

Company registration number: 10807853

Charity registration number: 1174053

NORTHUMBRIA STUDENTS' UNION

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 July 2021

Northumbria Students' Union

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Northumbria Students' Union

Reference and Administrative Details

Trustees	G Armstrong (appointed 1 July 2021) L E C Bell (resigned 30 June 2021) C Bissiri R Chintakayala E Collier (appointed 1 July 2021) A L Elliott-Smith A Q Harvey T A Hill (resigned 25 June 2021) E Kabengele (resigned 30 June 2021) R Kavanagh (appointed 5 November 2020 and resigned 30 June 2021) E A Kelly A Kemp (resigned 1 April 2021) C E Long O J Murrell (appointed 1 August 2020) C Shaw (resigned 28 May 2021) A M Sjoberg (appointed 1 July 2021) J P Slater (appointed 1 July 2021) G C J Smith (appointed 1 July 2021) E A Smyth (appointed 1 August 2020)
Secretary	N Sweby
Key Management Personnel	M R Williams, Chief Executive C Kersey, Director of Commercial Services N Sweby, Director of Membership Services and HR N Anjum, Finance Manager
Principal Office	Finance Department Northumbria Students Union 2 Sandyford Road Newcastle upon Tyne NE1 8SB
Bankers	NatWest 16 Northumberland Street Newcastle upon Tyne NE1 7EL
Auditor	MHA Tait Walker Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

The charity is incorporated in England and Wales.

Northumbria Students' Union

Reference and Administrative Details

Company Registration Number 10807853

Charity Registration Number 1174053

Solicitors TLT
One Redcliffe Street
Bristol
B51 6TP

Popplestone Allen
37 Stoney Street
The Lace market
Nottingham
NG1 1LS

Northumbria Students' Union

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 July 2021.

The financial statements comply with the Charities Act 2011, the Memorandum and Articles of Association, 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 Ireland (FRS 102) (effective January 2019).

Structure, governance and management

Nature of governing document

Northumbria Students' Union (hereafter referred to as the Students' Union) falls under the definition of a "students' union" in section 20(1) of the Education Act 1994. The Students Union is a Company Limited by Guarantee (No. 10807853) and Registered Charity (No. 1174053).

The University of Northumbria at Newcastle (hereafter referred to as the University) exercises its duty under the Education Act 1994 to take such steps as are reasonably practicable to secure that the Students' Union operates fairly and democratically and is accountable for its finances.

The Students' Union is governed by its Memorandum and Articles of Association and is responsible for providing representation and support to the students of the University.

Recruitment and appointment of trustees

The Students' Union is constituted in accordance with its Memorandum and Articles of Association and managed by the Trustees who are elected or appointed from time to time. Non-student (External) Trustees are appointed to serve for a period of four years. Student Trustees are appointed to serve for a period of one year.

Induction and training of trustees

The Trustees receive comprehensive induction into the Students' Union and their role and responsibilities including Charity Law and other legal responsibilities, Corporate and Fiduciary Duties, Governance, Strategy, Health & Safety and identifying/managing conflicts of interest. The training is delivered in a structured manner and delivered through a combination of sessions led by the Students' Union's experienced senior managers and one of the Union's External Trustees, a qualified solicitor. Trustees may also attend training events provided through NUS and delivered by experts in the field of charity law. At the start of the process of training and induction, all new Trustees undertake a skills audit for the Union to determine if any additional training or support will be required by Trustees for them to discharge their responsibilities.

Arrangements for setting key management personnel remuneration

The salary of the Chief Executive is determined by the Board of Trustees. The salary grades for the Director of Membership Services, The Director of Commercial Services and the Finance Manager is determined by the Board of Trustees.

Northumbria Students' Union

Trustees' Report

Organisational structure

The Students' Union's Board of Trustees consists of 13 trustees. There are six full-time or 'sabbatical' positions and they receive remuneration as authorised by the Education Act, these are the President, Vice President Education, Vice President Welfare, Vice President Activities, Vice President Sport and Vice President Postgraduate. No one can be on a sabbatical for more than two years. There are also four appointed Student Trustees and four appointed Non-Student (External) Trustees.

Subject to the provisions of Company Law, Charity Law, the Education Act, the Memorandum and Articles of Association and any Bye-Laws in force from time to time, the business of the Students' Union shall be managed by the Trustees who may exercise all the powers of the Students' Union. The Trustees set the Students' Union's budget, develop the Students' Union's strategic plan, oversee the performance of the Students' Union, manage risk effectively and ensure compliance with the law.

Student Council is the principal representation policy making forum of the Students' Union.

The Sabbatical Officers and Senior Managers oversee the day to day running of the Students' Union and are accountable to the Trustee Board. Sabbatical Officers receive an induction and training into their legal and administrative responsibilities, with an ongoing programme of development during their term of office.

The Students' Union employs non-student full time staff to ensure effective management of its many activities and to implement the policy decisions made by the Trustee Board and Student Council. There is delegated authority, through the Chief Executive, for operational decision making and accountability within the departments of the Students' Union, in accordance with an annually reviewed delegation of authority.

Relationships with related parties

The University of Northumbria at Newcastle

The Students' Union receives a Block Grant from the University and part-occupies buildings owned by the University, which also pays for utilities. This support is intrinsic to the relationship between the University and Students' Union and has not been valued. Although the Students' Union successfully runs various mutual trading activities it will always 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.

Northumbria Students' Union

Trustees' Report

Objectives and activities

Objects and aims

The Students' Union's charitable objects are set out in its Memorandum and Articles of Association. The Union's objects are the advancement of education of students at Northumbria University for the public benefit by:

- promoting the interests and welfare of students at Northumbria University during their course of study and representing, supporting and advising students;
- being the recognised representative channel between students and Northumbria 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 students.

