

**SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

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SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2019

Trustees	Oliver Coppard, External Trustee (Chair) Isabel Hartland, External Trustee Beri Hare, External Trustee Nneka Okereke, Student Trustee (appointed 3 December 2018) Hunaida Bhabha, Student Trustee (appointed 3 December 2018) Haider Iqbal, Student Trustee (appointed 3 December 2018) Asim Mahmood, Student Trustee (appointed 25 October 2018, resigned 31 December 2018)
Charity registered number	1141925
Principal office	The Hubs, Paternoster Row Sheffield S1 2QQ
Sabbatical officers	2019/20 Faizan Sajid Muhammad Lauren Kaye Sheriff Muhammed Ellis Clark Andrew Adegbola 2018/19 Abdullah Okud Nabeela Mowlana Sheriff Muhammed Bethany Howden Harry Preston
Key management personnel	Julie Byrd - Chief Executive Mark Hewerdine - Director of Resources Claire Judge - Marketing & Customer Services Director Jane Anslow - Director of Policy & Involvement
Independent auditors	BHP LLP Chartered Accountants 2 Rutland Park Sheffield S10 2PD

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019**

Bankers National Westminster Bank PLC
 1 St Paul's Place
 121 Norfolk Street
 Sheffield
 S1 2JF

Solicitors TLT LLP
 One Redcliff Street
 Bristol
 BS1 6TP

DLA Piper UK LLP
St Pauls Place
121 Norfolk Street
Sheffield
S1 2JX

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2019**

The Trustees present their report and the audited financial statements of Sheffield Hallam University Students' Union (the Union) for the year ended 31 July 2019. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Union.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Union's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

Objectives and activities**a. Policies and objectives**

Summary of charity's objectives and activities undertaken in relation to these objects:

- The Students' Union's objects are the advancement of education of students at Sheffield Hallam University for the public benefit by:
 - o Promoting the interests and welfare of students at Sheffield Hallam University during their course of study, and representing, supporting and advising students
 - o Providing social, cultural and recreational activities and forums for discussions and debate for the personal development of its students
 - o Being the recognised representative channel between students and Sheffield Hallam University and any other external bodies

b. Main activities undertaken to further the charity's purposes for the public benefit

The trustees have had regard to the guidance issued by the Charity Commission on public benefit and confirm that the Students' Union continues to benefit the public as explained in the summary of objectives and activities above.

- The Union provides several public benefit services for the students of Sheffield Hallam University including:
 - o Providing a support network which catered for 1,174 cases in 2018/19.
 - o Running active societies for over 4,000 members, providing a sense of belonging and community.
 - o Providing Skills and Development courses to improve 551 students' employability.
 - o Representation of Sheffield Hallam University's students' academic interests through 1,697 reps and officers.
 - o Helping Sheffield Hallam University's students have a positive impact on the community through over 900 volunteering hours.

Achievements and performance**a. Investment policy and performance**

Investment performance:

- The Students' Union placed surplus funds on deposit with various banks, during the period. They achieved an average 0.5% rate of interest.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019
Achievements and performance (continued)
b. 2020 Vision

Our vision is focused around four key themes:

- creating Student Communities and a sense of belonging
- offering life changing experiences
- being the student ally by providing a strong, democratic voice for students
- encouraging students to take care of their wellbeing

Within each of these themes two main goals were set to be achieved over the next four years and progress has made on most of these:

Our Student Communities need to:

Goal 1: be vibrant, and accessible to all students by:	Progress to date
<ul style="list-style-type: none"> • ensuring value for money across all services • focusing on services that generate maximum impact • offering commercial services with products and services to suit our diverse student population • becoming the "go to place" for events, performances and exhibitions • expanding our physical presence across campus 	<ul style="list-style-type: none"> • the commercial services offering expanded to include healthy, halal, gluten-free, international dishes, vegetarian and vegan options. More events, such as hubstalks and various fairs are taking place • various live music events have been held in the Hubs. More music events and various student-led offerings are planned for the coming year. • the use of Students' Union space at Collegiate has increased and signage has been improved.
Goal 2: engage Students 24/7 by:	Progress to date
<ul style="list-style-type: none"> • creating a strong brand identity and communication strategy • using on-line technical and digital platforms for 24/7 access and engagement • understanding existing communities and creating new ones • co-creating student services/space with the University • building strong relationships with Union and university Alumni 	<ul style="list-style-type: none"> • Branding for helpdesk, Officers office and Volunteering are updated. New brand palette and campus branding plan launched to raise brand awareness across the campus. • Website pages are rationalised, content improved, including Live Chat, resulting in increased sessions of new and returning users. • Monthly NSS themed campaigns are ongoing to raise awareness of the Union. • Increased student-led podcasts and blogs to communicate more effectively with students. • Team restructure to a more specialist approach. Engagement is increasing; email open rates are up 63%, online shop page views are up 60% and increased social media likes and followers.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019

Achievements and performance (continued)

To create life changing experiences we will:

Goal 3: focus on volunteering, activities, life skills training and employment opportunities by:	Progress to date
<ul style="list-style-type: none">• creating an award winning volunteering unit working in partnership with the University and local community• reviewing our employability strategy to support the University strategy• creating internal employment opportunities for students linked to a career/skills development programme that is accredited	<ul style="list-style-type: none">• Delivered successful Student Volunteering Week 8% increase on last year.• Applied for Sheffield Volunteering Standard awaiting outcome from Volunteering Action.• We have worked in partnership with the University to give 341 Hallam Awards, 87% were students involved in Students' Union societies, volunteering, skills & training• The Student Staff Development Project implementation was started and should be completed in 2019-20.• A Student Staff Experience survey was undertaken showing 94% satisfaction.• 551 training attendees across 61 training sessions
Goal 4: build a culture/brand that is energetic, innovative and responsive by:	Progress to date
<ul style="list-style-type: none">• rationalising our activities and ensuring they are accessible to all students• showcasing student work and celebrating diversity• making it easy for students to set up projects, events, activities and enterprise ideas• encouraging, capturing, assessing and growing the ideas of both students and staff• recognising students and staff for excellence, enterprise and ingenuity	<ul style="list-style-type: none">• Students increased usage of the spaces in the students' union building.• A partnership has been formed with the University's Events Management courses to facilitate more student-led events in the HUBS.• The Students' Union undertook various surveys to ascertain students concerns responding in several ways including increased presence at the Collegiate Campus.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019**

