

Registered number: 08015198

National Union of Students (United Kingdom)

Directors' Report and Financial Statements

For the Year Ended 30 June 2023

 **DAINS**



National Union of Students (United Kingdom)

Company Information

Directors

R Amin (appointed 1 July 2020, resigned 25 January 2023)
G Atherton (appointed 1 July 2020, resigned 30 June 2023)
P Chapman (appointed 1 July 2020)
S Kerton (appointed 1 July 2020)
A Wilson (appointed 1 July 2020, resigned 30 June 2023)
N Bajwa (appointed 1 July 2022)
S Dallali (appointed 1 July 2022, resigned 1 November 2022)
C Fergusson (appointed 1 July 2022)
C Field (appointed 1 July 2022)
E Gomersall (appointed 1 July 2022)
B Savage (appointed 1 July 2022)
M Stephen (appointed 31 August 2022, resigned 30 June 2023)
O Tarn (appointed 1 July 2022)
H Innes (appointed 1 July 2023)
N Katz (appointed 1 July 2023)
V Langer (appointed 15 November 2023)
A Wilson (appointed 29 January 2024)

Registered number

08015198

Registered office

Ian King House
Snape Road
Macclesfield
Cheshire
SK10 2NZ

Independent auditors

Dains Audit Limited
Statutory Auditor & Chartered Accountants
Suite 2, Albion House
2 Eturia Office Village
Forge Lane
Stoke on Trent
Staffordshire
ST1 5RQ

National Union of Students (United Kingdom)

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National Union of Students (United Kingdom)

Group Strategic Report For the Year Ended 30 June 2023

Introduction

The directors present their report and the financial statements for the year ended 30 June 2023.

Business review

The NUS Group comprises of four different entities:

National Union of Students UK ("the Union" or "NUS") is a company limited by guarantee and confederal association of students' unions, guilds, junior common rooms and representative councils of students, involved in post sixteen education and training in the United Kingdom. Its accounts are consolidated accounts as NUS Group accounts as the largest legal entity of the group.

NUS Students' Union Charitable Services ('NUS Charitable Services' or 'the Charity') is constituted as a registered charity and a company limited by guarantee. The Charity is responsible for supporting the development of students' unions throughout the country to ensure they adequately serve their student membership. It is governed by its Articles of Association. The Charity's purpose is the promotion of students' unions for the benefit of the public including promoting the efficiency and effectiveness of students' unions and building the capacity of the students' union section by:

- Providing training, conferences and seminars on subjects relevant to the efficiency of students' unions;
- Identifying needs in students' unions and establishing projects or policies to address them;
- Providing services such as legal, accountancy and management advice services to students' unions; and
- Providing advice and information on fund-raising techniques appropriate for students' unions.

The Charity recorded income of £1.35m in the year and a net surplus of £12k compared to net deficit of £121k in the previous year. Total funds at 30 June 2023 stand at £784k, £9k of which are restricted. The Charity has received total gift aid payments from NUS Services Limited of £710k during 2022/23.

NUS Services Limited ("Services") is a subsidiary company of the Charity. Services exists to develop and maximise income opportunities for the student movement and deliver a strong national infrastructure. This is carried out by the purchasing consortium, which drives better margins for members through negotiation of bulk discounts on a vast range of goods and services, handling billing and payments, as well as securing promotional offers and providing sales growth support.

Services delivers great benefit to the student movement through its revenue generating activities, almost all of which provide significantly greater levels of income to the participating students' unions along with cash for the rest of the NUS group.

Services recorded revenues of £2.3m which was an increase from the prior year's income of £2.08m. This increase is due to the long-term recovery of purchasing business by member students' unions across the financial year following the return to full trading of their on-campus business activities post-pandemic. The surplus of £0.7m relates to a much improved trading year, despite a negative movement in the net present value of the company's pension deficit calculation.

NUS Holdings Limited ("Holdings") was a dormant organisation during the 2022/23 financial year and the plan is to move to winding the company up during 2023/24.

Following the financial issues faced by the group in 2018/19, and the reorganisation process undertaken in 2019/20, the 2022/23 financial year was the third year of the new operating structure and environment for the various entities. In June 2020, the group was reorganised around two "shoulder to shoulder" organisations – NUS UK and NUS Charitable Services with NUS Services becoming the trading subsidiary of the Charity and Holdings becoming an all but dormant company, owned by NUS Services.

VISION, MISSION AND VALUES

Vision

NUS UK is the student voice organisation and its aim is to re-build a national student voice powerful enough to be heard in today's world. We work to make change happen on the issues students care about and want to be different in education and our wider society. We deliver 3 things: campaigns, election power, and participatory policy.

NUS UK's work is focused on harnessing the collective power of students and students' unions to deliver a powerful national student voice, focusing on five priority campaigns

NUS Mission

NUS's mission is to promote, defend and extend the rights of students.

NUS Values

To achieve our vision and mission we believe six core values are crucial:

Collectivism

Democracy is at the heart of what we do and how we organise with collective accountability. We use the power of students and our unions to build a movement that shapes the future of education for the benefit of the wider community. We amplify the voices of students and young people through political education and organising.

Solidarity

We have a strong history of change. We recognise those who came before us and champion those who come after us. Our work feeds into a wider movement of social justice; we unionise with others, locally and globally, as we strive for a more just and liberated world.

Anti-oppression

We strive to be anti-oppressive through our actions, reflections, and learning. Using our campaign power, we dismantle the structural barriers to create a liberated, emancipatory society through education.

Creativity

We are creative and radical in our vision for change, and in our approach to getting it done.

Collective care

We are here for each other, practicing collective care and prioritising the long-term wellbeing of our staff, officers and members, striving toward reparative justice.

Joy

We enjoy working together, we want to be here, we celebrate and we have fun together.

**Group Strategic Report (continued)
For the Year Ended 30 June 2023**

Principal Activities

The primary aims and objectives of NUS are:

- To represent students and apprentices of the United Kingdom locally, nationally and internationally
- To promote and maintain the educational, social, cultural and general interests of students;
- To arrange services, goods, facilities and other benefits for members of NUS, for persons and organisations associated with NUS, and for other students and their organisations;
- To promote the views of students on problems in the educational system as a whole;
- To promote the interests of students in economic, social, youth and mature issues which have a direct effect on education or upon the status and welfare of students within society;
- To promote the views of students upon those issues which have a direct bearing on the education and social rights of students of any country;
- To maintain and promote co-operation with students and student organisations of other countries;
- To discuss, comment and act upon current affairs which are of interest or importance to students;
- To support causes which, in the opinion of the UK Conference, merit the support of students in general;
- To support prospective, current and past students in seeking gainful employment; and
- To act as a channel of communication between members and external bodies.

