

UNION OF KINGSTON STUDENTS
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

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Annual Report and Accounts for the year ended 31 July 2022

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. Full-time Officers are elected to one of four different portfolios. 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.

	From July 2022	From July 2021
Full-time Officers:		
President	VACANT	Sarim Syed
Vice President Education	VACANT	Sami Mekri
Vice President Student Opportunities	VACANT	Yasmin Noor
Vice President Welfare	VACANT	Mohamed Sghaier
Student Trustees:	VACANT	George Gaib
	VACANT	Thayab Mahmood
	VACANT	Abdullahi Mohamed
	VACANT	Kwanyoung Joo
External Trustees:	Sayed Alkadiri (Deputy Chair) Tom Newman (resigned 1 st April 2022) Ibrahim Ali (resigned 27 th May 2022) Tariq Shaekh (resigned 19 th October 2022)	
Auditors	Bankers	Solicitors
Goodman Jones LLP 29/30 Fitzroy Square London W1T 6LQ	National Westminster Bank Plc 5 Market Place Kingston-upon-Thames Kingston Surrey KT1 1JX	Ashton Bond Gigg Pearl Assurance House Friars Lane Nottingham NG1 6BX

The Board of Trustees can be contacted by emailing c.redding@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 (until September 2021) Alan Roberts (October 2021-January 2022) Catherine Redding (appointed January 2022)
Head of Student Voice	Natalie Forrester (resigned April 2022)
Student Opportunities Manager	Annabel Mabin
Central Services Manager Business Development Manager	Joseph Asuquo Grace Richards
Research and Insight Manager	Stephanie Johnson (resigned September 2022)

The Board of Trustees present their Annual Report for the year ended 31 July 2022, which includes the administrative information set out on page 1, together with the audited accounts for that year.

Annual Report and Accounts for the year ended 31 July 2022

Union of Kingston Students Annual Report - for the year ending 31st July 2022

Union of Kingston Students 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 staff team. Elected student representatives sit on various boards and committees to represent the views of Kingston University students.

This year has been extraordinary for the Union, and whilst it has not been the most positive year to date, it has built a solid foundation for the organization in the near- and more distant- future.

In April 2022 a complaint was made by a whistle-blower to the Chief Executive Officer (CEO) alleging that there had been inconsistencies and misconduct at Trustee Board level regarding the appointment of the Returning Officer for the Leadership Elections. The CEO referred the complaint to the University, as the Students' Union's regulating body and as per its responsibilities for regulating these elections under the Education Act 1995.

The University sanctioned an independent audit into the Students' Union's governance, policies and Leadership Elections, of which twenty-two recommendations were made. Furthermore, as a result of these findings, the University declared that they could not assure the Leadership Elections had been free and fair, and so could not recognise the result, leaving the organisation without Sabbatical Officers since the end of June 2022.

The Union is under the oversight of a temporary Turnaround Board, tasked with ensuring resilient corporate governance throughout this period and provide the leadership team with resilient oversight and a wealth of expertise to guide the Union through this time of rebuilding and development. Since the audit outcomes were received the Union's remaining Trustee and senior management team have been working hard alongside the rest of the Turnaround Board, the university and other stakeholders such as the NUS in order to create resilience and rebuild the Union.

Despite the challenges faced, the Union has continued to function and deliver operations for students, whilst remaining financially sound, and it is important that the Union recognizes its achievements through this difficult year.

UKS has a large number of students involved with its non-educational opportunities including sports clubs and societies and saw great success at encouraging students to get involved as the country moved in the endemic stage of Covid-19. Students continue to lead our groups and we have also seen a growth in them running their own large-scale events and generating further membership.

The Union applied for the NUS Green Impact Award and worked hard to secure the highest award possible. After introducing a number of initiatives and evaluating the criteria, we are very pleased to have been awarded with a 'Very Good' for this award.

The Union continued to grow its creative commercial venture, *Not My Beautiful House*, securing further funding from Kingston Council to ensure the continued sustainability of this project. This year also saw a move for the project, to arguably the most recognized building in Kingston, the Ancient Market House. This move has seen exponential growth in visitors and sales, and also in attracting further vendors from both the student and local communities. The project champions

Union of Kingston Students

artist from diverse backgrounds, whilst also creating and hosting exciting events, and it has received an excellent response from all who have encountered it. The team managing the project have been invited to speak at panel events and the Union has continued to strengthen its strong relationship with Kingston Council.

