

**LIVERPOOL HOPE STUDENTS' UNION  
FINANCIAL STATEMENTS**

**31 JULY 2023**

# **LIVERPOOL HOPE STUDENTS' UNION**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2023**

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<b>CONTENTS</b>	<b>PAGE</b>
Reference and Administrative Information	<b>3</b>
Report of the Trustees	<b>4 – 10</b>
Independent Examiners' Report to the Trustees	<b>11</b>
Statement of Financial Activities	<b>12</b>
Balance Sheet	<b>13</b>
Cashflow Statement	<b>14</b>
Accounting Policies and Notes to the Financial Statements	<b>15 - 28</b>

# LIVERPOOL HOPE STUDENTS' UNION

## REFERENCE AND ADMINISTRATION INFORMATION

YEAR ENDED 31 JULY 2023

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**Trustees:**

Erin Meharry	Chair & President (to June 2023)
Neve Rosser	Chair & President (from July 2023)
Olivia Vann	Vice President Welfare & Community (to June 2023)
Ella Taylor	Vice President Welfare & Community (from July 2023)
Noah Thorley	Vice President Education
Lucy Gill	External Trustee
Jane Whalen	External Trustee
Delaweh Hamelo-Mensah	External Trustee
Dr Virenda Mistry	External Trustee (from November 2022)
Sanjana Basu	Student Trustee (to June 2023)
Kathryn McHugh	Student Trustee (to June 2023)

**General Manager:** Khurram Dar

**Official Name:** Liverpool Hope Students' Union

**Principal Address:** Hope Park  
Taggart Avenue  
Liverpool  
L16 9JD

**Independent Examiner:** Crowe UK LLP  
3rd Floor  
The Lexicon  
Manchester  
M2 5NT

**Bankers:** NatWest Bank  
Allerton Road  
Liverpool  
L18 2JN

# **LIVERPOOL HOPE STUDENTS' UNION**

## **REPORT OF THE TRUSTEES**

### **YEAR ENDED 31 JULY 2023**

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The Trustees, who are directors for the purpose of company law present their annual report and financial statements for the period ended 31 July 2023.

The Trustee Board have adopted the provisions of the revised 2019 Charities Statement of Recommended Practice – the Charities SORP 2019 (FRS 102), in preparing the annual report and financial statements.

#### **Status and Administration**

The Students' Union is a charity registered with the Charity Commission. Until 2<sup>nd</sup> September 2021, the Students' Union operated as an unincorporated entity (Charity Commission no 1150387). On 3<sup>rd</sup> September, the assets and liabilities of the unincorporated entity (Charity No 1150387) were transferred to the incorporated entity (Charity No 1195544). The unincorporated entity ceased trading on 2<sup>nd</sup> September 2021.

The charity is constituted in accordance with its constitution, and is administered and managed by the Sabbatical Officer Trustees, appointed from time to time. An Annual General Meeting of the student body is held at least once in each academic year. Since the issues of the COVID-19 Pandemic, the Annual General Meeting (AGM) the guidance has been updated by the Charity Commission to allow for these to be held online for maximum engagement. This year's meeting took place on 9 May 2023.

The Sabbatical Officer Trustees are elected by the membership to take office on 1 July in the year in which they are elected and hold office for one year until the following 30 June.

#### **Charitable Objects and the Advancement of Public Benefit**

The Trustees have had regard to the Charity Commission's guidance on public benefit. Liverpool Hope Students' Union seeks to enhance the advancement of education of Students at Liverpool Hope University for the public benefit by:

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

The Students' Union achieves its outcomes for the public benefit by providing information, advice, guidance and support for the student body, raising awareness of social, political and cultural issues, and achieves the advancement of sport and social interchange for the public benefit in particular, but not exclusively, by providing sporting and recreational facilities for a range of sports and generally equipping the student body for enhanced contribution to the local community.

#### **Statement of Trustee Board's Responsibilities**

Charity law requires the Trustee Board to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

# **LIVERPOOL HOPE STUDENTS' UNION**

## **REPORT OF THE TRUSTEES**

### **YEAR ENDED 31 JULY 2023**

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The Trustee Board 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 charity and of its net incoming resources for that period. In preparing these financial statements, the Trustee Board are required to:

- select suitable accounting policies and then apply them consistently;
  - observe the methods and principles in the Charities SORP;
  - make judgements and estimates that are reasonable and prudent;
  - state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation. In assessing going concern for the purpose of preparing the financial statements, the Trustee Board have paid particular attention to the period of 12 months from the balance sheet date.

The Trustee Board is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with charity law. They are also responsible for safeguarding the assets of the charity and ensuring their proper application under charity and tax law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Structure, Governance & Management**

LHSU is constituted under the Education Act 1994 as a charity and is governed by its Constitution. LHSU's charitable object is the advancement of education of Students at Liverpool Hope University for the public benefit by:

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

The Full Time Sabbatical Officers are elected annually by cross-campus secret ballot of the LHSU membership. These three posts of President, Vice President (Education) and Vice President (Welfare & Community) are full-time posts remunerated as authorised by the Education Acts and cannot exceed two years duration for each holder. These posts took effect on 1<sup>st</sup> July 2022 for all sabbaticals and were advertised and elected accordingly. The three full-time Sabbatical Officers, two Student Trustees and four External Trustees are regarded as the charity trustees of LHSU for the purposes of the Charities Acts. The External Trustees may serve a term of 4 years renewable for a maximum of three terms, a fourth term may be reappointed after an interval of at least three years.