The Students' Union will pursue these aims independently of any political party or religious group and will strive for equal opportunities and take positive action within the law to facilitate the participation of groups discriminated against by society.

In pursuit of these aims the Students' Union organises its work to provide a wide range of services to students in person and online. Physical activities are delivered through our principal premises and also across all campuses attended by Northumbria students. Online activities are delivered through both the University's teaching platform (Blackboard) and a diverse range of social media and video. Sabbatical Officers of the Students' Union sit on every major committee of the University and meet regularly with Newcastle City Council and other local organisations including residents associations to represent the interest of all students at the University.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

The Unions charitable objectives are the advancement of education of students at Northumbria University for the public benefit by providing sporting, social, cultural and recreational opportunities and facilities for students to further the educational purpose of Northumbria University.

Our services provide opportunities for the expression of student opinion and actively representing the interests of the students.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Risk Management

The Trustees have examined the major strategic, business and operational risks which the Students' Union faces and confirm that systems have been established to enable periodic reports to be produced so that the necessary steps can be taken to reduce and manage these risks.

Northumbria Students' Union

Trustees' Report

Achievements and performance

The 2020/21 year was exceptional. The Union entered it having gone through one lockdown and working closely with the University through the summer to anticipate how best to deliver a service in person to students in September. By October it was becoming increasingly clear that most campus activity would need to move online, followed by a series of lockdowns through the year. This entailed substantial changes to the way the Union delivers its services, often at short notice.

September also saw the University struck by an IT Incident which led to many of its systems being inaccessible including ones used by the Union and required quick work to develop alternative methods of engagement.

Perhaps the biggest achievement was the transition to remote working. Most of the Union staff who delivered services to students through lockdown did so from home. In some ways this highlighted the trends in services, particularly Education focused, to move to online provision in communication and training.

Where possible the Union remained open as a hub for students who were unable to go home or who could access campus outside lockdown. This entailed developing robust procedures for student led activities before lockdown to enable the widest range of activity to continue as well as remaining open for permitted activities such as education and supporting Muslim students in Friday prayers. This year the Union held its elections entirely online.

Despite this, the year was extremely challenging as so many of our activities are based on in person activity and overall engagement did decline through the year,

The key focus of the year was supporting students with the move to online teaching and representing their views. Sabbaticals worked to secure further extensions for Postgraduate Research students where funding made possible and to lobby the University over the academic regulations in response to the impact of COVID. NSU supported NUS' national campaign of Students Deserve Better which led to the government releasing funds to support students. Our advice service saw a 40% increase in caseload compared to the previous year.

The positive impact of the Students' Union has been recognised through regional and national awards, accreditation schemes and surveys of the student experience. This included -

- **Educate North 2020** - Employer Engagement Delayed from 2020, this award recognises achievements in the university sector in Northern England.
- **NUS Services Best Bar None Award [Gold] & [Platinum]** - recognises the quality of licensed premises operational management in terms of health and safety, corporate social responsibility and community relations and impact. Platinum recognises perfect scores in both the quality assessment and the mystery customer visit.
- **Investors in People [Silver]** - The Students' Union retained this nationally recognised mark of its standard as an employer
- **Queer Student Awards** - Our Welfare Officer Anna Kemp won Ally of the Year, one of our volunteers, Annabel Lee won Activist of the Year and one of our staff, Zander Godden was highly commended as Role Model of the Year.

Northumbria Students' Union

Trustees' Report

The Students' Union achieved **50% satisfaction** in Q26 of NSS 2020-21 "The students' union (association or guild) effectively represents students' academic interests." This did represent a substantial drop from 2019-20, demonstrating the challenge of delivering representation in the COVID environment.

In the **Your Union Your Say Survey 2021** we achieved the following results;

- 61% of our members said we have had a **positive impact**
- 79.19% of our members said the Students' Union takes action to **limit its negative impact** on the environment
- 67.85% of our members are **aware of who their course representative is**
- 55% of our members agreed we help them feel **part of a community**
- 69% of our members agreed the Students' Union **keeps them well informed** about what it does for students
- 44.67% of our members agreed their **academic experience has been improved** by the Students' Union
- 41% of our members agreed that their **personal wellbeing has been improved** by the Students' Union

Key stats

- 2,243 students in societies and volunteering
- 1,050 academic representatives
- 3,122 votes in our annual elections, first ever online. .

Corporate Plan Key Achievements

Education

1. Representing students' academic interests, NSU has -

- Lobbied for continuation of changes to student regulations to take into account impact of COVID and blended learning on students
- Submitted annual Quality Review of the University's teaching and learning in 2018/19
- Lobbied for extensions for Postgraduate Research students and improved communication during COVID.
- Undertaken research of Postgraduate Taught experience which is informing the University review of provision
- Worked to refresh a draft of the University Student Engagement Policy
- Opened 745 academic cases the highest on record.
- Ran an entirely online election with 3,122 votes cast and the largest number of candidates (72)
- Ran online Student Led Teaching Awards with 702 nominations for 340 staff.
- Trained 62.7% of reps, 13% improvement.

2. Campaigning for better higher education and value for money, NSU has -

- a. Supported NUS' Students Deserve Better Campaign

Career

1. Ensuring a degree at Northumbria leads to the jobs students want working with Careers, the Library and academic departments NSU has

- Supported 101 students through our volunteer recognition scheme to develop their ability to sell their experiences in job applications..
- 15 NSU staff re trained as mentors to support student volunteers in their career development
- 170 students recognised for 231 achievements on Higher Education Achievement Report
- Continued to deliver a range of mentoring and leadership projects for women, volunteer leaders and students who are the first generation at University.