The secondary objects of NUS are to:

- Discuss, act upon and promote awareness of all of its primary objects in their full economic and social context;
- Promote its primary objects as an organised student group and in liaison and cooperation with other organised groups in society; and
- Do anything helpful to its primary objects.

Overview

Our movement has fought to protect students against the worst of the cost-of-living crisis. Now it's time to work towards a better future.

It has been an unrelenting decade in which to be a student, or to work in the student movement. Sustained budget cuts in all four nations; the impact of Brexit on student mobility and international students; ongoing industrial action; a global pandemic; and now a cost-of-living crisis stretching students' budgets to breaking point and reducing their access to education.

Our movement has stood up for students facing the worst impacts of this crisis. Soaring inflation and sky-high bills are affecting almost everyone, so making sure student voices and experiences are being heard above the noise has been crucial in 2022-23. Through a combination of inspiring local and regional campaigning by students' unions and activists, national research on the impacts of the crisis and extensive press and media work, we have ensured students' stories are being told and listened to by the public. Governments listened too – across the UK we won more than half a billion pounds in extra support for students, including huge boosts to maintenance funding in Wales, Scotland and NI, as well as £15 million hardship funding for English students.

These wins undoubtedly helped and will continue to help students across the UK to deal with the ongoing impacts of high inflation and access their education. But these solutions are just sticking plasters that fail to recognise that our education system is fundamentally broken and is continually failing those it should be lifting up. Students are the doctors, nurses and public sector workers of tomorrow, but instead of supporting them to realise their aspirations, governments are putting more and more barriers in their way. With a general election on the horizon, it's time to get students thinking about the future of education and ready to vote for that vision.

**Group Strategic Report (continued)
For the Year Ended 30 June 2023**

Across the UK we won:

- £580m in hardship support and maintenance funding increases
- Student support to rise 40% in NI, 11% in Scotland and 9.4% in Wales
- Real Living Wage for all public sector apprentices in Scotland
- EMA increased by a third in Wales for FE students
- £40m for students in NI via the UK spring budget
- More than half of universities in England pledge to stop using NDAs
- 5,000 students and young people enfranchised with free voter ID worth £75,000
- £2 cap on bus fares in England
- Over 100 European SUs, SAs and societies opposed blocking of GRR Bill
- £15m hardship funding in England, £3.6m in Wales and £2.8m in NI
- 70 SUs and 800 students submitted evidence to MPs' cost-of-living inquiry
- Student accommodation included in rent freeze in Scotland
- 85% of MPs emailed and over 10,000 emails to MPs/MSPs/MSs/MLAs
- Student renters in England protected in Renters' Reform Bill
- NUS Scotland 50th anniversary reception at Scottish Parliament
- Half price public transport for young people in NI
- Welsh Government student mental health working group established
- 150 officers from 80 SUs/SAs wrote to the Chancellor ahead of the Budget
- Sector-leading research on student cost-of-living crisis in all four nations
- Regulations to tackle harassment and sexual misconduct in HE in England
- Media coverage worth £17m in equivalent ad spend

Impact 2022-23

Winning for students during the cost-of-living crisis.

Campaigning with more than 200 students' unions and 80,000 supporters, our cost-of-living campaigns achieved so much across the UK:

- £568m extra student support in 2023-24
- £21.4m in additional hardship funding
- EMA increased by a third in Wales
- Real Living Wage for public sector apprentices in Scotland
- £2 cap on bus fares in England
- Half price public transport for young people in NI
- Student accommodation included in Scotland rent freeze
- APPG for Students inquiry into cost of living
- £40m for NI students via UK budget
- NUS cost of living surveys achieved national media coverage

Through a strategy involving member engagement and on-the-ground organising, digital mobilising, extensive media work and lobbying parliamentarians across the UK, we are making sure students continue to be heard during the cost-of-living crisis.

Media coverage worth more than £17m in equivalent ad spend across 2022-23 helped ensure the issue remained relevant and in the news.

Boosting support and reducing students' day-to-day costs

Cost of living campaigns across all four nations focused not only on increasing student support payments, but also on reducing their outgoings. We won rent freezes, reductions in travel costs, and SUs won cheaper food and essentials on campuses across the UK.

**Group Strategic Report (continued)
For the Year Ended 30 June 2023**

Students have been heard by decision makers. 85% of MPs received emails from more than 3,000 supporters, while MSPs, MSs and MLAs were contacted in their thousands calling for support from devolved governments.

70 SUs and 800 students contributed to the APPG for Students inquiry into the cost-of-living crisis. This led to the group of MPs supporting many of our campaign asks and echoing our narrative on the wider societal impacts of student hardship in Parliament.

We also mobilised hundreds of students' unions and student representatives through campaign training days, rallies, open letters, campus visits and more.

Turn Up – The UK's biggest ever student and youth voter registration campaign
In April we launched the Turn Up campaign in England and NI to coincide with May's local elections. These were the first elections in England that required voters to show photo ID before they cast their vote.

We wanted students to know the new rules and be able to take part in democracy, and 5,000 people used the code 'NUS' to get free voter ID worth a total of £75,000 courtesy of our campaign partner, Citizen Card.

Social media posts on the launch of Turn Up were seen by more than a million people and a post promoting Citizen Card was retweeted more than 7,000 times, including by several celebrities and influencers with big followings.

We're just getting started on the Turn Up campaign, which will play a big part in our campaign work in the year ahead as we look to influence manifestos and mobilise students to vote in the next general election.

Our Liberation Work in 2022-23

We mobilised 108 students' unions, associations and societies from across Europe to sign an open letter to the UK's Minister for Women and Equalities, Kemi Badenoch, on the UK Government's decision to block the Gender Recognition Reform (Scotland) Bill.

Working with campaign organisations Not on My Campus and Can't Buy My Silence, we've secured commitments from more than half of universities in England to end the use of NDAs to silence victims of sexual misconduct, bullying and harassment. We also won new OfS regulations to tackle sexual misconduct and harassment in HE in England.

We launched a Liberation Library, bringing together resources to help Black, Trans, LGBT+, Disabled and Women students design local campaigns.

Impact in Scotland

The Fighting for Students campaign won a £900 increase to student support payments for HE and FE students in 2023-24. The campaign also delivered the Real Living Wage for public sector apprentices, and student accommodation was included in the Scottish Government's rent freeze in the first half of 2022-23.

5,300 students took part in the Cost of Survival survey, and more than 3,000 emails were sent to MSPs about the cost-of-living crisis.

We mobilised 250 students at rallies in Edinburgh and Aberdeen, and we led the fight against the UK Government's blocking of the Gender Recognition Reform (Scotland) Bill.