#### **Trustee training**

New Trustees are inducted into the workings of the Union as a registered charity, including Board Policy and Procedures, at both internal and external training and induction workshops.

# **LIVERPOOL HOPE STUDENTS' UNION**

## **REPORT OF THE TRUSTEES**

**YEAR ENDED 31 JULY 2023**

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### **Organisational Management**

The Students' Union is a democratic organisation with the ultimate decision making power being vested through the Annual General Meeting of Members which is the sovereign body. The Trustee Board is the governing body of the Union whose decisions are reported to the Annual General Meeting. The Forums formulate and determine Union policy in accordance with the Standing Orders of the Union and hold the Sabbatical Officer Trustees to account through regular reports and plans. The Trustee Board sets an apolitical policy regarding the operational management of the Union and approves and reviews the strategic plan.

The Executive Council is the emergency decision making body of the Union and can act in place of the Forums when an item of business is deemed too urgent to wait until the next appropriate Forum. The Forums may overturn any of these decisions. The Executive Council does however hold some specific powers including appointing and dismissing lay trustees and making rulings on interpretations of the constitution and by-laws of the Union.

The remuneration of key management personnel is set by the Board, with the policy objective of ensuring that they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Union's success. The appropriateness and relevance of the remuneration policy is reviewed annually.

### **Relationship with Liverpool Hope University**

The relationship between the University and LHSU is established in the Regulations of the University. LHSU receives a Block Grant from the University and has access to office space owned by the University, which also pays for utilities. This non-monetary support is intrinsic to the relationship between the University and LHSU. As recommended by the Charities SORP, which has been adopted for this and future financial years for due compliance with the requirements for Students' Unions provided for in the Charities Act 2011, an estimated value to LHSU for this free serviced accommodation has been included in the accounts, priced at a conservative £12,000. Although the Students' Union successfully runs a small range of operational and fundraising activities, it will for the foreseeable future be dependent on the support of the University. There is no reason to believe that this support will not continue for the foreseeable future as the Students' Union is an integral part of the University structure and of value to the overall student experience at the University.

The trustees consider it reasonable to anticipate that this or equivalent support from the University will continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body in one form or another. The trustees therefore consider the Union to be financially viable for the foreseeable future.

Our block grant received a 3% increase for the year 2022/2023. The University has assured it's continued support at the current figure, with a 5% increase for inflation for 2023/24.

### **Principal Risks and Uncertainties**

The Board reviews the Union's current and planned future activities in the light of any major risks arising from time to time and the effectiveness of systems and procedures designed to manage them. The principal risks and uncertainties currently facing the Union are considered to be:

The possible reduction in funding by the University caused by

- Their own financial health
- Their perception of the value of the role of the Union
- The effects of the COVID-19 Pandemic

# LIVERPOOL HOPE STUDENTS' UNION

## REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2023

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The financial health of the University is itself dependent on tuition fees from students, which in turn is susceptible to factors beyond the control of the Union, including

- Popularity of the academic offering
- Popularity as a result of academic standards
- Popularity as a result of the attractiveness of the campus and its facilities
- Popularity driven by affordability and fee levels
- Other demographics
- Reputational damage in the unlikely event of a high profile activity by a student
- Reputational damage in the unlikely event of a high profile activity by a trustee
- The effects of the COVID-19 Pandemic.

Our plans and strategies for managing risk include maintaining effective internal controls, risk registers, incident-reporting and monitoring systems, lone working policies, working from home policies and insurance cover wherever appropriate.

### **Aims, Objectives and Activities**

The Trustee Board set a strategic plan for 2019-21 based on a vision of "Ensuring the best student experience; through representation and student voice."

By, for and of the students – there is no better way to encapsulate our purpose. We are a membership led organisation driven by our core values.

Liverpool Hope Students' Union is, quite simply, every student at Hope coming together to make positive change. Elected officers work toward this by representing students' views, needs and concerns to the University and relevant external organisations. The Union is here to offer advice on a variety of things from academic matters to housing, as well as giving students the opportunities to do what they love doing through our clubs, societies and events.

### **Our values, we will:**

- Champion democracy & representation
- Be innovative
- Show enthusiasm
- Celebrate liberation & diversity
- Have fun

We deliver this vision and mission through four key strategic objectives:

1. **Leading the Way:** We will empower students to become future leaders
2. **Learning for Success:** We will work with each Member according to their needs to ensure they have access to a learning environment that allows them to fulfil their academic potential
3. **Living to the Full:** We will create opportunities for students to take advantage of and we will also empower them to forge their own opportunities
4. **Supporting Communities:** We will foster an environment which removes barriers and enables every Member to feel part of both the Hope community and wider Liverpool Life

When reviewing our objectives and planning our activities, we have given due consideration to the Charity Commission's general and relevant supplementary guidance on public benefit.

