

Registered company number: 12000783  
Charity registration number: 1183625

---

**LOUGHBOROUGH STUDENTS' UNION**  
**A company limited by guarantee**

---

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**



---

**LOUGHBOROUGH STUDENTS' UNION**

---

**CONTENTS**

---

	<b>Page</b>
<b>Reference and Administrative Details of the Union, its Trustees and Advisers</b>	<b>1 – 2</b>
<b>Trustees' Report</b>	<b>3 – 11</b>
<b>Statement of Trustees' responsibilities</b>	<b>12</b>
<b>Independent Auditor's Report</b>	<b>13 – 15</b>
<b>Consolidated Statement of Financial Activities</b>	<b>16</b>
<b>Consolidated Balance Sheet</b>	<b>17</b>
<b>Union Balance Sheet</b>	<b>18</b>
<b>Consolidated Statement of Cash Flows</b>	<b>19</b>
<b>Notes to the Financial Statements</b>	<b>20 - 36</b>

**LOUGHBOROUGH STUDENTS' UNION****REFERENCE AND ADMINISTRATIVE DETAILS OF THE UNION, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 JULY 2022**

Trustee Name	Designation	Year
Andy Doyle	Director/Non-Student Trustee & Chair	2019-20, 2020-21 & 2021-22 (appointed 01/09/2019)
Richard Taylor	Director/Non-Student Trustee	2019-20, 2020-21 & 2021-22 (appointed 01/09/2019)
Alexander William Hufton	Director/Executive Officer Trustee	2020-21 & 2021-22 (appointed 01/08/2020, resigned 31/07/22)
Freya Mason	Director/Executive Officer Trustee	2021-22 (appointed 01/08/2021, resigned 31/07/2022)
Charlotte Style	Director/Executive Officer Trustee	2021-22 (appointed 01/08/2021, resigned 31/07/2022)
Rachel Caverhill	Director/Executive Officer Trustee	2021-22 (appointed 01/08/2021, resigned 31/07/2022)
Bethan Jones	Director/Student Trustee	2021-22 (appointed 01/08/2021, resigned 31/07/2022)
Ashleigh Ponder	Director/Student Trustee	2021-22 (appointed 01/08/2021, resigned 31/07/2022)
Harry Hughes-Slattery	Director/Student Trustee	2021-22 & 2022-23 (appointed 25/10/2021),
Daniel Smith	Director/Executive Officer Trustee	2022-23 (appointed 01/08/2022)
Alice Robinson	Director/Executive Officer Trustee	2022-23 (appointed 01/08/2022)
Anouska Johnson	Director/Executive Officer Trustee	2022-23 (appointed 01/08/2022)
Ben Clubb	Director/Executive Officer Trustee	2022-23 (appointed 01/08/2022)
Della Freeth	Director/Non-Student Trustee	2022-23 (appointed 01/08/2022)
Colina Wright	Director/Non-Student Trustee	2022-23 (appointed 01/08/2022)
Emma Kilby-Brooks	Director/Non-Student Trustee	2022-23 (appointed 01/08/2022)
Iman Khan	Director/Student Trustee	2022-23 (appointed 01/08/2022)
Rhianna Garrett	Director/Student Trustee	2022-23 (appointed 01/08/2022)
Edward O'Sullivan	Director/Student Trustee	2022-23 (appointed 01/08/2022)
Henry Lloyd	Director/Student Trustee	2022-23 (appointed 01/08/2022)
Nemat Alizada	Director/Student Trustee	2022-23 (appointed 01/08/2022)

LSU employs a Chief Executive Officer and Union Directors to work closely with the Trustees and Executive Officers to ensure effective management of the Union:

Trevor Page, Chief Executive Officer (Union Director)

Liz Monk, Deputy CEO (appointed August 2022)

Antony Blackshaw, Interim CEO (November 2021 – May 2022)

Vicii KirkPatrick, Interim FD (appointed January 2022)

Jo Gregory-Gallagher (nee Brough), Director of Communication and Student Insight

Nicky Conway, Director of Student Influence

---

**LOUGHBOROUGH STUDENTS' UNION**

---

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE UNION, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 JULY 2022**

---

**Registered company number**

12000783

**Charity registration number**

1183625

**Principal office**

Loughborough Students Union  
Union Building, Ashby Road, Loughborough, Leicestershire, LE11 3TT

**Independent auditor**

Cooper Parry Group Limited  
Cubo Birmingham  
Office 401, 4<sup>th</sup> Floor  
Two Chamberlain Square  
Birmingham  
B3 3AX

**Bankers**

Natwest Bank Plc  
Market Place  
Loughborough  
LE11 3NZ

**Solicitors**

Moss Solicitors  
80-81 Woodgate  
Loughborough  
LE11 2XE

---

## LOUGHBOROUGH STUDENTS' UNION

---

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2022

---

The Trustees present their report together with the financial statements of the group and charity for the year ended 31 July 2022. The Trustees have adopted the provision of Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

The Union and the group also trade under the name LSU.

