

**Registered Charity No: 1144763**

**UNION OF KINGSTON STUDENTS  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

# Union of Kingston Students Contents

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**Union of Kingston Students  
Annual Report and Accounts  
for the year ended 31 July 2020**

**Administrative information**

**Charitable Status**

Union of Kingston Students (the Union) is an unincorporated charity established under the Education Act 1994. The Union is registered with the Charity Commission and our charity number is 1144763.

**Principal Address**

Penrhyn Road  
Kingston Upon Thames  
Surrey  
KT1 2EE

**Union Trustees**

Full-time officers and Student Trustees are elected to hold office for a period of one year, by a cross campus ballot of Kingston University students. Officers are elected to represent a campus and then as a team, choose secondary remits. External Trustees are appointed by the Trustee Board to support the effective running of the students' union, and as such, have particular expertise on which the officer and student trustees can draw.

|   | <b>From July 2020</b>  | <b>From July 2019</b>  |
|---|--|--|
| <b>Full-time Officers*:</b>                                   |  |  |
| President   | Feisal Haji  | Feisal Haji  |
| Vice President Education                                      | Kamal Mohamed (appointed August 2020)  | Muhammed Muneer (resigned July 2020)   |
| Vice President Student Activities                             | Muna Ali   | Muna Ali   |
| Vice President Welfare  | Hamad Momin  | Hamad Momin  |
| <b>Student Trustees:</b>                                      | Shubham More<br>Leen Salah<br>Disha Dikshit<br>Mohamed Sgaier  | Abigail Tuxworth-Grant (resigned February 2020)<br>Yousef El-Hana<br>Disha Dikshit<br>Sebastien Stoner (resigned October 2020) |
| <b>External Trustees:</b>                                     | Humah Akram (resigned October 2020)<br>Sayed Alkadiri<br>Matt Denham (resigned October 2020)<br>Paul Jobson (resigned October 2019)<br>Tom Newman (appointed January 2021)<br>Tariq Shaekh (appointed January 2021)<br>Ibrahim Cali (appointed January 2021) |  |
| <b>Auditors</b>   | <b>Bankers</b>   | <b>Solicitors</b>  |
| Goodman Jones LLP<br>29 / 30 Fitzroy Square<br>London W1T 6LQ | National Westminster Bank Plc<br>5 Market Place<br>Kingston-upon-Thames<br>Kingston<br>Surrey<br>KT1 1JX   | Ashton Bond Gigg<br>Pearl Assurance House<br>Friars Lane<br>Nottingham<br>NG1 6BX  |

The Board of Trustees can be contacted by emailing [studentsunion@kingston.ac.uk](mailto:studentsunion@kingston.ac.uk)

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**Administrative information (continued)**

The Union employs a Chief Executive Officer (CEO) to work closely with the Student Officers and ensure effective management of the charity as head of a senior management team.

**Key management personnel:**

|                                      |  |
|--------------------------------------|--|
| Chief Executive                      | Jamie Stratton                               |
| Head of Student Voice                | Natalie Forrester                            |
| Finance and Central Services Manager | Joseph Asuquo                                |
| Student Opportunities Manager        | Annabel Mabin (appointed<br>September 2019)  |
|                                      | Grace Richards (appointed<br>September 2019) |

\*Full time officers named above

The Board of Trustees present their Annual Report for the year ended 31 July 2020, which includes the administrative information set out on page 1, together with the audited accounts for that year.

**Union of Kingston Students  
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**Union of Kingston Students - President's Report - year ended 31 July 2020**

Union of Kingston Students ("UKS") is a registered charity whose members are Kingston University students who elect student representatives to lead the organisation, supported by a team of permanent staff who are responsible for the operation and management of the Union.

Students are represented at all levels of decision making within the Union and the University, supported by the Union's team. Elected student representatives sit on various boards and committees to represent the views of Kingston University students.

UKS has made some significant improvements against the strategic plan and new direction for the Union that was set in 2019. The organisation underwent a number of significant changes, with a newly elected officer team and a comprehensive staffing restructure, which has enabled the Union to begin the journey to becoming a relevant and high performing union in the future.

The Union was progressing very well up to the Covid-19 crisis and was making good strides to improve both the relationship with the student body and with key stakeholders such as the University. When the lockdown happened in March 2020, UKS adapted to be able to provide key services to its members via an improvement in digital means.

We have made some significant improvements this year, including:

- Significantly increasing our clubs and society members to over 3,500
- Increased election turnout to over 2,500 votes with 58 candidates standing for election
- Generated additional income through the acquisition of the Union's merchandise contract
- Raised nearly £20,000 for good causes and charities through our extensive fundraising from societies
- Helped over 100 students stay on their course through our advice team
- Completely revolutionised and overhauled our welcome and induction programme with over 4000 unique visitors across our week of events.

In order to continue this success, it is vital we continue to work in partnership with Kingston University on a range of joint projects in the pursuit of our common goals. Looking forward, we have some very exciting opportunities to improve the relationship with the University by co-delivering a number of key projects that will support both ours and the universities growth. We are now much more confident in our relationship with the University and have really improved how we work together to improve experience for students at Kingston.

The 2020-2021 will be a particular challenge for UKS as we are in the middle of the current Covid-19 pandemic. We are confident that UKS, following the changes made last year, is robust financially to be able to with sustain any financial shocks to the organization, and our relationship with the University has enabled us to ensure that we are financially robust. We are working incredibly hard to support students remotely for now and the foreseeable future and we will work to both improve our current offer and how to create new opportunities for students to engage with us.

Leadership is at the heart of students' unions and whether it is through elected student council members, sports or societies committee members, student staff in the Union or student representatives across the university, Union of Kingston Students will continue its mission to be a hub for student leadership within the Kingston University community. Finally, it is an honour to be the chair the Trustee Board and it will be a privilege to lead the Union's development as we enter our exciting new phase.

**Feisal Haji**  
Union President

## **Union of Kingston Students Annual Report and Accounts for the year ended 31 July 2020**

### **Structure, governance and management**

The Union is constituted under the Education Act 1994 with internal regulations or Rules approved by the governing body of Kingston University. The Union's charitable Objects under the Act, to advance the University's educational purposes by providing representation and support for the students of the University, are supplemented by the further Object of helping members develop their own charitable activities as active participants in civil society.

