

Charity Registration Number: 1148212
Company Registration Number: 07702161 (England and Wales)



The University of Sunderland Students' Union

Trustees' Report and Financial Statements

For the year ended 31 July 2022



UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Trustees' report	1 - 16
Auditors' report	17 – 20
Statement of financial activities	21
Balance sheet	22
Statement of cash flows	23
Notes to the financial statements	24 - 36

UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2022

The Trustees present their annual report for the year ended 31 July 2022 under the Charities Act 2011, together with the audited financial statements for the year.

Reference and administrative information

The University of Sunderland Students' Union is a company limited by guarantee governed by its Memorandum and Articles dated 12 July 2011, amended on 11 December 2018 and registered as a charity with the Charity Commission.

Charity number: 1148212

Company number : 07702161

Registered Office:

Edinburgh Building, University of Sunderland, Chester Road, Sunderland, Tyne and Wear, SR1 3SD

Charity Trustees:

Victoria Ayedofe	(Appointed 18 October 2021; Chair from 1 July 2022)
Diogo Quintas	(Chair – until 31 October 2021; resigned 31 October 2021)
Kirsty Kane	(Chair from 1 November 2021; resigned 13 May 2022)
Christopher Davison	(Chair from 13 May 2022, resigned 30 June 2022)
Oladimeji Adepoju	(Appointed 1 July 2022)
Chelsea Mogwo	(Appointed 1 July 2022)
Ameze Odia	(Appointed 21 June 2022)
Omar Mentesh	(Appointed 21 June 2022)
Al Lawley-Powell	(Appointed 1 November 2021)
Rose Guy	(Appointed 18 October 2021)
Andrew Murtough	
Peter O'Brien	
Lisa Kearney	
Adam Carter-Jones	(Resigned 30 June 2022)
Matthew Jackson	(Resigned 30 June 2022)
Shina Zdravcheva	(Resigned 30 June 2022)
Sarah Maluila-Tyler	(Resigned 30 September 2021)
Laura Pike	(Resigned 4 October 2021)
Jenny Goodfellow	(Resigned 25 October 2021)

UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT *(Continued)*
FOR THE YEAR ENDED 31 JULY 2022

Professional Advisers:
Professional Advisers

Auditors Haines Watts North East Audit LLP
17 Queens Lane
Newcastle upon Tyne
NE1 6SU

Bankers NatWest
Sunderland Branch
52 Fawcett Street
Sunderland, SR1 1SB

Advisers Counterculture Partnership LLP
Unit 115
Ducie House
Ducie Street
Manchester M1 2JW

DAC Beachcroft LLP
3 Hardman Street
Manchester M3 3HF

Key Management Personnel

The Union employs a Chief Executive to work closely with the Trustee Board and ensure effective management of the charity as head of a management team as follows:

Chief Executive (& Company Secretary)	Colina Wright (to 11 February 2022) Katherine Cooper (from 11 February 2022)
Head of Student Engagement	Cass Winlow
HR and Operations Manager	Louise Dixon
Finance Manager	Lynne Gordon
Marketing and Communications Manager	Katherine Cooper (to 11 February 2022) Frank Sverha (from 11 February 2022)
Student Voice Manager	Nicola Edwards
Student Opportunities Manager	Sarah Redman (to 8 April 2022) Vicki Okatch (from 8 April 2022)

UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT *(Continued)*
FOR THE YEAR ENDED 31 JULY 2022

Structure, governance and management

The Union is constituted under the Education Act 1994 as a charity, with internal regulations or Rules approved by the governing body of the University of Sunderland (the University). The Union's charitable object is the advancement of education of the students of the University of Sunderland for the public benefit.

The Sabbatical Trustees are elected annually by cross-campus secret ballot of the Union's membership. These four posts of President: Education, President: Activities, President Wellbeing and President: London are full-time posts remunerated as authorised by the Education Acts and cannot exceed two years duration for each holder.

The four full-time Sabbatical Officers, four Student Trustees and five External Trustees are regarded as the charity trustees of the Union for the purposes of the Charities Acts and Company Directors for the purposes of the Companies Act. Student Trustees shall remain in office for a term of one or two years as agreed by the Appointments Committee, serving a maximum of two consecutive terms. The external trustees may serve a term of four years, renewable up to a maximum term of office of eight years.

Trustee training

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

Organisational Management

Day to day responsibility for services rests with the Chief Executive along with service managers and other staff. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that performance is monitored and controlled.

The remainder of the management team (as set out in the key management personnel), is responsible for the delivery of the Union's strategy through their departmental teams.

The remuneration of key management personnel is set by the Finance, Risk and Resources Committee, with the policy objective of ensuring that they are rewarded for their individual contributions to the Union's success. Delivery of the Union's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT *(Continued)*
FOR THE YEAR ENDED 31 JULY 2022

Charity Governance Code Self-Assessment

The Board undertook an initial self-assessment against the version of the code developed specifically for Students' Unions by NCVO and NUS in January 2019, together with a Board development session which considered feedback from the self-assessment. A further review was undertaken in early 2021 which identified new development tasks and actions for the board to pursue.

The intention remains to review performance against the Code annually.

Relationship with University of Sunderland

The relationship between the University and the Union is established in the regulations of the University and in the Relationship Agreement approved by both organisations. The Union receives a Block Grant from the University and part-occupies a building owned by the University, which also pays for utilities, caretaking and cleaning staff. This non-monetary support is intrinsic to the relationship between the University and the Union.

Although recommended by the Charities SORP, which has been adopted for this and future financial years for due compliance with the requirements for Students' Unions provided for in the Charities Act 2011, it is not possible to identify an estimated value to the Union for this free serviced accommodation as the University does not separate out the property costs of individual floors of its buildings. Although the Union continues to generate supplementary funding from various trading activities, it will always be dependent on the University's financial support.