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# LIVERPOOL HOPE STUDENTS' UNION

## REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2023

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### **Achievements and performance**

LHSU achieved the following outcomes against its published objectives for 2022/23:

**Leading the Way:** We will empower students to become future leaders

- 4.94% turnout in the annual Sabbatical Officer Elections.
- On average, 65 students attending forums and AGMs

**Learning for Success:** We will work with each member according to their needs to ensure they have access to a learning environment that allows them to fulfil their academic potential

- 354 Course Representatives attending Union-led training sessions
- We were a member of the Inclusive Practice Working Group to ensure all Learning Support Plans were reviewed with a disability lens to improve accessibility for all.

**Living to the Full:** We will create opportunities for students to take advantage of and we will also empower them to forge their own opportunities

- 36 different sports club and society activities offered to students.
- Over 60% of students registered as members of those sports clubs and societies.
- 3 Student Trustees

**Supporting Communities:** We will foster an environment which removes barriers and enables every Member to feel part of both the Hope community and wider Liverpool Life

- We ran an extremely successful Freshers Fayre with 1,500 students through the doors. Feedback from the event was overwhelmingly positive.
- 8 out of 13 Student Representatives were filled via an election. 1 student stepped down so 7 were active within this role.
- The year saw a high number of advice cases logged and resolved for students. 83.6% of students were aware they could approach the SU for advice and 62.1% of students were aware of the SU advice service. Usage of the advice service has increased by 10% from the previous academic year (Big SU Survey, 2023).

The key measure of our success is how the Union scores in the National Student Survey. When asked how effectively the SU represents students' academic interests. Our actual positivity score was 71.4%, which was 0.5% in comparison to the sector average, however it scored +0.5% higher than the benchmark set by the OfS.

### **Future plans**

Due to a re-demarcation of Advice functions between the Students Union and the University, and the strategic plan still currently under review, the new Advice Service was launched in October 2020. This has been a huge success, so much that the University have withdrawn their own academic advice provision. Next steps are:

- Continue to review systems for tracking engagement of members within the Union
- Review the new Operating Plan to check it is fit for purpose
- Continue with our Strategic Plan Engagement



# **LIVERPOOL HOPE STUDENTS' UNION**

## **REPORT OF THE TRUSTEES**

**YEAR ENDED 31 JULY 2023**

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### **Financial review**

For the period 2022/23 LHSU reported a surplus of £23,964 (2022: £51,264 surplus), this being an increase of £29,699 against budget (budgeted deficit £5,735). Gross income from all sources this year totalled £329,582 (2022: £310,889). Total expenditure of £305,618 (2022: £259,625) on a wide-range of student benefits we provide within a broadly balanced budget, as well as on the modest fundraising and other revenue-generating activities were unfortunately negatively impacted upon by the 2019 SUSS Pension Valuation.

LHSU has continued to benefit from the recognition and support of the University, and this year the, annual block grant was £260,000 (excluding an additional amount of £12,000 recognised as a benefit in kind for building/space rental use, maintenance of the building, HR support and on-site sports facilities for use by our clubs for training sessions and competitive fixtures).

### **Reserves level and policy**

The Trustees have adopted a reserves policy, the objective of which is to protect the Union and its charitable activities by ensuring adequate liquidity while the organisation adjusts to any short term (two to three months) changes it encounters in its financial and operating environment. At the same time the Trustees want to ensure reserves are not too high in order to maximise the resources applied to the Union's charitable purpose, and to be able to designate specific funds to support the ongoing activities of the Union. Following this policy, the Trustees have set a target of the Union holding £58,000 in unrestricted funds (not including the pension deficit reserve).

The inclusion of the overall pension deficit reduces the overall total funds to £35,015 deficit, Restricted Funds amount to £16,446 surplus leaving General reserves of £51,461 deficit. Excluding the pension liability £173,579 from General reserves, free reserves amounted to £122,118. Therefore, the current level of free reserves is currently ahead of target by £64,118.

Based on the Union's financial model of receiving and spending grant income from the University, it is unlikely that the Union will generate significant operating surpluses in the future to rapidly build the level of free reserves. Given the continued support of the University, the Trustees regard the Union as a going concern.

LHSU is affiliated to the NUS, for which our total subscription costs amounted to £6,303 for the year, as well as BUCS (£2,437), Badminton (£88), Volleyball (£64) and Nightline (£40), and no donations were made during the year to any external institutions out of LHSU's own resources.

### **Fundraising Disclosures**

The Union is committed to the fundraising codes of practice upheld by the Fundraising Regulator. Our aim is to build a long-term relationship with our supporters.

During the year we reviewed our activities in relation to the protection of vulnerable people. Policies have been amended and the training of our membership recruiters has been updated to include guidance on recognising and dealing with vulnerable people.