The Union is administered by student officers elected annually by a cross campus secret ballot of the Union membership. The four posts of President, Vice President Education, Vice President Student Activities and Vice President Welfare. These are full time ('sabbatical') posts remunerated as authorised by the Education Act and cannot exceed two years duration for each holder.

We are working to develop student networks and a student council representation system, to represent the diverse needs of all students and raise awareness of issues which impact upon diversity and marginalised groups both within Kingston University as well as in our wider society. Student Networks include but are not limited to: Disabled, BME (Black, Minority, Ethnic), Women, LGBTQIA+, International, Postgraduate, and Mature Students. From these networks, there will be elected representatives, which alongside their studies, will run campaigns and attend meetings to ensure the Union is an effective voice of the students that they represent. These representatives will also support and inform the work of the full time officers.

All Union membership are invited annually to the AGM where they are encouraged to hold their Sabbatical team to account, approve general policy, annual budgets and accounts. New policies are also presented during the AGM and voted on. Additionally the Union's affairs are overseen by a Trustee Board comprising the 4 full time officers, 4 part-time elected student trustees and 4 appointed external trustees. The Board of Trustees is responsible for the management and administration (governance, budget and strategy) of the Union and (subject to the Education Act, the Constitution and the Bye-Laws) may exercise all the powers of the Union. The Trustees confirm that they have complied with their duty in s.4 of the Charities Act 2011 to have due regard to the guidance concerning the operation of public benefit published by the Charity Commission. The Trustee Board delegates the day-to-day running of the Union to a Chief Executive.

The Union also employs a number of non-student staff for the sake of continuity in the management of its many activities. Those staff are accountable to the Chief Executive for the performance of their duties. When appointing external trustees, the Board has regard to the requirement for any specialist skills needed, for example an understanding of Kingston University and its senior management structures and strategies, human resources and personnel, finance and accounts and marketing and business development.

The Union delivers a robust training and induction programme for our trustees. On an annual basis, the Union works with NCVO to provide induction training for the new student and officer trustees and provides them with an opportunity to meet as a board prior to the first board meeting. The Board hold an annual away day where they meet to discuss a key strategic priority for the organisation or how to improve board performance. The Board also have a standing item on every board meeting agenda to review the Board's performance at that meeting. This training and induction will continue with the new external trustees appointed for the next academic year.

# Union of Kingston Students Annual Report and Accounts for the year ended 31 July 2020

## Relationship with Kingston University

The relationship between Kingston University and the Union is established in the Regulations of the University and detailed in the Union regulations approved by both institutions in a partnership document signed by the President on behalf of the Union and the University Registrar and Secretary on behalf of the University. The Code of Practice document sets out the operational partnership and management of the Union and the University and is signed by the Chair of the University Board of Governors and the Chair of the Union Trustee Board. Both documents were last renewed in July 2020.

The Union receives a Block Grant from the University, and part-occupies a building owned by the University, which also pays for utilities and caretaking. This non-monetary support is intrinsic to the relationship between the University and the Union.

There is no reason to believe this or equivalent support from the University will not continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body.

## Risk Management

The senior management team has examined the major strategic, business and operational risks faced by the Union. A risk register has been established and is updated at least annually and reviewed every 6 months by the Union's Finance, Governance, and Risk Committee. Where appropriate, systems or procedures have been established to mitigate the risks the Union faces. Budgetary and internal control risks are minimised by the implementation of procedures for the authorisation of all transactions and projects. The current Covid-19 crisis is the largest current risk for UKS, along with the ongoing SUSS pension deficit. UKS trustees and sub-committee members are aware of the major risks and are taking steps to mitigate these risks.

Procedures are in place to ensure compliance with health and safety of staff, volunteers and participants on all activities organised by the Union. These procedures are periodically reviewed to ensure that they continue to meet the needs of the Union. Documents were last renewed in 2019/20.

## Aims, Objectives and Activities

Our Union strategy has been operational since August 2019 and this has been the first year of our new strategic plan.

Our Vision:

*Providing lifelong experiences and opportunities for all Kingston students.*

Our Mission:

*We will support all Kingston students throughout their university experience, breaking down barriers and provide opportunities for them to succeed in their future.*

Our Core Themes are:

- Strong Student Voice
- Supporting Student Wellbeing
- Thriving Student Communities
- Providing Skills and Experience

These are supported by our enabling themes:

- Diversifying our Income
- Vibrant and exciting Organisation
- Evidence Led Organisation

## **Union of Kingston Students Annual Report and Accounts for the year ended 31 July 2020**

In pursuit of these aims the Union will ensure that its membership is supported within every aspect of university life possible and will continue to work to ensure that it leads on student facing issues, ensuring a student voice at all levels of the University and to provide a wide range of opportunities to participate in a positive student experience. In terms of co-curricular activity, the Union leads on sports (both competitive and recreational), student-led societies, local and international volunteering projects, an initiative on sustainability and the environment, and various social events.

The Union continues to represent the students of this University on relevant local, national and international issues by maintaining a high proportion of student representatives. Student representatives are present on all policy and strategy making boards.

### **Achievements and performance**

This year has been the first year that UKS has worked against its new strategic plan. Following some difficult years, UKS has delivered some strong improvements within the first year of our plan and we believe this has set us up for continued organisational improvement in the next 3 years.

We acknowledge the challenges that presented the organisation during the first lockdown and the Covid-19 crisis and we made adjustments to ensure we could continue to deliver for our students. We believe that by regularly reviewing the effectiveness of all aspects of our organisation, we ensure that we remain relevant and effective in terms of delivering the services our members need and want. Some of our achievements over the academic year 2019/20 include:

- **470,000 website views**
- **58 candidates for elected roles**
- **2,630 election voters with 14,000 individual election votes cast**
- **16% increase in election turnout**
- **2,607 student members of societies**
- **900 student members of sports teams**
- **£17,500 raised through student fundraising**
- **Saved £500,000 for the university through keeping students on their course**
- **Over 70 student staff employed throughout the year**
- **3,848 attendees at our Freshers Fair**
- **Over 200 individual nominations for our academic impact awards**

Below are some student testimonies from our annual impact report about the work that UKS has undertaken this year

“Working closely with the Course Reps this year and introducing the Rep Catch Ups has been a real turning point for the Students’ Union in effectively representing students’ academic interests.”