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

**UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT *(Continued)*
FOR THE YEAR ENDED 31 JULY 2022**

Principal Risks and Uncertainties

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

- **A health epidemic:** a further incident that requires (the University and) the Students' Union to work remotely, with the potential to adversely impact on the ability to:
 - meet the demands of the students
 - engage individuals with the democratic processes, threatening the legitimacy of the election processes and question the credibility of the SU.
- **The impact of Brexit on student recruitment:** challenges to the University's international student recruitment strategy which has the potential to threaten the University's financial stability.
- **A decline in student demographics relating to mature students:** challenges to the University's mature and postgraduate student recruitment strategy which has the potential to threaten the University financial stability and a pivot in our engagement styles linked to the type of student the University may plan to attract in the future.
- **Collapse of the National Body (NUS) due to political and financial imbalance:** Ensure the Board and student body are kept up to date with NUS' reform and turnaround plans. Engage with NUS regarding the feedback and action plans.
- The risk of not attracting experienced, skilled External Trustees leading to lack of specialist knowledge on Board.
- Insufficient funding from the University/lack of a long term funding commitment leads to inability to achieve aims and long term planning difficulties.
- Critical data loss from IT operations.
- Change in student profile means that Union no longer provides appropriate services.
- Failure to attract high quality, diverse candidates and applicants to key positions.

The first four risks are viewed as being external to the organisation, and over which it has very little direct control but must consider how it would frame its response. The remaining risks form part of the Union's active risk register and are subject to regular operational reviews to ensure that the agreed control and mitigation measures are effective.

**UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT *(Continued)*
FOR THE YEAR ENDED 31 JULY 2022**

Aims, Objectives and activities

The Union's Articles of Association set out the aims and objectives of the Union as follows:

The objects of the Union are the advancement of education of Students at the University of Sunderland for the public benefit by:

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

In pursuit of these aims for the public benefit, the Union will ensure the diversity of its membership is recognised, valued and supported and has established departments and services for use by its members and to support its work with the University and other organisations on behalf of students. Executive Officers of the Union sit on key committees of the University and meet regularly with providers of public services affecting students.

The Union's 2018-22 strategic plan sets out the following objectives for the organisation to pursue:

Your Voice

To ensure that we are fully student led, with students directing their own activities within the Union and that we represent the interests of all our members

Your Course and You

To support students to stay on their course and help them achieve their education goals.

Your Place

To be positive and proactive representatives of our university and city, to help students enjoying living, studying and belonging to Sunderland and our University.

When reviewing our objectives and planning our activities, we have given due consideration to the Charity Commission's general and relevant supplementary guidance on public benefit. The Students' Union provides a wide range of representation, advocacy, advice, training, publications, events, personal development support, and other services to students at the University of Sunderland in furtherance of the educational mission of the institution.

As a consequence, the Students' Union works to the public benefit of its members, the University and the wider Sunderland community who are affected by different policies, legislation and political agendas, and is recognised as the voice of Sunderland students.

UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT *(Continued)*
FOR THE YEAR ENDED 31 JULY 2022

Achievements and performance

Collectively the Students' Union...

- Developed our on-campus visibility and increased student engagement
- Strengthened the relationship between the University and the Students' Union; this is signified by a partnership agreement which is regularly reviewed by the Joint University Union committee
- Maintained strong National Student Survey results. We look forward to what our increased visibility on campus can achieve over the coming year
- Appointed two new staff in London, creating a permanent presence in London resulting in bespoke opportunities for students in London
- Created opportunities for student staff in the form of our SU Crew and SU Media staff.
- Has engaged stakeholders in the strategic review process ahead of our new 2022-2025 strategy.

Additional funding

The University agreed to fund an SU Manager role in London, a strategic priority of the SU we therefore expanded our staffing team during 2021-22 to SU Manager, Student Experience Coordinator and President: London. These are London specific staff and have allowed opportunities for London based students to be represented more effectively. Students in London represent 24% of our student population.

In addition, the University gave us a further £28,800 to support the increase in Student Voice Reps requested from the PVC Learning and Teaching. This acknowledges the importance of the function of the Student Voice Reps and seeks to increase the total number of opportunities available, which we previously based on one per School rather than acknowledging the size of the schools, to continue to engage students at a faculty level.

Projects and initiatives

The Students' Union and University began working on a join project 'Shine a Light' which will improve our understanding of the lived experiences of our BAME students studying both in Sunderland and London. The project will raise awareness of the support services on offer and encourage our BAME students to take up these support opportunities particularly in relation to their mental health and wellbeing.

Equality, Diversity and Inclusion projects

The Santander project fund has enabled the SU to continue to grow our offer of events, activities, and support for students with protected characteristics. This year, we've focused on increasing support for our international students by giving them spaces to celebrate holidays, come together and feel connected with others from their faith and culture whilst at university. We've also grown our provision for the LGBTQ+ student community.

Though money provided by Santander were able to provide:

- Lunar New Year Celebration
- The BonBons Cabaret
- Holi: Hindu Festival
- Wellness Hour: Stitch a Rainbow
- The Big Gay Festival
- Global Food Festival

UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT *(Continued)*
FOR THE YEAR ENDED 31 JULY 2022

Student Voice

Representation

Over the last year the Students' Union has been focused on refreshing and implementing a new Student Representation and Feedback Policy. As a result of this there has been increased engagement in opportunities for representation and student feedback. Our focus over the coming year is to continue implementing and evaluate the policies impact.

Elections

During March 2022, ten positions were promoted across both London and Sunderland campuses, successfully electing eight positions for both full-time and part-time elected officers, and we successfully ran a summer election to fill vacant positions. Voter turnout in 2022 was on the increase seeing an increase of 31.4%.

Members Meeting

SU staff took a proactive approach to promote members meeting for 2022, running a hybrid meeting model to allow increased accessibility to engagement. With increased promotion across campus and refreshers fair, the SU saw over 200 students sign up to the event, however we were still unable to reach a quorum (100) on the day. With 73 students in attendance the SU had a very proactive meeting and has reviewed alongside the Trustee Board a model for 2023 which may help reach quorum in 2023.