The Union does not make direct fundraising appeals to its members. Our societies, on occasion, carry out fundraising activities for their society funds and for charities. We carry out an annual RAG week,

# **LIVERPOOL HOPE STUDENTS' UNION**

## **REPORT OF THE TRUSTEES**

**YEAR ENDED 31 JULY 2023**

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and provide guidance to students based on the Union's fundraising policy. Students fundraised in a wide range of ways this year and the majority of fundraising was done through, bake sales and events. The majority of fundraising by sports teams and societies for an external charity was for Movember.

No complaints were received during this period.

### **Students' Union Governance Code**

The Trustees have adopted the Charity Governance Code, an updated version of which was published in July 2017, and are guided by its principles and recommended practice for good governance. A review of the Code's recommendations is planned for next year.



**N. Rosser**

Chair of Trustees

28<sup>th</sup> February 2024

# INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LIVERPOOL HOPE STUDENTS' UNION

YEAR ENDED 31 JULY 2023

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I report to the trustees on my examination of the accounts of Liverpool Hope Students' Union (the Trust) for the year ended 31 July 2023, which are set out on pages 12 to 28.

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

## Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

## Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Michael Jayson FCA  
Crowe UK LLP  
3<sup>rd</sup> Floor  
The Lexicon  
Mount Street  
Manchester  
M2 5NT  
16 April 2024

# LIVERPOOL HOPE STUDENTS' UNION

## STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 JULY 2023

	Note	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	2022 Total Funds £
<b>INCOME</b>					
Income from generated funds:					
Voluntary income	2	260,000	12,000	272,000	264,150
Incoming resources from charitable activities	3	12,815	20,208	33,023	28,887
Other incoming resources from generated funds	4	24,559	-	24,559	17,852
Net incoming resources		297,374	32,208	329,582	310,889
<b>RESOURCES EXPENDED</b>					
Charitable activities	5	270,583	35,035	305,618	259,625
Total resources expended		270,583	35,035	305,618	259,625
Net incoming/(outgoing) resources		26,791	(2,827)	23,964	51,264
Transfers	13	(6,050)	6,050	-	-
Net incoming resources for the year		20,741	3,223	23,964	51,264
Fund brought forward		(72,202)	13,223	(58,979)	(110,243)
Funds carried forward at 31 July 2023		(51,461)	16,446	(35,015)	(58,979)

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 15 to 28 form part of these financial statements.

# LIVERPOOL HOPE STUDENTS' UNION

## BALANCE SHEET

AS AT 31 JULY 2023

	Note	£	2023 £	£	2022 £
<b>Tangible fixed assets</b>	<b>9</b>		<u>983</u>		<u>775</u>
			983		775
<b>Current assets</b>					
Debtors	<b>10</b>	5,002		6,000	
Cash at bank and in hand		<u>159,291</u>		<u>164,872</u>	
		164,293		170,872	
<b>Current liabilities: amounts due within one year</b>	<b>11</b>	(26,712)		(23,510)	
<b>Net current assets</b>			<u>137,581</u>		<u>147,362</u>
<b>Creditors: amounts due after one year</b>	<b>12</b>		(173,579)		(207,116)
<b>Net (liabilities)</b>			<u>(35,015)</u>		<u>(58,979)</u>
<b>Reserves</b>					
Restricted funds	<b>13</b>		16,446		13,223
Unrestricted Funds	<b>13</b>		(51,461)		(72,202)
			<u>(35,015)</u>		<u>(58,979)</u>

These financial statements were approved by the Board of Trustees on 28<sup>th</sup> February 2024 and are signed on their behalf by:



**N Rosser**  
Chair & President

The notes on pages 15 to 28 form part of these financial statements.

**LIVERPOOL HOPE STUDENTS' UNION**  
**CASHFLOW STATEMENT**  
**FOR THE YEAR ENDED 31 JULY 2023**

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	<b>Note</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Net cash used in operating activities</b>	<b>20</b>	<b>(4,898)</b>	<b>1,053</b>
<b>Cashflows from investing activities:</b>			
Purchase of fixed assets		(683)	(797)
<b>Change in cash and cash equivalents in the year</b>		<b><u>(5,581)</u></b>	<b><u>256</u></b>
Cash and cash equivalents brought forward		164,872	164,616
<b>Cash and cash equivalents carried forward</b>		<b><u>159,291</u></b>	<b><u>164,872</u></b>

The notes on pages 15 to 28 form part of these financial statements.

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# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2023

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### General Information

General information regarding the charity is included on page 3.

### 1. ACCOUNTING POLICIES

#### (a) Basis of preparation

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and the updated 2019 Charities Statement of Recommended Practice based thereon – the Charities SORP (FRS 102). Liverpool Hope Students' Union constitutes a public benefit entity as defined by FRS 102.

#### (b) Income

All income and capital resources are recognised in the accounts when entitlement to the income arises, there is probable economic benefit to Liverpool Hope Students' Union (LHSU) and the amount can be reliably quantified. The University grant of free serviced accommodation on the campus is accounted for as income and expenditure of the year at an estimated value to LHSU by reference to the alternatives available on the commercial market.