#### Structure Governance and Management

LSU is an incorporated company limited by guarantee and is governed by its Memorandum and Articles of Association which were effective from 16 May 2019 and last updated on 11 June 2019.

LSU constitution is the governing document for LSU and a copy can be obtained at <https://lsu.co.uk/democracy/governance-constitution>.

The Board of Trustees (who are also the Directors for the purposes of Company Law) is ultimately responsible for governing the financial, legal and charitable affairs of the LSU consulting relevant student representative body wherever appropriate.

The Board consists of the following:

- 1) Up to five Executive Officers elected in accordance with Article 22.1
- 2) Chair of Democracy and Representation Committee (DRC), by proxy (non-voting)
- 3) Up to five student members elected in May of each year for a term of office, which runs from 1 August of the same year, for one calendar year.
  - a. Any full member of the Union may stand for these positions
  - b. Elected in accordance with Bye-Law 3
  - c. Must not be paid by the Union
  - d. Trustees in this category must be full members of the Union throughout their term or office.
- 4) Up to four Non-Student lay members who shall be elected by a simple majority vote.
  - a. Cannot have been a full member or Executive Officer of the Union for at least three-years
  - b. Elected for three-year terms
  - c. Eligible to serve for a maximum of two consecutive full terms
  - d. Board may nominate suitable people to address any skill gaps identified.
- 5) Loughborough University's Vice Chancellor's nominee.

The Chief Executive Officer, responsible for operational leadership of the Union, will be in attendance at the Board meetings along with the Finance and Operational Director. All other members of the leadership team will be called upon when required, neither have any voting rights. The Board is supported by the Head of Governance who will attend as required to service the Board.

The Chair of the Board is elected by the Board from amongst the appointed Lay members and shall serve a term of two years and not more than two consecutive terms.

---

## LOUGHBOROUGH STUDENTS' UNION

---

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2022

---

#### **Method of Appointment**

The Management of LSU and the group is the responsibility of Trustees who are elected or co-opted under the terms of the constitution.

All Trustees are given an introduction to the activities of LSU by the Leadership Team. All Trustees receive an induction into their legal and administrative responsibilities. Training is provided to Trustees as and when required, based on an assessment of existing skills.

#### **Pay and remuneration of key management**

The remuneration of all staff including key management is benchmarked using local market data and inflation. Based on this benchmark the key management team receive pay rises in line with all other staff in the Charity. Parameters to the organisational pay review are set by the Finance and Risk Subcommittee which also scrutinises individual pay rises and performance bonuses of key management.

#### **Engagement with employees (including disabled persons)**

The Charity's policy is to consult and discuss with employees through meetings, matters likely to affect employees' interests. Information about matters of concern to employees is given through regular updates and meetings which seek to achieve a common awareness on the part of employees of the financial and economic factors affecting the Charity's performance.

During employment, the Charity seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training and development opportunities are available to them to reach their full potential.

The Charity recognises the strengths of a workforce made up of people from diverse backgrounds. It is keen to ensure that, wherever possible, posts are accessible to disabled persons. Job specifications and selection procedures are reviewed regularly to ensure that there is no bias preventing or discouraging disabled persons from applying. This is in keeping with the Equality Act 2010, but other factors are also taken into account. The Charity is committed to interviewing all applicants with a disability for a job vacancy who meet the essential elements of the person specification, and ensuring that employees who become disabled are given every chance to remain in employment by making reasonable adjustments.

#### **Related Parties and other Connected Charities and Organisations**

Loughborough Student Services Limited, is a commercial subsidiary of the Charity.

We have a working relationship with Loughborough University which is aligned to the 1994 Education Act, whereby we work with parties to ensure that we promote the general interests of its members as students, and we do this by having agreed objectives that ultimately benefit our members.

#### **Risk Management**

The Trustee Board has examined the major strategic, business and operational risks faced by LSU. A risk register is established and will be reviewed quarterly by the Finance and Risk Subcommittee and annually by the Trustee Board. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Budgetary and internal control risks are minimised by the implementation of procedures for the authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety for staff, volunteers and participants on all activities organised by the Union. These procedures are periodically reviewed to ensure they continue to meet the needs of the charity.

Included below are the key areas of risks that the charity is facing and the mitigation of them.