Achievements and performance (continued)

To build a Strong Democratic Voice we will:

Goal 5: stand up for students and empower students to use their voice by:	Progress to date
<ul style="list-style-type: none"> • being the respected /authentic voice of the student body • establishing SHSU as the "Hallam Student Watchdog" over social change, quality of service and value for money • working with the University to clearly communicate with students what they get for their fees • championing and promoting the work of our Student Officers and all our student reps, preparing our representatives to challenge effectively 	<ul style="list-style-type: none"> • We have continued to produce our annual Student Voice report based on student feedback. The 2017-18 report made 14 recommendations, the majority of which have seen significant progress. • Our research and policy and campaigns programmes continue to support students in campaigning for change and quality service locally and nationally and being aware of social change. • We have student feedback on how fees are spent by the University and worked with student reps to feed this back to the institution. • All Elected Officers completed ILM courses in Leadership and Management. We also delivered training and ongoing development to more than 1,000 student reps over this academic year.
Goal 6: embed democracy at the heart of SHSU by:	Progress to date
<ul style="list-style-type: none"> • creating decision making processes that enable students and their elected representatives to effectively and collectively lead the Students' Union • promoting the work of elected representatives to help students realise the benefits of engaging with them • developing a communications plan to promote democracy and its importance to students and staff • identifying what constitutes being a good representative and recognising students who demonstrate it in their work 	<ul style="list-style-type: none"> • During this year we carried out a full review of our governance and democracy, with a quorate referendum held with the goal of implementing new, improved systems of student leadership. • During the year we increased turnout in both Elections, with a 60% increase in turnout in the Autumn Elections and the first quorate Referendum in 3 years. • The achievements of our student reps were showcased during a Rep celebration event and we enhanced our methods of gathering and showcasing Rep impact.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019
Achievements and performance (continued)

To help students take care of their wellbeing we will:

Goal 7: help students reach their full potential by:	Progress to date
<ul style="list-style-type: none"> • supporting students to cope with challenges that impact their wellbeing • promoting health and wellbeing as an important strand of our work that supports the University strategy • representing student views about the impact of University life on their wellbeing • raising awareness of issues around student mental health and developing solutions with the University • helping students to develop a balance lifestyle at University 	<ul style="list-style-type: none"> • Continued with an extensive schedule of Well-being Projects, events, initiatives and campaigns around student well-being, including mental health, homesickness and healthy eating • Held a Healthy Lifestyle fair during Welcome Week • Held a number of events during Sexual Health and Relationships Week • Developed a Mental Health training programme for our student leaders
Goal 8: provide easy access to information and advice for all students by:	Progress to date
<ul style="list-style-type: none"> • delivering an award winning confidential/independent advice/signposting service to support all students • encouraging student led projects around mentoring, advocacy and advice to integrate with university services • supporting students in their living environment, whether a University residence, private landlord or family home • working with the University to improve provision of support services for disadvantaged students • building partnerships between other organisations, charities and external agencies to support our work 	<ul style="list-style-type: none"> • The annual housing fairs at both campuses continues to promote the Snug scheme accrediting landlords who provide a good standard of student housing • Worked with 1,105 new cases and enquiries, 883 new clients of 1,174 total clients • Further developed the Advice Service's preventative work.

c. Going concern

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.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019**

Financial review

a. Financial position

- The Students' Union's gross income from all sources totalled £3,206,331, (2018: £3,212,578). Total expenditure was £3,144,048 (2018: £3,155,990). After taking account of transfers and actuarial losses on the defined benefit pension schemes, there is a net decrease in funds of £19,717 (2018: net increase of £144,588).
- Funds carried forward as at 31 July 2019 total deficits of £1,447,962 (2018: £1,428,245) and comprise unrestricted funds excluding the pension liabilities of £512,477 (2018: £502,115), designated funds of £17,589 (2018: £20,070), pension reserve deficit funding £2,042,571 (2018: £2,007,549) and a restricted fund surplus of £64,543 (2018: £57,119).
- The negative £1,447,962 reserves position is not considered to have a material impact on the going concern of the Union, as £1,947,283 is a long-term pension scheme liability with a set, structured and manageable payment schedule. Excluding this long-term pension liability, the reserves are deemed to be sufficient to fund on-going activities and services.
- The Students' Union has continued to benefit from the recognition and support of the University, and for the academic year 2018/19 the annual block grant was £2,458,407 (2018: £2,458,407). This is the principal funding of the Union.
- The Trustees confirm that the Students' Union has sufficient funds to meet all its expected obligations. The block grant for 2019/20 has been confirmed at £2,458,407.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019

Financial review (continued)**b. Reserves policy**

SHSU is heavily reliant upon grant funding from Sheffield Hallam University. The level of the following year's grant is discussed between the Union and the University, the level of which is influenced by the SU's performance against its target. The Trustees believe that there is little likelihood of grant funding ceasing altogether and therefore consider that there is no need to maintain a level of reserves sufficient to cover expenditure made against grant funding.

SHSU also has a certain amount of commercial income and the trustees deem it prudent to maintain reserves sufficient to cover three months' worth of trading expenditure. This averages £172,000.

In addition the trustees believe the undepreciated value of fixtures and fittings should be held in reserves to cover the potential write off of any capital expenditure. This amount is currently around £94,000.