“Many students have said that having these recreational sports that don’t require any proper commitment or money brings such a huge relief because it allows us to exercise without any financial burdens or pressure. It’s also been a huge help to mental health and that’s obviously something a lot of students value now too”

## **Union of Kingston Students Annual Report and Accounts for the year ended 31 July 2020**

“Sport has been a major influence for me as it highlighted that we can push our limits physically and mentally. We'll start from somewhere and when you join a sport you'll be welcomed with open arms and encouraged to give it your all and have a good time.”

“Working with the Union has given me the opportunity to use my creative skill set whilst giving me great experience and support. It has been exciting to see the designs I've worked on posted around the university and creating an impact which nurtures the student community.”

### **Impact of Covid-19**

We supported students throughout the current Covid-19 crisis in the following ways.

- Sent food packages to halls of residence for students who were stuck without food and self-isolating. This included our fantastic student nurses who were working on the front line as well as other students with access needs
- We continued to pay all of our student staff in full throughout the pandemic.
- We transitioned our Union services online, and on social media. We held weekly competitions and giveaways on our Instagram account to keep up student morale.
- We collated the issues students were facing and our President made this into a report which was presented to the University.
- Our advisors have continued to work remotely during this uncertain period to provide support to students who have risen concerns through our social media channels, emails or via conferencing sites.

As an organisation, we have managed the Covid-19 crisis well. We have transitioned ourselves to be able to deliver remote provision for our students, as well as ramping up welfare advice and support for those students who really need it during this difficult period. The Union has built up robust finances in the last 12 months, therefore meaning that the Union is in a strong financial position to be able to contend with this uncertain time. There is obviously an uncertain period in relation to student numbers and the impact that will have on our future budget, but we are confident that UKS has built up a strong financial position that will allow us to grow and develop once the current crisis is over.

### **Future Plans**

We're proud of the work we've done this year as a Union, and we know there's still a lot more to do. Our student officers have already outlined their goals for the year and have started working with the Union team to make progress on these. The issues being focused on include strengthening academic societies, research and work into BAME students, international students and continuing work on the course rep system.

We're staying as a digital Union as we head into the new academic year, planning for a virtual freshers and welcome period. We are looking at how we can further support students' wellbeing through this difficult period by working with the university on a number of new initiatives, as well as exploring possible new retail opportunities within Kingston town centre.

## **Union of Kingston Students Annual Report and Accounts for the year ended 31 July 2020**

### **Financial review**

The Union's gross income was £1,708,622 (2019: £1,667,998) during the year. This included the annual block grant from the University of £939,612 (2019: £873,229), an estimated value of the serviced accommodation provided by the University of £295,004 (2019: £250,000), restricted club and society income totalling £155,692 (2019: £126,383), and other restricted income totalling £30,264 (2019: £39,996).

Total expenditure of £1,563,309 (2019: £1,747,414) on the wide-ranging student benefits we provide, as well as on fundraising and other revenue-generating activities, meant a surplus for the year of £145,313 (2019: deficit £79,416). The Union's expenditure included annual affiliation to the National Union of Students of £41,853 (2019: £34,627).

Due to the nature of the Charity and its activities, no professional fundraisers are used and no complaints were received in the year regarding the Charity's fundraising practices.

### **Reserves**

The Union should hold reserves to cover unexpected eventualities and also ensure there are sufficient to resource planned capital expenditure. Total unrestricted reserves at 31st July 2020 were in deficit by £1,198,851 (2019: deficit £965,951). This is due to a defined benefit pension liability of £1,521,599 (2019: £1,151,071). Additionally, funds of £4,967 (2019: £71,056) were restricted for use by sports and societies as well as funds of £15,244 (2019: £13,266) being restricted for other projects. The unrestricted reserves position before pensions liability is positive reserves totalling £322,748 (2019: £185,120), and the trustees consider this to be the most accurate measure of the balance sheet position.

The Trustees have determined that reserves to cover costs for a minimum of 3 months would be prudent. However, as a charity where our main funder has more stable income and strategic planning of budgets, we are not dependent on fundraised income to sustain our services. However, funding within the higher education sector is coming under increased pressure and there are competing stakeholders for the university's funds. Three months of reserves to cover usual operating costs is currently £325,000. The Charity will continue with prudent financial management to maintain the level of reserves required for three months of operations. The Trustees have agreed to review our current reserves provision to ensure we have a robust reserves and investment plan for the union.

### **Going Concern**

The Union is in a net liability position as a result of the pension scheme deficit liability. This liability represents the net present value of deficit contributions over the agreed funding plan to 2033, and does not represent an immediate cash outflow. Before the pension scheme deficit liability the Union has positive funds of £342,959 (2019: £269,442). After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources and has received assurances from the University that financial support through the block grant will continue to be available to enable it to continue in operational existence for the foreseeable future. The Trustees have considered the impacts that the Covid-19 pandemic may have for the Charity and it is deemed that the Charity can meet its commitments and liabilities. The Charity made use of Government financial support through the Coronavirus job retention scheme during the year. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### **Custodian Activities: Clubs & Societies' Funds**

The Union acts as custodian for funds raised by the students' many Clubs & Societies themselves, in addition to the grant-support funds it disburses to them as shown in the accounts.

**Union of Kingston Students  
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**Pay policy for senior staff**

The Chief Executive is supported by four permanent members of staff that form the Senior Management Team. This team is in charge of directing and controlling, running and operating the Union on a day-to-day basis. Union of Kingston Students' Board of Trustees includes four paid trustees (elected sabbatical officers) who receive salaries lower than most non-student staff. As well as having a role as a Trustee of the Union, the officers perform a full-time role for a year to be the voice of students. They listen to how students want things to be done, work with Union staff, the Board of Trustees and partners to make it happen. They represent students to Kingston University, external organisations and the wider community. Details of trustee expenses and related party transactions are disclosed in the accounts. The pay of the senior staff is reviewed annually along with the annual salary review and only increased in line with the annual pay increase for all staff, which is normally in accordance with average earnings. In view of the nature of the Charity, the Trustees benchmark against pay levels in other students unions of a similar size and location. If recruitment has proven difficult in the recent past, a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

**Statement of Trustees' responsibilities**

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 adequate accounting records that are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the Charity's constitution. 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.