#### (c) Resources expended

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities. Expenditure includes irrecoverable VAT and comprises the direct and indirect costs of delivering public benefit. Governance costs are those incurred for compliance with constitutional and statutory requirements, such as the annual audit, annual elections and training for sabbatical officers. The value of free serviced campus accommodation is apportioned on estimated floor space occupied. Other central overhead costs, as well as governance costs, are apportioned to charitable and other projects/activities on a usage basis, pro rata to the total costs of each project or activity undertaken.

#### (d) Clubs and Societies

The income and expenditure of individual clubs and societies raised in their own right is consolidated into the Union's SOFA and is shown as restricted income and expenditure. Any unspent balances at the year-end are held as restricted funds for application in the future.

A cumulative deficit in any fund will be recovered from future income raised by the club or society.

#### (e) Fund accounting

LHSU administers and accounts for a number of charitable funds, as follows:-

- **Unrestricted funds**

Representing unspent income which may be used for any activity/purpose at the trustees' own discretion;

- **Restricted funds**

Restricted funds are funds raised and administered by LHSU for specific charitable purposes as determined by students, such as funds held within charitable Clubs and Societies Accounts, as well as revenue received for charitable purposes specified by the donor;

- **Designated funds**

Designated funds are funds that have been set aside by the Trustees for particular purposes. The

# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2023

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aim and use of each designated fund is set out in the notes to the accounts.

### **(f) Tangible fixed assets**

Fixed assets are stated at cost less accumulated depreciation. Assets are not capitalised below £500 cost per item/set. Equipment, fixtures and fittings are included at cost. Depreciation is provided at rates calculated to spread each asset's cost, less its estimated current residual value as if at the end of its useful economic life, evenly over that estimated useful economic life :-

Fixtures and Fittings	- 20% of Cost
Computer and Office Equipment	- 33% of Cost

### **(g) Pension costs**

Retirement benefits to employees of the Union are provided through two pension schemes, one defined benefit (SUSS) and the other defined contribution (NEST).

#### **SUSS**

Liverpool Hope Students' Union participates in the Students' Union Superannuation Scheme, which is a defined benefit scheme whose membership consists of employees of students' unions and related bodies throughout the country. Benefits in respect of service up to 30 September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1 October 2003 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the Scheme closed to future accrual. The 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 LHSU. However the Union has entered into an arrangement to clear the scheme deficit over a 15 year period. The Net Present Value of LHSU's contributions as part of this plan are reflected as a liability on the balance sheet, which will reduce as they are paid.

#### **NEST**

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme, National Employment Savings Trust (NEST). Contributions are at the rate of 6% for the employer and 4.8% for the employee. Pension costs are charged in the period in which the salaries to which they relate are payable

### **(h) Leased assets**

Rentals payable under operating leases are charged as expenditure on a straight line basis over the period of the lease.

### **(i) Stock**

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

### **(j) Financial Instruments**

The Union only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities. Debt instruments (other than those wholly repayable within one year) are initially measured at present value of the future cash flows and subsequently amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables are measured initially

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activity.



# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 JULY 2023

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Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and here is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **(k) Critical accounting estimates and judgement**

Estimates and judgements 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.

##### **1. Multi-employer defined benefit pension scheme.**

The Charity participated in the Students' Union Superannuation Scheme, a multiemployer defined benefit pension scheme with other Students' Union organisations. In 'The judgement of the trustees, the Charity does not have sufficient information on the plans asset and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 16 for further details.

The Charity must measure its defined benefit obligation on a discounted present value basis. The Charity must determine the rate to discount the future payments by reference to market yields at the reporting date on high quality corporate bonds. The term of the corporate bonds shall be consistent with the estimated period of the future payments.

#### **(l) Going Concern**

As explained in Note 21 and the Trustee's Annual Report, the old unincorporated charity (Charity no 1150387) ceased trading after 3<sup>rd</sup> September. The unincorporated entity transferred its, activities, assets and liabilities to a new incorporated legal entity of the same name on 3<sup>rd</sup> September 2021 (charity no 1195544). Since 3<sup>rd</sup> September 2021, the SU has traded in the incorporated entity and the results are presented as if continued through the use of merger accounting.

The trustees consider that there are no material uncertainties about the Union's ability to continue as a going concern given the continued support of the University in way of an annual grant. There is no reason for the Union to believe this financial support from the University will not continue for the foreseeable future. The Trustees express their thanks on behalf of the members of the Union for the support of Liverpool Hope University.

The financial position of the Union is described in the Financial Statements and accompanying notes. The Union made a surplus of £23,964 during the year and has net current assets of £137,581 (2022: £147,362).

# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2023

### 2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Block grant from Liverpool Hope University	260,000	-	260,000	252,150	-	252,150
Facilities in kind	-	12,000	12,000	-	12,000	12,000
	<b>260,000</b>	<b>12,000</b>	<b>272,000</b>	<b>252,150</b>	<b>12,000</b>	<b>264,150</b>

### 3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
NUS extra commission	314	-	314	361	-	361
Event income	12,501	-	12,501	10,845	-	10,845
Clubs and societies	-	20,208	20,208	-	17,681	17,681
	<b>12,815</b>	<b>20,208</b>	<b>33,023</b>	<b>11,206</b>	<b>17,681</b>	<b>28,887</b>

### 4. OTHER INCOMING RESOURCES FROM GENERATED FUNDS

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Other income (including BAM)	24,559	-	24,559	17,852	-	17,852
	<b>24,559</b>	<b>-</b>	<b>24,559</b>	<b>17,852</b>	<b>-</b>	<b>17,852</b>

# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2023

### 5. COSTS OF CHARITABLE ACTIVITIES

	Direct Costs	Support Costs	2023 Total Costs	Direct Costs	Support Costs	2022 Total Costs
	£	£	£	£	£	£
Events	38,562	32,462	71,024	34,805	28,309	63,114
Internal representation	13,641	12,985	26,626	6,151	11,324	17,475
Subscriptions and affiliations	6,303	-	6,303	6,304	-	6,304
Education and welfare	19,884	32,462	52,346	16,017	28,309	44,326
Clubs and societies	37,045	25,969	63,014	36,122	22,647	58,769
Sports	58,217	25,969	84,186	35,407	22,647	58,054
Governance costs	-	2,119	2,119	-	11,583	11,583
	173,652	131,966	305,618	134,805	124,819	259,625

### 6. SUPPORT COSTS

	2023 £	2022 £
<i>Staff costs</i>		
Administrative staff salaries	112,696	106,886
Pension contributions	(15,617)	(29,436)
Staff training, conferences and travel	1,406	1,036
Staff medical and eye tests	85	-
	98,570	78,486
<i>Building</i>		
Rent and services in kind	12,000	12,000
Telephone	264	302
	12,264	12,302
<i>Other costs</i>		
Depreciation	475	252
Insurance	5,288	4,448
Hospitality and entertaining	1,260	489
Printing, stationery and postage	440	469
Legal & professional	1,786	1,626
Marketing & support costs	6,604	6,458
Fees – Subs & Other	1,718	185
Expenses inc taxi, hotel, travel	1,091	153
Equipment, clothing & consumables	64	195
Bank charges	275	94
Write Off	12	8,079
	19,013	22,448
<i>Governance costs</i>		
Independent examiner fee	1,560	1,260
Staff recruitment and Conferences	358	76
Legal & professional	201	10,247
	2,119	11,583
	131,966	124,819

# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2023

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### 7. STAFF COSTS AND KEY MANAGEMENT PERSONNEL

	<b>2023 Total Funds £</b>	<b>2022 Total Funds £</b>
Wages and salaries	161,501	136,781
Social security	13,124	10,524
Pension costs	25,234	20,779
	<u>199,859</u>	<u>168,084</u>

<b>Area</b>	<b>2023 Average number of staff</b>	<b>2022 Average number of staff</b>
Sabbatical officers	3	2
Management	1	1
Student activities	2	2
Administration	2	2
	<u>8</u>	<u>7</u>

The key management personnel of the Union comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Union was £113,071 (2022: £85,918).

No employees received remuneration in excess of £60,000 (2022: none).

# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2023

### 8. TRUSTEE REMUNERATION

The Sabbatical Officers were the only Members of the Board of Trustees to receive any remuneration in accordance with the Union's operating document. Total trustee remuneration for the year was as follows:

	2023 £	2022 £
<b>President</b>		
N Rosser (from 1.7.23)	1,958	-
E Meharry (until 30.6.23)	21,864	1,818
C Priestley (until 30.6.22)	-	18,654
<b>Vice Presidents</b>		
E Taylor (from 1.7.23)	1,958	-
O Vann (until 30.6.23)	21,153	1,816
N Thornley (from 1.7.22)	23,112	1,819
S Trujillio (until 30.6.22)	-	18,945
O Smith (until 8.9.21)	-	2,292
	<u>70,045</u>	<u>45,344</u>

Under our governance structure, trustees may be reimbursed for expenses incurred during the course of their duties. During the year the three Sabbatical Officers were reimbursed for expenses totalling £286 (2022: £470).

### 9. TANGIBLE FIXED ASSETS

	Fixtures, Fittings & Equipment
<b>Cost</b>	£
At 31 July 2022	797
Additions	683
<b>At 31 July 2023</b>	<u>1,480</u>
<b>Depreciation</b>	£
At 1 August 2022	22
Charge for the year	475
<b>At 31 July 2023</b>	<u>497</u>
<b>Net Book Values</b>	
- at 31 July 2023	<u>983</u>
- at 31 July 2022	<u>775</u>

# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2023

### 10. DEBTORS

	2023	2022
	£	£
Trade debtors	1,261	3,759
Accrued income	1,196	-
Prepayments	2,545	791
Amount owed from University	-	1,450
	<u>5,002</u>	<u>6,000</u>