It is also considered reasonable to have £50,000 to £100,000 for other unexpected expenditure. This gives an overall reserves target of £316,000 to £366,000

At 31 July 2019 the Union's total funds were in a deficit position of £1,447,962 (2018: £1,428,245). Restricted funds were £64,543 (2018: £57,119). Unrestricted funds were (£1,512,505) (2018: (£1,485,364)). Free reserves are set out below:

Unrestricted funds	(£1,512,505)
Less: fixed assets	(£124,668)
Less: designated funds	(£17,589)
Add: pension deficit	<u>£2,042,571</u>
Free reserves	<u>£387,809</u>

Free reserves are slightly above the Union's target range of £316,000 to £366,000 following further investment.

Plans for future periods**a. Future developments**

Over the next year we will continue to work towards the goals that have been set out above to meet the four themes of the 2020 vision. In addition we will put in place the systems and processes that will be required to enable staff to deliver the vision. This will include exploring the options of a much improved building, having achieved stage 1 Investors in Diversity accreditation, working towards stage 2, improving staff wellbeing and developing our digital capabilities.

The Union is also working on a new vision and a radical new strategy to 2025. We are engaging stakeholders, especially students, for input to the new strategy, to ensure that we are structured and resourced to provide the services that students want and need in the future.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019**

Structure, governance and management

a. Constitution

The Union operates in line with its Articles of Governance, which state:

- the objects and boundaries of its work.
- the constitution and bye-laws that control the Union's activities.
- how Trustees are appointed, their powers and how they can be removed.
- how general meetings are called and what business will take place at them.

b. Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

1. Sabbatical Trustees

Up to six Sabbatical Trustees are elected by secret ballot by the Members of the Students' Union at an election held in accordance with the Bye-laws and the Education Act 1994, and remain in office for a term of usually twelve months in accordance with the Bye-laws and the Education Act 1994. The term of office may be shorter or longer on a transitional basis to coincide with an alteration of the year start or end. The Sabbatical Trustees are elected to posts set out in the Bye-laws. At the same time as commencing the term of office as a trustee the Sabbatical Trustees enter into a contract of employment with the Students' Union.

2. Student Trustees

Up to four Student Trustees are elected by secret ballot by the Members of the Students' Union at an election held in accordance with the Bye-laws and the Education Act 1994. Student Trustees are appointed for the remainder of their time as a student at Sheffield Hallam University, or a maximum term of three years, whichever is the shorter. The Student Trustees are not deemed to be "major office holders" for the purposes of section 22 of the Education Act 1994.

3. External Trustees

Up to four External Trustees are appointed by the Appointments Panel for a period of 4 years. External Trustees may serve a maximum of two 4 year terms.

c. Policies adopted for the induction and training of Trustees

New trustees undertake an extensive training schedule, including an overview of internal governance processes and receiving a copy of, and undertaking a guided review of, the Union's Articles of Governance. They also undertake Trustee Board Training covering their roles and responsibilities, with Sheffield Hallam University's Deputy Director of Membership Engagement, who is qualified through The Governance Institute in Charity Law & Governance.

d. Pay policy for senior staff

Senior staff pay reviews are linked to the same National Joint Council pay scale that the staff are subject to. There is an appraisal system that applies to all staff at every level, the individual plans and appraisals are derived from the annual business plans.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019**

Structure, governance and management (continued)

e. Related party relationships

The relationship between the University and the Students' Union is established in the Regulations of the University and detailed in the Students' Union rules approved by both organisations. The Students' Union receives a block grant from the University, and occupies a building owned by the University, for which it pays rent. Although the Students' Union continues to generate supplementary funding from various mutual trading activities, it will always be dependent on the University's support.

The relationship between the Union and the University has benefitted through increased openness, empathy and dialogue. This relationship has led to more of a partnership approach that better caters for the greater good of the student body. It is understood that any change in circumstances, that would materially affect the level of the grant, would be discussed in advance to allow appropriate plans and measures to be taken.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019**

Structure, governance and management (continued)

f. Risk management

The Board of Trustees has examined the major strategic, business and operational risks faced by the Students' Union. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Budgetary and internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers and participants on all activities organised by the Students' Union. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Key risks facing the organisation include:

Governance Risk

- The Union lacks direction, strategy and forward planning.
- The Union has an ineffective organisational structure, leading to ineffective performance and delivery.

These risks are managed as follows:

- A 3 year strategy has been agreed and each year annual plans are produced with reference back to the strategy, to ensure that they are on track.
- There is a published organisation chart, job descriptions for every staff position and an annual appraisal system to ensure that people know their responsibilities and what is expected of them.

External Risk

- National Union of Students (NUS) position threatens Union's reputation. NUS is no longer financially sustainable and is unable to offer service support in areas including digital, retail, Totum and officer/staff development.
- Government changes funding and evaluation mechanisms for Higher Education.

These risks are managed as follows:

- The NUS is addressing its historical financial position to ensure its sustainability. The Union receives regular updates on the NUS and has identified alternative sources for the time-critical NUS services.
- The Union maintains a keen interest in government policy and regularly assesses policies and decisions for potential short and long-term impacts. The Union ensures that appropriate mitigation measures are taken wherever appropriate.

Regulatory and Compliance Risk

- Lack of compliance with legislation and regulations appropriate to the activities, size and structure of the charity.

This risk is managed as follows:

- The Union reviews relevant legislation both through the NUS and various other sources.

Financial Risk

- University grant to Union is reduced as the University is subject to lower student fees and/or numbers.
- Increased pension liabilities delivers material increases in costs to Union.
- Inappropriate or loss-making non-charitable trading activities impact negatively on the Union.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019**

Structure, governance and management (continued)

These risks are managed as follows:

- The block grant is agreed in advance and targets are agreed that determine the grant level in the short-term. Any longer-term impacts would be communicated in advance and adapted to.
- Legacy Defined Benefit Pension Schemes are regularly monitored and appropriate meetings attended, to ensure that the Union is fully informed and that they contribute to decision-making. Any significant movement in on-going contributions required from the Union would be known in advance of them being implemented.
- Each activity is regularly monitored and assessed with a view to improving profitability. These areas are under constant review with alternatives being assessed.

