with other students' unions and affiliated bodies.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The Unions' vision is to support every student at Manchester Metropolitan University in achieving their personal goals and ambitions. The Unions strategy was revised and approved by the Trustee Board in year. The Union operates across three pillars of student experience. Life, Learning and Belonging:

Life:

- Helping students integrate their study with their everyday lives
- Supporting students if things don't go to plan

Learning: Supporting students to improve their confidence, skills, and academic outcomes

- Helping students get the most out of their studies
- Providing opportunities to try new things and develop

Belonging: Ensuring students form social connections and support networks

- Helping students make connections whilst at university
- Providing student owned spaces at university

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

The Union MMU exists to represent all students at Manchester Metropolitan University. It strives to ensure that the needs and views of students are at the heart of everything the University does, and provides a wide range of services, activities, and opportunities to offer the best possible student experience for all our members. The Union employs a core team of career staff and a flexible cohort of part time student staff and volunteers to assist the Trustee Board in its mission, all of whom are dedicated to helping The Union and students succeed. Following the pandemic restrictions of the previous year, The Union returned to face-to-face delivery of all services. Learning from online experience of service delivery, the union maintained a hybrid Advice Service approach and encouraged hybrid working of teams where it benefitted the organisation and the individual.

Student Voice

The Union engages in a variety of activities that amplify student voice in the University, the Union, the city and in national arenas. Every year students elect five Union officers who sit on all major decision-making committees of the University, and local community partnerships. Ensuring student voice influences every level of University decision making. Most formal decision making in the Union and the University transitioned to in person as the year progressed. However, we also retained the agility of new technologies and informal relationships forged during the pandemic to strengthen student voice within the university. The lessons learnt from digital lobbying and influencing during the height of the pandemic were not lost. Consultative use of social media, online focus groups, survey, and open pulse surveys have strengthened the Unions student voice toolkit.

In March, COVID deregulation allowed us to return to in person elections. With some students still choosing to limit their time on campus, we adopted a hybrid approach to the elections. We supported candidates to campaign in person and digitally. Again, applying the lessons learnt from a successful all digital election in 2021. This year the returning officer took the decision to reduce the number of voting days from seven to four days and to remove the additional pre-voting campaigning week. The reduction in voting days was requested following a review with 2021 election candidates. Changes were implemented to help manage the negative impact of a previously long campaigning period on candidate mental health, and to provide a better balance of elections with study commitments of students. The election turnout was reduced as anticipated from 4322 in 2021, to 3799 in 2022. A reduction in numbers of candidates following a covid 'candidate pipeline' disconnect will also have influenced the result. A similar decline was experienced by the majority of students' unions in the North West region. Outliers in two northeast unions offer future opportunities to grow voter numbers, without having to increase voting days again.

The Union Course Representative structure empowers student representatives to work with academics to improve the course experience for themselves and peers. Course representatives were elected in year, and the voice team worked hard to reach out and support them in their roles. When in person training of representatives was still restricted, the Union adapted it's student leadership program for online delivery. As students returned to campus, Student course and faculty representatives returned to more face-to-face collection and representation of student voice across the university.

The Union uses its Research and Insight capability to maintain a current understanding of its membership, including an annual membership survey, induction survey and detailed segmentation modelling. The department carries out inhouse research projects; analysis of existing student data; social policy review; and dissemination of student insight to staff and volunteers of The Union and the University ensure that nobody knows its members better. In addition to in house research, the Union invested in a large piece of syndicated work exploring student mental health across the sector.

Objectives and activities (continued)

Advice

Manchester Metropolitan Students' Union provide a specialist advice service to help our students with practical issues they might face whilst at University. The main areas are financial, academic issues and housing. They also provide representation at meetings such as disciplinary action and benefit tribunals. The Advice Centre holds an Advice Quality Standard (AQS) award to confirm the advisers work to professional standards and provide a high-quality service to students.

During the 2021/22 academic year, the Advice Centre moved from an entirely online pandemic service to a hybrid service with a combination of in person and online service. Offering their service via email, phone, and face to face over video call. It helped with 9,898 queries and supported 2,623 individual students across a wide range of subjects including housing, finance, and academic issues. Academic queries totalled 5,200, almost 2,000 more than the previous academic year. This was largely due to the impact of restoring pre pandemic regulations, after a sustained period of flexibility during online learning.

The Advice team continue to offer tailored housing advice to students; provide expert feedback on changes in university policy in year and were able to support the SU Officers with their voice work by meeting regularly to discuss common matters arising for students.

The Advice Centre has helped students to gain an additional £1.74 million in the last four years (2021/22: £286,000) through correcting Student Finance applications, appealing funding decisions or helping them apply for Compelling Personal Reasons (repeat student) funding. This is in addition to supporting students access the university and union hardship funds, extended by £500,000 in year for pandemic purposes.

Physical Space

Our Manchester home in 21 Higher Cambridge Street has some fantastic spaces for our members. Facilities include a multi-functional hall space; large conference rooms; balcony space; 5 meeting rooms; two mirrored studio spaces; digital and radio media suite; quiet study space; and plenty of break out areas for students to use as they want. We were pleased to introduce a second studio space in 2021/22 following significant student demand. This has allowed us to increase the number of sports and societies sessions in the union as well as provide additional conferencing space during the summer period.

Union space in Manchester includes opportunities for mutual trading during term time, and wider conferencing and events out of term time. The Union operate food and beverage service in the main building in Manchester; a retail outlet; provide ad hoc media sales activity; run a public house; and operate conferencing in its spaces outside of term time. As well as supporting the social activity of The Union, our commercial activity generates funds for charitable use. Despite a slow start from August to January, and significant difficulties in recruiting key commercial staff, the Union services grew in strength in terms 2 and 3 and made a positive contribution to the unions overall surplus.

We were able to reintroduce several of our flagship in person events, including an in person Welcome program; the return of the Teaching awards; our own volunteers awards, sports awards and society awards; an Iftar event and a number of student-led fundraising and inclusivity events.

Student Opportunities

The Union provides a range of student led activities for members to try out, join and enjoy. These include Clubs, Societies, and charity fundraising and volunteering. The Union staff team supports course representatives, campaigners, volunteers, student captains, society chairs and their respective committee members.