Impact in Wales

Through the Thriving, Not Surviving campaign, we won a 9.4% increase to the student maintenance package and the Welsh Government increased the value of the Education Maintenance Grant by a third for FE students in Wales.

Campaigning on the Welsh Budget won hardship funding worth £2.3m for HE students and £1.3m for FE students, as well as £4.87m for apprenticeships.

**Group Strategic Report (continued)
For the Year Ended 30 June 2023**

Lobbying on the cost of student housing resulted in a commitment by the Welsh Government to publish a rent controls white paper, while NUS Wales will sit on a newly established government working group on student mental health.

Impact in NI

NUS-USI won £98m for students during the cost-of-living crisis, including £55m to increase maintenance support by 40% in 2023-24. We also secured a commitment to a full review of the NI student funding system.

We won £40m for students in NI via the UK spring budget and got £2.8m from the Department for the Economy to boost hardship funding. When the Secretary of State announced public transport fares were increasing by 7%, we won a further discount for young people with the yLink card, going from 1/3 off to 50% off.

Our research report on the impact of the cost of living on students 'The Cost of Survival' was picked up in the national media, we hosted a roundtable event with political representatives and mobilised students at the local elections in May with a mini-manifesto.

Impact in England

50,000 people have supported our work in England, and the active reach of our campaigns has grown to almost half a million people.

Away from our primary campaigns, we also won increased protections for students in the Renters' Reform Bill as part of the Renters' Reform Coalition. Working with the 20-strong coalition we have been able to fight for students' rights as part of a movement towards a fairer deal for all tenants.

Partnering with other organisations that share our values has expanded our capacity and reach. Working with Generation Rent, British Youth Council and Democracy Classroom on the Turn Up campaign has improved its reach and we are working and learning from Organise Now as part of our student power at work campaign.

Principal risks and uncertainties

All the organisations in the group take part in the wider NUS Group risk management processes to ensure consistency of management. As part of the annual business planning process, the major strategic and operational risks that NUS UK faces and the ways in which they are being monitored, managed and mitigated, were assessed by the Board and the Finance Committee.

The board has assessed the main risks facing the group as:

- The continued impact of the Covid 19 pandemic on member students' unions, and the activities of the NUS Group
- Change in affiliation status of students' unions
- On-going changes in Higher Education
- Potential government spending cuts and their impact on students' unions,
- Continued competition from both the high street and supermarkets resulting in continuing steady decline in licensed trade sales, together with the risk of certain students' unions ceasing to run their commercial services.

Group Strategic Report (continued)
For the Year Ended 30 June 2023

Member affiliations

A principal risk the board has considered this year has been the impact of disaffiliation from NUS UK. This presents a risk not only to the income base of the organisation but on our ability to collectively represent the views of students.

In the 2022/23 financial year there were 20 referenda held by members on continued affiliation to NUS UK. Unfortunately, in five cases students voted to disaffiliate from NUS UK. Per the notice period in NUS UK's articles these will take effect on 31 December 2023. In addition, one member served notice to leave without a referendum. Only one member chose to leave NUS Charity.

The directors continue to monitor affiliations and referendum campaigns to ensure we remain relevant and responsive to our members.

Student Union Superannuation Scheme ("SUSS")

One of the main areas of risk facing NUS Group is the Student Union Superannuation Scheme ("SUSS"). NUS UK offered membership of SUSS, a defined benefit pension scheme, to all employees until 30 September 2011, at which point the scheme closed to future accrual.

The scheme is subject to a revaluation every three years with the last valuation being held in June 2022. The 2022 valuation recommended a monthly contribution requirement by each union, expressed in monetary terms, intended to clear the ongoing funding deficit over a period of 15 years, and increasing by at least 5% each year. This showed a funding deficit of around £133m shared between 68 employers. This represented a decrease of c.£7m in the deficit in comparison to the 2019 valuation indicating that the scheme recovery plan is on track. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme.

In addition to the above contributions, NUS also pays its share of the scheme's levy to the Pension Protection Fund. The impact of the re-valuation has impacted the finances by increasing the interest payable figure in the statement of income and the liabilities in the balance sheet. During the period, the Company's contribution was £761,449 (£944,437 for the group). This is set to increase by 5% from 1 October 2023.

Whilst the closure of the scheme to future accrual goes some way to mitigate the risk it does not eliminate it. The Company is required to make deficit contributions until May 2037, which at current rates represents a liability of £15.3million (£19.0m for the group). This is subject to fluctuations in fund performance, changes in apportionment methodology, the life expectancy of the individuals within the scheme and the results of the recent valuation.

National Union of Students (United Kingdom)

Group Strategic Report (continued) For the Year Ended 30 June 2023

Financial key performance indicators

The year saw the organisation continue to pursue the financial strategy set by the board:

- Cover the SUSS pension deficit payments and deliver a group surplus of at least £350k each year, equally split between NUS and the Charity
- Rebuild £3.5m in unrestricted cash reserves within 10 years;
- Reinvest cash reserves in a long-term asset when re-built.
- That the organisation should ensure reserves remain at least at a level which means it can meet its pension liabilities (in both NUS and the Charity);
- That future growth in fixed costs should not be contemplated until the reserves have been built back up to the level held at the end of the 2019/20 financial year (minus any agreed utilisation) unless those fixed costs are fully funded from external sources.

This year our members reaffirmed in a General Meeting the board's commitment to ensuring that no member is forced to leave due to financial hardship.

Overall Performance

The consolidated accounts show a £389k surplus for the year.

The overall net current asset position is £7.23m (2022 net current assets of £7.12m)

The net assets value is £8.93m (2022 £8.67m).

Diversifying our revenue streams

We have sought to address some of the pressures on our traditional income streams by securing external funds, generally grants, to deliver on projects that are focused on enhancing students' lives; from schemes on mental health, provision of students' associations and support for climate change activities.

Our sponsorship arrangements have continued to provide benefits both to the organisation and to students. They include an on-going commitment to the movement by Endsleigh and the involvement of suitable partners at our events.

We charge nominal fees for our bespoke training and development programmes that equip student officers and staff with the tailored information and skills that they will need to fulfil their roles in the year ahead.

Membership contributions

2022/23 was the third year of the revised scheme of membership contributions. From 1 July 2020, members pay an NUS contribution based on 2% of their block grant funding, with a minimum fee of £200 and a maximum contribution capped at £30,000. In addition, members of the Charity pay a contribution based on 0.5% of their block grant funding, with a minimum Charity fee of £50, and a maximum contribution capped at £7,500. In the year membership contributions totalled £1.6m for NUS UK and £584k for the Charity.

In recognition of the changing landscape of education and the increasing financial pressures on many students' unions from July 2022, the membership contribution will remain set at 2.5% of block grants, maintaining our commitment to reducing the proportion of our revenues from affiliation fees.