Operational Risk

- The services provided are not in line with students' priorities, leading to a lack of engagement or complaints.
- The Union does not use its resources effectively, leading to an ineffective service provision to the students.
- Employment issues leading to low morale, impacting on services provided.

These risks are managed as follows:

- Regular surveys are held to provoke feedback from students to ascertain their priorities and issues to ensure that the Union is providing the services that students want.
- In line with the above information on students' wants from the Union, there is a regular review to ensure that the available resources are being directed to the areas that best serve the student body.
- There are published job descriptions and an annual appraisal system to ensure that staff are aware of what is expected of them. Alongside this one-to-one meetings are held on a regular basis to ensure up-to-date feedback in both directions. There is also an annual staff survey to gauge overall morale and feedback.

g. Organisational structure and decision making

The trustees delegate the day-to-day management of the Students' Union through the joint Chairs to the Chief Executive who in turn, line manages full-time members of staff experienced in the running of the Students' Union's activities.

Information on fundraising practices

We undertake no fundraising activities within the scope of the Charities (Protection and Social Investment) Act 2016.

Funds held as custodian

The Union provides safe custody facility for the unspent RAG monies. On 31 July 2019 the amount held was Nil (2018: £699), which is included within other creditors in note 18 on page 35 of these financial statements.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019**

Statement of Trustees' responsibilities

The Trustees 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).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper 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 the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

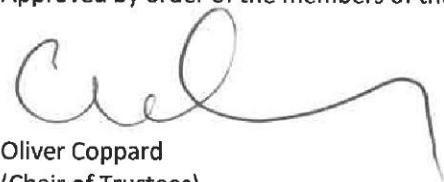
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity'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 charity's auditors are aware of that information.

Auditors

The auditors, BHP LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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



Oliver Coppard
(Chair of Trustees)
Date: 25 November 2019

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

Opinion

We have audited the financial statements of Sheffield Hallam University Students' Union (the 'charity') for the year ended 31 July 2019 which comprise the Statement of financial activities, the Balance sheet, the 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 charity's affairs as at 31 July 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION
(CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION
(CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

BHP LLP

BHP LLP
Chartered Accountants
Statutory Auditor
2 Rutland Park
Sheffield
S10 2PD

Date: *25 November 2019*.

BHP LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	3	2,470,907	4,000	2,474,907	2,469,855
Charitable activities	4	512,752	154,204	666,956	678,747
Other trading activities	5	36,555	-	36,555	36,539
Investments	6	4,968	-	4,968	228
Other income	7	22,945	-	22,945	27,209
Total income		3,048,127	158,204	3,206,331	3,212,578
Expenditure on:					
Raising funds	8	64,743	-	64,743	67,426
Charitable activities	9	2,926,427	152,878	3,079,305	3,088,564
Total expenditure		2,991,170	152,878	3,144,048	3,155,990
Net income		56,957	5,326	62,283	56,588
Transfers between funds	20	(2,098)	2,098	-	-
Net movement in funds before other recognised gains/(losses)		54,859	7,424	62,283	56,588
Other recognised gains/(losses):					
Actuarial gains/ (losses) on defined benefit pension schemes	25	(82,000)	-	(82,000)	88,000
Net movement in funds		(27,141)	7,424	(19,717)	144,588
Reconciliation of funds:					
Total funds brought forward		(1,485,364)	57,119	(1,428,245)	(1,572,833)
Net movement in funds		(27,141)	7,424	(19,717)	144,588
Total funds carried forward		(1,512,505)	64,543	(1,447,962)	(1,428,245)

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 21 to 47 form part of these financial statements.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**BALANCE SHEET
AS AT 31 JULY 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	15	124,668	153,605
		124,668	153,605
Current assets			
Stocks	16	34,644	31,048
Debtors	17	46,327	69,302
Cash at bank and in hand		685,566	565,071
		766,537	665,421
Creditors: amounts falling due within one year	18	(391,884)	(327,923)
Net current assets		374,653	337,498
Total assets less current liabilities		499,321	491,103
Creditors: amounts falling due after more than one year	19	(1,876,283)	(1,936,348)
Net liabilities excluding pension (liability)/asset		(1,376,962)	(1,445,245)
Defined benefit pension scheme (liability)/asset	25	(71,000)	17,000
Total net assets		(1,447,962)	(1,428,245)
Charity funds			
Restricted funds	20	64,543	57,119
Unrestricted funds	20	(1,512,505)	(1,485,364)
Total funds		(1,447,962)	(1,428,245)

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

Oliver Coppard
(Chair of Trustees)
Date: 25 November 2019



The notes on pages 21 to 47 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash used in operating activities	23	257,222	259,004
Cash flows from investing activities			
Bank interest		3,968	228
Purchase of tangible fixed assets		(16,858)	(92,719)
Net cash used in investing activities		(12,890)	(92,491)
Cash flows from financing activities			
Pension deficit contributions		(123,837)	(89,524)
Net cash used in financing activities		(123,837)	(89,524)
Change in cash and cash equivalents in the year		120,495	76,989
Cash and cash equivalents at the beginning of the year		565,071	488,082
Cash and cash equivalents at the end of the year	24	685,566	565,071

The notes on pages 21 to 47 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

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 2015) (as amended by Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Sheffield Hallam University Students' Union 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 financial statements have been prepared in £ sterling which is the functional currency of the Union and rounded to the nearest £1.

1.2 Going concern

The Board of Trustees consider that the organisation is a going concern on the basis of the continued support from Sheffield Hallam University.

1.3 Income

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

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity 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.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

1. Accounting policies (continued)

1.4 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.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

1.5 Interest receivable

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

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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, .

Depreciation is provided on the following bases:

Building improvements	- 3 - 10 years
Fixtures and fittings	- 3 - 10 years

1.7 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

1. Accounting policies (continued)

1.8 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.

1.9 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.