Trustees' Report (continued)
For the Year Ended 31 July 2022

Objectives and activities (continued)

As well as connecting students to opportunities via our volunteering brokerage service, the Union organised and ran its own events through the year. This year we introduced a brand new volunteering 'schools project'. Partnering with a local school, our active sports and societies volunteers provided taster activities for school children to provide an early positive engagement of university and union life.

The numbers of active societies had dropped during covid restrictions, and as planned the Union focussed on restoring numbers of active clubs and societies in year. We grew our activity back to 90 live societies last year equating to 4,472 memberships. Whilst individual membership of societies was strong, we found it difficult to translate that into committee membership (372 committee members). The pipeline of committee succession appears to have been broken by the lack of in person activity in the past two years. We are addressing the issue with the launch of our new Leadership development program in year. A series of ten bespoke accelerated learning courses for student leaders including financial management, building a fan base for their club or society, health and safety training, being a great representative and more. The training has been developed to be peer delivered by student trainers in person during the first term of the 2022/23 academic year and as required throughout the year.

Contribution to Manchester Metropolitan University Students' Union by volunteers.

Thousands of our members give their time on a voluntary basis to contribute to The Union through their leadership activities in Societies, clubs, volunteering, course representation and committee membership.

- Students form the committees of The Union that direct activity and address the needs of specific student communities.
- Course representatives work to promote the views and interests of their peers to the University.
- Society and Sport committee members organise activities for other students and ensure the Union remains vibrant and deliver a diverse range of accessible activities for students
- Volunteers donate their time and energy to support charitable activity across Manchester, brokered by The Union.

We had 360 new students register on the Union volunteering portal logging 8,848 hours of volunteering. The brokerage portal offered over 170 volunteering opportunities in the local community. Multiple volunteering events were put on to support children and young people such as Play Day and the Schools Project – with over 90 local children and 35 students getting involved. Through various volunteering activities, a further £1,600 was raised for charities including Ronald McDonald House, Manchester Children's Hospital and British Ukrainian Aid.

d. Main activities undertaken to further the Company's purposes for the public benefit

1. Representing student interests
2. Communicating on student behalf with external bodies
3. Promoting student welfare at Manchester Metropolitan University
4. Facilitating social, recreational, political, and educational interests of members through services and support for members
5. Working with other students' unions and affiliated bodies

Achievements and performance

a. Key performance indicators

The trustees consider that the key financial performance indicators are total incoming resources of £4,364,965 and net expenditure of £3,905,421. The Union has unrestricted funds excluding pension liability of £1,710,009.

Achievements and performance (continued)

b. Review of activities

The new strategic framework was approved by the board in May, for implementation from 1 August 2022. For this reason the key goals and successes are reported against the five key focus areas in the previous strategy.

Goal 1: Increasing Inclusivity and Participation.

Our aim is to enable more of our students to feel that "the Union is for people like me." Whilst participation in activities such as clubs & societies, volunteering, course representatives and elections is significant, we continually seek greater inclusivity from our membership.

Successes in 21/22

The Union delivers year-round inclusivity events, ensuring that The Union supports and celebrates all major annual events related to the lives and interests of our broad membership. We employ dedicated project staff to work with students to deliver meaningful activity at key events across the calendar year. This ranges from simple reference to religious holidays via our communications channels, right up to more focussed campaigns linked to days of action.

Events marked by significant activity this year included:

- World Mental Health day, which coincided with the Union officers first Feel Good Friday event starting with a deep dive into mens mental health.
- Transgender Day of Visibility. Working with The Proud Trust to deliver an event in the union that provided space to meet like-minded people, and talk about trans empowerment.
- Estranged Students Solidarity Week. The Union signposted and promoted services provided by the university and the union for students who are estranged from their families, as well as care leavers, students with caring responsibilities, pregnant students and under 18s.
- International Women's Day. As well as promoting IWD activity happening in the local Hulme and Manchester Community, The Union partnered with Pen Fights Distro to celebrate IWD with a zine making event. Pen Fights Distro is a queer and feminist zine and book shop, and tiny press company. The day concluded with a free screening of *Feminists: What Were They Thinking* for students to enjoy.
- Holocaust Memorial Day. The Union promoted ways for students to learn and educate themselves about those who have been killed or have faced genocides that have taken place around the world - from the Nazi persecution of Jewish people in World War Two, to the atrocities committed in Rwanda, Bosnia, Darfur, and Cambodia. We curated informative documentaries, podcasts as well as signposting students to the amazing virtual and in person events provided by the holocaust memorial trust.
- Black History Month. The Union is honoured the month with a range of events in hope to celebrate Black History and bring students together. Activity included a documentary and discussion exploring Black Mental Health, an evening and Q&A with Lemm Sissay, film screenings and more.

The Union passed its first race equity plan, and as part of the plan it co-opted an independent trustee to support black history month activity and race equity on the board. The resultant 'See My World' festival was delivered with Big People Community over 5 days in October and combined speakers, art, film and dance exploring black history and celebrating pan African influence in Manchester.

Achievements and performance (continued)

Projects

Big Change: The Union BAME ambassadors developed their sector leading "Big Change Project" in year, winning the Think Student award for best campaign supporting diversity in year. The project is a form of Participative Action Research, modelled on the UK select committee method of public investigation. The project centres around a series of public conversations between BAME ambassadors and university decision makers, leading to published commitments of changes the university will make to improve the lives of BAME students because of the conversation and training.

The project trained university senior leaders to have confidence in having race sensitive conversations and then positions the black, Asian and minority ethnic (BAME) ambassadors as interviewers and coaches to influence the efforts of departments to reduce the awarding gap. This year we interviewed five departments and published the interviews. We secured 20 commitments for change that will be revisited by the next team of ambassadors. The project has already received thirteen requests from senior teams in the university to be part of the next cohort of the project and we are hoping to secure a further 50 commitments to change.

International Group: It didn't take International Students long to return to in person events. Welcome Week attracted over 680 sign ups to our new international group.

The new cultural connections programme incentivises students to connect with others from different nationalities/heritage. These are student-led events and activities that allow international students to showcase their nationality and share their culture with home and international students alike. The first event we celebrated was Roshni, a Diwali celebration which attracted over 150 people, and included food, performances, a DJ and a henna artist.