Democracy Review

The organisation is undertaking a large-scale project looking at all aspects of democracy, this includes the articles, byelaws, and other governing documents, along with some of the delivery elements of democracy such as Union Council, Elections and Elected Officer roles. We have commissioned an external consultant to assist with this piece of work and have included an independent student panel to play a key part in the developments.

Advice

We continue providing independent advice, and have supported 509 new cases this year, this is 19% higher than the peak of the pandemic in 19/20, and 98.6% higher than the other 5 years since 2015/16 averaged. September 2021 was our busiest month on record with 73 new cases opened during that month.

We have also seen increases in workload (as measured by case notes) with nearly

- 7,200 emails recorded in 2021/22 compared to 3,600 in 2020/21, 3,530 in 2019/20 and 2,661 in 2018/19.
- 1,087 Telephone calls were recorded in 2021/22 compared to 549 in 2020/21, 415 in 2019/20 and 231 in 2018/19.
- 844 Videocalls or Livechat exchanges were recorded in 2021/22 compared to 797 in 2020/21, and 275 in 2019/20 following the introduction of WhatsApp appointments during the pandemic
- A total of 10,277 cases notes were recorded in 2021/22 compared to 5,644 in 2020/21, 5,217 in 2019/20 and 3,753 in 2018/19.

**UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (*Continued*)
FOR THE YEAR ENDED 31 JULY 2022**

To tackle the increases in service demands there has been a number of changes in the year:

- In November 2021 appointment times were reduced from 30 minutes to 20 minutes
- Livechat appointments have been removed due to their tendency to overrun allocated appointment times (WhatsApp videocalls are still available, and we now offer MS Teams as an option as well)
- We have reduced the appointment options to make it easier for students to navigate bookings and the former standard appointment slot for 'other matters' has been replaced by a 5 minute bookable triage consultation
- Our booking page makes clear this is for finance, visa, employment and legal matters; this allows us to check if there is a cross over with academic/housing issues (which does happen) and either signpost to more suitable services and/or book a subsequent full appointment
- We have re-written our automated messages received during the booking process to be clearer on the limitations of the service
- We now make clear that we only offer 1 appointment unless agreed with an adviser that follow up work will be necessary
- We are actively trying to move work from ongoing 'casework' to a more transactional 'advice' case where appropriate.

Issues students are raising

- 11.2% of cases in 2021/22 were Housing issues.
 - The percentage of cases that are housing are down (from 17%) but the number of housing cases has modestly risen from 53 to 57.
 - It should be noted that housing cases have fluctuated over the past 7 years from 36 to 120 and have seen raises one year and falls the next nearly exclusively
 - 1 in 6 housing cases feature potential or actual homelessness
- 80% of cases in 2021/22 were Academic issues
 - 27.9% of new cases presented issues related to Academic Appeals, 21.8% to Academic Misconduct, 14.7% to complaints and 4.7% to Disciplinary/Fitness to Practise matters
 - Compared to 2020/21 this represents a 73% increase in appeal enquiries (82 to 142), a more than tripling in Academic misconduct cases (34 to 111), and a relatively static number of complaints and Disciplinary/Fitness cases (Although due to the increase in appeals and misconduct in particularly they account for a lower percentage)
- Overseas students account for 1 in 4 appeals, 16% of complaints and 55% of academic misconduct enquiries.
- An increase in non-academic/housing issues has been recorded, notably in student finance which accounts for 3.3% and is nearly entirely comprised of students approaching us for support for challenging withdrawals due to non-payments of fees.

¹ academic year records now run from 1st September- 31st August

² Records pre-15/16 are not included as this comes from a time when the service had multiple advisers and offered a wider range of services including visa advice

³ <https://www.sunderland.ac.uk/about/about-the-university/>

UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 31 JULY 2022

Student Opportunities

Freshers

15 fantastic Freshers events were organized with the Mature Students Social, Friendship Evening and Beach Walk being highlights of the week.

This was the first year the SU took control of the Freshers Fair with over 3000 attendees and a fantastic, vibrant atmosphere on campus after the pandemic.

We recruited our Welcome Crew volunteers who offered a warm welcome to students moving into halls of residence and at our events on campus and in the city.

Campaigns

The Students' Union supported several national weeks and campaigns including:

- Black History Month (October)
- Blue Monday (January)
- Student Volunteering Week (February)
- LGBT History Month (February)
- International Women's Day (March)

... and many more!

Societies

Total no. of societies: 52

This has increased by 16 from the end of 2020/21 and includes 20 academic (or related) societies plus Travel and Tourism Society in London. There has been a significant appetite for medical-based societies but less interest in starting up arts-based societies.

September Freshers Fair sign-ups: 26

Societies did a great job making their stalls vibrant and exciting!

Number of activities (not inc. recurring meets etc): 74+

Societies have got back on their feet this year after COVID restrictions and engagement with the SU has definitely increased as the year has gone on. Lots enjoyed having casual activities like games nights in the City Space social area. The biggest and most popular activities were South Asian Society's Qawwali Ball in November, LGBTQ+ Society's Big Gay Festival in February and Islamic Society's Ramadan celebrations in May. A few societies held trips and guest speaker events which were popular with academic societies, with a few even being held in the SU Social Space.

Total no. of memberships bought: 1043

We only recorded membership growth from January, so this can be monitored from September in 2022/23. The top three societies in terms of membership were MedSoc (149), Nigerian Society (86) and SurgSoc (67).

Committee Members trained: 89

We asked that at least 2 committee members per society were trained and this was delivered live via Teams/Zoom, which worked well. We offered different sessions throughout the year as more societies set up, in-person training was offered but only two students expressed an interest.

Grant Funding awarded: £9,794.51 (Applications total: £18,325.70 from 22 societies)

Applications came through fairly consistently throughout the year for a variety of things, including Freshers Fair resources, subsidies for trip travel and large-scale events, as well as society-specific resources like hedgehog tunnel materials (Hedgehog Society), suturing kits (SurgSoc) and Tree ID. Guides (Environmental Society).

**UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT *(Continued)*
FOR THE YEAR ENDED 31 JULY 2022**

Amount fundraised: £2,002.89

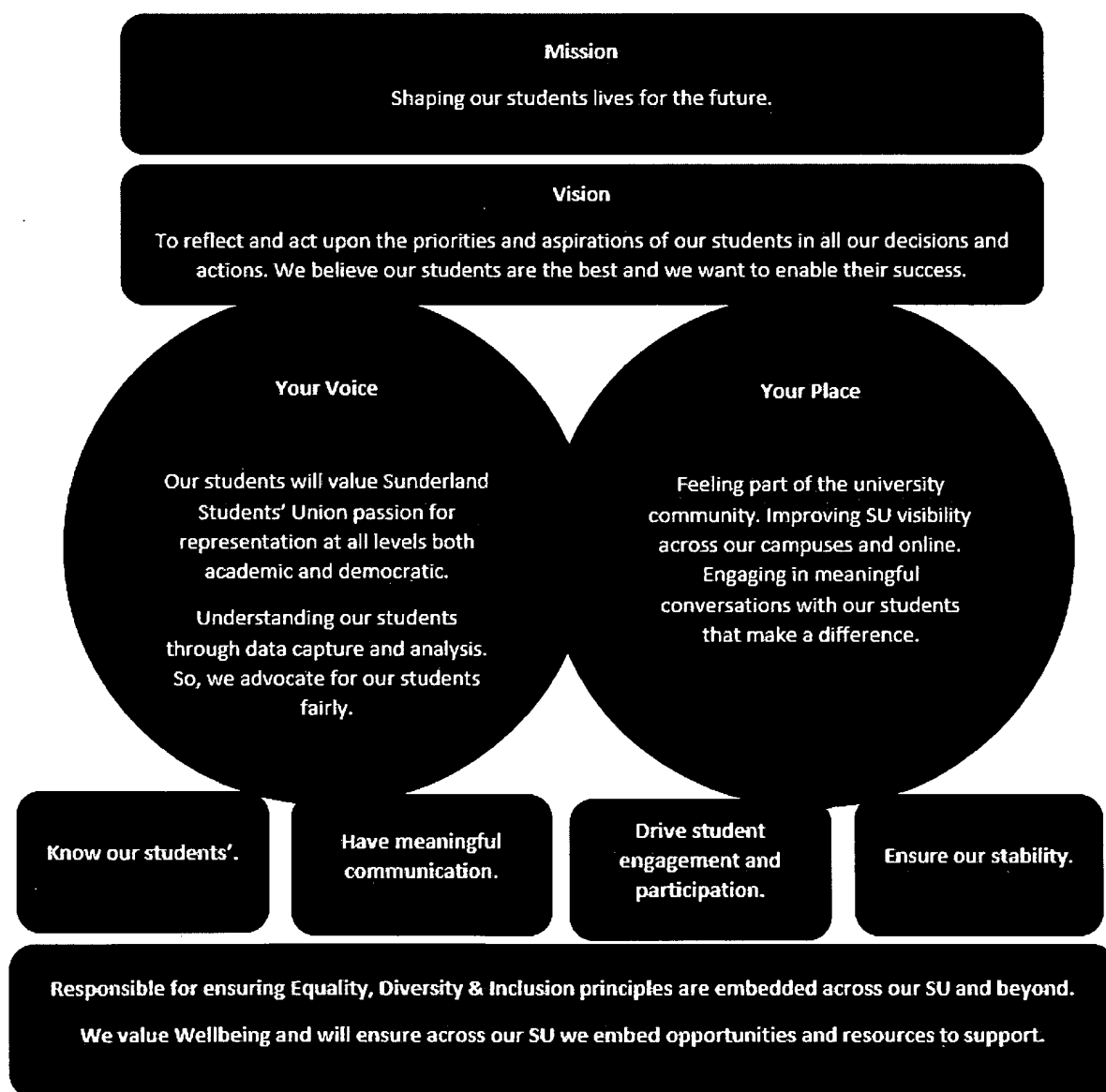
Islamic Society held a charity week for Islamic Relief, Friends of MSF, MedSoc and Paediatric Societies held bake sales and Paramedic Society put on a raffle as part of International Paramedic Day.

SU Awards

Our annual awards event was re branded and held on campus for the first time. We had 13 categories and over 200 nominations. it was a wonderful celebration of our students' achievements, with over 120 attendees.

What's next...

The Union has launched its 2022-2025 strategic direction:



UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT *(Continued)*
FOR THE YEAR ENDED 31 JULY 2022

As a result, our key priorities for 2022/23 are:

- Increasing SU visibility and engagement, more students caring about what we do, transforming our visibility across each campus and online.
- Deliver specific programmes of support for key student groups and their experience as students at the University of Sunderland.
- Understanding the next generation's desires and needs, and adapting to ensure the SU is relevant and fit for purpose for future students.
- Begin a realistic financial plan for resilience.
- Staff team transformation to build a stable base for the students' union.
- Ongoing development on graduate outcomes, developing relationships with key stakeholders to support with opportunities such as volunteering, employability, and leadership skills.
- Embed Wellbeing and EDI across what we do.

What are our next challenges?

- We will continue to embed our new strategic direction and ensure that we work to achieve the needs of our students
- We will continue to focus on improving student engagement, both in Sunderland and in London
- We will continue to build on the positive working relationship with the University and look to extend this within the community
- We will continue to embed EDI and wellbeing across our work
- We will continue to work with staff to support increased students' participation

UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT *(Continued)*
FOR THE YEAR ENDED 31 JULY 2022

Financial review

The Union's gross income from all sources this year totalled £1,677,839 (2021: £1,448,453). Total expenditure of £673,817 (2021: £1,156,731) on the wide-ranging student benefits we provide within a broadly balanced budget, as well as on the modest fundraising and other revenue-generating activities we undertake, left an operating surplus for the year of £1,004,022 (2021: surplus of £291,722) after movements between unrestricted and designated funds and the annual adjustment of the Union's pension deficit obligations. (£395,581) of the operating costs relate to the adjustment of the pension liability as outlined below.