### 11. CREDITORS: AMOUNTS FALLING DUE IN LESS THAN ONE YEAR

	2023	2022
	£	£
Operating creditors	710	510
Accruals and deferred income	6,969	6,814
Amount owing to University	2,205	-
SUSS pension deficit	16,828	16,186
	<u>26,712</u>	<u>23,510</u>

### 12. CREDITORS: AMOUNTS FALLING IN MORE THAN ONE YEAR

	2023	2022
	£	£
SUSS pension deficit	173,579	207,116
1-5 years	61,712	64,099
>5 years	111,867	143,017

# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2023

### 13. RESERVES

	At 1 August 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 July 2023 £
<b>Restricted reserves</b>					
Green fund	657	-	-	-	657
Clubs and Societies	12,566	20,208	(23,035)	6,050	15,789
Rent and services in kind	-	12,000	(12,000)	-	-
	<u>13,223</u>	<u>32,208</u>	<u>(35,035)</u>	<u>6,050</u>	<u>16,446</u>
<b>Unrestricted reserves</b>					
General funds	(72,202)	297,374	(270,583)	(6,050)	(51,461)
<b>Total funds</b>	<u>(58,979)</u>	<u>329,582</u>	<u>(305,618)</u>	<u>-</u>	<u>(35,015)</u>

	At 1 August 2021 £	Incoming resources £	Resources expended £	Transfers £	At 31 July 2022 £
<b>Restricted reserves</b>					
Green fund	657	-	-	-	657
Clubs and Societies	17,997	17,681	(27,081)	3,968	12,566
Rent and services in kind	-	12,000	(12,000)	-	-
	<u>18,654</u>	<u>29,681</u>	<u>(39,081)</u>	<u>3,968</u>	<u>13,223</u>
<b>Unrestricted reserves</b>					
General funds	(128,897)	281,208	(220,544)	(3,968)	(72,202)
<b>Total funds</b>	<u>(110,243)</u>	<u>310,889</u>	<u>(259,625)</u>	<u>-</u>	<u>(58,979)</u>

# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2023

### 14. STUDENT CLUB/SOCIETY

material funds held were:-

	At 1 August 2022 £	Income for Fund £	Resources expended £	Grant Transfers £	Non Forum Transfers	At 31 July 2023 £
Hope Christian Union	1,749	1,298	(1,529)	-	-	1,518
Rugby Mens	1,062	-	(302)	200	-	960
Musical Theatre	1,009	2,995	(2,368)	-	-	1,636
Islamic	791	1,783	(1,191)	200	-	1,583
Football Womens	(168)	444	(206)	400	-	470
Power Lifting	75	47	(105)	300	-	317
Green Hope	657	-	-	-	-	657
Other Clubs & Societies	5,508	13,111	(17,334)	4,950	280	6,515
Clubs & Societies Suspense	2,540	250	-	-	-	2,790
<b>Total Funds</b>	<b>13,223</b>	<b>19,928</b>	<b>(23,035)</b>	<b>6,050</b>	<b>280</b>	<b>16,446</b>

	At 1 August 2021 £	Income for Fund £	Resources expended £	Grants & Transfers £	At 31 July 2022 £
Hope Christian Union	1,992	1,453	(1,796)	100	1,749
Rugby Mens	997	1,183	(1,518)	400	1,062
Musical Theatre	730	1,322	(1,043)	-	1,009
Islamic	864	-	(73)	-	791
Gaelic Womens	676	1,202	(1,890)	350	338
Hockey Mens	178	-	(60)	200	318
Green Hope	657	-	-	-	657
Other Clubs & Societies	9,620	12,521	(20,300)	2,918	4,759
Societies – Closed 18/19	2,940	-	(400)	-	2,540
<b>Total Funds</b>	<b>18,654</b>	<b>17,681</b>	<b>(27,081)</b>	<b>3,968</b>	<b>13,223</b>



# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2023

### Restricted reserves

#### Green Fund

Liverpool Hope University made a donation of £677.98 during 2017 to Green Hope to support the development of an allotment which has yet to be fully spent against.

#### Clubs & Societies

Income raised by individual clubs and societies is used to support activities and events hosted by those clubs and societies. Any amounts unspent are carried forward to the subsequent year for spending by each club or society. Any amounts overspent are carried forward to be recovered against further income.

#### Transfers

A transfer is made from unrestricted funds to restricted funds to cover the support costs allocated to clubs and societies.

### 15. ANALYSIS OF NET ASSETS BY FUND

	Restricted £	Unrestricted £	At 31 July 2023 £	At 31 July 2022 £
Tangible fixed assets	-	983	983	775
Current assets	16,446	147,847	164,293	170,872
Current liabilities	-	(26,712)	(26,712)	(23,510)
Non-current liabilities	-	(173,579)	(173,579)	(207,116)
	16,446	(51,461)	(35,015)	(58,979)

	Restricted £	Unrestricted £	At 31 July 2022 £	At 31 July 2021 £
Tangible fixed assets	-	775	775	230
Current assets	13,223	157,649	170,872	175,254
Current liabilities	-	(23,510)	(23,510)	(32,054)
Non-current liabilities	-	(207,116)	(207,116)	(253,673)
	13,223	(72,202)	(58,979)	(110,243)

# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2023

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### 16. PENSION COSTS

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

The most recent valuation of the scheme was carried out as at 30 June 2019 and showed that the market value of the scheme's assets was £119.1m (June 2016: £101.3m) with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The 2019 valuation showed a scheme deficit of £140.9m. The increase in the deficit is in line with the level expected and previously reported by scheme trustees.