In January 2022, the Union welcomed a new Chief Executive Officer, who has been working hard to continue developing our relationships with the University at a number of levels. The new CEO has built a schedule of regular meetings with key stakeholders, and broadened these partnerships to include the wider senior management team too. The senior management team have also committed to broadening the profile of UKS at national sector events, which has been beneficial for building new and strengthening existing relationships. The Union saw some staff turnover in the summer of 2022 which the senior management team saw as an opportunity to realign some of the vacant staff roles to better fit the aims of the organization. The Union has now recruited to the majority of these roles and believes that this will help lead the organization into its next chapter.

The 2022/23 is about Union growth, and the Turnaround Board and senior management team are excited to build new, stronger foundations and focus on the strategic development of the organization in its entirety. The Turnaround Plan that the Board have created includes the following development projects:

- Incorporating as a limited company
- Completing a comprehensive governance and democracy review
- Undergoing consultation for, and creating a new strategic plan
- Instigating a process to rebrand UKS

The Union understands this year to be extraordinary and an anomaly, however also an essential process to undergo to ensure that the organization can fulfill its charitable aims and provide services, projects and operations that are underpinned by the student voice and continue to respond to our student insights as they evolve. We are excited for this journey and look forward to reviewing how far the Union has travelled in the next 12 months.

Sayed Alkadiri
Chair of the Turnaround Board
December 2022

Union of Kingston Students Annual Report and Accounts for the year ended 31 July 2022

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 led by student officers elected annually by a cross campus secret ballot of the Union membership. The four posts of President, Vice President Welfare, Vice President Student Opportunities and Vice President Education are full time ('sabbatical') posts remunerated as authorised by the Education Act and cannot exceed two years duration for each holder. These elected officers are responsible to establishing the priority work of the Union as it relates to the student interest, through campaigns, initiatives and their membership of institutional, local and national decision-making committees and bodies. The holders also are trustees of the Union.

We continue to develop student networks and a student council 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 is invited annually to the AGM where they are encouraged to hold their Sabbatical team to account, discuss and approve (or otherwise) policy, annual budgets, accounts and affiliations. The Union's affairs are overseen by a Trustee Board comprising the 4 full time officers, 3 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 permanent, career staff to ensure the effective and professional management and delivery its activities and services. 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. In the past 12 months, we have recruited three brand new external trustees who have helped us transform our board and ensure we are continually improving as a union.

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 2018/19.

Union of Kingston Students Annual Report and Accounts for the year ended 31 July 2022

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. 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.

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.

Aims, Objectives and Activities

The Union operates under a strategy established by the trustee board in June 2019.

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

- 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

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 extra-curricular activity, the Union leads on sports (both competitive and recreational), student-led societies, local and international volunteering projects, initiatives 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.

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Achievements and performance

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 2021/22 include:

- **At *Not My Beautiful House* we have raised £80,000 for student and community-led businesses**
- **We secured £50,000 from Kingston Council to support *Not My Beautiful House* infrastructure**
- **Achieved 'Very Good' for the NUS Green Impact Award**
- **Had 3,246 students engaged in sports club and societies**
- **Had 31 active student sports clubs**
- **Had 66 active student societies, of which we had 26 active student academic societies**
- **293 students attended skills sessions run by the Union**
- **1,097 student attendees at recreational sport sessions**
- **Finished 91st in the BUCS league**

Our objectives & future plans

Union objectives for 2021/12 include:

- **A suite of strategic projects, including a full governance review and strategic consultation with stakeholders, leading to the development of a new strategy for implementation in 2023/24.**
- **Continued development of *Not My Beautiful House***
- **Expansion of student events, both charitable and commercial**
- **The continued development of the new Students' Union space for 2024 launch**
- **Review of our Finance and People Strategies, with a focus on stakeholder engagement**
- **A reshuffle and enhancement of staff resources to ensure that the Union is well equipped to deliver its strategic aims**
- **More engagement with course representation at the University**
- **The continued development of our insights work, building better student voice mechanisms and embedding these into our Union priorities and operations**
- **A renewed focus on our multi-site engagement**

Financial review

The Union's gross income was £1,749,214 during the year. This included annual block grant from the University of £979,230, an estimated value of the serviced accommodation provided by the University of £295,007, restricted club and society income totaling £61,851 and other restricted income totaling £116,561.