Independent investigation into antisemitism

In May 2022, NUS commissioned Rebecca Tuck KC to lead an independent investigation into recent allegations of antisemitism as well as historic matters and broader culture. NUS worked closely with the Union of Jewish Students throughout. The investigation report detailed a shocking account of antisemitism within the student movement.

It is a truly difficult read for all of us but we welcome the clarity it brings to enable us to act with confidence to tackle antisemitism head on. There is no place for antisemitism within NUS and we are committed to ensuring that Jewish students feel safe and welcome in every corner of our movement.

Group Strategic Report (continued)
For the Year Ended 30 June 2023

Our priority now is to take forward the recommendations from Rebecca Tuck KC's independent report to tackle antisemitism in all its forms across the breadth and depth of NUS. We have developed an action plan which will help us achieve this and set up an Advisory Panel to scrutinise this plan and oversee its implementation.

This report was approved by the board and signed on its behalf.

Chloe Field

Chloe Field (Mar 8, 2024 18:13 GMT)

Chloe Field
Director

Date: **08-Mar-2024**

**Directors' Report
For the Year Ended 30 June 2023**

The directors present their report and the financial statements for the year ended 30 June 2023.

Results and dividends

The profit for the year, after taxation and minority interests, amounted to £346,706 (2022 - loss £356,009).

Directors

The directors who served during the year were:

R Amin (appointed 1 July 2020, resigned 25 January 2023)
G Atherton (appointed 1 July 2020, resigned 30 June 2023)
P Chapman (appointed 1 July 2020)
S Kerton (appointed 1 July 2020)
A Wilson (appointed 1 July 2020, resigned 30 June 2023)
N Bajwa (appointed 1 July 2022)
S Dallali (appointed 1 July 2022, resigned 1 November 2022)
C Fergusson (appointed 1 July 2022)
C Field (appointed 1 July 2022)
E Gomersall (appointed 1 July 2022)
B Savage (appointed 1 July 2022)
M Stephen (appointed 31 August 2022, resigned 30 June 2023)
O Tarn (appointed 1 July 2022)

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Directors' Report (continued)
For the Year Ended 30 June 2023

Going Concern

The NUS group meets its day-to-day operational expenditure because of a number of income generating activities as mentioned in the Group Strategic Report.

The directors prepare annual budgets and forecasts to ensure that they have sufficient facilities in place and that they comply with the terms and conditions of the bank facilities. In addition, the Board in formulating its plan and strategy for the future development of the business has considered a period beyond that for which formal budgets and forecasts are prepared. At its meeting in spring 2023, the Board considered a three-year financial forecast which modelled both the costs of maintaining and developing the group's activities up to June 2026. The model identified that there were three significant risks – a) Unions' ability to pay their membership contributions, b) limited growth in overall income compared to inflationary increases in costs and c) the level of on-campus trade impacting on the revenues generated through the purchasing consortium.

The Board recognise that of these risks, the impact on the purchasing consortium income and cost of living increases may require further monitoring and adjustments to the business model. An update on the financial model continues to be regularly considered by the Board during 2023/24 for further mitigating action to be taken to maintain the overall financial strategy of the group.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Disclosure of information to auditors

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

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

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

The auditors, Dains Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.


Chloe Field (Mar 8, 2024 18:13 GMT)

C Field
Director

Date: **08-Mar-2024**

Independent Auditors' Report to the Members of National Union of Students (United Kingdom)

Opinion

We have audited the financial statements of National Union of Students (United Kingdom) (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2023, which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity 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 Group's and of the parent Company's affairs as at 30 June 2023 and of the Group's profit 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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 directors with respect to going concern are described in the relevant sections of this report.

**Independent Auditors' Report to the Members of National Union of Students (United Kingdom)
(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 directors 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 Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 10, the directors 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 directors 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 directors are responsible for assessing the Group's and the parent 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 directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

**Independent Auditors' Report to the Members of National Union of Students (United Kingdom)
(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 Group 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

Independent Auditors' Report to the Members of National Union of Students (United Kingdom)
(continued)

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 Auditors' Report.

Other matters

The financial statements of the Group for the year ended 30 June 2022 were audited by Azets Audit Services Limited who expressed an unmodified opinion on these financial statements on 14 February 2023.

Use of our report

This report is made solely to the 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 Company's members 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

S Hawkins

S Hawkins (Mar 11, 2024 14:46 GMT)

Simon Hawkins (Senior Statutory Auditor)

for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Suite 2, Albion House
2 Eturia Office Village
Forge Lane
Stoke on Trent
Staffordshire
ST1 5RQ

Date: **11-Mar-2024**

National Union of Students (United Kingdom)

Consolidated Profit and Loss Account For the Year Ended 30 June 2023

	Note	2023 £	2022 £
Turnover	4	6,781,096	6,370,929
Cost of sales		(4,083,484)	(4,100,371)
Gross profit		2,697,612	2,270,558
Administrative expenses		(2,262,809)	(1,945,149)
Exceptional administrative expenses	12	(407,570)	(622,490)
Operating profit/(loss)	5	27,233	(297,081)
Interest receivable and similar income	9	792,429	792,643
Interest payable and similar expenses	10	(427,199)	(244,078)
Profit before tax		392,463	251,484
Tax on profit	11	(3,463)	(593,635)
Profit/(loss) for the financial year		389,000	(342,151)
Profit/(loss) for the year attributable to:			
Non-controlling interests		42,294	13,858
Owners of the parent		346,706	(356,009)
		389,000	(342,151)

The notes on pages 24 to 49 form part of these financial statements.

National Union of Students (United Kingdom)

Consolidated Statement of Comprehensive Income For the Year Ended 30 June 2023

	Note	2023 £	2022 £
Profit for the financial year		389,000	(342,151)
Other comprehensive income			
Actuarial (loss)/gain on defined benefit schemes		(137,970)	2,421,202
Other comprehensive income for the year		(137,970)	2,421,202
Total comprehensive income for the year		251,030	2,079,051
Profit/(loss) for the year attributable to:			
Non-controlling interest		42,294	13,858
Owners of the parent Company		346,706	(356,009)
		389,000	(342,151)
Total comprehensive income attributable to:			
Non-controlling interest		42,294	13,858
Owners of the parent Company		251,030	2,079,051
		293,324	2,092,909

The notes on pages 24 to 49 form part of these financial statements.