Since the entry into effect of FRS102 there has been a change of accounting policy regarding pension deficits. Previously, a prior year adjustment was recognised for the full SUSS deficit plan payable over 17 years allowing for the three year advance payment made in October 2014 and unwinding the discount received on that early payment. In June 2019 SUSS underwent its latest triennial actuarial valuation and the outcome was reported to member Unions in March 2020. Notifications of increases in deficit contributions were received in May 2020, and therefore the accounts recognise the Union's liability for those charges up to 2035.

During the 2021/22 financial year, deficit reduction contributions were made totalling £159,189. The year-end accounts have recalculated the net present value of the revised expected contributions up to October 2035. An adjustment to the revised future contributions has been credited to the SOFA, leaving the Union's total liability as £2,291,324 (2021: £2,846,094). The Union has an agreement with the University over how future contributions will be supported from 1 August 2020. The Union's total contributions over the current three-year valuation period will be £471,528. The University is contributing restricted funding of £361,000 to these costs between August 2020 and July 2023. The Union's pension deficit reserve will fund the remaining £110,528. At 31 July 2022, the Union had £60,109 remaining in this restricted reserve for pension contributions up to July 2023.

During 2021/22, the University has provided the Union with a further £440,000 of restricted funds to contribute to pension costs from 2023/24 to 2025/26.

The Trustee Board took a decision in July 2016 to create a designated fund to contribute to the three year Students' Union Superannuation Scheme (SUSS) deficit payments that have been required from October 2017 onwards. At 1 August 2021 the fund stood at £200,000. During the 2021/22 financial year £0 was spent from the fund on the year's pension deficit payments, together with £159,189 from restricted funds provided by the University. At year end, the fund was increased to £300,000 by transferring £100,000 from unrestricted reserves.

Additionally, at the end of the 2018/19 financial year another designated fund was established to support the costs of delivering the Union's People Strategy, developed in 2018/19 to underpin the strategic plan. £nil was spent from this fund during 2021/22 and £10,450 added for 2022/23, leaving a balance of £15,000 at year end.

At the end of 2020/21, two further designated funds were created. One contained £8,000 to cover the cost of the Union's Freshers' Week IT platform £8,000 was spent from this fund leaving no balance at year end. The second fund was to support the development of the Union's website containing £5,000 of which £3,350 was spent, and £8,350 added for 2022/23 leaving a balance of £10,000.

UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT *(Continued)*
FOR THE YEAR ENDED 31 JULY 2022

Reserves level and policy

The Trustees have adopted a reserves policy, the objective of which is to protect the Union and its charitable activities by ensuring adequate liquidity while the organisation adjusts to any short term (two to three months) changes it encounters in its financial and operating environment. At the same time the Trustees wanted to ensure reserves were not too high in order to maximise the resources applied to the Union's charitable purpose, and to be able to designate specific funds to support the ongoing activities of the Union. Following this policy the Trustees have set a target of the Union holding £200,000 in unrestricted funds (not including the pension deficit reserve).

As noted above, due to the recognition of the pension scheme requirements of FRS102, the Union's income and expenditure reserves are an accumulated deficit of £1,215,838 (2021: £2,219,860). Within that figure, unrestricted reserves total £239,269 (2021: £179,364). As that figure exceeds the £200,000 target, the Union is confident that it has a sustainable level of reserves, subject to future changes in pension deficit contributions.

The implementation of this policy sees the Union holding the following reserves for the stated purpose:

Item	31 July 2022 £	31 July 2021 £
Unrestricted funds	239,269	179,364
Pension Reserve	(2,291,324)	(2,846,094)
Restricted Pension Reserve 2023 – being a fund representing the restricted funding provided by the University to support the Union's pension deficit payments up to 31 July 2023	60,073	219,262
Restricted Pension Reserve 2026 – being a fund representing the restricted funding provided by the University to support the Union's pension deficit payments between 1 August 2023 and 31 July 2026	440,000	-
Designated Capital Fund – being a fund representing the net book value of fixed assets owned by the charity	11,144	10,058
Designated Pension Deficit Payment Reserve – being a fund setting aside a contribution to future pension deficit payments	300,000	200,000
Designated Staff Development Reserve - being a fund to cover staff learning and development in support of the people strategy	15,000	4,550
Designated Freshers' Week IT Fund	-	8,000
Designated Website Development Reserve	10,000	5,000
Total Reserves	(1,215,838)	(2,219,860)

UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT *(Continued)*
FOR THE YEAR ENDED 31 JULY 2022

Going Concern

Following negotiations with the University the Union has been successful in agreeing another increase in grant funding for 2022/23, plus additional support for its pension deficit contributions. The budget allows for a small operating surplus to be achieved on that basis meaning that the Union's unrestricted reserves should not need to be used to help fund its ongoing activities.

The trustees continue to review and update their financial forecasts for the short- and medium-term future. Senior management of the Union have regular briefing meetings with the University's senior leadership, and are reassured that the University remains committed to maintaining its grant funding of the Union at the current level for at least the next financial year. The trustee board also receives regular updates directly from the University's Pro Vice Chancellor (Academic) which underscores the institution's ongoing financial support for the Union. At the point of signing the accounts, the trustees are satisfied that Sunderland SU remains a going concern.

UNIVERSITY OF SUNDERLAND STUDENTS' UNION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT *(Continued)*
FOR THE YEAR ENDED 31 JULY 2022

Trustees' Responsibilities

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

Company law requires the charity trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006.

The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trustees' statement of disclosure of information to the auditors

In so far as the trustees are aware at the date of approval of this report:

- there is no relevant audit information of which the charity's auditor is unaware, and
- the trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Board of Trustees on 12 December 2022 and signed on its behalf by


.....
Victoria Ayedofe
Chair of the Trustee Board

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNIVERSITY OF SUNDERLAND STUDENTS' UNION FOR THE YEAR ENDED 31 JULY 2022

Opinion

We have audited the financial statements of University of Sunderland Students' Union (the 'charitable company') for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including 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 charitable company'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 the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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.