This year the project established the International Student Council to support students in improving their experience at Manchester met through strong student voice.

The council represents the views of other international students. They run student-led campaigns for the improvement of the international student experience; they support students in faculty to launch campaigns or connect them with staff who can help; they represent student voice at monthly internationalisation committee meetings with international faculty leads.

Goal 2: Personal Growth

The Unions educational purpose extends to the development of persons, as well as intellect. Student employment, fundraising, committee membership, campaigning and volunteering opportunities are vehicles that help students develop confidence and new skills. We focus on increasing the support and training we provide as well as widening the range of opportunities to allow more members to benefit from personal development.

Successes in 2021/22

Our strategy supports students to grow and develop in a way that is meaningful to them through a wide range of supported opportunities. Our activity broadly fits under the umbrellas of membership of Clubs and Societies, Student leadership, Volunteering, and student employment.

The Union employs students in delivery of all its services. The pandemic removed the opportunity for much student employment in the union, and so we were especially pleased this year to be able to offer student job opportunities again. The Union preferences employment of students in as many roles across its operation as possible, including supervisory and project manager roles. As well as providing work experience, students are given development opportunities that include becoming a licence holder, accredited barista training, first aid training, fire marshal training and catering qualifications.

Achievements and performance (continued)

Goal 3: Making Change and Goal 4 responding to the needs of our members.

We support students to change their individual and group circumstances through direct representation and empowering students to campaign and act on their own behalf. Our representation and advocacy are effective, and we have focussed on strengthening the way we identify and tackle student issues to widen our reach and influence.

Successes in 2021/22

Elected Officers represent students at every level of decision making in the University. Campaigning and representation work in year included:

- Reaching agreement with the University to invest more than £650,000 into the prayer space, expected to be welcoming students in the new academic year. Students have been at the forefront of the planning process, with their thoughts and ideas being incorporated into the final decision, after being invited to view the plans and add their comments.
- Working closely with the university to shape the structure of the new academic year. Moving from block teaching to a more suitable semesterisation model;
- Running the Feelgood Friday Campaign, created to focus on education, creating conversations, and raising awareness for Manchester Met students around important topics, in a fun and enjoyable way.
- Working on projects including Sexual Misconduct, Trans Visibility and Black History Month.
- Ensuring that the University mitigate the impact of lecturer strikes on campus, and that there was no lost learning as a result;

As well as the sabbatical officer representation, students register and are trained as volunteer course representatives. Working with academic colleagues and supported by staff in The Union, the course representatives advocate for continuous improvement at a course level.

During the pandemic, the union implemented pulse surveys and broad mechanisms to gauge student feeling about the pandemic. Post Pandemic, and as we returned to in person teaching, student issues became more granular and course specific again. The Union prioritised the rebuilding of in classroom course representation. Overall, we have seen a significant number of students register to be a course representative (1014), but did not see as many course representative opt for in person training. We hope to address this with the delivery of a newly created Leadership Course module for course representatives in the next academic year.

Post Graduate Representation: We know that courses with high post graduate (PG) population can return lower levels of course representatives, despite national research published in year by Advance HE finding that post graduate experience of study was at an all-time low. To counter this we created a new program of dedicated student voice events for PG students including discussion panels, Q&A's with senior university leaders, a PG conference and PG forum events.

Student satisfaction: After a disappointing 2 percent below sector result for NSS question 26 in 2021, the Union bounced back to a 2.8 percent above sector performance. Whilst a step in the right direction, and reflective of the University's own overall NSS direction of travel, improving student satisfaction with the union and university will remain a priority for 2022/23.

Trustees' Report (continued)
For the Year Ended 31 July 2022

Achievements and performance (continued)

Toward the latter half of the year we joined a national student life pulse benchmarking group to provide some lead indication of our student satisfaction. The Student Life Pulse is a large scale quantitative survey, running throughout the university academic year. It is based around four core SU impact measures: employability, academic life, wellbeing, social life, and six core SU metrics: overall satisfaction and perceptions, representation and democracy, support and advice, activities, communications and commercial services. The Union MMU ranked above benchmark in 12 of the 15 metrics. Including highest overall satisfaction of the benchmark group (12% above sample) and highest satisfaction with commercial service in a benchmarked union. The report provided areas for improvement including support for employability, social life, and variety of sports provision. We anticipate the revised strategy will help us focus efforts on improving in these areas for members in the coming year.

Goal 5: Delivering Excellent Services

Our strategy is to provide vibrant and sector-recognised services for our members whilst generating funds to reinvest in their student experience. Our services are often the way in which students first interact with The Union. We must ensure that we offer the highest-quality customer service and experience whilst also making them aware of the range of opportunities that we offer our members.

Successes in 2021/22

Achieving or retaining awards and accreditations are shorthand ways to demonstrate quality in our services. This year we achieved the following accreditations:

- Retained Best Bar Non-Gold award, promoting responsible management and operation of alcohol licensed premises.
- Retained 'Green Impact Students' Unions accreditation
- Reaccredited with the Responsible Futures Award, improving scores on previous submission
- We retain the AQS advice service accreditation

A slow start to trading in September was hindered further by difficulty with recruitment to key hospitality posts. The savings in salaries offset the quieter trade in term one, with students gradually increasing use of union commercial services from January, following a concerted campaign to promote our commercial portfolio

The Union responded to reports of drinks spiking across the country in October. Further demonstrating its commitment to responsible management and operation of alcohol licenced premises. Led by the student officer team we increased communication about the risks of drinks spiking with students, promoted safe nights out and provided anti drinks spiking equipment for use by students through elected officer campaigning.

Alongside student officers, our advice service worked closely with the university to understand and help shape changes to the academic regulations following temporary pandemic regulations.

c. Fundraising activities and income generation

All incoming resources are recognised in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty. The Union gratefully recognises the income received in the form of grants from the University and various sources of fundraising income as detailed in the notes to these accounts.

The Union is also grateful for continued access to the government furlough scheme for the early part of this year during a difficult trading period.