Northumbria Students' Union

Trustees' Report

Wellbeing

1. Supporting students' physical, emotional and mental wellbeing to make lives easier NSU has -

- Lobbied accommodation providers across Newcastle to permit students to leave accommodation contracts in January lockdown
- Received £20,000 funding to support students with caring responsibilities and the student foodbank.
- Moved Mental Health First Aid training online and training 159 students.
- Launch peer to peer wellbeing mentoring service with Bazaar and trained 10 students who mentored 19 students.
- 150 students trained as active bystanders
- Expanded Foodbank service and supported 173 students in need in Newcastle and London
- Ran campaigns on male mental health, sexual health, student mental health during COVID

Community

1. Bringing students together to form lifelong friendships NSU has -

- Continued to deliver Northumbria Connected to bring together students online isolated by COVID
- Launched online societies and sports fair for students
- Launched an NSU housing advice service
- Worked with Newcastle Students' Union to raise concerns about COVID marshals in community and stigma against students during COVID
- Ran the virtual end of year Awards for student activities and Annual Awards

Financial review

Total income decreased from £3,999,304 to £3,424,045 primarily as a result of the imposed lockdown from March 2020 as a result of the coronavirus pandemic. The Students' Union in isolation generated an overall deficit of £74,446.

NU:Lets the house lettings trading subsidiary generated a loss of £14,296.

Northumbria Students' Union

Trustees' Report

Policy on reserves

Scope of Reserves Policy and Definition of "Free Reserves": The reserve policy covers all free reserves held by the Students' Union Charity. NSU defines free reserves as that part of the charity's income funds that are freely available to spend for any or all of the charity's purposes once it has met its commitments and covered its other planned expenditure.

Funds excluded from the definition of free reserves, and hence the policy, are:

1. Restricted funds
2. The Free Reserve (3 months' operating costs)
3. The Pension Deficit Contribution Fund
4. The Capital Development Reserve element of designated funds. These are amounts set aside for a particular project or use. The designation of funds is not binding, however, and the Trustee Board may change its plans and release these amounts to "free reserves". Further details can be found in note 25.

Reasons for Holding Reserves: The reserve policy determines the level of reserves required to enable NSU to:

1. Fund working capital
2. Fund unexpected expenditure when unplanned events occur
3. Fund shortfalls in anticipated income

Calculation of Required Reserves: The policy for activities run by NSU is based on its two major income streams affecting the level of free reserves:

1. University Block Grant (approx. 58% of total income)
2. Trading Activity income. (approx. 42% of total income)

The target for the Free Reserve is calculated as:

Three months' operating costs (as defined by the annual budgeted organisational expenditure), known as the 'operating reserve' circa £600k. The Charity aims achieved this level of Free Reserve by the end of the financial year 2023.

Funds held as custodian trustee on behalf of others

The Student Union acts as custodian trustee on behalf of Societies. Amounts owing to Societies are disclosed separately in creditors - amounts falling due within one year.

Northumbria Students' Union

Trustees' Report

Plans for future periods

The Students' Union's Corporate Plan 2018-2021 has four strategic themes with key aims. At the start of COVID the Board agreed to postpone work on the new corporate plan until the impact of COVID could be understood. This work will now begin in November 2021.

Our Members Education

- 1) Representing students' academic interests, NSU will -
 - a. Ensure every programme has a trained student representative, a member of a cross campus network of effective student representation.
 - b. Publish an Education Policy, setting out students' aspirations for their education at Northumbria and campaign for its implementation.
 - c. Work with the University to build a strong culture of student engagement, leading to high quality education for every student
 - d. Programme design and delivery will reflect student interest in issues of sustainability and human development within those subjects.
- 2) Campaigning for better higher education and value for money, NSU will -
 - a. Support every student to campaign on the education issues they face and where they want to see change
 - b. Campaign to ensure barriers and limitations to participation and achievement in higher education are challenged
 - c. Offer every student access to free, independent academic advice
- 3) Students will be able to say we effectively represent their academic interests and are aware of the services we provide.

Our Members Communities

- 1) On Campus, NSU will -
 - a. Provide communal spaces popular with a wide range of students.
 - b. Offer programmes of social activities that cater for the diversity of students.
 - c. Support societies that reflect the diversity of student interests and are easy to join and fun to be part of.
 - d. Ensure students at Coach Lane, London and Amsterdam have a programme of social activities and services which reflect the individual nature of those campuses.
 - e. Communicate in a way students want so that they know what is available and can easily participate.
- 2) Where students live, NSU will -
 - a. Work to ensure every student has access to accommodation that suits their needs.
 - b. Provide students with information and access to advice on their rights as a tenant.
 - c. Campaign on issues around student accommodation from cost to quality to sustainability.
 - d. Help build strong community relations in Newcastle working with students, politicians and local residents.
 - e. Campaign against discrimination and racism.
- 3) In every course, NSU will work to ensure -
 - a. Every course has an academic society
 - b. Every student feels part of their course

Northumbria Students' Union

Trustees' Report

Our Members Career

- 1) Working with University Careers, Library and departments we will ensure every student has access to -
 - a. Networking opportunities and masterclasses
 - b. Career workshops and employer talks
 - c. Study Skills support
 - d. Information on part-time jobs that can help students' careers
 - e. Information on the sustainability issues within different careers to choose from in line with their values
- 2) The Union will offer -
 - a. Hundreds of volunteering opportunities that help students develop the skills and experiences employers want.
 - i. Information on these opportunities and benefit to careers will be easy to access
 - ii. All volunteering opportunities will align with the Northumbria graduate outcomes.
 - iii. All volunteering opportunities can be entered on the Higher Education Achievement Record.
 - iv. Students can use their volunteering as meaningful work based learning within their course.
 - v. NSU and the University will agree on a means to have a volunteering credit bearing module.
 - b. Programme of skills training in areas such as Finance, managing events and activities and team work.
- 3) We will campaign to ensure value for money in any fees students pay for any placement or work based opportunities.