National Union of Students (United Kingdom)
Registered number:08015198

Consolidated Balance Sheet
As at 30 June 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	13	63,677	16,967
Tangible assets	14	517,300	582,830
Investments	15	13,207,164	13,207,164
		<u>13,788,141</u>	<u>13,806,961</u>
Current assets			
Stocks		1,128	1,317
Debtors: amounts falling due within one year	16	2,143,009	1,930,822
Current asset investments in unlisted investments		1,527	1,527
Cash at bank and in hand		8,204,034	9,315,901
		<u>10,349,698</u>	<u>11,249,567</u>
Creditors: amounts falling due within one year	17	(3,121,263)	(4,130,896)
Net current assets		<u>7,228,435</u>	<u>7,118,671</u>
Total assets less current liabilities		<u>21,016,576</u>	<u>20,925,632</u>
Creditors: amounts falling due after more than one year	18	(12,091,022)	(12,251,108)
Provisions for liabilities			
Net assets		<u>8,925,554</u>	<u>8,674,524</u>
Capital and reserves			
Profit and loss account		8,703,858	8,495,122
Equity attributable to owners of the parent Company		<u>8,703,858</u>	<u>8,495,122</u>
Non-controlling interests		221,696	179,402
		<u>8,925,554</u>	<u>8,674,524</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Chloe Field
Chloe Field (Mar 8, 2024 18:13 GMT)

C Field
Director

Date: **08-Mar-2024**

The notes on pages 24 to 49 form part of these financial statements.

National Union of Students (United Kingdom)
Registered number:08015198

Company Balance Sheet
As at 30 June 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	13	47,679	-
Tangible assets	14	405,401	415,634
Investments	15	13,207,144	13,207,144
		<u>13,660,224</u>	<u>13,622,778</u>
Current assets			
Debtors: amounts falling due within one year	16	716,472	489,376
Cash at bank and in hand		908,428	2,045,518
		<u>1,624,900</u>	<u>2,534,894</u>
Creditors: amounts falling due within one year	17	(402,373)	(1,327,376)
Net current assets		<u>1,222,527</u>	<u>1,207,518</u>
Total assets less current liabilities		<u>14,882,751</u>	<u>14,830,296</u>
Creditors: amounts falling due after more than one year	18	(9,718,546)	(9,952,301)
Net assets		<u><u>5,164,205</u></u>	<u><u>4,877,995</u></u>
Capital and reserves			
Profit and loss account brought forward		4,877,995	2,683,570
Profit for the year		396,514	248,292
Other changes in the profit and loss account		(110,304)	1,946,133
Profit and loss account carried forward		<u>5,164,205</u>	<u>4,877,995</u>
		<u><u>5,164,205</u></u>	<u><u>4,877,995</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

C Field Chloe Field
Director Chloe Field (Mar 8, 2024 18:13 GMT)

Date: 8 March 2024

The notes on pages 24 to 49 form part of these financial statements.

National Union of Students (United Kingdom)

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2023

	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
At 1 July 2021	6,429,929	6,429,929	165,544	6,595,473
Loss for the year	(356,009)	(356,009)	13,858	(342,151)
Actuarial gains on pension scheme	2,421,202	2,421,202	-	2,421,202
At 1 July 2022	8,495,122	8,495,122	179,402	8,674,524
Profit for the year	346,706	346,706	42,294	389,000
Actuarial losses on pension scheme	(137,970)	(137,970)	-	(137,970)
At 30 June 2023	8,703,858	8,703,858	221,696	8,925,554

The notes on pages 24 to 49 form part of these financial statements.

National Union of Students (United Kingdom)

**Company Statement of Changes in Equity
For the Year Ended 30 June 2023**

	Profit and loss account £	Total equity £
At 1 July 2021	2,683,570	2,683,570
Profit for the year	248,292	248,292
Actuarial gains on pension scheme	1,946,133	1,946,133
At 1 July 2022	4,877,995	4,877,995
Profit for the year	396,514	396,514
Actuarial losses on pension scheme	(110,304)	(110,304)
At 30 June 2023	5,164,205	5,164,205

The notes on pages 24 to 49 form part of these financial statements.

National Union of Students (United Kingdom)

**Consolidated Statement of Cash Flows
For the Year Ended 30 June 2023**

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	389,000	(342,151)
Adjustments for:		
Amortisation of intangible assets	18,922	51,662
Depreciation of tangible assets	65,530	65,662
Interest paid	525,561	244,078
Taxation charge	-	593,635
Decrease/(increase) in stocks	189	(1,025)
(Increase) in debtors	(212,187)	(612,578)
(Decrease)/increase in creditors	(353,270)	889,599
(Decrease)/increase in provisions	(535,543)	535,543
Corporation tax received/(paid)	-	(17,166)
Defined benefit pension contributions paid	(944,437)	(855,303)
Net cash generated from operating activities	(1,046,235)	551,956
Cash flows from investing activities		
Purchase of intangible fixed assets	(65,632)	2,750
Net cash from investing activities	(65,632)	2,750
Net (decrease)/increase in cash and cash equivalents	(1,111,867)	554,706
Cash and cash equivalents at beginning of year	9,315,901	8,761,195
Cash and cash equivalents at the end of year	8,204,034	9,315,901
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	8,204,034	9,315,901
	8,204,034	9,315,901

The notes on pages 24 to 49 form part of these financial statements.

**Consolidated Analysis of Net Debt
For the Year Ended 30 June 2023**

	At 1 July 2022 £	Cash flows £	At 30 June 2023 £
Cash at bank and in hand	9,315,901	(1,111,867)	8,204,034
Current asset investments	1,527	-	1,527
	<u>9,317,428</u>	<u>(1,111,867)</u>	<u>8,205,561</u>

The notes on pages 24 to 49 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

1. General information

National Union of Students' (United Kingdom) (the "company") is a company limited by guarantee and confederal association of students' unions, guilds, junior common rooms and representative councils of students involved in post sixteen education and training in the United Kingdom. The registered office is Ian King House, Snape Road, Macclesfield, Cheshire, SK10 2NZ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £1.

The company is a qualifying entity for the purpose of FRS102, being the parent of a group that prepares publicly available consolidated financial statements, which are intended to give a true and fair view of the assets, liabilities and financial position and profit and loss of the group. The company has therefore taken advantage of exemptions from following disclosure requirements for parent company information presented within the consolidated financial statements:

Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flows and related notes and disclosures;

Section 33 'Related Party Disclosures' - Compensation for key management personnel.

The Company has taken advantage of the disclosure exemptions of section 33.A of FRS102 which permit it to not present details of its transactions with members of the group where relevant group companies are wholly owned.

One of the group's subsidiaries, NUS Students' Union Charitable Services is a registered charity and as such, reports its entity accounts under the Charities SORP (FRS 102). The parent company and group headed by the Company, reports under FRS 102 and as such NUS Students' Union Charitable Services is recognised on a group basis in accordance with FRS 102. No transitional adjustments arose as part of the consolidation process.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements.

The following principal accounting policies have been applied:

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

2. Accounting policies (continued)

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Profit and Loss Account from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 July 2014.