**Auditors**

Goodman Jones LLP were appointed as auditors during the year and will be re-appointed as auditors for the next financial year at the Annual General Meeting.

**Union of Kingston Students  
Annual Report and Accounts  
for the year ended 31 July 2020**

**Disclosure of information to auditors**

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

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

This report was approved by the Trustees on <sup>11-06-21</sup> ..... and signed on their behalf, by:

*Feisal Haji*

.....  
**Feisal Haji**  
Union President

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## UNION OF KINGSTON STUDENTS

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNION OF KINGSTON STUDENTS

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#### Opinion

We have audited the financial statements of Union of Kingston Students (the 'charity') for the year ended 31 July 2020 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2020 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.

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## UNION OF KINGSTON STUDENTS

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNION OF KINGSTON STUDENTS (CONTINUED)

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#### 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.

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## UNION OF KINGSTON STUDENTS

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNION OF KINGSTON STUDENTS (CONTINUED)

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#### **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](http://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.

*Goodman Jones LLP*

**Goodman Jones LLP**  
Chartered Accountants  
29/30 Fitzroy Square  
London  
W1T6LQ

Date: 11-06-21

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

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**UNION OF KINGSTON STUDENTS**

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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 JULY 2020**

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|   | Note | Restricted<br>funds<br>2020<br>£ | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|---|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>Income from:</b>   |      |                                  |                                    |                             |                             |
| Donations and legacies  | 4    | 60,360                           | 1,326,212                          | 1,386,572                   | 1,314,699                   |
| Charitable activities:  |      |                                  |                                    |                             |                             |
| Merchandising   |      | -                                | -                                  | -                           | 36,004                      |
| Student activities  |      | 155,692                          | 162,544                            | 318,236                     | 266,518                     |
| Other trading activities:   |      |                                  |                                    |                             |                             |
| Advertising and Media   |      | -                                | -                                  | -                           | 49,151                      |
| Investments   |      | -                                | 454                                | 454                         | 726                         |
| Other income  |      | -                                | 3,360                              | 3,360                       | 900                         |
| <b>Total income</b>   |      | <b>216,052</b>                   | <b>1,492,570</b>                   | <b>1,708,622</b>            | <b>1,667,998</b>            |
| <b>Expenditure on:</b>  |      |                                  |                                    |                             |                             |
| Raising funds:  |      |                                  |                                    |                             |                             |
| Advertising and Media   | 5    | -                                | 42,677                             | 42,677                      | 168,478                     |
| Charitable activities:  |      |                                  |                                    |                             |                             |
| Advice, welfare and support   | 6    | -                                | 278,095                            | 278,095                     | 342,340                     |
| Volunteering  |      | 28,286                           | -                                  | 28,286                      | 46,088                      |
| Communications  |      | -                                | -                                  | -                           | 6,099                       |
| Merchandising   |      | -                                | 29,133                             | 29,133                      | 15,807                      |
| Student activities  |      | 251,877                          | 754,699                            | 1,006,576                   | 1,168,602                   |
| Business development  |      | -                                | 178,542                            | 178,542                     | -                           |
| <b>Total expenditure</b>  |      | <b>280,163</b>                   | <b>1,283,146</b>                   | <b>1,563,309</b>            | <b>1,747,414</b>            |
| <b>Net movement in funds before other recognised gains/(losses)</b> |      |                                  |                                    |                             |                             |
|   |      | (64,111)                         | 209,424                            | 145,313                     | (79,416)                    |
| <b>Other recognised gains/(losses):</b>                             |      |                                  |                                    |                             |                             |
| Revaluation of pension deficit                                      |      | -                                | (442,324)                          | (442,324)                   | -                           |
| <b>Net movement in funds</b>  |      | <b>(64,111)</b>                  | <b>(232,900)</b>                   | <b>(297,011)</b>            | <b>(79,416)</b>             |

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UNION OF KINGSTON STUDENTS

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STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2020

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|                                    | Restricted<br>funds<br>2020<br>£ | Unrestricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | <i>Total<br/>funds<br/>2019<br/>£</i> |
|------------------------------------|----------------------------------|------------------------------------|-----------------------------|---------------------------------------|
| Note                               |                                  |                                    |                             |                                       |
| <b>Reconciliation of funds:</b>    |                                  |                                    |                             |                                       |
| Total funds brought forward        | 84,322                           | (965,951)                          | (881,629)                   | (802,213)                             |
| Net movement in funds              | (64,111)                         | (232,900)                          | (297,011)                   | (79,416)                              |
| <b>Total funds carried forward</b> | <u>20,211</u>                    | <u>(1,198,851)</u>                 | <u>(1,178,640)</u>          | <u>(881,629)</u>                      |

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

The notes on pages 19 to 34 form part of these financial statements.

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**UNION OF KINGSTON STUDENTS**

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**BALANCE SHEET  
AS AT 31 JULY 2020**

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|  | Note | 2020<br>£          | 2019<br>£      |
|--|------|--------------------|----------------|
| <b>Fixed assets</b>                            |      |                    |                |
| Tangible assets                                | 9    | <b>4,002</b>       | 6,395          |
|  |      | <u>4,002</u>       | <u>6,395</u>   |
| <b>Current assets</b>                          |      |                    |                |
| Stocks   | 10   | <b>11,845</b>      | 14,464         |
| Debtors  | 11   | <b>38,046</b>      | 40,286         |
| Cash at bank and in hand                       |      | <b>352,919</b>     | 280,853        |
|  |      | <u>402,810</u>     | <u>335,603</u> |
| Creditors: amounts falling due within one year | 12   | <b>(63,853)</b>    | (72,556)       |
| <b>Net current assets</b>                      |      | <b>338,957</b>     | 263,047        |
| <b>Total assets less current liabilities</b>   |      | <b>342,959</b>     | 269,442        |
| Defined benefit pension scheme liability       | 18   | <b>(1,521,599)</b> | (1,151,071)    |
| <b>Total net assets</b>                        |      | <b>(1,178,640)</b> | (881,629)      |
| <b>Charity funds</b>                           |      |                    |                |
| Restricted funds:                              |      |                    |                |
| Students' Societies & Club Funds               |      | <b>4,967</b>       | 71,056         |
| Other funds                                    |      | <b>15,244</b>      | 13,266         |
| Total restricted funds                         | 13   | <b>20,211</b>      | 84,322         |
| Unrestricted funds                             |      |                    |                |
| General fund                                   |      | <b>322,748</b>     | 185,120        |
| Pension deficit fund                           |      | <b>(1,521,599)</b> | (1,151,071)    |
| Total unrestricted funds                       | 13   | <b>(1,198,851)</b> | (965,951)      |
| <b>Total funds</b>                             |      | <b>(1,178,640)</b> | (881,629)      |

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**UNION OF KINGSTON STUDENTS**

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**BALANCE SHEET (CONTINUED)  
AS AT 31 JULY 2020**

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

*Feisal Haji*

.....