Our Members Wellbeing

- 1) Student safety, NSU will -
 - a. Work with the University, Police, Council and others to keep students safe on and off campus.
 - b. Campaign against any institutional policy or procedure that can cause harm to students on or off campus (see Community)
 - c. Campaign for high quality affordable student accommodation (see Community)
- 2) Student wellbeing, NSU will -
 - a. Work with University services to ensure every student, undergraduate and postgraduate, can access the support they need.
 - b. Campaign on issues affecting students' health and well-being. Our principal campaigns will be
 - i. mental health
 - ii. green, healthy environment
 - iii. sexual health and wellbeing
 - iv. drugs and alcohol
 - v. disability and access
 - vi. sexual violence
 - c. Always support any student to campaign on the wellbeing issues they face and where they want to see change
 - d. Help students build connections with each other, in person and online and provide information that helps students improve their wellbeing
- 3) More money, less stress, NSU will -
 - a. Work with the University to ensure campus offers healthy, cheap eating options
 - b. Offer services to help students manage their money
 - c. Campaign on price on and off campus
 - d. Secure and make students aware of better quality deals / offers for them
 - e. Work with the University careers to inform students of part time jobs that fit their needs

Northumbria Students' Union

Trustees' Report

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact. The charity and its trading subsidiaries have strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Northumbria Students' Union

Trustees' Report

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Northumbria Students' Union for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of MHA Tait Walker as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 19/04/2022.... and signed on its behalf by:



R Chintakayala 19 Apr 2022 11:44:41 BST (UTC +1)

R Chintakayala
Trustee



E Collier 19 Apr 2022 11:38:15 BST (UTC +1)

E Collier
Trustee

Northumbria Students' Union

Independent Auditor's Report to the Members of Northumbria Students' Union

Opinion

We have audited the financial statements of Northumbria Students' Union (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 July 2021, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 July 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

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

Other information

The 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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Northumbria Students' Union

Independent Auditor's Report to the Members of Northumbria Students' Union

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Financial Statements and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Financial Statements and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities [set out on page 13], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Northumbria Students' Union

Independent Auditor's Report to the Members of Northumbria Students' Union

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment laws; and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). For instance, the further removed non-compliance is from the event and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

Northumbria Students' Union

Independent Auditor's Report to the Members of Northumbria Students' Union

Use of our report

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



Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of MHA Tait Walker
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 15/4/2022.....

MHA Tait Walker is a trading name of Tait Walker LLP.

Northumbria Students' Union

Consolidated Statement of Financial Activities for the Year Ended 31 July 2021

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	3,095,354	58,042	3,153,396	2,886,688
Charitable activities	4	224,687	-	224,687	1,021,146
Other trading activities	5	5,092	-	5,092	62,878
Other income	6	40,870	-	40,870	28,592
Total Income		<u>3,366,003</u>	<u>58,042</u>	<u>3,424,045</u>	<u>3,999,304</u>
Expenditure on:					
Raising funds	7	(13,706)	-	(13,706)	(79,428)
Charitable activities	8	<u>(3,450,355)</u>	<u>(42,000)</u>	<u>(3,492,355)</u>	<u>(3,810,675)</u>
Total Expenditure		<u>(3,464,061)</u>	<u>(42,000)</u>	<u>(3,506,061)</u>	<u>(3,890,103)</u>
Net (expenditure)/income		<u>(98,058)</u>	<u>16,042</u>	<u>(82,016)</u>	<u>109,201</u>
Net movement in funds		(98,058)	16,042	(82,016)	109,201
Reconciliation of funds					
Total funds brought forward		<u>613,364</u>	<u>-</u>	<u>613,364</u>	<u>504,163</u>
Total funds carried forward	25	<u>515,306</u>	<u>16,042</u>	<u>531,348</u>	<u>613,364</u>

All of the group's activities derive from continuing operations during the above two periods.

Northumbria Students' Union

Comparative Consolidated Statement of Financial Activities for the Year Ended 31 July 2020 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Total 2020 £
Income and Endowments from:			
Donations and legacies	3	2,886,688	2,886,688
Charitable activities	4	1,021,146	1,021,146
Other trading activities	5	62,878	62,878
Other income	6	28,592	28,592
Total income		<u>3,999,304</u>	<u>3,999,304</u>
Expenditure on:			
Raising funds	7	(79,428)	(79,428)
Charitable activities	8	<u>(3,810,675)</u>	<u>(3,810,675)</u>
Total expenditure		<u>(3,890,103)</u>	<u>(3,890,103)</u>
Net income		<u>109,201</u>	<u>109,201</u>
Net movement in funds		109,201	109,201
Reconciliation of funds			
Total funds brought forward		<u>504,163</u>	<u>504,163</u>
Total funds carried forward	25	<u><u>613,364</u></u>	<u><u>613,364</u></u>

Northumbria Students' Union

(Registration number: 10807853) Consolidated Balance Sheet as at 31 July 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	15	-	1,227
Tangible assets	16	<u>176,637</u>	<u>212,844</u>
		<u>176,637</u>	<u>214,071</u>
Current assets			
Stocks	18	36,396	39,365
Debtors	19	388,542	375,459
Cash at bank and in hand	20	<u>1,140,175</u>	<u>1,087,944</u>
		1,565,113	1,502,768
Creditors: Amounts falling due within one year	21	<u>(1,092,112)</u>	<u>(985,073)</u>
Net current assets		<u>473,001</u>	<u>517,695</u>
Total assets less current liabilities		649,638	731,766
Creditors: Amounts falling due after more than one year	22	<u>(118,290)</u>	<u>(118,402)</u>
Net assets		<u>531,348</u>	<u>613,364</u>
Funds of the group:			
Restricted		16,042	-
Unrestricted income funds			
General funds		<u>515,306</u>	<u>613,364</u>
Total funds	25	<u>531,348</u>	<u>613,364</u>