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNIVERSITY OF SUNDERLAND STUDENTS' UNION FOR THE YEAR ENDED 31 JULY 2022

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's 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.

Opinions 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the 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 directors' 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 directors' report and from the requirement to prepare a strategic report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNIVERSITY OF SUNDERLAND STUDENTS' UNION
FOR THE YEAR ENDED 31 JULY 2022**

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, 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 being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Charities Act 2011, Companies Act 2006, UK GAAP (FRS102) and relevant tax legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- confirming with the trustees and management whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the risk of management override including identifying and testing a sample of journal entries;
- confirmation received from the banks to verify the balance as on the last day of the accounting year;
- reviewing minutes of meetings of those charged with governance; and
- challenging the assumptions and judgements made by management in its significant accounting estimates.

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNIVERSITY OF SUNDERLAND STUDENTS' UNION
FOR THE YEAR ENDED 31 JULY 2022**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

Use of our report

This report is made solely to the charitable company's members, 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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Donna Bulmer BA (Hons) ACA (Senior Statutory Auditor)
For and on behalf of Haines Watts North East Audit LLP**

14 December 2022

Statutory Auditors

17 Queens Lane
Newcastle upon Tyne
NE1 1RN

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income from:						
Donations	4	1,064,587	-	440,000	1,504,587	1,340,000
Charitable activities	5	172,191	-	-	172,191	104,507
Investment income	6	1,061	-	-	1,061	267
Government grants		-	-	-	-	3,679
		<u>1,237,839</u>	<u>-</u>	<u>440,000</u>	<u>1,677,839</u>	<u>1,448,453</u>
Expenditure on:						
Charitable activities	7	1,055,689	13,709	-	1,069,398	1,029,584
Unwinding of pension liability		(395,581)	-	-	(395,581)	127,147
		<u>660,108</u>	<u>13,709</u>	<u>-</u>	<u>673,817</u>	<u>1,156,731</u>
Net movement in funds before transfers		577,731	(13,709)	440,000	1,004,022	291,722
Transfers	17	(517,826)	677,015	(159,189)	-	-
Net movement in funds		<u>59,905</u>	<u>663,306</u>	<u>280,811</u>	<u>1,004,022</u>	<u>281,722</u>
Reconciliation of funds						
Fund balances brought forward		179,364	(2,618,486)	219,262	(2,219,860)	(2,511,582)
Fund balances carried forward		<u>239,269</u>	<u>(1,955,180)</u>	<u>500,073</u>	<u>(1,215,838)</u>	<u>(2,219,860)</u>

The results for the year derive from continuing activities and there are no gains or losses other than those shown above.


UNIVERSITY OF SUNDERLAND STUDENTS' UNION

**BALANCE SHEET
AS AT 31 JULY 2022**

			2022	2021
	Notes	£	£	As restated £
Fixed assets				
Tangible assets	13		11,144	10,058
Current assets				
Stocks		6,712		4,628
Debtors	14	47,696		138,656
Cash at bank and in hand		1,145,462		692,860
		<u>1,199,870</u>		<u>836,144</u>
Liabilities				
Creditors: amounts falling due within one year	15	(306,130)		(379,124)
Net current assets			893,740	457,020
Total assets less current liabilities			<u>904,884</u>	<u>467,078</u>
Creditors: amounts falling due after one year				
- Pension liability	16	(2,120,722)		(2,686,938)
Net assets			<u>(1,215,838)</u>	<u>(2,219,860)</u>
Funds				
Unrestricted funds		239,269		240,346
Designated funds		336,144		166,626
Restricted fund		500,073		361,000
Pension reserve		(2,291,324)		(2,987,832)
	17		<u>(1,215,838)</u>	<u>(2,219,860)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 12/12/2022 and are signed on their behalf by:


Victoria Ayedofe
Chair of the Trustee Board

Company Registration Number. 07702161

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

STATEMENT OF CASH FLOWS
AS AT 31 JULY 2022

	Notes	2022 £	2021 £
Cash used in operating activities	21	454,986	313,550
Cash flows from investing activities			
Interest income		1,061	267
Purchase of tangible fixed assets		(3,445)	(7,562)
<i>Cash provided by (used in) investing activities</i>		<u>(2,384)</u>	<u>(7,295)</u>
Change in cash and cash equivalents in the year		452,602	306,255
Cash and cash equivalents at the beginning of the year		692,860	386,605
Cash and cash equivalents at the end of the year		<u>1,145,462</u>	<u>692,860</u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		<u>1,145,462</u>	<u>692,860</u>

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

1. Accounting Policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

University of Sunderland Students' Union meets the definition of a public benefit under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

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

1.2 Going concern

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

A pension liability of £2,291,324 shown in note 15 and 16 has been provided in the financial statements in accordance with FRS 102. The liability represents the additional contributions required in line with the Recovery Plan which runs to 2035. Further detail in relation to the recognition of the liability can be found in note 1.14. The pension liability does not fall due immediately therefore the trustees continue to prepare the financial statements on a going concern basis.

The financial statements do not include any adjustments that might be necessary if the University were not to provide further support. Were this not the case, adjustments would have to be made to reduce the value of the assets to their recoverable amount, to provide any further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and current liabilities.

1.3 Funds

Unrestricted funds are available for use at the discretion of the Directors in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The cost 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2022

1.4 Incoming resources

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

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

Investment income relates to interest earned through holding assets on deposit.

1.5 Donated services and facilities

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

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

1.6 Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

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

1.7 Support cost allocation

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

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

1.8 Tangible fixed assets

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

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures and Fittings	-	20% and 33% on a straight line basis
Motor Vehicles	-	33% on a straight line basis

All assets costing more than £500 are capitalised.