Total expenditure of £1,615,942 on the wide-ranging student benefits we provide, as well as on fundraising and other revenue-generating activities, meant a surplus for the year before gains/losses of £133,272. The defined benefit pension's movements under FRS102 was £87,502 (2021: £34,236).

The Union's expenditure included annual affiliation to the National Union of Students of £27,867.

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.

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Reserves

The Union should hold reserves to cover unexpected eventualities and also ensure there are sufficient to resource planned capital expenditure. Total reserves at 31st July 2022 stood at a deficit of £840,042. Additionally, funds of £109,284 were restricted for use by sports and societies as well as funds of £70,288 being restricted for other projects. The unrestricted reserves position before pensions liability is £285,465 (2021: £280,801), 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. 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 £351,000. 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. The Union has a strategic aim to drive towards commercial growth and therefore decrease its reliance on the university block grant as its primary source of income.

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 £465,037 (2021: £419,641). 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 Turnaround Board, and senior management has been working with the University to provide assurances that the Union is addressing the issues that the audit report produced. The Union has worked with the university, the NUS Charity and other sector experts in order to create a way forward from its current position and its financial position continues to be strong. The university has also kindly granted the Union with an additional £100,000 to support its turnaround activity. The Union recently pursued a mass recruitment project which includes a suite of eight roles, both replacing vacant roles and establishing new ones. Considering all of these factors along with the secure financial position and planned developments of the Union mean that the Turnaround Board and university are confident to establish going concern. Accordingly, the Union continues 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.

Pay policy for senior staff

The Chief Executive is supported by three permanent members of staff that form the Senior Management Team (four, including one post awaiting a new starter). This team is in charge of directing and controlling, running and operating the Students' Union on a day-to-day basis. Usually, the 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 utilize and interpret the student voice, and work with Union staff, the Board of Trustees and key stakeholders to make it happen. 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

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pay against 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.

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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 & Wales requires the Trustees to prepare financial statements for each financial, which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

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

Auditors

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

This report was approved by the Trustees on and signed on their behalf by:

.....
Sayed Alkadiri

Chair of the Trustee Board and Turnaround Board

Date

UNION OF KINGSTON STUDENTS

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

Opinion

We have audited the financial statements of Union of Kingston Students ('the Charity') for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 July 2022 and of its 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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and in other respects 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

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 Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

UNION OF KINGSTON STUDENTS

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

UNION OF KINGSTON STUDENTS

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, and we considered the extent to which noncompliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, Charity Commission and sector regulations, and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

UNION OF KINGSTON STUDENTS

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

Goodman Jones LLP
Chartered Accountants
29/30 Fitzroy Square
London
W1T 6LQ

Date:

UNION OF KINGSTON STUDENTS

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	As restated Total funds 2021 £
Income from:					
Donations and legacies	4	1,389,741	48,748	1,438,489	1,455,917
Charitable activities		141,905	129,664	271,569	94,673
Other trading activities:					
Advertising and Media		20,300	-	20,300	4,919
Investments		116	-	116	29
Other income		18,740	-	18,740	529
Total income		1,570,802	178,412	1,749,214	1,556,067
Expenditure on:					
Raising funds:					
Advertising and Media	5	26,723	-	26,723	33,617
Charitable activities:					
Advice, welfare and support		432,174	-	432,174	533,006
Volunteering		16,745	9,014	25,759	48,108
Student activities		574,432	130,698	705,130	352,138
Business development		352,765	73,391	426,156	437,138
Total expenditure		1,402,839	213,103	1,615,942	1,404,007
Net income/(expenditure)		167,963	(34,691)	133,272	152,060
Transfers between funds	13	(75,423)	75,423	-	-
Net movement in funds before other recognised gains/(losses)		92,540	40,732	133,272	152,060
Other recognised gains/(losses):					
Revaluation of pension deficit		87,502	-	87,502	(34,236)
Net movement in funds		180,042	40,732	220,774	117,824
Reconciliation of funds:					
Total funds brought forward		(1,199,656)	138,840	(1,060,816)	(1,178,640)
Net movement in funds		180,042	40,732	220,774	117,824
Total funds carried forward		(1,019,614)	179,572	(840,042)	(1,060,816)

UNION OF KINGSTON STUDENTS

**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

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

The notes on pages 21 to 37 form part of these financial statements.