The financial statements on pages 18 to 45 were approved by the trustees, and authorised for issue on 19/04/2022..... and signed on their behalf by:



R Chintakayala 19 Apr 2022 11:44:41 BST (UTC +1)

R Chintakayala
Trustee



E Collier 19 Apr 2022 11:38:15 BST (UTC +1)

E Collier
Trustee

Northumbria Students' Union

(Registration number: 10807853)

Balance Sheet as at 31 July 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	16	176,637	212,844
Investments	17	3	2
		<u>176,640</u>	<u>212,846</u>
Current assets			
Stocks	18	36,396	39,365
Debtors	19	388,434	367,407
Cash at bank and in hand	20	1,140,175	1,074,759
		1,565,005	1,481,531
Creditors: Amounts falling due within one year	21	<u>(1,091,527)</u>	<u>(969,701)</u>
Net current assets		<u>473,478</u>	<u>511,830</u>
Total assets less current liabilities		650,118	724,676
Creditors: Amounts falling due after more than one year	22	<u>(118,290)</u>	<u>(118,402)</u>
Net assets		<u>531,828</u>	<u>606,274</u>
Funds of the charity:			
Restricted		16,042	-
Unrestricted income funds			
Unrestricted funds		<u>515,786</u>	<u>606,274</u>
Total funds	25	<u>531,828</u>	<u>606,274</u>

The entity in isolation generated a deficit in the year of £74,446.

The financial statements on pages 18 to 45 were approved by the trustees, and authorised for issue on 19/04/2022.... and signed on their behalf by:



R Chintakayala 19 Apr 2022 11:44:41 BST (UTC +1)

R Chintakayala
Trustee



E Collier 19 Apr 2022 11:38:15 BST (UTC +1)

E Collier
Trustee

Northumbria Students' Union

Consolidated Statement of Cash Flows for the Year Ended 31 July 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash (expenditure)/income		(82,016)	109,201
Adjustments to cash flows from non-cash items			
Depreciation	16	91,520	103,798
Amortisation	15	119	492
		<u>9,623</u>	<u>213,491</u>
Working capital adjustments			
Decrease in stocks	18	2,969	3,640
(Increase)/decrease in debtors	19	(13,083)	770,873
Increase/(decrease) in creditors	21	86,505	(388,322)
Increase in deferred income	21	20,422	2,524
Net cash flows from operating activities		<u>106,436</u>	<u>602,206</u>
Cash flows from investing activities			
Sale of intangible fixed assets		1,108	-
Purchase of tangible fixed assets	16	(56,021)	(115,288)
Sale of tangible fixed assets		<u>708</u>	<u>-</u>
Net cash flows from investing activities		<u>(54,205)</u>	<u>(115,288)</u>
Net increase in cash and cash equivalents		52,231	486,918
Cash and cash equivalents at 1 August		<u>1,087,944</u>	<u>601,026</u>
Cash and cash equivalents at 31 July		<u><u>1,140,175</u></u>	<u><u>1,087,944</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: Finance Department, Northumbria Students Union, 2 Sandyford Road, Newcastle upon Tyne, NE1 8SB

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Northumbria 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 notes.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

Basis of consolidation

The financial statements consolidated the results of the charity and its wholly owned subsidiaries Northumbria Students' union Lettings Limited and Naturally Northumbria Limited (which is dormant) on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a deficit for the financial period of £74,446 (2020 - surplus of £104,794).

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

The Union is dependent, in the absence of other funding, on the continued financial support of the University of Northumbria. The Trustees believe, on the basis of discussions held, that further support will continue to be made available from the University.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. Beyond the normal prepayments, accruals and depreciation estimates, there are no further judgements or uncertainties.

Income and endowments

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

Grants receivable

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Donated services and facilities

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

Donated services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent benefit on the open market; a corresponding amount is then recognised in the expenditure for the period.

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

Charitable activities

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with reasonable certainty. Income received to deliver services over a specific period covering more than one financial year is accounted for over the specific period; related expenditure is accounted for when incurred.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

Irrecoverable VAT is charged against the expenditure in which it was incurred.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Website costs	25% straight line

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Equipment	25% straight line
Fixtures and fittings	25% straight line
Motor vehicles	25% straight line
Bar refurbishment building work	10% and 25% straight line
Soft furnishings	25% straight line

Stock

Stock is valued at the lower of cost or net realisable value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and other 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 that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Society Balances

Society balances are monies held on behalf of student clubs and societies. This money belongs to the society itself and is held within other creditors.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the group.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

University of Northumbria Students' Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the 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 Northumbria Students' Union. Under the terms of FRS17, in these circumstances contributions are accounted for as if the Scheme were a defined contribution scheme based on actual contributions paid through the year.

In line with FRS 102 any additional contributions required as part of a recovery plan need to be recognised in full at net present value at the balance sheet date.

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

3 Income from donations and legacies

	Unrestricted £	Restricted £	2021 £	2020 £
University of Northumbria block grant	1,500,010	-	1,500,010	1,472,575
University of Northumbria establishment grant	1,200,000	-	1,200,000	1,200,000
CJRS grant	395,344	-	395,344	214,113
Student Hardship fund	-	58,042	58,042	-
	<u>3,095,354</u>	<u>58,042</u>	<u>3,153,396</u>	<u>2,886,688</u>

All income in the 2020 year was unrestricted.