1.9 Stock

Stock is included at the lower of cost and net realisable value.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement after allowing for any trade discounts due.


1.13 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.

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

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

1.14 Pensions



University of Sunderland Students' Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the University of Sunderland Students' Union. Under the terms of FRS17, in these circumstances contributions are accounted for as if the Scheme were a defined contribution scheme based on actual contributions paid throughout the year.

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

1.15 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2. Legal status

University of Sunderland Students' Union is a company limited by guarantee, registered in England and Wales, (No 07702161) and not having a share capital. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2022

3. Comparative Statement of Financial Activities

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from:						
Donations	4	982,679	-	361,000	1,343,679	987,519
Charitable activities	5	104,507	-	-	104,507	98,005
Investment income	6	267	-	-	267	2,115
		<u>1,087,453</u>	<u>-</u>	<u>361,000</u>	<u>1,448,453</u>	<u>1,087,639</u>
Expenditure on:						
Charitable activities	7	1,022,585	6,999	-	1,029,584	984,147
Recalculation of pension liability		-	127,147	-	127,147	909,457
		<u>1,022,585</u>	<u>134,146</u>	<u>-</u>	<u>1,156,731</u>	<u>1,893,604</u>
Net movement in funds before transfers		64,868	(134,146)	361,000	291,722	(805,965)
Transfers	17	(68,545)	210,283	(141,738)	-	-
Net movement in funds		<u>(3,677)</u>	<u>76,137</u>	<u>219,262</u>	<u>291,722</u>	<u>(805,965)</u>
Reconciliation of funds						
Fund balances brought forward		183,041	(2,694,623)	-	(2,511,582)	(1,705,617)
Fund balances carried forward		<u>179,364</u>	<u>(2,618,486)</u>	<u>219,262</u>	<u>(2,219,860)</u>	<u>(2,511,582)</u>

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2022

4. Donations

	2022 £	2021 £
University of Sunderland		
Block grant	1,032,350	934,000
Pension deficit grant (<i>restricted</i>)	440,000	361,000
Other	32,237	45,000
Government grants	-	3,679
	<u>1,504,587</u>	<u>1,343,679</u>

The government grants received relates to the JRS claim.

5. Incoming resources from charitable activities

	2022 £	2021 £
Student services income	90,471	89,706
Commercial income	76,406	14,801
Other Income	5,314	-
	<u>172,191</u>	<u>104,507</u>

6. Investment income

All of the charitable company's investment income arises from money held in interest bearing deposit accounts.

7. Charitable expenditure

	Activities undertaken directly £	Support costs £	2022 £	2021 £
Student Services	817,981	249,359	1,067,340	1,029,584
Commercial	1,577	481	2,058	-
	<u>819,558</u>	<u>249,840</u>	<u>1,069,398</u>	<u>1,029,584</u>

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

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

8. Support Costs

	2022	2021
	£	£
Finance	47,831	52,578
Administration	196,113	250,163
Human Resources	-	5,340
Information Technology	296	192
Governance (note 9)	5,600	5,175
	<u>249,840</u>	<u>313,448</u>

Support costs are allocated based on the overall expenditure of the activities.

9. Governance

	2022	2021
	£	£
Audit fee	5,600	5,175
	<u>5,600</u>	<u>5,175</u>

10. Net income/(expenditure) for the year

This is stated after charging:	2022	2021
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	2,359	1,549
	<u>2,359</u>	<u>1,549</u>

11. Auditors' remuneration

	2022	2021
	£	£
Fees payable to the charity's auditors for the audit of the charity's annual accounts	5,600	5,450
	<u>5,600</u>	<u>5,450</u>

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2022

12. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022	2021
	£	£
Wages and salaries	620,389	594,266
Social security costs	51,637	51,653
Other pension costs	33,074	30,209
	<u>705,100</u>	<u>676,128</u>

The average monthly number of employees during the year was as follows:

	2022	2021
	Number	Number
Direct	3	3
Administration	17	18
Management	4	4
	<u>24</u>	<u>25</u>

No employees received total employee benefits (excluding employer pension costs) of more than £60,000. (2021 - one)

The trustees are made up of external trustees and sabbatical officers; external trustees were not paid or received any other benefits from employment in the year (2021 - £nil), sabbatical trustees were paid £35,226 (2021 - £58,290) as permitted by the Students' Union's Ordinance and Regulations. No trustee received payment for professional or other services supplied to the charity (2021 - £nil).

The reimbursement of trustees expenses was as follows:

	2022	2022	2021	2021
	Number	£	Number	£
Travelling expenses	3	1,216	-	-

The key management personnel of the charity comprise the Chief Executive Officer, Head of Student Engagement, Marketing and Communications Manager, Student Opportunities Manager, Finance Manager, HR & Operations Manager and the Student Voice Manager. The total employee benefits of the key management personnel of the charity were £271,270 (2021 - £257,947).

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2022

13. Tangible fixed assets		Fixtures, Fittings & Equipment £
Cost		
At 1 August 2021		81,354
Additions		3,445
Disposals		-
At 31 July 2022		<u>84,799</u>
Depreciation		
At 1 August 2021		71,296
Charge for the period		2,359
Disposals		-
At 31 July 2022		<u>73,655</u>
Net book value		
At 31 July 2022		<u>11,144</u>
At 31 July 2021		<u>10,058</u>
14. Debtors	2022	2021
	£	£
Trade debtors	28,845	93,339
Other debtors	7,263	10,256
Prepayments and accrued income	11,588	35,061
	<u>47,696</u>	<u>138,656</u>
15. Creditors: amounts falling due within one year	2022	2021
		as
		restated
	£	£
Trade creditors	35,569	77,516
Taxes and social security	18,489	18,640
Other creditors	15,817	17,098
Accruals and deferred income	65,653	106,714
Pension liability	170,602	159,156
	<u>306,130</u>	<u>379,124</u>

In other creditors are funds of £13,042 (2021 - £12,109) held on behalf of the Students' Union societies.