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:-

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

The 2016 valuation recommended a monthly contribution requirement by each participating employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 17 years and increased by 20% from October 2017 and by a further 5% in each subsequent 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 28 June 2017.

Following the 2019 triennial valuation, which also reflected the outcome from the previously identified '7% pension increase' issue affecting some members within the scheme (Liverpool Hope members were not directly affected by the pension issue), the Trustees of SUSS concluded that it would be necessary to increase contributions to clear the deficit over the next 15 years. Those Unions with members directly affected by the pension increase issue would be required to pay a greater contribution to the scheme deficit, Liverpool Hope does not have any such members. Surpluses or deficits which arise at future valuations will also impact on the Union's future contributions commitment. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

In accordance with FRS 102, the net present value of the future contributions required over 13 years to clear the funding deficit is £190,407 (2022: £223,302). In calculating this net present value, annual increases of 5% have been made (with the exception of the year 2021/22 where an increase of 8% was made; 8% being the rate notified by scheme trustees for Unions not impacted by the pension increase issue) and a discount rate of 4.70% representing the typical yield of high-quality corporate bonds has then been applied.

SUSS as a scheme closed to future accrual in 2011, and as such, there were no regular employer contributions paid into the scheme by the Union for the year ended 31 July 2023.

The Union continues to pay funding towards the deficit as part of the deficit reduction plan which is expecting to clear the Union's overall deficit in the next 13 years. For the year ended 31 July 2023, these contributions amounted to £17,277 (2022: £16,466).

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# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 JULY 2023

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme, National Union of Students Pensions Scheme (NUSPS). Contributions for existing members remain at a variable rate (minimum of 5% for the employee and 3% for the employer. Contributions for new members are in line with Government guidelines at a variable rate (minimum of 5% for the employee and 3% for the employer with effect from April 19). None of the Union's staff participate in the NUSPS scheme.

The Union participates in NEST. During the year, contributions of £9,049 (2022: £5,248) were paid to the scheme. NEST is the scheme selected by the Union to support auto enrolment and is the scheme used for those staff on casual or fixed term contracts and newly appointed staff.

#### Trustees pension contributions paid

	2023 £	2022 £
<b>President</b>		
N Rosser (from 1 <sup>st</sup> July 2023)	103	
E Meharry (until 30 <sup>th</sup> June 2023)	1,115	97
<b>Vice Presidents</b>		
E Taylor (from 1 <sup>st</sup> July 2023)	103	-
O Vann (until 30 <sup>th</sup> June 2023)	1,115	96
N Thornley (from 1 <sup>st</sup> July 2022)	1,219	98
	<u>3,655</u>	<u>291</u>

#### 17. RELATED PARTY TRANSACTIONS

The Union is in receipt of an annual grant from Liverpool Hope University of £260,000 (2022: £252,150). In addition, the Union occupies part of a building owned by the University under an informal agreement. In accordance with the Charities SORP (FRS 102) the trustees have valued the use of this space at a market value of £12,000. At the year end the Union owed the University £2,205 (2022: Amount owed by the University to the Union £1,450).

#### 18. AFFILIATION FEES

	2023 £	2022 £
NUS	6,303	6,304
BUCS	2,437	2,305
Other	192	225
	<u>8,932</u>	<u>8,834</u>

# LIVERPOOL HOPE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2023

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### 19. ULTIMATE CONTROLLING PARTY

The Board of Trustees is responsible for the management and administration of the Union and (subject to the Education Act 1994, the Constitution and by-laws) may exercise all the powers of the Union. They may override any decision or policy made by the Members in general meeting or by Referendum of the Executive Council which the Trustees consider (in their absolute discretion):

- has, or may have, financial implications for the Union;
- is, or may be, in breach of, contrary to or otherwise inconsistent with charity or education law or any other legal requirements (including ultra vires);
- is not, or may not be, in the best interests of the Union or all or any of its charitable objects; or
- will, or may otherwise affect, the discharge of any or all of the responsibilities referred to in Clause 62 of the Constitution.

However, the Members of the Union enjoy the right, which must be exercised in accordance with charity law, to elect a proportion of the Trustees and to dismiss all of the Trustees.

The ultimate controlling party of the Union therefore is considered to be the Members, being each and every student who has not opted out of membership and the officer trustees of the Union.

### 20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net movement in funds	23,964	51,264
Add back depreciation charge	475	252
(Increase) decrease in debtors	998	4,637
(Decrease) increase in creditors	2,559	(9,198)
(Decrease) increase in pension liability	(32,894)	(45,902)
<b>Net cash provided by use in operating activities</b>	<b>(4,898)</b>	<b>1,053</b>