**Feisal Haji**  
(Chair of Trustees)  
Date:11-06-21

The notes on pages 19 to 34 form part of these financial statements.

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**UNION OF KINGSTON STUDENTS**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JULY 2020**

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|  | 2020<br>£      | 2019<br>£       |
|--|----------------|-----------------|
| <b>Cash flows from operating activities</b>                |                |                 |
| Net cash used in operating activities                      | <b>71,932</b>  | <b>(21,788)</b> |
|  | <hr/>          | <hr/>           |
| <b>Cash flows from investing activities</b>                |                |                 |
| Dividends, interests and rents from investments            | <b>454</b>     | <b>726</b>      |
| Purchase of tangible fixed assets                          | <b>(320)</b>   | <b>(8,771)</b>  |
|  | <hr/>          | <hr/>           |
| <b>Net cash provided by/(used in) investing activities</b> | <b>134</b>     | <b>(8,045)</b>  |
|  | <hr/>          | <hr/>           |
| <b>Change in cash and cash equivalents in the year</b>     | <b>72,066</b>  | <b>(29,833)</b> |
| Cash and cash equivalents at the beginning of the year     | <b>280,853</b> | <b>310,686</b>  |
|  | <hr/>          | <hr/>           |
| <b>Cash and cash equivalents at the end of the year</b>    | <b>352,919</b> | <b>280,853</b>  |
|  | <hr/> <hr/>    | <hr/> <hr/>     |

The notes on pages 19 to 34 form part of these financial statements

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## UNION OF KINGSTON STUDENTS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 1. General information

Union of Kingston Students is an unincorporated charity registered in England and Wales. The registered office address is Union of Kingston Students, Penrhyn Road, Kingston Upon Thames, KT1 2EE. The Union aims to be an effective, relevant and representative union at the heart of Kingston student life, central to the University's strategy and future success.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the 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 in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Union of Kingston Students 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, the functional currency of the Charity, and amounts have been rounded to the nearest £.

##### 2.2 Going concern

The Union is in a net liability position as a result of the pension scheme deficit liability. This liability represents the net present value of deficit contributions over the agreed funding plan to 2033, and does not represent an immediate cash outflow. Before the pension scheme deficit liability the Union has positive funds of £342,959 (2019: £269,442). After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources and has received assurances from the University that financial support through the block grant will continue to be available to enable it to continue in operational existence for the foreseeable future. The Trustees have considered the impacts that the Covid-19 pandemic may have for the Charity and it is deemed that the Charity can meet its commitments and liabilities. The Charity made use of Government financial support through the Coronavirus job retention scheme during the year. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

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**2. Accounting policies (continued)**

**2.3 Fund accounting**

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

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.

**2.4 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.

Grant income is recognised when the above criteria are met, together with any performance conditions addition to the grant. The annual subvention grant from the Kingston University is recognised in the academic period to which it relates, subject to any attached KPIs being met.

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.

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.

The University grant of free serviced accommodation on the campus is accounted for as income and expenditure of the year at an estimated value to Union of Kingston Students by reference to the alternatives available on the commercial market.

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

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.

**2.5 Government grants**

Government grants are in relation to the Corona Virus Job Retention Scheme in support during the pandemic. This income must only been used against the relevant wage expenditure.

**2.6 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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2. Accounting policies (continued)

2.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central overhead costs are apportioned to charitable and other projects/activities on a usage basis, pro rata to the total costs of each project or activity undertaken.

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.

Expenditure is inclusive of any irrecoverable VAT.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £300 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:

|                       |                              |
|-----------------------|------------------------------|
| Fixtures and fittings | - 3 to 4 years straight line |
| Other                 | - 4 to 5 years straight line |

2.9 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.

2.10 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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2. Accounting policies (continued)

2.11 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.

2.12 Liabilities

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.

2.13 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.

2.14 Pensions

SUSS

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. The financial statements reflect at fair value the assets and liabilities arising from the Union's retirement benefit obligations and any related funding. The operating costs of providing retirement benefits to employees are recognised in the accounting periods in which the benefits are earned by the employees, and the related finance costs and any other changes in value of the assets and liabilities are recognised in the accounting periods in which they arise.

NUSPS

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme, National Union of Students Pension Scheme (NUSPS). Contributions are at the rate of 6% for the employers and 6% for the employee. Pensions costs are charges in the period in which the salaries to which they related are payable.

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## UNION OF KINGSTON STUDENTS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 3. 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.

The Charity 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.

##### Pension deficit contribution

The Charity has entered into a commitment to provide deficit funding to the Students' Union Superannuation Pension Scheme, of which it is contributing employer. Under FRS102, the fair value of the commitment is recognised. The calculation of the fair value of the commitment is subject to an assumption of the discount rate. The discount rate is determined by the reference to market yields at the reporting date on high quality corporate bonds. A discount rate of 2.25% has been used in line with industry standards.