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2022

16. Creditors: amounts falling due more than one year

	2022	2021 As restated
	£	£
Pension deficit payment plan liability	2,120,722	2,686,938

17. Analysis of funds

<u>Year ended 31 July 2022</u>	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
Unrestricted fund					
General fund	179,364	1,237,839	(660,108)	(517,826)	239,269
Designated funds					
Capital fund	10,058	-	(2,359)	3,445	11,144
Pension payment fund	200,000	-	-	100,000	300,000
Pension deficit	(2,846,094)	-	-	554,770	(2,291,324)
Staff development fund	4,550	-	-	10,450	15,000
Freshers' Week IT Fund	8,000	-	(8,000)	-	-
Website Development Fund	5,000	-	(3,350)	8,350	10,000
Restricted funds					
Pension fund 2023	219,262	-	-	(159,189)	60,073
Pension fund 2026	-	440,000	-	-	440,000
	(2,219,860)	1,677,839	(673,817)	-	(1,215,838)

<u>Year ended 31 July 2021</u>	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
Unrestricted fund					
General fund	183,041	1,087,453	(1,022,585)	(68,545)	179,364
Designated funds					
Capital fund	4,044	-	(1,549)	7,563	10,058
Pension payment fund	152,018	-	-	47,982	200,000
Pension deficit	(2,860,685)	-	(127,147)	141,738	(2,846,094)
Staff development fund	10,000	-	(5,450)	-	4,550
Freshers' Week IT Fund	-	-	-	8,000	8,000
Website Development Fund	-	-	-	5,000	5,000
Restricted funds					
Pension fund	-	361,000	-	(141,738)	219,262
	(2,511,582)	1,448,453	(1,156,731)	-	(2,219,860)

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 JULY 2022

17. Analysis of funds (Continued)

Designated funds

Capital Fund – being a fund representing the net book value of fixed assets owned by the charity.

The pension deficit fund has been designated under FRS 102 to represent the net present value of the future contributions required over 15 years to clear the pension fund deficit.

Pension Deficit Payment Reserve – being a fund setting aside a contribution to future pension deficit payments

Brand Development Fund – being a fund to cover the implementation costs of the Union's new brand identity

Staff Development Reserve- being a fund to cover staff learning and development in support of the people strategy.

Restricted funds

The pension funds relates to the additional grants received from the University to fund the additional deficit contributions over the specified time period.

18. Analysis of net assets

<u>Year ended 31 July 2022</u>	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Total Fund £
Tangible assets	-	11,144	-	11,144
Cash and current investments	320,389	325,000	500,073	1,145,462
Other current assets	54,408	-	-	54,408
Current liabilities	(135,528)	(170,602)	-	(306,130)
Creditors more than one year	-	(2,120,722)	-	(2,120,722)
	<u>239,269</u>	<u>(1,955,180)</u>	<u>500,073</u>	<u>(1,215,838)</u>

<u>Year ended 31 July 2021</u>	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Total Fund £
Tangible assets	-	10,058	-	10,058
Cash and current investments	224,042	249,556	219,262	692,860
Other current assets	143,284	-	-	143,284
Current liabilities	(187,962)	(159,153)	-	(347,115)
Creditors more than one year	-	(2,718,947)	-	(2,718,947)
	<u>179,364</u>	<u>(2,618,486)</u>	<u>219,262</u>	<u>(2,219,860)</u>

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

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

19. Pensions

Pension Scheme – Defined contribution

Since 1 October 2011 all participating employees have been in a 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 £33,074 (2021 - £30,209).

Students' Union Superannuation Scheme – Defined benefit

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

The most recent valuation of the scheme was carried out as at 30 June 2019 and showed that the market value of the scheme's assets was £119.1m 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 following assumptions applied at 30 June 2019:-

- The investment return would be 4.0% per annum before retirements and 2.0% per annum after retirement
- Pensions accruing on post 1997 basis would revalue at 3.7% per annum and 3.4% per annum on the post 2000 basis
- Present and future pensions would increase at rates specified by Scheme rules with appropriate assumptions where these are dependent on inflation.

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 of 15 years and increased by 5% in October 2020, 14.2% from October 2021 and at least 5% each year thereafter. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme. These rates will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2022. Surpluses or deficits which arise at future valuations will also impact on the Guild's future contribution commitment. In addition to the above contributions, the Guild also pays its share of the scheme's levy to the Pension Protection Fund.

In accordance with FRS 102, the net present value of the future contributions required by the University of Sunderland Students' Union over 16 years to clear the funding deficit is £2,291,324 (2021 - £2,846,094). In calculating this net present value, annual increases of 5% in November 2020, 14.6% in November 2021 and annual increases of 5% thereafter have been made and a discount rate of 3.7% representing the typical yield of high quality corporate bonds has then been applied.

UNIVERSITY OF SUNDERLAND STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2022

20. Related party transactions

Included within trade creditors is an amount of £2,871 (2021 - £nil) owing to The University of Sunderland. Included within trade debtors is an amount of £12,195 (2021 - £82,050) owed by The University of Sunderland.

21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2022 £	2021 £
Net income for the year	1,004,022	291,722
Interest received	(1,061)	(267)
Depreciation of tangible fixed assets	2,359	1,549
Decrease/(increase) in stock	(2,084)	1,363
Decrease/(increase) in debtors	90,960	(114,846)
(Decrease)/increase in creditors including pension liabilities	(639,210)	134,029
Net cash in operating activities	<u>454,986</u>	<u>313,550</u>

22. Prior period adjustment

A prior period adjustment has been made in respect of:

(1) The classification of pension liabilities between current and non-current.

This has resulted in the following changes to the balance sheet:

	As previously reported £	Adjustment £	As restated £
Creditors: Amounts falling due within one year	347,115	32,009	379,124
Creditors: Amounts falling due after one year	2,718,947	(32,009)	2,686,938
	<u>3,066,062</u>	<u>-</u>	<u>3,066,062</u>

There was no impact on the statement of financial activities.