1.10 Liabilities and provisions

Liabilities and provisions 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 charity 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 Statement of financial activities as a finance cost.

1.11 Financial instruments

The charity 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.

1.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

1. Accounting policies (continued)

1.13 Pensions

The Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the 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 Union. Under the terms of FRS102, in these circumstances contributions are accounted for as if the Scheme were a defined contribution scheme based on actual contributions paid through the year. The present value of the Union's deficit contribution is recognised as a liability in accordance with Charities SORP (FRS102).

The Union also contributes to defined contribution pension schemes for its employees. The pension charge represents the amounts payable by the company to the fund in respect of the year.

The Union also has one member remaining in the SYPA defined benefit scheme. The pension charge is based on a valuation for FRS 102 purposes dated 31 July 2019.

1.14 Fund accounting

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

Designated funds 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 charity 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.

Investment income, gains and losses are allocated to the appropriate fund.

1.15 Employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

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 Union 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:

(i) SUSS pension deficit

The Union is committed to provide deficit funding to the Students' Union Superannuation Pension Scheme, of which it is a contributing employer.

Under Charities SORP FRS 102, the present value of the future deficit contributions is recognised. The calculation of the present value of the future deficit contributions is subject to an assumption of a discount rate. The discount rate used is determined by reference to market yields on high quality corporate bonds.

(ii) Support costs

Staffing and administration support costs are allocated across the various activities of the Union. Support costs are allocated on the basis set out in note 10 to the accounts.

3. Income from donations and legacies

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Block grant	2,458,407	-	2,458,407	2,458,407
Other grants	12,500	4,000	16,500	11,448
	<u>2,470,907</u>	<u>4,000</u>	<u>2,474,907</u>	<u>2,469,855</u>
Total 2018	<u>2,458,407</u>	<u>11,448</u>	<u>2,469,855</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

4. Income from charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Shop sales	103,023	-	103,023	118,600
NUS Extra cards	28,504	-	28,504	38,289
Bar sales	127,023	-	127,023	147,461
Catering	158,247	-	158,247	134,396
Events	82,825	-	82,825	89,294
Clubs & societies	-	154,204	154,204	139,080
Other	12,130	-	12,130	10,596
Volunteering	1,000	-	1,000	1,031
Total 2019	512,752	154,204	666,956	678,747
Total 2018	529,956	148,791	678,747	

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Welcome week	18,430	18,430	17,747
Advertising	18,125	18,125	18,792
	36,555	36,555	36,539

Income from other trading activities totalled £36,539 for 2018 and was all included within unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	3,968	3,968	228
Pension income	1,000	1,000	-
	<u>4,968</u>	<u>4,968</u>	<u>228</u>

Investment income totalled £228 for 2018 and was all included within unrestricted funds.

7. Other incoming resources

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Commission	21,971	21,971	24,455
Facility Hire	-	-	229
Other	974	974	2,525
	<u>22,945</u>	<u>22,945</u>	<u>27,209</u>

Other incoming resources totalled £27,209 for 2018 and was all included within unrestricted funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**
8. Expenditure on raising funds

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Voluntary fundraising	4,966	4,966	4,672
Commercial activities	13,182	13,182	14,981
Wages and salaries	41,213	41,213	42,290
NI	3,436	3,436	3,662
Pension costs	1,946	1,946	1,821
	64,743	64,743	67,426

Expenditure on raising funds totalled £67,426 for 2018 and was all included within unrestricted funds.

Analysis of fundraising support costs

	Voluntary fundraising 2019 £	Commercial activities 2019 £	Total funds 2019 £	Total funds 2018 £
Insurance	508	508	1,016	1,102
NUS affiliation	1,148	1,148	2,296	2,191
Marketing and promotional	-	3,858	3,858	5,626
Executive costs	1,020	612	1,632	1,906
IT	-	829	829	831
Finance	-	300	300	262
Office support	27	27	54	85
VAT recovery	-	(353)	(353)	(727)
Depreciation	-	304	304	230
Pension finance costs	1,417	1,417	2,834	-
	4,120	8,650	12,770	11,506
Total 2018	2,880	8,626	11,506	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Media	9,345	-	9,345	9,276
Student Voice	765,118	-	765,118	740,477
Activities & development, volunteering	618,530	4,720	623,250	641,437
Bars & kitchens	648,761	-	648,761	659,829
Shops	265,247	-	265,247	271,784
Entertainment	163,224	-	163,224	164,295
Clubs & societies	380,871	148,158	529,029	525,773
Governance costs (note 11)	68,331	-	68,331	65,693
Pension costs	7,000	-	7,000	10,000
	<u>2,926,427</u>	<u>152,878</u>	<u>3,079,305</u>	<u>3,088,564</u>
Total 2018	<u>2,934,475</u>	<u>154,089</u>	<u>3,088,564</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

10. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Media	7,249	2,096	9,345	9,276
Student Voice	674,208	90,910	765,118	740,477
Activities & development, volunteering	546,621	76,629	623,250	641,437
Bars & kitchens	573,659	75,102	648,761	659,829
Shops	230,536	34,711	265,247	271,784
Entertainment	137,574	25,650	163,224	164,295
Clubs & societies	474,858	54,171	529,029	525,773
Governance costs (note 11)	39,211	29,120	68,331	65,693
Pension costs	7,000	-	7,000	10,000
	<u>2,690,916</u>	<u>388,389</u>	<u>3,079,305</u>	<u>3,088,564</u>
Total 2018	<u>2,653,410</u>	<u>435,154</u>	<u>3,088,564</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Depreciation	45,492	55,405
Insurance	24,365	26,436
NUS affiliation	55,090	52,581
Training and development	37,295	47,609
Recruitment	1,091	17,843
Marketing and promotional	21,861	31,880
Executive costs	18,773	21,916
IT	40,634	40,698
Finance	26,482	25,462
Office support	13,852	20,208
Repairs and maintenance	28,828	34,810
Legal and professional	23,923	23,547
VAT recovery	(17,322)	(35,572)
SUSS pension finance cost	68,025	72,331
Total 2019	388,389	435,154

The support costs detailed above are allocated dependent upon the nature of the expenditure. Insurance costs and pension finance costs are allocated on CR weighting. NUS affiliation, IT, finance, office support, repairs and maintenance and legal and professional costs are all allocated on NUS weighting. Training and development costs and recruitment costs are allocated on HR weighting. Marketing and promotional costs are allocated on marketing weighting. Executive costs are allocated on executive weighting. Depreciation is allocated to the activity to which it relates.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

11. Governance costs

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Auditor's remuneration (note 12)	11,759	11,759	11,400
Governance costs	56,572	56,572	54,293
Total 2019	68,331	68,331	65,693

12. Auditors' remuneration

The Auditors' remuneration amounts to an Auditor fee of £11,759 (2018-£11,400).