#### 4. Income from donations and legacies

|                                  | <b>Restricted<br/>funds<br/>2020<br/>£</b> | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|----------------------------------|--|--|---------------------------------------|---------------------------------------|
| <b>Grants</b>                    |  |  |                                       |                                       |
| Block grant                      | -  | 939,612                                      | <b>939,612</b>                        | 873,229                               |
| Other University grants          | 30,264                                     | 91,596                                       | <b>121,860</b>                        | 191,466                               |
| Grant of serviced accommodation  | -  | 245,000                                      | <b>245,000</b>                        | 200,000                               |
| Grant of IT and other services   | -  | 50,004                                       | <b>50,004</b>                         | 50,004                                |
| <b>Government grants</b>         |  |  |                                       |                                       |
| Coronavirus Job Retention Scheme | 30,096                                     | -  | <b>30,096</b>                         | -                                     |
| <b>Total 2020</b>                | <b>60,360</b>                              | <b>1,326,212</b>                             | <b>1,386,572</b>                      | <b>1,314,699</b>                      |
| <i>Total 2019</i>                | <i>39,996</i>                              | <i>1,274,703</i>                             | <i>1,314,699</i>                      |                                       |

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## UNION OF KINGSTON STUDENTS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 5. Expenditure on raising funds

##### Costs of raising voluntary income

|                       | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|-----------------------|--|---------------------------------------|---------------------------------------|
| Advertising and Media | 11,871                                       | <b>11,871</b>                         | 73,845                                |
| Staff costs           | 30,806                                       | <b>30,806</b>                         | 94,633                                |
|                       | <u>42,677</u>                                | <u><b>42,677</b></u>                  | <u>168,478</u>                        |
| <i>Total 2019</i>     | <u>168,478</u>                               | <u>168,478</u>                        |                                       |

#### 6. Analysis of expenditure by activities

|                             | <b>Activities<br/>undertaken<br/>directly<br/>2020<br/>£</b> | <b>Support<br/>costs<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|-----------------------------|--|---|---------------------------------------|---------------------------------------|
| Advice, welfare and support | 278,095  | 175,412                                 | <b>453,507</b>                        | 342,340                               |
| Volunteering                | 28,286   | 17,843                                  | <b>46,129</b>                         | 46,088                                |
| Merchandising               | 29,133   | 18,376                                  | <b>47,509</b>                         | 15,807                                |
| Student Activities          | 401,903  | 280,424                                 | <b>682,327</b>                        | 1,168,602                             |
| Business development        | 178,542  | 112,618                                 | <b>291,160</b>                        | -                                     |
| Communications              | -  | -                                       | -                                     | 6,099                                 |
|                             | <u>915,959</u>   | <u>604,673</u>                          | <u><b>1,520,632</b></u>               | <u>1,578,936</u>                      |
| <i>Total 2019</i>           | <u>856,120</u>   | <u>722,816</u>                          | <u>1,578,936</u>                      |                                       |

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UNION OF KINGSTON STUDENTS

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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6. Analysis of expenditure by activities (continued)

Analysis of support costs

|                                   | Advice,<br>welfare and<br>support<br>2020<br>£ | Volunteering<br>2020<br>£ | Merchandising<br>2020<br>£ | Student<br>Activities<br>2020<br>£ |
|-----------------------------------|--|---------------------------|----------------------------|------------------------------------|
| Staff costs                       | 57,474   | 5,846                     | 6,021                      | 91,881                             |
| Depreciation                      | 155  | 16                        | 16                         | 248                                |
| Insurance                         | 3,403  | 346                       | 357                        | 5,440                              |
| Affiliations                      | 12,141   | 1,235                     | 1,272                      | 19,410                             |
| Bank charges                      | 1,108  | 113                       | 116                        | 1,771                              |
| IT support                        | 1,912  | 194                       | 200                        | 3,056                              |
| Other                             | 10,672   | 1,085                     | 1,118                      | 17,061                             |
| Serviced premises and IT services | 85,579   | 8,706                     | 8,965                      | 136,811                            |
| Trustee expenses                  | 299  | 31                        | 31                         | 479                                |
| Audit fees                        | 2,669  | 271                       | 280                        | 4,267                              |
|                                   | <u>175,412</u>                                 | <u>17,843</u>             | <u>18,376</u>              | <u>280,424</u>                     |
| <i>Total 2019</i>                 | <u>142,268</u>                                 | <u>20,294</u>             | <u>6,961</u>               | <u>550,607</u>                     |

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## UNION OF KINGSTON STUDENTS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 6. Analysis of expenditure by activities (continued)

##### Analysis of support costs (continued)

|                                   | <b>Business<br/>development<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|-----------------------------------|--|---------------------------------------|---------------------------------------|
| Staff costs                       | 36,900   | <b>198,122</b>                        | 183,812                               |
| Depreciation                      | 99   | <b>534</b>                            | 1,331                                 |
| Insurance                         | 2,185  | <b>11,731</b>                         | 14,244                                |
| Affiliations                      | 7,795  | <b>41,853</b>                         | 43,213                                |
| Bank charges                      | 711  | <b>3,819</b>                          | 6,255                                 |
| IT support                        | 1,228  | <b>6,590</b>                          | 16,410                                |
| Other                             | 6,852  | <b>36,788</b>                         | 193,989                               |
| Serviced premises and IT services | 54,943   | <b>295,004</b>                        | 250,004                               |
| Trustee expenses                  | 192  | <b>1,032</b>                          | 988                                   |
| Audit fees                        | 1,713  | <b>9,200</b>                          | 12,570                                |
|                                   | <hr/>  | <hr/>                                 | <hr/>                                 |
|                                   | 112,618  | <b>604,673</b>                        | 722,816                               |
|                                   | <hr/>  | <hr/>                                 | <hr/>                                 |
| <i>Total 2019</i>                 | -  | <b>722,816</b>                        |                                       |
|                                   | <hr/>  | <hr/>                                 |                                       |

#### 7. Staff costs

|  | <b>2020<br/>£</b> | <i>2019<br/>£</i> |
|--|-------------------|-------------------|
| Wages and salaries                                   | <b>648,328</b>    | 648,338           |
| Social security costs                                | <b>56,067</b>     | 55,329            |
| Contribution to defined contribution pension schemes | <b>11,711</b>     | 8,629             |
|  | <hr/>             | <hr/>             |
|  | <b>716,106</b>    | 712,296           |
|  | <hr/>             | <hr/>             |

The staff restructuring costs of £20,621 (2019: £17,000) are included in wages and salaries and are non-statutory/non-contractual payments.