Achievements and performance (continued)

d. Investment policy and performance

The trustees are mindful of their obligations to seek to protect the long-term value of the assets they administer, whilst maximising income. To this end, the trustees have a policy of placing cash in a combination of current and deposit accounts to meet the working capital requirements of the Union whilst maximising interest returns.

Financial review

a. Going concern

The Charity has net liabilities on 31 July 2022 of £3,807,485 (2021: net liability £4,267,029) due to the recognition under Charities SORP (FRS 102) of the net present value of the funding deficit on the SUSS pension recovery plan.

Whilst this liability is significant, the SUSS pension is not an immediate liability. This long-term commitment ends in 2035. The trustees are confident that annual payments towards this plan will be met out of income for the year.

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

General reserves stand at a deficit of £3,807,484 due to the pension funding liability. Unrestricted general funds excluding the pension liability stand at positive £1,470,010. An additional £240,000 was designated in 2021/22 for building development to improve student experience and service offer. The aim of the reserves policy is to maintain a level of unrestricted general funds, which are not designated and excluding tangible fixed assets, which will enable The Union to continue for at least a three-month period.

c. Principal funding

The Union's funding comes principally from grants and various sources of fund-raising income as detailed in the notes to these accounts.

Structure, governance and management

a. Constitution

The Union, MMU is registered as a charitable company limited by guarantee and was set up by a trust deed.

The principal object of the Students' Union remains the advancement of the education of students at Manchester Metropolitan University for public benefit.

The Students' Union's governing document is its' constitution comprising the articles of association and byelaws. Any amendment to the articles of association being subject to the approval of company law members and, for major changes, a referendum of students and only valid once approved by the University Board of Governors.

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The Board of Trustees is responsible for the governance and financial and strategic management of the Students' Union. The board is comprised of the five Students' Union Officers and up to six independent Trustees. The full members of the Students' Union elect the Students' Union officers each year, through a secret cross campus ballot. Officers serve in office for one year and may stand for election for a maximum term of two years.

An appointments committee, following a process of open advertisement and application, nominates the independent Trustees for a term of office of up to three years or reappointment for a second term. Appointments are subject to the approval of the whole Trustee Board by a simple majority of those present and voting. A subcommittee of the Trustee Board selects the external Trustees based on their skills, knowledge, experience, and characteristics, considering the current composition of the Board. Independent trustees bring their professional experience to the board.

c. Organisational structure and decision-making policies

The Trustee Board meets five times a year and is supported by sub committees. The Trustee Board delegated authority to the Appointments sub-Committee and Finance committee in year ending July 2022. Each of these committees reported their activity to the Trustee Board.

The Trustee Board delegates more day-to-day decisions to The Union Officer Group (comprising all the elected officers), Union Leadership Group (Comprising the Elected Officers and the Senior Leadership Team), Human Resources Committee, or Senior Leadership Team. The Union Leadership Group and Union Officer Group meet formally every month during term time to receive reports from individual Officers, sub committees and the Chief Executive. They also review the charities performance and administration generally and to decide operational issues arising. The Union MMU employs circa 60 non-student staff for the sake of continuity in the management of its many duties. All staff are accountable to the Chief Executive for the performance of their duties. Filling vacancies post pandemic has been difficult, particularly in areas of hospitality. The Union has carried higher salary savings percentage throughout the year because of delayed recruitment and staff churn.

The Students' Union operates a representative democracy with its five elected officers elected by and from the current student population of the University. All full-time members of The Union can activate and agree Union policy through secure petition resulting in a referendum of all members. Any student can influence the work of The Union by submitting ideas in person or online to one of our subgroups dedicated to discussing improvements to the student experience in a particular area of activity. Student insight informs the work of The Union through delivery of an annual engagement plan, which ensures that The Union's priorities and provision meets the needs of the diverse student population of Manchester Metropolitan University. Whenever possible, the Students Union seek to act in response to student influence, insight, and referendum, although the Trustee Board does have supervisory power to veto any decision which is in breach of charity or education law or other legal requirements, or which is considered not to be in the best interests of the Students' Union or its charitable objectives.

d. Policies adopted for the induction and training of Trustees

Upon appointment, all trustees receive an induction, which includes their legal obligations and other trustee responsibilities, and is adapted according to their prior knowledge and experience. The Students' Union Officers receive a more in-depth induction and training programme incorporating their responsibilities as a trustee and the skills and knowledge required to perform their other duties in addition to their trustee roles.

Structure, governance and management (continued)

e. Pay policy for key management personnel

The trustees consider the board of trustees and the senior management team comprise the key management personnel of the Charity in charge of directing and controlling, running, and operating the Trust on a day-to-day basis. The remuneration of the trustees and senior management team is reviewed at intervals of not more than every three years.

f. Related party relationships

Relationship with Manchester Metropolitan University

The Union MMU has a formal relationship with Manchester Metropolitan University. The Union and University express this through a jointly endorsed relationship agreement, formally adopted in 2012, and by the constitutional provisions, which governs the formal interaction between the two organisations. Under the 1994 Education Act, University governing bodies must take all reasonably practical steps to ensure that students' unions operate fairly and democratically and is responsible in the management of its finances. The Manchester Metropolitan University Constitutional provisions outline how this statutory obligation is met. In addition, changes to The Union's articles of association require the approval of the University Board of governors.

Relationship with Subsidiary companies

Manchester Metropolitan Students' Union Trading Limited is a limited liability company wholly owned by The Union MMU. The company provides services to a mix of students and non-students including a public house and some entertainments provision.

Relationship with the National Union of Students

The Students' Union is an affiliated member of the National Union of Students, a National federation of Students' Unions. The Students' Union works with other students' unions and NUS in pursuit of its charitable objects. This cooperation extends mainly to influencing and campaigning on national issues that affect students and support from NUS with organisational development.

Factors Outside of The Union's Control

The Students' Union seeks to influence its key partner, the University, on issues relating to its members educational, welfare, sustainability, employment, and community experience at Manchester Met as well as social policy issues locally and nationally. The Union can influence. However, most of these issues are out of the Union's direct control. The Students' Union has a complex relationship with its beneficiaries who are members of The Union, significant customers of the company, and in many cases supported volunteers or employees of The Union. Further, the organisation operates democratically to take account of student views.