13. Staff costs

	2019 £	2018 £
Wages and salaries	1,672,780	1,571,036
Social security costs	127,613	126,946
Contribution to defined contribution pension schemes	57,137	44,930
Operating costs of defined benefit pension schemes	21,000	19,000
	1,878,530	1,761,912

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

	2019 No.	2018 No.
Trading Operations: Permanent staff	8	7
Trading Operations: Temporary staff	4	8
Student Services: Permanent staff	53	53
Other	3	3
	68	71

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**
13. Staff costs (continued)

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	1	1

The total remuneration and benefits received by key management personnel were £356,561 (2018: £341,452). The Union consider senior management personnel to be the Chief Executive Officer, and the Directors of Resources, CRM, Marketing & Customer Services, Policy & Involvement and the Sabbatical Officers.

14. Trustees' remuneration and expenses

Each of the five sabbatical officers received £17,975 for the year, as authorised in the Union's governing document, for the representation, campaigning and support work they undertake as distinct from their Trustee responsibilities. This work includes voicing student opinion with the institution and local community, defending and extending the rights of students through petitions, discussion with MP's and also organising and supporting student volunteers and service provision for them.

During the year, no Trustees received any other benefits (2018 - £NIL).

During the year ended 31 July 2019, expenses totalling £795 were reimbursed or paid directly to 1 Trustee (2018 - £743 to 1 Trustee).

15. Tangible fixed assets

	Building improvements £	Fixtures and fittings £	Total £
<i>Cost or valuation</i>			
At 1 August 2018	242,145	459,475	701,620
Additions	-	16,858	16,858
Disposals	-	(3,116)	(3,116)
At 31 July 2019	242,145	473,217	715,362
<i>Depreciation</i>			
At 1 August 2018	196,965	351,050	548,015
Charge for the year	14,833	30,962	45,795
On disposals	-	(3,116)	(3,116)
At 31 July 2019	211,798	378,896	590,694

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

15. Tangible fixed assets (continued)

	Building improvements £	Fixtures and fittings £	Total £
<i>Net book value</i>			
At 31 July 2019	30,347	94,321	124,668
At 31 July 2018	45,180	108,425	153,605

16. Stocks

	2019 £	2018 £
Finished goods and goods for resale	34,644	31,048

17. Debtors

	2019 £	2018 £
<i>Due within one year</i>		
Trade debtors	6,989	20,285
Other debtors	208	3,335
Prepayments and accrued income	39,130	45,682
	46,327	69,302

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

18. Creditors: Amounts falling due within one year

	2019 £	2018 £
SUSS defined benefit scheme funding deficit liability (note 26)	95,287	88,201
Trade creditors	42,604	100,660
Other taxation and social security	38,167	34,078
Other creditors	62,609	11,123
Accruals and deferred income	153,217	93,861
	391,884	327,923

	2019 £	2018 £
Deferred income		
Deferred income at 1 August 2018	6,878	1,868
Resources deferred during the year	10,565	6,878
Amounts released from previous periods	(6,878)	(1,868)
	10,565	6,878

Income has been deferred for sources of income in relation to events and activities which have not been carried out at the year end.

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

	2019 £	2018 £
SUSS defined benefit scheme funding deficit loan (note 25)	1,876,283	1,936,348

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**
20. Statement of funds**Statement of funds - current year**

	Balance at 1 August 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2019 £
<i>Unrestricted funds</i>						
<i>Designated funds</i>						
Hardship fund	2,000	-	-	-	-	2,000
Black History month	4,000	-	(3,397)	-	-	603
Student placements	2,500	-	-	(2,500)	-	-
Student societies funding	2,867	1,034	-	-	-	3,901
Social Entrepreneurs	1,428	-	-	-	-	1,428
Housing fair	7,275	12,130	(10,150)	-	-	9,255
Sheffield Student Sustain	-	-	-	402	-	402
	20,070	13,164	(13,547)	(2,098)	-	17,589
<i>General funds</i>						
Unrestricted funds	502,115	3,034,963	(2,900,764)	(123,837)	-	512,477
Pension reserve - SYPA	17,000	-	(6,000)	-	(82,000)	(71,000)
Pension reserve - SUSS	(2,024,549)	-	(70,859)	123,837	-	(1,971,571)
	(1,505,434)	3,034,963	(2,977,623)	-	(82,000)	(1,530,094)
<i>Total Unrestricted funds</i>	(1,485,364)	3,048,127	(2,991,170)	(2,098)	(82,000)	(1,512,505)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**
20. Statement of funds (continued)*Statement of funds - current year (continued)*

	Balance at 1 August 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2019 £
<i>Restricted funds</i>						
Clubs and Societies	43,694	154,204	(148,158)	-	-	49,740
Bright Ideas project	294	-	-	-	-	294
Social Entrepreneurs	402	-	-	(402)	-	-
Arts & Communities	4,646	4,000	(1,938)	-	-	6,708
Grad Intern Support	-	-	(2,500)	2,500	-	-
NUS Conference	3,913	-	(282)	-	-	3,631
Development funds	4,170	-	-	-	-	4,170
	<u>57,119</u>	<u>158,204</u>	<u>(152,878)</u>	<u>2,098</u>	<u>-</u>	<u>64,543</u>
<i>Total of funds</i>	<u><u>(1,428,245)</u></u>	<u><u>3,206,331</u></u>	<u><u>(3,144,048)</u></u>	<u><u>-</u></u>	<u><u>(82,000)</u></u>	<u><u>(1,447,962)</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**
20. Statement of funds (continued)**Statement of funds - prior year**