UNION OF KINGSTON STUDENTS

**BALANCE SHEET
AS AT 31 JULY 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9	582	1,660
		<u>582</u>	<u>1,660</u>
Current assets			
Stocks	10	12,501	7,165
Debtors	11	101,808	136,162
Cash at bank and in hand		416,259	374,903
		<u>530,568</u>	<u>518,230</u>
Creditors: amounts falling due within one year	12	(66,113)	(100,249)
Net current assets		<u>464,455</u>	<u>417,981</u>
Total assets less current liabilities		<u>465,037</u>	<u>419,641</u>
Defined benefit pension scheme liability	18	(1,305,079)	(1,480,457)
Total net assets		<u><u>(840,042)</u></u>	<u><u>(1,060,816)</u></u>
Charity funds			
Restricted funds:			
Students' Societies & Club Funds	13	109,284	102,708
Other funds	13	70,288	36,132
Total restricted funds	13	<u>179,572</u>	<u>138,840</u>
Unrestricted funds			
General fund	13	285,465	280,801
Pension deficit fund	13	(1,305,079)	(1,480,457)
Total unrestricted funds	13	<u>(1,019,614)</u>	<u>(1,199,656)</u>
Total funds		<u><u>(840,042)</u></u>	<u><u>(1,060,816)</u></u>

UNION OF KINGSTON STUDENTS

**BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2022**

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

.....
Sayed Alkadiri
Trustee
Date:

The notes on pages 21 to 37 form part of these financial statements.

UNION OF KINGSTON STUDENTS

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2022**

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	41,240	21,955
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	116	29
	<hr/>	<hr/>
Net cash provided by investing activities	116	29
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	41,356	21,984
Cash and cash equivalents at the beginning of the year	374,903	352,919
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	416,259	374,903
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 21 to 37 form part of these financial statements

UNION OF KINGSTON STUDENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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 £439,455 (2021: £417,981). 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 any potential ongoing impact 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 2022**

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 Coronavirus Job Retention Scheme in support during the pandemic. This income was 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 2022

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 2022**

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.

UNION OF KINGSTON STUDENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

3. Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions:

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

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Grants				
Block grant	979,230	-	979,230	949,512
Other University grants	115,504	48,748	164,252	166,181
Grant of serviced accommodation	245,000	-	245,000	245,000
Grant of IT and other services	50,007	-	50,007	50,004
Government grants				
Coronavirus Job Retention Scheme	-	-	-	45,220
Total 2022	1,389,741	48,748	1,438,489	1,455,917
<i>Total 2021</i>	<i>1,364,780</i>	<i>91,137</i>	<i>1,455,917</i>	

UNION OF KINGSTON STUDENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

5. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Publicity and promotion	117	117	-
Staff costs	26,606	26,606	33,617
	<u>26,723</u>	<u>26,723</u>	<u>33,617</u>
<i>Total 2021</i>	<u>33,617</u>	<u>33,617</u>	

6. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Advice, welfare and support	264,019	168,155	432,174	475,981
Volunteering	9,014	16,745	25,759	44,870
Merchandising	-	17,615	17,615	17,444
Student Activities	402,500	285,015	687,515	471,386
Business development	318,196	107,960	426,156	360,709
	<u>993,729</u>	<u>595,490</u>	<u>1,589,219</u>	<u>1,370,390</u>
<i>Total 2021</i>	<u>755,482</u>	<u>614,908</u>	<u>1,370,390</u>	

UNION OF KINGSTON STUDENTS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

6. Analysis of expenditure by activities (continued)**Analysis of support costs**

	Advice, welfare and support 2022 £	Volunteerin g 2022 £	Merchandisi ng 2022 £	Student Activities 2022 £
Staff costs	53,105	5,042	5,563	84,897
Depreciation	313	32	32	500
Direct costs	-	-	-	16,194
Insurance	3,763	383	394	6,016
Affiliations	8,084	822	847	12,924
Bank charges	1,326	135	139	2,119
IT support	2,244	228	235	3,587
Other	9,013	917	944	14,409
Serviced premises and IT services	85,579	8,705	8,966	136,811
Trustee expenses	2,378	242	249	3,802
Audit fees	2,350	239	246	3,756
	<u>168,155</u>	<u>16,745</u>	<u>17,615</u>	<u>285,015</u>
<i>Total 2021</i>	<u>166,519</u>	<u>16,939</u>	<u>17,444</u>	<u>280,424</u>