Structure, governance and management (continued)

g. Financial risk management

The Trustee Board is responsible for ensuring the annual review of major risks to which The Union MMU is exposed. Systems have been established to mitigate or minimise these risks.

The Trustee Board of the Students' Union has examined the major strategic, Financial, Human Resource, legal and regulatory, Governance and Management, business and operational, technological, and external risks faced by The Union MMU. A live risk register is used and updated after every trustee board. Current significant risks are reported to the board at every meeting, and the full risk register is reviewed at least annually detailing where appropriate systems or procedures in place to mitigate the risks the Students' Union faces. Budgetary and internal control risks have been minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety for staff, volunteers and participants in all activities organised by The Union. The Union regularly reviews its procedures to ensure that they are compliant and continue to meet the needs of the Students' Union.

h. Funds held as custodian

Manchester Metropolitan Students' Union acts as a custodian for activities associated with its opportunities department, namely:

- Funds raised by the many clubs and societies run by its members – these funds are separately identified in the finance system, £154,131.

Plans for future periods

a. Future developments

The strategic plan sets out the key areas of focus for The Union in achieving its vision to support every student at Manchester Met in achieving their personal goals and ambitions. A new strategic framework was approved in May 2022, for implementation from 1 August 2022.

The strategy continues to challenge the Union to positively affect the life, learning and belonging of our members to enable them to achieve their personal goals and belongings. In 2022/23 The Union will focus resources on four key levers to achieve its strategy:

1. Ensuring action and decision making is evidence based
2. Inclusive models of participation and development
3. Delivering a compelling union offer everyday
4. Using our resources to deliver maximum impact for students

Information on fundraising practices

Student groups raise funds through the charitable activity for distribution to nominated charities. After deduction of appropriate fundraising costs, £6,193 was raised in the year and was distributed.

Trustee Indemnities

Every trustee or other officer of The Union MMU shall be indemnified out of the assets of The Union in relation to any liability incurred by them in that capacity but only to the extent permitted by the Companies Act.

The trustees maintain an appropriate indemnity policy brokered by Endsleigh insurance that covers the liability of trustees or another officer of The Union in accordance with, and subject to the conditions in, section 189 of the charities act 2011 (provided that in the case of an officer who is not a trustee, the second and third references to

Trustees' Report (continued)
For the Year Ended 31 July 2022

Plans for future periods (continued)

charity trustees in section 189 shall be treated at references to officers of the charity.)

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

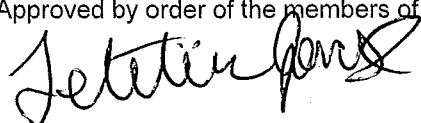
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure 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 Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:



L Jones
Trustee

Date: 26.10.22

Independent Auditors' Report to the Members of The Union, MMU

Opinion

We have audited the financial statements of The Union, MMU (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 of the 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 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 the 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 Auditors' Report to the Members of The Union, MMU (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our 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 Trustees' Report.

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

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

Independent Auditors' Report to the Members of The Union, MMU (continued)

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 Group's and the 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.

Auditors' 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 Auditors' 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

The Union, MMU
(A Company Limited by Guarantee)

Independent Auditors' Report to the Members of The Union, MMU (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

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 Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Hawkins (Senior Statutory Auditor)
for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Stoke on Trent
Staffordshire
ST1 5RQ

Date: 26-10-22

The Union, MMU
(A Company Limited by Guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 July 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	2,771,118	21,983	2,793,101	2,815,248
Other trading activities	4	1,571,179	-	1,571,179	408,314
Investments	5	685	-	685	121
Total income		4,342,982	21,983	4,364,965	3,223,683
Expenditure on:					
Raising funds	7	1,559,468	-	1,559,468	406,265
Charitable activities	6	2,345,953	-	2,345,953	7,084,447
Total expenditure		3,905,421	-	3,905,421	7,490,712
Net income/(expenditure)		437,561	21,983	459,544	(4,267,029)
Transfers between funds	18	21,983	(21,983)	-	-
Net movement in funds		459,544	-	459,544	(4,267,029)
Reconciliation of funds:					
Total funds brought forward		(4,267,029)	-	(4,267,029)	-
Net movement in funds		459,544	-	459,544	(4,267,029)
Total funds carried forward		(3,807,485)	-	(3,807,485)	(4,267,029)

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

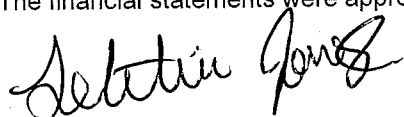
The notes on pages 23 to 43 form part of these financial statements.

The Union, MMU
(A Company Limited by Guarantee)

Consolidated Balance Sheet
As at 31 July 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	17,260	25,879
Investments	12	1,824	1,824
		<u>19,084</u>	<u>27,703</u>
Current assets			
Stocks	13	102,180	91,163
Debtors	14	93,984	102,052
Cash at bank and in hand		1,971,403	1,631,516
		<u>2,167,567</u>	<u>1,824,731</u>
Creditors: amounts falling due within one year	15	(738,023)	(607,448)
Net current assets		<u>1,429,544</u>	<u>1,217,283</u>
Total assets less current liabilities		<u>1,448,628</u>	<u>1,244,986</u>
Creditors: amounts falling due after more than one year	16	(5,256,113)	(5,512,015)
Total net liabilities		<u>(3,807,485)</u>	<u>(4,267,029)</u>
Charity funds			
Restricted funds	18	-	-
Unrestricted funds			
Designated funds	18	240,000	240,000
General funds	18	1,470,009	1,238,278
Pension reserve		(5,517,494)	(5,745,307)
Total unrestricted funds	18	<u>(3,807,485)</u>	<u>(4,267,029)</u>
Total funds		<u>(3,807,485)</u>	<u>(4,267,029)</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



L Jones
Trustee

Date: 26.10.22

The notes on pages 23 to 43 form part of these financial statements.