2.3 Going concern

The NUS group meets its day-to-day operational expenditure because of a number of income generating activities as mentioned in the Group Strategic Report.

The directors prepare annual budgets and forecasts to ensure that they have sufficient facilities in place and that they comply with the terms and conditions of the bank facilities. In addition, the Board in formulating its plan and strategy for the future development of the business has considered a period beyond that for which formal budgets and forecasts are prepared. At its meeting in spring 2023, the Board considered a three-year financial forecast which modelled both the costs of maintaining and developing the group's activities up to June 2026. The model identified that there were three significant risks – a) Unions' ability to pay their membership contributions, b) limited growth in overall income compared to inflationary increases in costs and c) the level of on-campus trade impacting on the revenues generated through the purchasing consortium.

The Board recognise that of these risks, the impact on the purchasing consortium income and cost of living increases may require further monitoring and adjustments to the business model. An update on the financial model continues to be regularly considered by the Board during 2023/24 for further mitigating action to be taken to maintain the overall financial strategy of the group.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Membership income is recognised rateably over the period to which it relates.

Commission income is recognised on a monthly basis once it has been confirmed as being due.

Contract income and income grants are recognised as income in the period in which the performance criteria are met. Deferred income is classified as "Creditors amounts falling due within one year" and includes contract and grant income received in advance. These contracts and grants represent funds that have been received for specific purposes and are potentially refundable if the conditions of the contract or grant are not satisfied. Contract grant income received in the year but which remains unspent at the year end is, with the agreement of the funder, carried over into the following year.

Rendering of services

Revenue is recognised in the period in which services are provided in accordance with the obligations under the service contract.

2.6 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

2. Accounting policies (continued)

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Profit and Loss Account in the same period as the related expenditure.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.9 Finance costs

All borrowing costs are recognised in the profit and loss in the year in which they are incurred.

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.11 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

Notes to the Financial Statements
For the Year Ended 30 June 2023

2. Accounting policies (continued)

2.12 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Website development	-	5 years
Goodwill	-	5 years
Negative goodwill	-	1 - 3.5 years apportioned between relevant assets

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2% straight line
Leasehold improvements	-	20% straight line
Fixtures and fittings	-	20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each Balance Sheet. Gains and losses on remeasurement are recognised in the Consolidated Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

2. Accounting policies (continued)

2.15 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a First in, first out method basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.16 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.18 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.19 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

2. Accounting policies (continued)

2.20 Retirement benefits

The group operates a defined contribution scheme for the employees of the Group. Contributions are charged as an expense to the Statement of Financial Activities in the period in which they fall due.

The Group operates a multi employer defined benefit pension scheme. The scheme is now closed to new admissions. The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

2. Accounting policies (continued)

2.21 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was not recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

2. Accounting policies (continued)

2.21 Financial instruments (continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction prices unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised costs, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measure at amortised costs using the effective interest method.

Other financial liabilities

Derivative, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at the fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligation expire or are discharged or cancelled.

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is reviewed where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

(i) Multi-employer defined benefit pension scheme

The Group participated in the Student Union Superannuation Scheme, a multi-employer defined benefit pension scheme with other Student Union organisations. In the judgment of the directors, the Group does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets.

(b) Key accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates 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 addressed below. As disclosed in the accounting policy the scheme liability has been recognised on the basis of the present value of the deficit recover plan laid out and certified by the scheme actuary.

(i) Measurement of multi-employer pension liability

The Group must measure its defined benefit obligation on a discounted present value basis. The Group must determine the rate used to discount the future payments by reference to market yields at the reporting date on high quality corporate bonds. The currency and term of the corporate bonds or government bonds shall be consistent with the currency and estimated period of the future payments.

(ii) Impairment of investment in subsidiaries

The Group considers whether its investments are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the cash generating units (CGUs). This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

iii) Recoverability of debtors

The group establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors have considered factors such as the aging of the receivables, past experience of recoverability and credit profile.

National Union of Students (United Kingdom)

Notes to the Financial Statements For the Year Ended 30 June 2023

4. Turnover

All turnover arose within the United Kingdom.

	2023 £	2022 £
Membership income	2,224,875	2,192,313
Charitable activities	2,400,250	1,779,117
Trading support and business development	1,507,367	1,622,270
Rental and service charge income	21,496	21,496
Commissions	500,000	500,000
Other	127,108	255,733
	<u>6,781,096</u>	<u>6,370,929</u>

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2023 £	2022 £
Exchange differences	(819)	16
Depreciation of tangible assets	65,530	65,662
Amortisation of intangible assets	18,922	51,662
	<u>84,633</u>	<u>117,340</u>

6. Auditors' remuneration

During the year, the Group obtained the following services from the Company's auditors:

	2023 £	2022 £
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	15,750	8,450
Fees payable to the Company's auditors in respect of:		
The auditing of accounts of associates of the Group pursuant to legislation	25,500	16,775
Other services relating to taxation	5,000	3,005
All other services	1,500	11,345
	<u>32,750</u>	<u>39,575</u>

**Notes to the Financial Statements
For the Year Ended 30 June 2023**
7. Employees

Staff costs were as follows:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Wages and salaries	2,377,146	2,373,740	884,191	893,132
Social security costs	231,820	224,072	91,243	89,414
Cost of defined contribution scheme	134,415	141,215	46,722	49,039
	<u>2,743,381</u>	<u>2,739,027</u>	<u>1,022,156</u>	<u>1,031,585</u>

Key management personnel remuneration

During the year the key management of the Group received remuneration totalling £431,953 (2022: £444,981)

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

	Group 2023 No.	Group 2022 No.	Company 2023 No.	Company 2022 No.
Office and administration	<u>76</u>	<u>79</u>	<u>27</u>	<u>30</u>

Our remuneration policy is based on the principles of aligning remuneration outcomes with our strategy, and of encouraging employees to adhere to our values, while achieving simplicity and transparency in the design and communication of remuneration arrangements.

8. Directors' remuneration

The salary of the highest paid director of NUS UK during the year was £33,321 (2022 - £33,672) inclusive of inner London weighting. None of the directors were members of the SUSS. The directors of NUS are not executives of NUS.