	Balance at 1 August 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2018 £
<i>Unrestricted funds</i>						
<i>Designated funds</i>						
Hardship fund	-	2,000	-	-	-	2,000
Black History month	-	4,000	-	-	-	4,000
Student placements	-	2,500	-	-	-	2,500
Student societies funding	-	-	-	2,867	-	2,867
Social Entrepreneurs	-	-	-	1,428	-	1,428
Housing fair	-	-	-	7,275	-	7,275
	-	8,500	-	11,570	-	20,070
<i>General funds</i>						
Unrestricted funds	467,369	3,043,839	(2,919,570)	(89,523)	-	502,115
Pension reserve - SYPA	(61,000)	-	(10,000)	-	88,000	17,000
Pension reserve - SUSS	(2,041,741)	-	(72,331)	89,523	-	(2,024,549)
	(1,635,372)	3,043,839	(3,001,901)	-	88,000	(1,505,434)
<i>Total Unrestricted funds</i>	(1,635,372)	3,052,339	(3,001,901)	11,570	88,000	(1,485,364)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**
20. Statement of funds (continued)***Statement of funds - prior year (continued)***

	Balance at 1 August 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2018 £
<i>Restricted funds</i>						
Clubs and Societies	37,568	138,786	(129,793)	(2,867)	-	43,694
Bright Ideas project	-	294	-	-	-	294
Social Entrepreneurs	8,496	-	(6,666)	(1,428)	-	402
Arts & Communities	5,243	4,000	(4,597)	-	-	4,646
Housing fair	4,165	9,711	(6,601)	(7,275)	-	-
Grad Intern Support	2,897	-	(2,897)	-	-	-
NUS Conference	-	7,448	(3,535)	-	-	3,913
Development funds	4,170	-	-	-	-	4,170
	<u>62,539</u>	<u>160,239</u>	<u>(154,089)</u>	<u>(11,570)</u>	<u>-</u>	<u>57,119</u>
<i>Total of funds</i>	<u>(1,572,833)</u>	<u>3,212,578</u>	<u>(3,155,990)</u>	<u>-</u>	<u>88,000</u>	<u>(1,428,245)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

Designated funds:

Hardship fund represents funds allocated to allow poorer students to join societies with high subscriptions and fees.

Black history month represents monies to part-finance campaigns and events aimed at celebration and higher inclusiveness for ethnic minority students.

Student placements represent monies allocated to pay for placements who were part way through their contract at year-end.

Student societies funding represents funds of dormant societies.

Social entrepreneurs represents funding for student business ventures.

Housing fair represents net Income from Housing Fairs, designated to be used on similar events.

Sheffield student sustain represents funds designated for students' green projects.

Restricted funds:

Clubs & Societies represents monies raised for the purpose of furthering their particular activity.

Bright ideas projects represents monies to support student-led social enterprises and community projects.

Social entrepreneurs represents monies for to be paid to support students setting up social enterprises.

Arts & Communities represents monies held for the Nightline project and burglary reduction campaign. Funds for the burglary reduction campaign represents monies held for future campaigning to help prevent burglaries amongst student communities.

Grad Intern support represents funds received for additional Grad Intern support for democracy and diversity.

NUS Conference funds represents monies to deliver projects relating to hate crimes

Development funds represents monies received for the development of societies and SHU Media.

Housing fair represents monies held for annual housing fairs to raise awareness amongst students of their housing rights and the SNUG landlord scheme.

Transfers between funds:

£2,098 of transfers represent monies used to fund deficits on restricted funds.

£123,837 represents contributions made to the SUSS pension scheme out of unrestricted funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**
21. Summary of funds**Summary of funds - current year**

	Balance at 1 August 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2019 £
Designated funds	20,070	13,164	(13,547)	(2,098)	-	17,589
General funds	(1,505,434)	3,034,963	(2,977,623)	-	(82,000)	(1,530,094)
Restricted funds	57,119	158,204	(152,878)	2,098	-	64,543
	<u>(1,428,245)</u>	<u>3,206,331</u>	<u>(3,144,048)</u>	<u>-</u>	<u>(82,000)</u>	<u>(1,447,962)</u>

Summary of funds - prior year

	Balance at 1 August 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2018 £
Designated funds	-	8,500	-	11,570	-	20,070
General funds	(1,635,372)	3,043,839	(3,001,901)	-	88,000	(1,505,434)
Restricted funds	62,539	160,239	(154,089)	(11,570)	-	57,119
	<u>(1,572,833)</u>	<u>3,212,578</u>	<u>(3,155,990)</u>	<u>-</u>	<u>88,000</u>	<u>(1,428,245)</u>

22. Analysis of net assets between funds**Analysis of net assets between funds - current year**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	124,668	-	124,668
Current assets	701,994	64,543	766,537
Creditors due within one year	(391,884)	-	(391,884)
Creditors due in more than one year	(1,876,283)	-	(1,876,283)
Provisions for liabilities and charges	(71,000)	-	(71,000)
Total	<u>(1,512,505)</u>	<u>64,543</u>	<u>(1,447,962)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**
22. Analysis of net assets between funds (continued)**Analysis of net assets between funds - prior year**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	153,605	-	153,605
Current assets	608,302	57,119	665,421
Creditors due within one year	(327,923)	-	(327,923)
Creditors due in more than one year	(1,936,348)	-	(1,936,348)
Provisions for liabilities and charges	17,000	-	17,000
Total	(1,485,364)	57,119	(1,428,245)