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## UNION OF KINGSTON STUDENTS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 7. Staff costs (continued)

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

|                           | <b>2020</b> | <i>2019</i> |
|---------------------------|-------------|-------------|
|                           | <b>No.</b>  | <i>No.</i>  |
| Full time                 | <b>21</b>   | <i>21</i>   |
| Students - term time only | <b>36</b>   | <i>39</i>   |
|                           | <b>57</b>   | <i>60</i>   |

No employee received remuneration amounting to more than £60,000 in either year.

The total employment benefits including employer's pension contributions, and employer's NIC, of the key management personnel were £221,093 (2019: £232,762).

#### 8. Trustees' remuneration and expenses

4 (2019: 4) sabbatical officers received remuneration for the year, as authorised in the Union's governing document. The total salary including employer's pension costs for the sabbatical officers amounted to £90,843 (2019: £92,002).

During the year ended 31 July 2020, expenses totalling £1,032 were reimbursed or paid directly to 1 Trustee (2019 - £988 to 3 Trustees). This is in respect of training, travel, and annual memberships.

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**UNION OF KINGSTON STUDENTS**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020**

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**9. Tangible fixed assets**

|                          | Fixtures and<br>fittings<br>£ | Other<br>£   | Total<br>£   |
|--------------------------|-------------------------------|--------------|--------------|
| <b>Cost or valuation</b> |                               |              |              |
| At 1 August 2019         | 5,796                         | 2,975        | 8,771        |
| Additions                | 320                           | -            | 320          |
| At 31 July 2020          | <u>6,116</u>                  | <u>2,975</u> | <u>9,091</u> |
| <b>Depreciation</b>      |                               |              |              |
| At 1 August 2019         | 1,758                         | 618          | 2,376        |
| Charge for the year      | 2,094                         | 619          | 2,713        |
| At 31 July 2020          | <u>3,852</u>                  | <u>1,237</u> | <u>5,089</u> |
| <b>Net book value</b>    |                               |              |              |
| At 31 July 2020          | <u>2,264</u>                  | <u>1,738</u> | <u>4,002</u> |
| At 31 July 2019          | <u>4,038</u>                  | <u>2,357</u> | <u>6,395</u> |

**10. Stocks**

|       | 2020<br>£     | 2019<br>£     |
|-------|---------------|---------------|
| Stock | <u>11,845</u> | <u>14,464</u> |

**11. Debtors**

|                                | 2020<br>£     | 2019<br>£     |
|--------------------------------|---------------|---------------|
| <b>Due within one year</b>     |               |               |
| Trade debtors                  | 18,874        | 10,082        |
| Other debtors                  | 9,928         | 9,412         |
| Prepayments and accrued income | 9,244         | 20,792        |
|                                | <u>38,046</u> | <u>40,286</u> |

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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12. Creditors: Amounts falling due within one year

|                                    | 2020<br>£     | 2019<br>£     |
|------------------------------------|---------------|---------------|
| Trade creditors                    | (765)         | 16,542        |
| Other taxation and social security | 14,427        | 17,973        |
| Other creditors                    | 7,315         | 1,273         |
| Accruals and deferred income       | 42,876        | 36,768        |
|                                    | <u>63,853</u> | <u>72,556</u> |

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**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Statement of funds****Statement of funds - current year**

|                                   | <b>Balance at 1<br/>August 2019</b> | <b>Income</b>           | <b>Expenditure</b>        | <b>Gains/<br/>(Losses)</b> | <b>Balance at<br/>31 July 2020</b> |
|-----------------------------------|-------------------------------------|-------------------------|---------------------------|----------------------------|------------------------------------|
|                                   | £                                   | £                       | £                         | £                          | £                                  |
| <b>Unrestricted funds</b>         |                                     |                         |                           |                            |                                    |
| General fund                      | 185,120                             | 1,492,570               | (1,283,146)               | -                          | 394,544                            |
| Pension deficit fund              | (1,151,071)                         | -                       | -                         | (442,324)                  | (1,593,395)                        |
|                                   | <u>(965,951)</u>                    | <u>1,492,570</u>        | <u>(1,283,146)</u>        | <u>(442,324)</u>           | <u>(1,198,851)</u>                 |
| <b>Restricted funds</b>           |                                     |                         |                           |                            |                                    |
| Clubs and societies               | 71,056                              | 155,692                 | (221,781)                 | -                          | 4,967                              |
| Other restricted funds            | 13,266                              | 30,264                  | (28,286)                  | -                          | 15,244                             |
| Corona Virus Job Retention Scheme | -                                   | 30,096                  | (30,096)                  | -                          | -                                  |
|                                   | <u>84,322</u>                       | <u>216,052</u>          | <u>(280,163)</u>          | <u>-</u>                   | <u>20,211</u>                      |
| <b>Total of funds</b>             | <u><u>(881,629)</u></u>             | <u><u>1,708,622</u></u> | <u><u>(1,563,309)</u></u> | <u><u>(442,324)</u></u>    | <u><u>(1,178,640)</u></u>          |

Clubs and societies restricted funds are the portion of membership fees from clubs and societies which are used as directed by clubs and society members in line with the aims and objectives of their constitutions. It also included sports cards income to be used as directed by sports club members to advance the sports offer at Kingston.

Other restricted funds include amounts received within the Block Grant from the University to be used as directed by the University on specific projects.

The Coronavirus Job Retention Scheme grants are to be used in against wages costs in the period in which the claims are submitted. These are to support the Charity during the Coronavirus pandemic.