9. Income from investments

	2023 £	2022 £
Unlisted preference share dividends	792,429	792,643
	<u>792,429</u>	<u>792,643</u>

National Union of Students (United Kingdom)

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

10. Interest payable and similar expenses

	2023	2022
	£	£
Bank interest payable	1,840	2,633
Unwinding and charge of discount rate on pension liabilities	425,359	241,445
	427,199	244,078

11. Taxation

	2023	2022
	£	£
Corporation tax		
Adjustments in respect of previous periods	3,463	(6,365)
	3,463	(6,365)
Total current tax	3,463	(6,365)
Deferred tax		
Origination and reversal of timing differences	-	600,000
Total deferred tax	-	600,000
Tax on profit	3,463	593,635

**Notes to the Financial Statements
For the Year Ended 30 June 2023**
11. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2022 - higher than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	392,463	516,180
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	74,568	98,074
Effects of:		
Utilisation of tax losses not previously recognised	-	(33,325)
Deferred tax adjustment	-	600,000
Non-taxable income less expenses not deductible for tax purposes	(71,634)	(156,765)
Adjustment in relation to previous periods	-	80,890
Fixed asset differences	-	1,944
Other adjustments	529	2,817
Total tax charge for the year	3,463	593,635

The adjustment in respect of the prior periods relates to the enacting of a deed of covenant.

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

12. Exceptional items

	2023 £	2022 £
Antisemitism Investigation	222,508	622,490
Redundancy and other related costs	185,062	-
	407,570	622,490

Notes to the Financial Statements
For the Year Ended 30 June 2023

13. Intangible assets**Group**

	Website development £	Goodwill £	Negative goodwill £	Total £
Cost				
At 1 July 2022	242,939	274,349	(416,015)	101,273
Additions	65,632	-	-	65,632
At 30 June 2023	308,571	274,349	(416,015)	166,905
Amortisation				
At 1 July 2022	225,972	274,349	(416,015)	84,306
Charge for the year on owned assets	18,922	-	-	18,922
At 30 June 2023	244,894	274,349	(416,015)	103,228
Net book value				
At 30 June 2023	63,677	-	-	63,677
At 30 June 2022	16,967	-	-	16,967

Notes to the Financial Statements
For the Year Ended 30 June 2023

13. Intangible assets (continued)

Company

	Website development £
Cost	
Additions	52,270
At 30 June 2023	52,270
Amortisation	
Charge for the year	4,591
At 30 June 2023	4,591
Net book value	
At 30 June 2023	47,679
At 30 June 2022	-

Notes to the Financial Statements
For the Year Ended 30 June 2023

14. Tangible fixed assets**Group**

	Freehold property £	Leasehold improvements £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 July 2022	456,821	221,655	193,575	872,051
At 30 June 2023	456,821	221,655	193,575	872,051
Depreciation				
At 1 July 2022	41,187	88,132	159,902	289,221
Charge for the year on owned assets	10,233	44,066	11,231	65,530
At 30 June 2023	51,420	132,198	171,133	354,751
Net book value				
At 30 June 2023	405,401	89,457	22,442	517,300
At 30 June 2022	415,634	133,523	33,673	582,830

Notes to the Financial Statements
For the Year Ended 30 June 2023

14. Tangible fixed assets (continued)

Company

	Freehold property £
Cost or valuation	
At 1 July 2022	436,100
At 30 June 2023	436,100
Depreciation	
At 1 July 2022	20,466
Charge for the year on owned assets	10,233
At 30 June 2023	30,699
Net book value	
At 30 June 2023	405,401
At 30 June 2022	415,634

Notes to the Financial Statements
For the Year Ended 30 June 2023

15. Fixed asset investments

Group

	Unlisted investments £
Cost or valuation	
At 1 July 2022	13,207,164
At 30 June 2023	13,207,164
Net book value	
At 30 June 2023	13,207,164
At 30 June 2022	13,207,164

In 2018, NUS Services Limited entered into a £2m Loan Facility agreement to OneVoice. As at June 2019 it was assessed by management that the loan facility agreement was irrecoverable and a full impairment of £2m was recognised in the year to 30 June 2019. Impairment is still considered appropriate as at 30 June 2023.

Notes to the Financial Statements For the Year Ended 30 June 2023

15. Fixed asset investments (continued)

Company

	Unlisted investments £
Cost or valuation	
At 1 July 2022	13,207,144
At 30 June 2023	13,207,144
Net book value	
At 30 June 2023	13,207,144
At 30 June 2022	13,207,144

Unlisted investments consists of preference shares. The preference shares held have been treated as a debt instrument for the purposes of the financial statements and are therefore held on an amortised cost basis. The preference shares fall due for redemption in December 2025, they carry a fixed right to dividend at a rate of 6% per annum, each preference dividend shall accrue on a daily preference dividend interest payable bi annually in arrears.

Direct subsidiary undertakings

National Union of Students (United Kingdom) is the sole corporate member of NUS Students' Union Charitable Services, which is a charitable company limited by guarantee registered with the Charity Commission in England and Wales. As such National Union of Students (United Kingdom) directly controls this entity for accounting purposes.

Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
NUS Services Limited	Trading	Ordinary A	94.1%
NUS Services Limited	Trading	Ordinary B	96.8%
NUS Media Limited	Dormant	Ordinary	100%
NUS Holdings Limited	Dormant	Ordinary	100%
Student Discount Cards Limited	Trading	Ordinary	100%

Notes to the Financial Statements
For the Year Ended 30 June 2023

16. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	1,229,337	1,226,494	176,921	41,267
Amounts owed by group undertakings	-	-	67,740	-
Other debtors	-	76,348	-	-
Prepayments and accrued income	913,672	627,980	471,811	448,109
	2,143,009	1,930,822	716,472	489,376

17. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Payments received on account	1,321,317	1,162,091	-	-
Trade creditors	458,006	708,046	67,335	198,181
Amounts owed to group undertakings	-	-	23,074	230,925
Corporation tax	3,464	-	-	-
Other taxation and social security	138,395	245,151	22,297	33,124
Defined benefit pension liability	276,205	932,568	222,006	749,580
Other creditors	248,729	132,759	7,745	7,971
Accruals and deferred income	675,147	950,281	59,916	107,595
	3,121,263	4,130,896	402,373	1,327,376

Payments received on account represent amounts held for redistribution to members of the purchasing consortium for retrospective volume related payments.

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

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Antisemitism Investigation	-	535,543	-	535,543
Defined benefit pension liability	12,091,022	11,715,565	9,718,546	9,416,758
	12,091,022	12,251,108	9,718,546	9,952,301

Notes to the Financial Statements
For the Year Ended 30 June 2023

19. Deferred taxation

Group

	2022 £
At beginning of year	(600,000)
Charged to profit or loss	600,000
At end of year	<u>-</u>

20. Company status

The company is a private company limited by guarantee and consequently does not have any share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation. If any property remains after National Union of Students (United Kingdom) has been wound up or dissolved and all debts and liabilities have been satisfied, it shall be paid or distributed among the members. The subsidiary entities included the charitable entity will be dissolved in accordance with their articles of association.

21. Pension commitments

Defined Contribution scheme

The Group participates in a defined contribution pension scheme where the group contributes either 3% or 6% of salary depending upon each member's level of contribution.