4 Income from charitable activities

	Unrestricted £	2021 £	2020 £
Commercial income	136,336	136,336	839,658
Membership income / (refunds)	(7,967)	(7,967)	53,295
Service income	96,220	96,220	128,193
	<u>224,589</u>	<u>224,589</u>	<u>1,021,146</u>

All income in the 2020 year was unrestricted.

5 Income from other trading activities

	Unrestricted funds £	Total 2021 £	Total 2020 £
Trading income;			
Trading subsidiary	5,092	5,092	62,878
	<u>5,092</u>	<u>5,092</u>	<u>62,878</u>

All income in the 2020 year was unrestricted.

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

6 Other income

	Unrestricted funds £	Total 2021 £	Total 2020 £
Other income	<u>40,870</u>	<u>40,870</u>	<u>28,592</u>

All income in the 2020 year was unrestricted.

7 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted General £	Total 2021 £	Total 2020 £
Trading subsidiary costs	<u>13,706</u>	<u>13,706</u>	<u>79,428</u>
	<u>13,706</u>	<u>13,706</u>	<u>79,428</u>

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

8 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	Total 2021 £	Total 2020 £
Commercial costs	647,065	1,284,069	1,931,134	2,184,995
Membership costs	799,091	666,325	1,465,416	1,524,489
Service costs	49,321	46,480	95,801	101,192
	<u>1,495,477</u>	<u>1,996,874</u>	<u>3,492,351</u>	<u>3,810,676</u>

In addition to the expenditure analysed above, there are also governance costs of £10,200 (2020 - £7,400) which relate directly to charitable activities. See note 9 for further details.

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Commercial costs	1,931,134	-	1,931,134
Membership costs	1,423,416	42,000	1,465,416
Service cost	95,801	-	95,801
	<u>3,450,351</u>	<u>42,000</u>	<u>3,492,351</u>

	Unrestricted funds General £	Restricted funds £	Total 2020 £
Commercial costs	2,184,995	-	2,184,995
Membership costs	1,524,489	-	1,524,489
Service cost	101,192	-	101,192
	<u>3,810,676</u>	<u>-</u>	<u>3,810,676</u>

During the year grants of £102,242 (2020 - £77,568) were paid to societies.

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

9 Analysis of governance and support costs

Support costs allocated to charitable activities

	Governance costs	Support costs	Total 2021	Total 2020
	£	£	£	£
Establishment costs	-	1,200,000	1,200,000	1,200,000
Salary and wages costs	-	696,142	696,142	609,023
Printing and stationery	-	578	578	1,628
Publicity	-	24,291	24,291	21,384
Cleaning	-	6,472	6,472	8,395
Equipment	-	13,935	13,935	15,705
Professional services	10,200	16,920	27,120	80,227
Travel and subsistence	-	955	955	460
Training	-	22,375	22,375	16,603
Sundries	-	5,006	5,006	4,056
	<u>10,200</u>	<u>1,986,674</u>	<u>1,996,874</u>	<u>1,957,481</u>

Governance costs

	General	Total 2021	Total 2020
	£	£	£
Audit fees			
Audit of the financial statements	6,000	6,000	6,500
Other fees paid to auditors	4,200	4,200	900
	<u>10,200</u>	<u>10,200</u>	<u>7,400</u>

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

10 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2021 £	2020 £
Audit fees	6,000	6,500
Depreciation of fixed assets	91,520	103,798
Amortisation of intangible assets	<u>119</u>	<u>492</u>

11 Trustees remuneration and expenses

The trustees are made up of external trustees and sabbatical officers. Sabbatical trustees were paid £131,057 (2020 - £113,080) as permitted by the Students' Union's Memorandum and Articles of Association. No trustees received payment for professional or other services supplied to the charity (2020 - £nil).

During the year, trustees were reimbursed £Nil (2020 - £281) for travel and accommodation costs incurred on behalf of the group.

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

12 Staff costs

The aggregate payroll costs were as follows:

	2021	2020
	£	£
Wages and salaries	1,407,157	1,527,962
Employers national insurance	110,886	119,441
Employers pension	81,270	68,507
	<u>1,599,313</u>	<u>1,715,910</u>

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2021	2020
	No	No
Commercial services	22	27
Membership services	21	23
Senior management	4	4
Finance	3	3
Facilities	3	3
Student staff	75	89
	<u>128</u>	<u>149</u>

The number of employees whose emoluments fell within the following bands was:

	2021	2020
	No	No
£70,001 - £80,000	-	1
£140,001 - £150,000	1	-
	<u>1</u>	<u>-</u>

The total employee benefits of the key management personnel of the group were £292,060 (2020 - £221,638).

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

13 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>6,000</u>	<u>6,500</u>
Other fees to auditors		
Taxation compliance services	500	900
All other non-audit services	<u>3,700</u>	<u>-</u>
	<u>4,200</u>	<u>900</u>

14 Taxation

The parent entity is a registered charity and is therefore exempt from taxation. The group components (subsidiaries) relieve their tax liability by making gift aid payments to the parent charity within 9 months of the year end.