UNION OF KINGSTON STUDENTS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

6. Analysis of expenditure by activities (continued)**Analysis of support costs (continued)**

	Business developmen t 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	34,094	182,701	196,402
Depreciation	201	1,078	229
Isolation support	-	16,194	8,530
Insurance	2,417	12,973	9,942
Affiliations	5,190	27,867	27,466
Bank charges	851	4,570	3,775
IT support	1,441	7,735	6,660
Other	5,787	31,070	51,973
Serviced premises and IT services	54,943	295,004	295,004
Trustee expenses	1,527	8,198	4,127
Audit fees	1,509	8,100	10,800
	<u>107,960</u>	<u>595,490</u>	<u>614,908</u>
<i>Total 2021</i>	<u>112,618</u>	<u>614,908</u>	

7. Staff costs

	2022 £	2021 £
Wages and salaries	693,156	740,073
Social security costs	60,304	59,659
Contribution to defined contribution pension schemes	12,602	13,846
	<u>766,062</u>	<u>813,578</u>

UNION OF KINGSTON STUDENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

7. Staff costs (continued)

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

	2022 No.	2021 No.
Full time	11	25
Students - term time only	33	22
	<u>44</u>	<u>47</u>

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

The total employment costs, including employer's pension contributions and employer's NIC, of the key management personnel were £270,557 (2021: £242,307).

8. Trustees' remuneration and expenses

		2022 £	2021 £
Feisal Haji	Remuneration	-	25,230
	Pension contributions paid	-	597
Muna Ali	Remuneration	-	25,230
	Pension contributions paid	-	597
Hamad Momin	Remuneration	-	23,817
Muhammad Muneer	Remuneration	-	16,861
	Pension contributions paid	-	334
Kamal Mohamed	Remuneration	-	25,160
	Pension contributions paid	-	608
Sarim Syed	Remuneration	24,856	2,042
	Pension contributions paid	278	-
Yasmin Noor	Remuneration	25,188	2,042
	Pension contributions paid	523	-
Mohamed Sghaier	Remuneration	24,998	2,042
	Pension contributions paid	91	-
Sami Mehkri	Remuneration	23,664	2,042
	Pension contributions paid	503	-

During the year ended 31 July 2022, expenses totalling £nil was reimbursed or paid directly to 0 Trustees (2021 - £3,995 to 2 Trustees). This is in respect of training, sabbatical officer handover meetings, and annual memberships.

UNION OF KINGSTON STUDENTS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

9. Tangible fixed assets

	Fixtures and fittings £	Other £	Total £
Cost or valuation			
At 1 August 2021	6,116	2,975	9,091
At 31 July 2022	<u>6,116</u>	<u>2,975</u>	<u>9,091</u>
Depreciation			
At 1 August 2021	5,331	2,100	7,431
Charge for the year	712	366	1,078
At 31 July 2022	<u>6,043</u>	<u>2,466</u>	<u>8,509</u>
Net book value			
At 31 July 2022	<u>73</u>	<u>509</u>	<u>582</u>
<i>At 31 July 2021</i>	<u>785</u>	<u>875</u>	<u>1,660</u>

10. Stocks

	2022 £	2021 £
Stock	<u>12,501</u>	<u>7,165</u>

11. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	28,390	69,519
Other debtors	49,196	13,752
Prepayments and accrued income	24,222	52,891
	<u>101,808</u>	<u>136,162</u>

UNION OF KINGSTON STUDENTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

12. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	-	4,388
Other taxation and social security	35,952	18,798
Other creditors	9,707	7,647
Accruals and deferred income	20,454	69,416
	<u>66,113</u>	<u>100,249</u>