The Union, MMU
(A Company Limited by Guarantee)

Company Statement of financial position
As at 31 July 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	17,260	25,879
Investments	12	1,825	1,825
		<u>19,085</u>	<u>27,704</u>
Current assets			
Stocks	13	96,390	86,671
Debtors	14	169,229	267,085
Cash at bank and in hand		1,875,394	1,467,342
		<u>2,141,013</u>	<u>1,821,098</u>
Creditors: amounts falling due within one year	15	(711,470)	(603,816)
Net current assets		<u>1,429,543</u>	<u>1,217,282</u>
Total assets less current liabilities		<u>1,448,628</u>	<u>1,244,986</u>
Creditors: amounts falling due after more than one year	16	(5,256,113)	(5,512,015)
Total net assets		<u><u>(3,807,485)</u></u>	<u><u>(4,267,029)</u></u>
Charity funds			
Restricted funds	18	-	-
Unrestricted funds			
Unrestricted funds excluding pension liability	18	1,470,009	1,238,278
Designated funds	18	240,000	240,000
Pension reserve	18	(5,517,494)	(5,745,307)
Total unrestricted funds	18	<u>(3,807,485)</u>	<u>(4,267,029)</u>
Total funds		<u><u>(3,807,485)</u></u>	<u><u>(4,267,029)</u></u>

The Company's net movement in funds for the year was £459,544 (2021 - £(4,267,029)).

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



L Jones
Trustees

Date: 26.10.22

The notes on pages 23 to 43 form part of these financial statements.

The Union, MMU
(A Company Limited by Guarantee)

Consolidated Statement of Cash Flows
For the Year Ended 31 July 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash provided by operating activities	355,960	19,364
Cash flows from investing activities		
Purchase of tangible fixed assets	(16,073)	(1,849)
Cash donated from predecessor charity	-	1,614,001
Net cash provided by investing activities	(16,073)	1,612,152
Change in cash and cash equivalents in the year	339,887	1,631,516
Cash and cash equivalents at the beginning of the year	1,631,516	-
Cash and cash equivalents at the end of the year	1,971,403	1,631,516

The notes on pages 23 to 43 form part of these financial statements

Notes to the Financial Statements
For the Year Ended 31 July 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Union, MMU meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.2 Basis of consolidation

The financial statements consolidate the accounts of The Union, MMSU and its subsidiary undertaking ('subsidiary').

The income and expenditure account for the year dealt with in the accounts of the charity was a surplus of £459,545 (2021: £4,267,029).

1.3 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 Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

1. Accounting policies (continued)

1.4 Going concern

The Group and Company have net liabilities at 31 July 2022 of £3,807,484 due to the recognition under Charities SORP (FRS 102) of the net present value of the funding deficit on the SUSS pension recovery plan. Further information is detailed in note 23 to the accounts. This is a long term commitment which ends in 2035 and the trustees are confident that annual payments towards this plan will be met out of income for each year.

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.5 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.6 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

1. Accounting policies (continued)

1.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

- Plant and machinery and other - 25 - 33% straight line basis
fixed assets
- Office and computer equipment - 25 - 33% straight line basis

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1. Accounting policies (continued)

1.10 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.12 Debtors

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

1.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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 the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

1.15 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1. Accounting policies (continued)

1.16 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

The company participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the charity. Under the terms of the charity SORP, in these circumstances contributions are accounted for as if the Scheme were a defined contribution scheme based on actual contributions paid through the year.

Where the company has entered into an agreement to fund a deficit in the scheme, the company recognises a liability for the contributions payable that arise from the agreement and recognise the resulting expense in the statement of financial activities.

The company also participates in the NUS Pension Scheme (NUSPS), a defined contribution scheme. Contributions are accounted for as paid throughout the year.

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. 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 discussed below.

Critical areas of judgment:

Pension scheme discount rate

As previously explained a pension liability is recognised in the accounts for the present value of contributions payable to fund the deficit in the defined benefit scheme (see note 23 to the accounts). A key estimate made when calculating the present value of future payments is the discount rate applied. The trustees have approved a rate of 1.45% as recommended by the advisors of the NUS. However, a change in the rate applied could have a material impact on the calculated liabilities and therefore a material impact on the balance sheet and statement of financial activities.

The Union, MMU
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 July 2022

3. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Block grant	2,145,138	-	2,145,138
Top up grant	625,980	-	625,980
Coronavirus Job Retention Scheme	-	21,983	21,983
	<u>2,771,118</u>	<u>21,983</u>	<u>2,793,101</u>

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Block Grant	1,937,149	-	1,937,149
Top up grant	550,296	-	550,296
Coronavirus Job Retention Scheme	-	327,803	327,803
	<u>2,487,445</u>	<u>327,803</u>	<u>2,815,248</u>

4. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £
Commercial	1,328,972	1,328,972
Totum Card	1,729	1,729
Media	56,856	56,856
Trading Subsidiary	183,622	183,622
	<u>1,571,179</u>	<u>1,571,179</u>

Notes to the Financial Statements
For the Year Ended 31 July 2022

4. Income from other trading activities (continued)

Income from fundraising events (continued)

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Commercial	337,575	337,575
Totum Card	2,180	2,180
Media	(2,794)	(2,794)
Other	50,000	50,000
Trading Subsidiary	21,353	21,353
	<u>408,314</u>	<u>408,314</u>

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	<u>685</u>	<u>685</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment income	<u>121</u>	<u>121</u>

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total funds 2022 £
Advancement of education	2,345,953	2,345,953
	Unrestricted funds 2021 £	Total funds 2021 £
Advancement of education	2,106,206	2,106,206
Transfer from The Manchester Metropolitan University Students' Union	4,978,241	4,978,241
	7,084,447	7,084,447

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £
Bar, shop and building support	802,732	802,732
Freshers costs	31,794	31,794
Trading subsidiary costs	132,251	132,251
Ambassador costs	13,412	13,412
Voluntary income staff costs	570,444	570,444
Voluntary income depreciation	8,835	8,835
	1,559,468	1,559,468

Notes to the Financial Statements
For the Year Ended 31 July 2022

7. Expenditure on raising funds (continued)

Costs of raising voluntary income (continued)

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Bar, shop and building support	278,268	278,268
Freshers costs	1,463	1,463
Trading subsidiary costs	9,781	9,781
Ambassador costs	10,929	10,929
Voluntary income staff costs	92,889	92,889
Voluntary income depreciation	12,935	12,935
	<u>406,265</u>	<u>406,265</u>