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

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	62,283	56,588
Adjustments for:		
Depreciation charges	45,795	55,633
Bank interest	(3,968)	(228)
Loss on the sale of fixed assets	-	7,346
Increase in stocks	(3,596)	(12,142)
Decrease in debtors	22,975	11,085
Increase in creditors	56,874	58,391
Pension finance costs	76,859	82,331
Net cash provided by operating activities	257,222	259,004

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

24. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	685,566	565,071
Total cash and cash equivalents	685,566	565,071

25. Pension commitments

The charity operates a defined benefit local government 'South Yorkshire Pension Fund'.
Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 July 2019 %	At 31 July 2018 %
Discount rate at 31 July	2.1	2.9
Future salary increases	3.45	3.45
Future pension increases	2.3	2.3
Inflation rate	2.2	2.2

The charity's share of the assets in the scheme was:

	At 31 July 2019 £	At 31 July 2018 £
Equities	541,000	520,000
Government bonds	148,000	140,000
Other bonds	75,000	71,000
Property	90,000	95,000
Cash / liquidity	33,000	45,000
Other	147,000	106,000
Total fair value of assets	1,034,000	977,000

The actual return on scheme assets was £76,000 (2018 - £64,000).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**
25. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2019 £	2018 £
Current service cost	(21,000)	(19,000)
Expected return on scheme assets	28,000	22,000
Interest on obligation	(27,000)	(24,000)
Total amount recognised in the Statement of Financial Activities	(20,000)	(21,000)

Movements in the present value of the defined benefit obligation were as follows:

	2019 £	2018 £
Opening defined benefit obligation	960,000	904,000
Current service cost	21,000	19,000
Interest cost	27,000	24,000
Contributions by scheme participants	6,000	5,000
Benefits / transfers paid	(39,000)	54,000
Actuarial (gains) / losses	130,000	(46,000)
Closing defined benefit obligation	1,105,000	960,000

Movements in the fair value of the charity's share of scheme assets were as follows:

	2019 £	2018 £
Opening fair value of scheme assets	977,000	843,000
Expected return on assets	28,000	22,000
Actuarial gains/(losses)	48,000	42,000
Contributions by scheme participants	6,000	5,000
Benefits / transfers paid	(39,000)	54,000
Employer contributions	14,000	11,000
Closing fair value of scheme assets	1,034,000	977,000

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities was £82,000 loss (2018: £88,000 gain).

The Union expects to contribute £14,251 in 2020.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

25. Pension commitments (continued)

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.

The most recent valuation of the Scheme was carried out as at 30 June 2016 and showed that the market value of the Scheme's assets was £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 deficit on an ongoing funding basis amounted to £119.7m.

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 2016:-

The investment return would be 4.3% per annum before retirement and 2.3% per annum after retirement

Pensions accruing on the CARE basis would revalue at 3.5% per annum.

Present and future pensions would increase at rates specified by 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 19 years and 9 months ending June 2033 and will increase by 20% in 2017/18 and 5% each remaining year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates applied with effect from 1 October 2017 and will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2019. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

Under FRS102 the Unions is required to recognise as a liability the present value of its agreed share of future deficit contributions. Finance costs are recognised as the present value unwinds.

The total contributions paid into the Scheme by Sheffield Hallam University Students' Union in respect of eligible employees for the year ended 31 July 2019 amounted to £123,837 (2018: £89,524). The amount owed by Sheffield Hallam University Students' Union in respect of future contributions at the year end was £1,971,570 (2018: £2,024,549). The amounts due within one year are £95,287 (2018: £88,201).

The Union participates in the NUS Pension Scheme, a defined contribution pension scheme. The assets of the scheme are held separately from those of the Union in an independently administered fund. The pension costs charged represents contributions payable by the Union to the fund and amounted to £57,137 (2018: £44,930). There are unpaid contributions of £364 (2018: £271) at the year end and included within other creditors in note 18 to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

26. Operating lease commitments

At 31 July 2019 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019	2018
	£	£
Not later than 1 year	1,001	2,463
Later than 1 year and not later than 5 years	-	550
	<u>1,001</u>	<u>3,013</u>

27. Related party transactions

The following are considered to be related parties for the reasons stated. The transactions with these related parties are set out below.

Sheffield Hallam University

The Union is in the receipt of a block grant from Sheffield Hallam University of £2,458,407 (2018: £2,458,407). It also purchased services from the University of £425,453 (2018: £424,287) and provided services to the University of £135,398 (2018: £142,923). At the year-end a balance of £1,802 (2018: £54,552) is included within trade creditors and a balance of £2,457 (2018: £7,342) is included within trade debtors. Included in the purchases figure is the annual rent charged to the Union during the year totalling £160,948 (2018: £178,792), for occupation and use of the HUBS building.

The Board of Trustees

The elected officers of the Board of Trustees receive remuneration for their services as provided for within the Constitution. The aggregate amount payable under such contracts in the 12 month period was £89,875 (2018: £89,963).

28. Controlling party

The Union is controlled by the Board of Trustees. The ultimate control of the Union is vested under the constitution in the membership in General Meetings. As such no single person or entity controls the Union as defined by Financial Reporting Standard 102.

29. Contingent liabilities

During the year, the Union was made aware of a possible increase in the liability for the pension deficit. The outcome of this contingent liability is not yet known and it cannot be quantified at this stage. As a result, the Union does not consider it necessary to provide for any additional liabilities in the accounts for the year ended 31 July 2019.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

30. Affiliations

	2019	2018
	£	£
Advice UK	1,968	1,947
Citizens Advice	-	758
Information Commissioners Office	35	35
National Association of Student Money Advisers	120	220
National Union of Students Charitable Services	192	180
National Union of Students Services Limited	120	120
National Union of Students	58,370	55,718
Sheffield Chamber of Commerce	-	234
Sheffield Creative Guild	-	158
Student Scout & Guide Organisation	43	60
Yorkshire & Humber Employers Association	165	158
Total Affiliations	61,013	59,588