UNION OF KINGSTON STUDENTS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

13. Statement of funds**Statement of funds - current year**

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2022 £
Unrestricted funds						
General fund	280,801	1,570,802	(1,402,839)	(163,299)	-	285,465
Pension deficit fund	(1,480,457)	-	-	87,876	87,502	(1,305,079)
	<u>(1,199,656)</u>	<u>1,570,802</u>	<u>(1,402,839)</u>	<u>(75,423)</u>	<u>87,502</u>	<u>(1,019,614)</u>
Restricted funds						
Clubs and societies	102,708	61,851	(130,698)	75,423	-	109,284
Other restricted funds	36,132	116,561	(82,405)	-	-	70,288
Coronavirus Job Retention Scheme	-	-	-	-	-	-
	<u>138,840</u>	<u>178,412</u>	<u>(213,103)</u>	<u>75,423</u>	<u>-</u>	<u>179,572</u>
Total funds	<u><u>(1,060,816)</u></u>	<u><u>1,749,214</u></u>	<u><u>(1,615,942)</u></u>	<u><u>-</u></u>	<u><u>87,502</u></u>	<u><u>(840,042)</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 from the University to be used as directed by the University on specific projects.

UNION OF KINGSTON STUDENTS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

13. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 August 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>As restated Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 July 2021 £</i>
Unrestricted funds						
General fund	225,260	1,352,313	(1,199,298)	(97,474)	-	280,801
Pension deficit fund	(1,521,599)	-	-	75,378	(34,236)	(1,480,457)
	<u>(1,296,339)</u>	<u>1,352,313</u>	<u>(1,199,298)</u>	<u>(22,096)</u>	<u>(34,236)</u>	<u>(1,199,656)</u>
	<i>Balance at 1 August 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>As restated Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 July 2021 £</i>
Restricted funds						
Clubs and societies	102,455	10,515	(32,358)	22,096	-	102,708
Other restricted funds	15,244	148,019	(127,131)	-	-	36,132
Coronavirus Job Retention Scheme	-	45,220	(45,220)	-	-	-
	<u>117,699</u>	<u>203,754</u>	<u>(204,709)</u>	<u>22,096</u>	<u>-</u>	<u>138,840</u>
Total of funds	<u><u>(1,178,640)</u></u>	<u><u>1,556,067</u></u>	<u><u>(1,404,007)</u></u>	<u><u>-</u></u>	<u><u>(34,236)</u></u>	<u><u>(1,060,816)</u></u>

UNION OF KINGSTON STUDENTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	582	-	582
Current assets	279,001	251,567	530,568
Creditors due within one year	5,882	(71,995)	(66,113)
Provisions for liabilities and charges	(1,305,079)	-	(1,305,079)
Total	(1,019,614)	179,572	(840,042)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,660	-	1,660
Current assets	379,390	138,840	518,230
Creditors due within one year	(100,249)	-	(100,249)
Provisions for liabilities and charges	(1,480,457)	-	(1,480,457)
Total	(1,199,656)	138,840	(1,060,816)

UNION OF KINGSTON STUDENTS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

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

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	133,272	152,060
Adjustments for:		
Depreciation charges	1,078	2,342
Dividends, interests and rents from investments	(116)	(29)
Decrease/(increase) in stocks	(5,336)	4,680
Decrease/(increase) in debtors	34,354	(98,116)
Increase/(decrease) in creditors	(34,136)	36,396
Contributions to pension deficit	(87,876)	(75,378)
Net cash provided by operating activities	41,240	21,955

16. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	416,259	374,903
Total cash and cash equivalents	416,259	374,903

17. Analysis of changes in net debt

	At 1 August 2021 £	Cash flows £	At 31 July 2022 £
Cash at bank and in hand	374,903	41,356	416,259
	374,903	41,356	416,259

UNION OF KINGSTON STUDENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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 £1,305,079 (2021: £1,480,457). 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 3.5% representing the typical yield of high quality corporate bonds has then been applied.

For the period 1 August 2021 to 31 July 2022, 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 £87,876 (2021: £75,378).

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 (2021: £nil). The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 31 July 2022 amounted to £nil (2021: £nil).

NEST

The Union also participates in a pension scheme with NEST, contributions by the employer in the year totalled £12,602 (2021: £13,846).

UNION OF KINGSTON STUDENTS

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19. Related party transactions

Subvention income is received from Kingston University. The income reported for the year ending 31 July 2022 amounted to £949,512 (2021: £949,512). In addition, the Charity was also in receipt of £164,252 (2021: £166,181) of additional grants from the University. Donated serviced premises and IT services of £295,004 (2021: £295,004) 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, £820 (2021: £62,903) 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.