8. Analysis of expenditure by activities

	<i>Activities undertaken directly 2022 £</i>	<i>Total funds 2022 £</i>
Total direct costs	<u>2,345,953</u>	<u>2,345,953</u>

	<i>Activities undertaken directly 2021 £</i>	<i>Total funds 2021 £</i>
Total direct costs	2,106,206	2,106,206
Transfer from The Manchester Metropolitan Students' Union	4,978,241	4,978,241
	<u>7,084,447</u>	<u>7,084,447</u>

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For the Year Ended 31 July 2022

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	1,320,018	1,294,963
Depreciation	15,598	14,424
Staff travel & hospitality	8,946	1,212
Training	27,676	42,471
SUSS pension costs	81,812	49,727
Printing, postage and stationary	5,535	5,411
Banking and transaction charges	4,823	5,816
Legal and professional fees	63,719	73,603
Campaigns	6,712	2,694
Welcome costs	8,176	1,813
Insurance	31,739	-
Computer and office equipment	11,596	25,074
Licenses, subscriptions and affiliations	58,069	58,041
Marketing and research	4,383	(2,756)
Website costs	9,147	6,875
Opportunities and volunteering	14,864	8,196
Project funding	50,590	11,420
Staff recruitment	14,436	4,354
Staff OSPS & DIS	12,237	2,432
Transfer from The Manchester Metropolitan Students' Union	-	4,978,241
Repairs, maintenance and premises costs	536,992	492,942
Other direct costs	50,181	(2,712)
Governance costs	8,704	10,206
	<u>2,345,953</u>	<u>7,084,447</u>

Included within licences, subscriptions and affiliation costs of £58,069 (2021: £58,041) is NUS Affiliation costs of £37,500 (2021: £37,500) and licence and subscription costs of £20,569 (2021: £20,541).

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Notes to the Financial Statements
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9. Net income/(expenditure)

	2022 £	2021 £
Depreciation of tangible fixed assets: -owned by the charitable group	24,692	27,357
Auditor's remuneration - audit	7,700	7,610
Other operating leases	535,476	535,476
	<u>567,868</u>	<u>570,443</u>

10. Staff costs

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	1,689,131	1,220,942	1,689,131	1,220,942
Social security costs	131,254	107,376	131,254	107,376
Other pension costs	70,077	59,535	70,077	59,535
	<u>1,890,462</u>	<u>1,387,853</u>	<u>1,890,462</u>	<u>1,387,853</u>

During the period, sabbatical officer trustees received remuneration of £104,688 (2021: £88,517).

During the year, 0 (2021: 0) trustees received reimbursement of expenses of £nil (£nil).

Sabbatical officer trustees enter into, and are remunerated by the Union under a contract of employment once elected to office in accordance with the Articles of Governance of The Union, MMU.

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For the Year Ended 31 July 2022

10. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	Group 2022 No.	Group 2021 No.
Central	16	16
Shop	15	14
Student Membership	9	10
Officers	5	4
Media	3	-
Cafe	20	13
Building support	7	7
Marketing	9	9
Insight	1	2
Events	1	-
Academic Rep	4	-
Other cafe	1	-
Advice	9	6
Saluation	6	-
F&B	16	3
	<u>122</u>	<u>84</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £70,001 - £80,000	1	1

During the period, remuneration and benefits received by key management personnel, as listed on page 1, totalled £329,239 (2021: £285,753).

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11. Tangible fixed assets

Group and Company

	Plant and machinery £	Fixtures and fittings £	Office equipment £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation						
At 1 August 2021	25,880	-	6,729	17,898	2,729	53,236
Additions	14,024	1,000	-	1,049	-	16,073
At 31 July 2022	39,904	1,000	6,729	18,947	2,729	69,309
Depreciation						
At 1 August 2021	14,929	-	2,067	9,110	1,251	27,357
Charge for the year	12,359	259	2,297	8,412	1,365	24,692
At 31 July 2022	27,288	259	4,364	17,522	2,616	52,049
Net book value						
At 31 July 2022	12,616	741	2,365	1,425	113	17,260
At 31 July 2021	10,951	-	4,662	8,788	1,478	25,879

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For the Year Ended 31 July 2022

12. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 August 2021	1,824
At 31 July 2022	1,824
Net book value	
At 31 July 2022	1,824
At 31 July 2021	1,824

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 August 2021	1	1,824	1,825
At 31 July 2022	1	1,824	1,825
Net book value			
At 31 July 2022	1	1,824	1,825
At 31 July 2021	1	1,824	1,825

All fixed asset investments are held in the UK.

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Class of shares	Holding	Included in consolidation
Manchester Metropolitan Students' Union Trading Limited	09188480	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

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For the Year Ended 31 July 2022

12. Fixed asset investments (continued)

Name	Income £	Expenditure £	Net assets £
Manchester Metropolitan Students' Union Trading Limited	183,622	(183,622)	1

13. Stocks

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Finished goods and goods for resale	102,180	91,163	96,390	86,671

14. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	40,280	16,365	34,653	16,365
Amounts owed by group undertakings	-	-	87,309	165,430
Other debtors	3,663	29,558	3,641	29,161
Prepayments and accrued income	50,041	29,117	43,626	29,117
Grants receivable	-	27,012	-	27,012
	93,984	102,052	169,229	267,085

15. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	120,019	26,697	100,080	25,555
Other taxation and social security	38,199	30,277	34,290	30,277
Other creditors	425,711	400,068	425,631	399,988
Accruals and deferred income	154,094	150,406	151,469	147,996
	738,023	607,448	711,470	603,816

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	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Resources deferred during the year	49,428	-	49,428	-

Deferred income relates to invoices raised in advance of when the service will be performed.

16. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Other creditors	5,256,113	5,512,015	5,256,113	5,512,015

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Payable or repayable by instalments	3,988,581	4,335,997	3,988,581	4,335,997

17. Financial instruments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial assets				
Financial assets measured at fair value through income and expenditure	43,943	45,923	125,603	210,986
	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial liabilities				
Other financial liabilities measured at fair value through income and expenditure	5,955,936	6,089,186	5,933,292	6,085,554

Financial assets measured at fair value through income and expenditure comprise trade debtors, amounts owed from group undertakings and other debtors.