The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension costs charge represents contribution payable by the Group to the fund and amounted to £134,415 (2022: £133,316). Contributions totalling £24,138 (2022: £17,750) were payable to the fund at the balance sheet date.

Multi-employer pension scheme

The Group offered membership of Students' Union Superannuation Scheme ("SUSS"), a defined benefit pension scheme, to all employees until 30 September 2011, at which point the scheme closed to future accrual.

The most recent Valuation of the Scheme was carried out as at 30 June 2022 and showed that the market value of the Scheme's assets was £119,000,000 with these assets representing 44% 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 £136,000,000.

The 2022 valuation recommended a monthly contribution requirement by each participating employer expressed in monetary terms to clear the ongoing funding deficit over a period of 14 years and will increase at 5% per year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the scheme. These rates applied from 1 October 2023 and will be formally reviewed following the completion of the next valuation due with an effective date of 30 June 2025. Surpluses and deficits which arise with future valuations will also impact on the Union's future contribution commitment. See Note 17 and 18 for the liability recognised under the currently agreed deficit funding plan expiring September 2037. Liabilities are shown on a discounted present value basis. In addition to the above contributions, the Union pays its share of the scheme's levy to the Pension Protection Fund.

Notes to the Financial Statements
For the Year Ended 30 June 2023

21. Pension commitments (continued)

Under FRS 102, the Multi-employer pension liability has been calculated based on the assumptions of the above expected deficit payments using a discount rate of 5.2% (2022 - 3.7%).

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Analysis of present value of provision				
Creditors: amounts falling due within one year	276,205	222,006	932,568	749,580
Creditors: amounts falling due between 2 and 5 years	1,815,020	1,458,879	1,806,376	1,340,389
Creditors: amounts falling due after 5 years	10,276,002	8,259,667	9,909,189	8,076,369
	12,367,227	9,940,552	12,648,133	10,166,338
	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Reconciliation of opening and closing provisions				
Provision at start of period	12,648,133	10,166,338	15,680,540	12,599,053
Interest charge - unwinding of discount	525,561	410,464	244,098	196,115
Deficit contributions paid	(944,437)	(746,554)	(855,303)	(682,697)
Net movement in net present value calculation	137,970	110,304	(2,421,202)	(1,946,133)
	12,367,227	9,940,552	12,648,133	10,166,338

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

The following schedule details the deficit contributions agreed between the company and the scheme to settle the company share of the deficit for National Union of Students (United Kingdom):

Start	End	Year	Annual Increase	Annual contributions	Monthly Payment
Jul-23	Oct-23	2023	5%	253,892	63,473
Nov-23	Oct-24	2024	5%	799,754	66,646
Nov-24	Oct-25	2025	5%	839,742	69,978
Nov-25	Oct-26	2026	5%	881,729	73,477
Nov-26	Oct-27	2027	5%	925,815	77,151
Nov-27	Oct-28	2028	5%	972,106	81,009
Nov-28	Oct-29	2029	5%	1,020,711	85,059
Nov-29	Oct-30	2030	5%	1,071,747	89,312
Nov-30	Oct-31	2031	5%	1,125,334	93,778
Nov-31	Oct-32	2032	5%	1,181,601	98,467
Nov-32	Oct-33	2033	5%	1,240,681	103,390
Nov-33	Oct-34	2034	5%	1,302,715	108,560
Nov-34	Oct-35	2035	5%	1,367,851	113,988
Nov-35	Oct-36	2036	5%	1,436,243	119,687
Nov-36	May-37	2037	5%	879,699	125,671

The following schedule details the deficit contributions agreed between the company and the scheme to settle the company share of the deficit for NUS Services Limited:

Start	End	Year	Annual Increase	Annual contributions	Monthly Payment
Jul-23	Oct-23	2023	5%	61,980	15,495
Nov-23	Oct-24	2024	5%	195,235	16,270
Nov-24	Oct-25	2025	5%	204,997	17,083
Nov-25	Oct-26	2026	5%	215,246	17,937
Nov-26	Oct-27	2027	5%	226,009	18,834
Nov-27	Oct-28	2028	5%	237,309	19,776
Nov-28	Oct-29	2029	5%	249,175	20,765
Nov-29	Oct-30	2030	5%	261,633	21,803
Nov-30	Oct-31	2031	5%	274,715	22,893
Nov-31	Oct-32	2032	5%	288,451	24,038
Nov-32	Oct-33	2033	5%	302,873	25,239
Nov-33	Oct-34	2034	5%	318,017	26,501
Nov-34	Oct-35	2035	5%	333,918	27,826
Nov-35	Oct-36	2036	5%	350,614	29,218
Nov-36	May-37	2037	5%	214,753	30,679

Notes to the Financial Statements
For the Year Ended 30 June 2023

Assumptions

	2023 %	2022 %	2021 %
Rate of discount	5.20	3.70	1.50

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

22. Commitments under operating leases

At 30 June 2023 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Not later than 1 year	42,956	80,400	11,500	11,500
Later than 1 year and not later than 5 years	37,962	65,750	16,100	27,600
	80,918	146,150	27,600	39,100

23. Related party transactions

The parent company of the Group holds an investment in Endsleigh Limited. There is no deemed significant influence or control.

Transactions with Endsleigh Limited

During the year the group earned commission income amounting to £500,000 (2022: £500,000). The amounts outstanding from Endsleigh Limited at the balance sheet date were £396,214 (2022: £396,214), disclosed as accrued income. In addition, dividend income from the investment in Endsleigh Limited totalled £792,643 (2022: £792,643).

Insurance covering the Group's activities was purchased through Endsleigh Insurance. Total expenditure in the period was £nil (2022: £48,098) and no balance existed at the balance sheet date.

OneVoice Digital Limited

NUS Services Limited owns 20% of the share capital of OneVoice Digital Limited.

In 2018, NUS Services Limited entered into a £2m Loan Facility agreement to OneVoice. As at June 2019 it was assessed by management that the loan facility agreement was irrecoverable and a full impairment of £2m was recognised in the year to 30 June 2019. Impairment is still considered appropriate as at 30 June 2023.

During the year, the group made sales of £115,731 (2022: £225,836) and had purchases of £nil (2022: £1,234,678) from OneVoice Digital Limited. As at the year end £115,731 (2022: £277,768) was owed by OneVoice Digital Limited to the group.

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

24. Controlling party

In the opinion of the directors, there is no ultimate controlling party.

25. Non-controlling interest and charitable reserves

Non-controlling interests represents minority interest held in both the A Ordinary and B Ordinary share of NUS Services Limited as at 30 June 2023.

Included in the consolidated retained earnings are charitable funds which are for the use of charitable purposes, these funds total £783,668 and include restricted funds of £8,981.