15 Intangible fixed assets

Group

	Website costs £	Total £
Cost		
At 1 August 2020	1,900	1,900
Disposals	<u>(1,900)</u>	<u>(1,900)</u>
At 31 July 2021	<u>-</u>	<u>-</u>
Amortisation		
At 1 August 2020	673	673
Charge for the year	119	119
Eliminated on disposals	<u>(792)</u>	<u>(792)</u>
At 31 July 2021	<u>-</u>	<u>-</u>
Net book value		
At 31 July 2021	<u>-</u>	<u>-</u>
At 31 July 2020	<u>1,227</u>	<u>1,227</u>

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

16 Tangible fixed assets

Group

	Furniture and equipment £	Computer equipment £	Leasehold Improvements £	Equipment £	Total £
Cost					
At 1 August 2020	94,903	44,080	337,807	456,912	933,702
Additions	9,072	30,759	5,905	10,285	56,021
Disposals	-	(3,000)	(6,418)	(714)	(10,132)
At 31 July 2021	<u>103,975</u>	<u>71,839</u>	<u>337,294</u>	<u>466,483</u>	<u>979,591</u>
Depreciation					
At 1 August 2020	84,136	41,901	227,800	367,021	720,858
Charge for the year	6,939	3,347	34,284	46,950	91,520
Eliminated on disposals	-	(3,000)	(6,418)	(6)	(9,424)
At 31 July 2021	<u>91,075</u>	<u>42,248</u>	<u>255,666</u>	<u>413,965</u>	<u>802,954</u>
Net book value					
At 31 July 2021	<u>12,900</u>	<u>29,591</u>	<u>81,628</u>	<u>52,518</u>	<u>176,637</u>
At 31 July 2020	<u>10,767</u>	<u>2,179</u>	<u>110,007</u>	<u>89,891</u>	<u>212,844</u>

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

Charity

	Furniture and equipment £	Computer equipment £	Leasehold Improvements £	Equipment £	Total £
Cost					
At 1 August 2020	94,903	41,078	331,389	456,912	924,282
Additions	9,072	30,759	5,905	10,285	56,021
Disposals	-	-	-	(714)	(714)
At 31 July 2021	<u>103,975</u>	<u>71,837</u>	<u>337,294</u>	<u>466,483</u>	<u>979,589</u>
Depreciation					
At 1 August 2020	84,137	38,899	221,381	367,021	711,438
Charge for the year	6,939	3,347	34,284	46,950	91,520
Eliminated on disposals	-	-	-	(6)	(6)
At 31 July 2021	<u>91,076</u>	<u>42,246</u>	<u>255,665</u>	<u>413,965</u>	<u>802,952</u>
Net book value					
At 31 July 2021	<u>12,899</u>	<u>29,591</u>	<u>81,629</u>	<u>52,518</u>	<u>176,637</u>
At 31 July 2020	<u>10,766</u>	<u>2,179</u>	<u>110,008</u>	<u>89,891</u>	<u>212,844</u>

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

17 Fixed asset investments

Charity

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 August 2020	2	2
Additions	1	1
At 31 July 2021	3	3
Net book value		
At 31 July 2021	3	3
At 31 July 2020	2	2

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2021	2020	
Subsidiary undertakings					
Naturally Northumbria Limited	England and Wales	ordinary	100%	100%	dormant during the year and did not trade
Northumbria Students' Union Lettings Limited	England and Wales	ordinary	100%	100%	property letting agent - ceased trading in the year

18 Stock

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Stocks	36,396	39,365	36,396	39,365

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

19 Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	19,347	19,346	19,239	19,969
Due from group undertakings	-	-	-	1,044
Prepayments	333,145	343,304	333,145	342,079
Accrued income	25,990	8,437	25,990	-
VAT recoverable	10,060	4,315	10,060	4,315
Other debtors	-	57	-	-
	<u>388,542</u>	<u>375,459</u>	<u>388,434</u>	<u>367,407</u>

20 Cash and cash equivalents

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Cash on hand	5,130	5,731	5,130	5,731
Cash at bank	<u>1,135,045</u>	<u>1,082,213</u>	<u>1,135,045</u>	<u>1,069,028</u>
	<u>1,140,175</u>	<u>1,087,944</u>	<u>1,140,175</u>	<u>1,074,759</u>

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

21 Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	46,589	32,254	46,004	30,182
Other taxation and social security	25,432	25,985	25,432	25,241
Other creditors	106,374	94,811	106,374	94,771
Accruals	182,631	121,359	182,631	108,843
Deferred income	731,086	710,664	731,086	710,664
	<u>1,092,112</u>	<u>985,073</u>	<u>1,091,527</u>	<u>969,701</u>

The Students' Union acts as custodian trustee on behalf of Societies. Assets held are in the form of cash. The balance owing to the societies at the year end included within other creditors is £90,584 (2020: £76,250).

Deferred income

Group

	2021	2020
	£	£
Deferred income at 1 August 2020	710,664	708,140
Resources deferred in the period	731,086	710,664
Amounts released from previous periods	<u>(710,664)</u>	<u>(708,140)</u>
Deferred income at year end	<u>731,086</u>	<u>710,664</u>

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

22 Creditors: amounts falling due after one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Other creditors	<u>118,290</u>	<u>118,402</u>	<u>118,290</u>	<u>118,402</u>

Creditors amounts falling due after more than one year includes the following liabilities on which security has been given:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Pension deficit liability	<u>118,290</u>	<u>118,402</u>	<u>118,290</u>	<u>118,402</u>

Group

Included in the creditors are the following amounts due after more than five years:

	2021	2020
	£	£
After more than five years by instalments	<u>78,425</u>	<u>75,333</u>

Charity

Included in the creditors are the following amounts due after more than five years:

	2021	2020
	£	£
After more than five years by instalments	<u>78,425</u>	<u>75,333</u>

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

23 Pension and other schemes

Defined benefit pension schemes

Students' Union Superannuation Scheme

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 15 years and 9 months and will increase by at least 5% each 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 no later than 30 June 2019. Surpluses or deficits which arise at future valuations will also impact on the Northumbria Students' Union future contribution commitment. In addition to the above contributions, the Northumbria Students' 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 by Northumbria Students' union over 15 years to clear the funding deficit is £127,030 (2020 - £126,827). In calculating this net present value, annual increases of 5% have been made and a discount rate of 2.25% (2020 - 3.75%) representing the typical yield of high quality corporate bonds has then been applied.