Other financial liabilities measured at fair value through income and expenditure comprise trade creditors, other creditors (including the pension liability) and accruals & deferred income.

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18. Statement of funds

Statement of funds - current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2022 £
Unrestricted funds					
Designated funds					
Development and Improvement	240,000	-	-	-	240,000
General funds					
General Funds	1,238,278	4,342,982	(3,823,609)	(287,642)	1,470,009
Pension reserve	(5,745,307)	-	(81,812)	309,625	(5,517,494)
	(4,507,029)	4,342,982	(3,905,421)	21,983	(4,047,485)
Total Unrestricted funds	(4,267,029)	4,342,982	(3,905,421)	21,983	(3,807,485)
Restricted funds					
Coronavirus job retention scheme	-	21,983	-	(21,983)	-
Total of funds	(4,267,029)	4,364,965	(3,905,421)	-	(3,807,485)

The specific purposes for which funds has been designated are as follows:

Development and improvement fund

This fund represents monies set aside for the investment in the Union building in order to improve the student experience.

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Notes to the Financial Statements
For the Year Ended 31 July 2022

18. Statement of funds (continued)

Statement of funds - prior year

	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Balance at 31 July 2021</i> £
Unrestricted funds				
Designated funds				
Development and Improvement	-	-	240,000	240,000
General funds				
General Funds	2,895,880	(7,420,326)	5,762,724	1,238,278
Pension reserve	-	(70,386)	(5,674,921)	(5,745,307)
	<u>2,895,880</u>	<u>(7,490,712)</u>	<u>87,803</u>	<u>(4,507,029)</u>
Total Unrestricted funds	<u>2,895,880</u>	<u>(7,490,712)</u>	<u>327,803</u>	<u>(4,267,029)</u>
Restricted funds				
Coronavirus job retention scheme	<u>327,803</u>	<u>-</u>	<u>(327,803)</u>	<u>-</u>
Total of funds	<u><u>3,223,683</u></u>	<u><u>(7,490,712)</u></u>	<u><u>-</u></u>	<u><u>(4,267,029)</u></u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	17,260	17,260
Fixed asset investments	1,824	1,824
Current assets	2,167,567	2,167,567
Creditors due within one year	(738,022)	(738,022)
Creditors due in more than one year	(5,256,113)	(5,256,113)
Difference	(1)	1
Total	<u><u>(3,807,485)</u></u>	<u><u>(3,807,485)</u></u>

Notes to the Financial Statements
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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	25,879	-	25,879
Fixed asset investments	1,824	-	1,824
Current assets	1,824,731	-	1,824,731
Creditors due within one year	(607,448)	-	(607,448)
Creditors due in more than one year	(5,512,015)	-	(5,512,015)
Total	(4,267,029)	-	(4,267,029)

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	459,544	(4,267,029)
Adjustments for:		
Depreciation charges	24,692	27,357
Decrease in stocks	(11,016)	33,576
Decrease in debtors	46,653	156,603
(Decrease) in creditors	(163,914)	(909,385)
Assets donated from predecessor charity	-	(2,050,607)
Liabilities inherited from predecessor charity	-	7,028,848
Net cash provided by operating activities	355,959	19,363

21. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	1,971,403	1,631,516
Total cash and cash equivalents	1,971,403	1,631,516

22. Analysis of changes in net debt

	At 1 August 2021	Cash flows	At 31 July 2022
	£	£	£
Cash at bank and in hand	1,631,516	339,887	1,971,403
	<u>1,631,516</u>	<u>339,887</u>	<u>1,971,403</u>

23. Pension commitments

NEST Scheme

The Union operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the Union to the fund and amounted to £9,102. Contributions totalling £789 (2021: £432) were payable to the fund at the balance sheet date and are included in creditors.

SUSS Scheme (closed to future accrual in 2011)

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

The most recent Valuation of the Scheme was carried out as at 30 June 2019 and showed that the market value of the Scheme's assets was £119,000,000 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 £141,000,000.

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

The following assumptions applied at 30 June 2019:

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

The 2019 valuation recommended a monthly contribution requirement by each participating employer expressed in monetary terms to clear the ongoing funding deficit over a period of 15 years and will increase at 5% per year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the scheme. These rates applied from 1 October 2020 and will be formally reviewed following the completion of the next valuation due with an effective date of 30 June 2022. Surpluses and deficits which arise with future valuations will also impact on the Union's future contribution commitment. See Notes 15 and 16 for the liability recognised under the currently agreed deficit funding plan expiring September 2035. Liabilities are shown on a discounted present value basis. In addition to the above contributions, the Union pays its share of the scheme's levy to the Pension Protection Fund.

Notes to the Financial Statements
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23. Pension commitments (continued)

NUSPS Scheme

The closed SUSS Pension has been replaced with a new scheme provided by Aegon on behalf of NUS. All existing members of the SUSS scheme have been transferred to the NUS Pension Scheme (NUSPS) following consultation with Unison. NUSPS is a defined contribution scheme. Contributions to this scheme commenced in October 2011. Contributions paid into the scheme by the Union for the period amounted to £60,975. Contributions totalling £9,330 (2021: £9,306) were payable to the fund at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 July 2022 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Not later than 1 year	538,728	535,476	538,728	535,476
Later than 1 year and not later than 5 years	1,283,952	1,606,248	1,283,952	1,606,248
	<u>1,822,680</u>	<u>2,141,724</u>	<u>1,822,680</u>	<u>2,141,724</u>

25. Related party transactions

The following transactions occurred during the year with Manchester Metropolitan University:

	2022 £	<i>2021 £</i>
Recurrent Grant Receivable	2,088,615	1,858,800
Sale of Goods and Services	112,484	80,173
Purchases of Goods and Services	540,926	488,787
Rent	213,000	213,000
Service Charge	322,476	322,476
Amounts due from the University	<u>1,056</u>	<u>-</u>

26. Controlling party

The Students' Union is controlled by the Board of Trustees some of whom are subject to democratic election by the voting membership of the Students' Union. As such no single person or entity controls the Students' Union.