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2020

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13. Statement of funds (continued)

Statement of funds - prior year

|                           | <i>Balance at<br/>1 August<br/>2018<br/>£</i> | <i>Income<br/>£</i>     | <i>Expenditure<br/>£</i>  | <i>Balance at<br/>31 July 2019<br/>£</i> |
|---------------------------|---|-------------------------|---------------------------|--|
| <b>Unrestricted funds</b> |   |                         |                           |  |
| General fund              | 300,684                                       | 1,501,619               | (1,617,183)               | 185,120                                  |
| Pension deficit fund      | (1,180,480)                                   | -                       | 29,409                    | (1,151,071)                              |
|                           | <u>(879,796)</u>                              | <u>1,501,619</u>        | <u>(1,587,774)</u>        | <u>(965,951)</u>                         |
| <b>Restricted funds</b>   |   |                         |                           |  |
| Clubs and societies       | 75,015  | 126,383                 | (130,342)                 | 71,056                                   |
| Other restricted funds    | 2,568   | 39,996                  | (29,298)                  | 13,266                                   |
|                           | <u>77,583</u>                                 | <u>166,379</u>          | <u>(159,640)</u>          | <u>84,322</u>                            |
| <b>Total of funds</b>     | <u><u>(802,213)</u></u>                       | <u><u>1,667,998</u></u> | <u><u>(1,747,414)</u></u> | <u><u>(881,629)</u></u>                  |

14. Analysis of net assets between funds

Analysis of net assets between funds - current period

|  | <b>Restricted<br/>funds<br/>2020<br/>£</b> | <b>Unrestricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|--|--|--|---------------------------------------|
| Tangible fixed assets                  | -  | 4,002  | <b>4,002</b>                          |
| Current assets                         | 20,211                                     | 382,599                                      | <b>402,810</b>                        |
| Creditors due within one year          | -  | (63,853)                                     | <b>(63,853)</b>                       |
| Provisions for liabilities and charges | -  | (1,521,599)                                  | <b>(1,521,599)</b>                    |
| <b>Total</b>                           | <u><u>20,211</u></u>                       | <u><u>(1,198,851)</u></u>                    | <u><u>(1,178,640)</u></u>             |

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NOTES TO THE FINANCIAL STATEMENTS  
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14. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

|  | <i>Restricted<br/>funds<br/>2019<br/>£</i> | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|--|--|--|---------------------------------------|
| Tangible fixed assets                  | -  | 6,395  | 6,395                                 |
| Current assets                         | 84,322                                     | 251,281                                      | 335,603                               |
| Creditors due within one year          | -  | (72,556)                                     | (72,556)                              |
| Provisions for liabilities and charges | -  | (1,151,071)                                  | (1,151,071)                           |
| <b>Total</b>                           | <b>84,322</b>                              | <b>(965,951)</b>                             | <b>(881,629)</b>                      |

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

|  | <b>2020<br/>£</b> | <b>2019<br/>£</b> |
|--|-------------------|-------------------|
| Net income/expenditure for the period (as per Statement of Financial Activities) | <b>145,313</b>    | <b>(79,416)</b>   |
| <b>Adjustments for:</b>  |                   |                   |
| Depreciation charges   | <b>2,713</b>      | <b>3,336</b>      |
| Dividends, interests and rents from investments                                  | <b>(454)</b>      | <b>(726)</b>      |
| Decrease/(increase) in stocks  | <b>2,619</b>      | <b>(3,626)</b>    |
| Decrease in debtors  | <b>2,240</b>      | <b>62,780</b>     |
| Increase/(decrease) in creditors   | <b>(8,703)</b>    | <b>25,273</b>     |
| Contributions to pension deficit   | <b>(71,796)</b>   | <b>(29,409)</b>   |
| <b>Net cash provided by/(used in) operating activities</b>                       | <b>71,932</b>     | <b>(21,788)</b>   |

16. Analysis of cash and cash equivalents

|  | <b>2020<br/>£</b> | <b>2019<br/>£</b> |
|--|-------------------|-------------------|
| Cash in hand                           | <b>352,919</b>    | <b>280,853</b>    |
| <b>Total cash and cash equivalents</b> | <b>352,919</b>    | <b>280,853</b>    |

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## UNION OF KINGSTON STUDENTS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 17. Analysis of changes in net debt

|                          | At 1 August<br>2019 | Cash flows    | At 31 July<br>2020 |
|--------------------------|---------------------|---------------|--------------------|
|                          | £                   | £             | £                  |
| Cash at bank and in hand | 280,853             | 72,066        | 352,919            |
|                          | <u>280,853</u>      | <u>72,066</u> | <u>352,919</u>     |

#### 18. Pension commitments

##### SUSS

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

The most recent Valuation of the Scheme was carried out as at 30 June 2019 and showed that the market value of the Scheme's assets was £119.1m 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 £140.9m.

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 2019 valuation recommended a monthly contribution requirement by each participating employer expressed in monetary terms intended to clear the ongoing funding deficit over a period in excess of 16 years and will increase by 20% from 1 October 2021 and by a further 5% in each subsequent year. These rates will apply with effect from 1 October 2021 and contributions due from October 2023 onwards will be reviewed following the next actuarial valuation. Contributions up to October 2021 are based on the 2016 valuation and subject to annual 5% increases. Surpluses or deficits which arise at future valuations will also impact on the Charity'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.

In accordance with FRS102, the net present value of the future contributions required over 16 years to clear the funding deficit is £1,521,599 (2019: £1,151,071). In calculating this net present value, monthly payments in November 2020 and monthly payments from November 2023 with annual increases of 5% have been made and a discount rate of 2.25% representing the typical yield of high quality corporate bonds has then been applied.

For the period 1 August 2019 to 31 July 2020, the Union of Kingston Students made monthly payments as part of the deficit reduction plan. The cost to the Union of payments in this period was £71,796 (2019: £76,067).

##### NUSPS

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme, National Union of Students Pension Scheme (NUSPS). Contributions are at the rate of 6% for the employer and 6% for the employee. The Union's cost of contribution in the year amounted to £nil (2019:

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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#### 18. Pension commitments (continued)

£nil). The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 31 July 2020 amounted to £nil (2019: £nil).

#### NEST

The Union also participates in a pension scheme with NEST, contributions by the employer in the year totalled £11,711 (2019: £8,629).

#### 19. Related party transactions

Subvention income is received from Kingston University. The income reported for the year ending 31 July 2020 amounted to £936,612 (2019: £873,229). In addition, the Charity was also in receipt of £121,860 (2019: £191,466) of additional grants from the University. Donated serviced premises and IT services of £295,004 (2019: £250,004) were provided by the University during the year. The Trustees are of the opinion that this assistance is not an influencing factor with regard to the formation of the Charity's policy setting.

At the balance sheet date, £17,532 (2019: £29,736) was owed to the Union by Kingston University.

#### 20. Controlling party

The Union is controlled by the Trustee Board which is subject to democratic election by the voting membership of the Union. The ultimate control of the Union is vested under the constitution in the membership in General meeting. As such no single person or entity controls the Union as defined by FRS 102.