24 Commitments

Group

Pension commitments

The University of Northumbria Students' Union operated two defined contribution schemes during the year. Commitments provided for in the accounts amounted to £Nil (2020 - £8,465). Commitments not provided for in the accounts amounted to £Nil (2020 - £Nil). £Nil relates to pension commitments related to pensions payable to past directors (2020 - £Nil).

Other financial commitments

The other financial commitments relate to operating leases the group has entered into.

The total amount of other financial commitments not provided in the financial statements was £1,280,000 (2020 - £1,200,000).

Charity

Other financial commitments

The other financial commitments relate to operating leases the charity has entered into.

The total amount of other financial commitments not provided in the financial statements was £1,280,000 (2020 - £1,200,000).

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

25 Funds

Group

	Balance at 1 August 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 July 2021 £
Unrestricted funds					
General					
General fund	250,520	3,366,003	(3,464,061)	36,207	188,669
Designated					
Capital fund	212,844	-	-	(36,207)	176,637
Capital development fund	150,000	-	-	-	150,000
	<u>362,844</u>	<u>-</u>	<u>-</u>	<u>(36,207)</u>	<u>326,637</u>
Total unrestricted funds	613,364	3,366,003	(3,464,061)	-	515,306
Restricted funds					
Student Hardship fund	-	58,042	(42,000)	-	16,042
	<u>-</u>	<u>58,042</u>	<u>(42,000)</u>	<u>-</u>	<u>16,042</u>
Total funds	<u>613,364</u>	<u>3,424,045</u>	<u>(3,506,061)</u>	<u>-</u>	<u>531,348</u>
	Balance at 1 August 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 July 2020 £
Unrestricted funds					
General					
General fund	152,809	3,999,304	(3,890,103)	(11,490)	250,520
Designated					
Capital fund	201,354	-	-	11,490	212,844
Capital development fund	150,000	-	-	-	150,000
	<u>351,354</u>	<u>-</u>	<u>-</u>	<u>11,490</u>	<u>362,844</u>
Total funds	<u>504,163</u>	<u>3,999,304</u>	<u>(3,890,103)</u>	<u>-</u>	<u>613,364</u>

The specific purposes for which the funds are to be applied are as follows:

Designated funds

The capital fund equals the net book value of the tangible fixed assets.

The capital development fund is for the reconfiguration of Reds Bar.

Restricted funds

The Student Hardship fund - Hardship funds are to support students with parental responsibilities who are experiencing unexpected or unforeseen financial difficulties. This enables students to focus on their studies and fully participate in all the fantastic opportunities university has to offer.

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

26 Analysis of net assets between funds

Group

	Unrestricted		Restricted £	Total funds £
	General £	Designated £		
Tangible fixed assets	-	176,637	-	176,637
Net current assets/(liabilities)	306,959	150,000	16,042	473,001
Creditors over 1 year	<u>(118,290)</u>	<u>-</u>	<u>-</u>	<u>(118,290)</u>
Total net assets	<u>188,669</u>	<u>326,637</u>	<u>16,042</u>	<u>531,348</u>

	Unrestricted		Restricted £	Total funds at 31 July 2020 £
	General £	Designated £		
Intangible fixed assets	1,227	-	-	1,227
Tangible fixed assets	-	212,844	-	212,844
Net current assets/(liabilities)	367,695	150,000	-	517,695
Creditors over 1 year	<u>(118,402)</u>	<u>-</u>	<u>-</u>	<u>(118,402)</u>
Total net assets	<u>250,520</u>	<u>362,844</u>	<u>-</u>	<u>613,364</u>

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

27 Analysis of net funds

Group

	At 1 August 2020 £	Financing cash flows £	At 31 July 2021 £
Cash at bank and in hand	<u>1,087,944</u>	<u>52,231</u>	<u>1,140,175</u>
Net debt	<u>1,087,944</u>	<u>52,231</u>	<u>1,140,175</u>
	At 1 August 2019 £	Financing cash flows £	At 31 July 2020 £
Cash at bank and in hand	<u>601,026</u>	<u>486,918</u>	<u>1,087,944</u>
Net debt	<u>601,026</u>	<u>486,918</u>	<u>1,087,944</u>

Northumbria Students' Union

Notes to the Financial Statements for the Year Ended 31 July 2021

28 Related party transactions

Charity

During the year the charity made the following related party transactions:

University of Northumbria

The University of Northumbria is the governing body under the Students' Union's Memorandum and Articles of Association.

From 1 February 2016 the Union signed a 5 year lease through to 31 July 2021 with the University at a rate of £1,200,000 per annum.

During the year, the University of Northumbria provided a block grant of £1,500,010 (2020: £1,472,575) and an establishment grant of £1,200,000 (2020: £1,200,000). At the balance sheet date the amount due from the to/from University of Northumbria was £Nil (2020 - £Nil).

In 2021, Northumbria Students Union Lettings Limited issued 1 Ordinary £1 share to Northumbria Students' Union at a premium of £112,682 to clear out the balance sheet as the entity has now ceased trading and will be wound up in due course.

Northumbria Students' Union Lettings Limited

Northumbria Students' Union Lettings Limited is a wholly owned subsidiary of Northumbria Students' Union.

During the year, Northumbria Students' Union Limited invoiced £nil (2020 - £6,704) in respect of management charges and £nil (2020 - £3,751) for catering provisions. At the balance sheet date the amount due from the to/from Northumbria Students' Union Lettings Limited was £Nil (2020 - £106,863). The provision for doubtful debts from the related parties at the balance sheet date was £Nil (2020 - £105,819).

In 2021, Northumbria Students Union Lettings Limited issued 1 Ordinary £1 share to Northumbria Students' Union at a premium of £112,682 to clear out the balance sheet as the entity has now ceased trading and will be wound up in due course.