## LOUGHBOROUGH STUDENTS' UNION

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2022

Summary	Treatment
<p>A major disruption to operations e.g. fire, IT breakdown, power loss etc.</p> <p>gives rise to a critical interruption to services and a loss of business operations - without an effective 'disaster recovery plan' to implement.</p> <p>EPOS or other critical system failure affects LSU's ability to trade / operate.</p>	<p><i>The Union has suffered significant business continuity challenges since the University upgraded network switches in September 2022. The support provided by the University for networking is only available Monday - Friday 8am - 6pm with both Payroll, tills and CCTV currently reliant on live network. New till system due to be procured in 2023, tender will need to consider private network and sim card solutions to protect revenue during outages. VPN is still unavailable to the majority of staff, work planned for Christmas closure December 2022. All servers and backups beyond useful life, £35k of capital budget allocated to IT infrastructure investment in 22/23. War in Ukraine has led to nationwide proposed commercial blackouts, most likely January / February 2023, working group formed to draft business continuity and contingency plans. LSU does not have power back-ups such as generators.</i></p>
<p>LSU fails to meet its commercial targets significantly and therefore slips into severe deficit.</p>	<p><i>All business has inherent risk and relatively small changes in turnover may bring about big changes in profit. The market for the night-time economy is stable Q1, was stronger in 21/22 and team is monitoring data comparing trends between year groups.</i></p> <p><i>An External promoter moving to a large town venue may create strong competition which is not currently present. Retail strong for first Q of 22/23 but National Minimum Wage rise due April 2023 will impact profit.</i></p> <p><i>Tenant could fail to pay rent. New catering offer launched 2022/23 to diversify from reliance on nightclub income. First attempt to recruit Director of Social Enterprise was unsuccessful, failure to recruit could impact long term strategy.</i></p>
<p>LSU's physical asset base deteriorates to such an extent that future income is put at risk.</p>	<p><i>New lift currently being installed Summer 2022. LSU is now a tenant following building sale in July 22. Risk is now that the landlord, LU, has insufficient funds for whole campus and investment in LSU is deprioritised. Sections of the roof require replacement, and toilet facilities require full replacement programme. Risk that LSU cannot make up shortfall in LU Investments. Risk that LU do not plan building replacement as planned pre-covid. President, and Democracy &amp; Representation EO influencing through LU buddy network. Regular liaison meetings with Deputy CEO and Director of Engineering, Maintenance &amp; Sustainability. Assets such as refrigeration, IT hardware, nightclub tech all remain LSU responsibility and require investment.</i></p>

#### Objective and Activities

The primary purpose of Loughborough Students' Union is the advancement of education for students at Loughborough University for public benefit by:

- Promoting the interests and welfare of students at Loughborough University during their course of study by representing, supporting and advising students;
- Being the recognised representative channel between students and Loughborough University and other external parties;
- Providing social, cultural, sporting and recreational activities alongside forums for discussion and debate for the personal development of its students.

---

## LOUGHBOROUGH STUDENTS' UNION

---

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2022

---

#### **Public Benefit Statement**

The Trustees developed the Strategic Plan for the start of the 2020 academic year, and the priorities undertaken during the 2021-22 academic cycle were to deliver LSU's primary purpose of the advancement of the education of students at Loughborough University. The Board acts with due regard for the requirements under the Charities Act to ensure its activities meet its obligation with regards to public benefit.

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Charitable Trust's aims and objectives and in planning its future activities.

#### **Student Opportunities**

LSU provides a wide range of services and activities for students. The majority operate with the involvement of student volunteers who are supported by members of the staff team. These activities include:

#### **Advice and Academic Representation**

The Advice and Academic Representation department supports and empowers students, both as a collective (through academic representation) and as individuals (through LSU Advice Service), in pursuit of a high-quality and fair academic experience. They work closely with the Academic Experience and Welfare and Diversity Executive Officers to develop policy, campaigns, and projects to improve the student experience. Their critical friendship with the University enables them to work together to listen to and respond to the student voice, effect positive change and assure academic quality.

The LSU Advice Service provided independent, confidential and non-judgmental advice for 718 students and doctoral researchers in 2021-22, supporting them through difficult times with their studies and a variety of university formal processes. Their areas of advice include but are not limited to: academic misconduct, appealing results, disciplinary and car parking offences, mitigating circumstances or if they want to make a complaint to the University. A team of four Advisors work with University colleagues to avoid issues arising where possible and can support with informal resolution of disputes between staff and students/doctoral researchers.

The Academic Representation Coordinator worked closely with the Academic Experience Officer, Taught School Presidents and Doctoral Researcher Presidents to support and lead a network of academic representatives focused on feeding back academic interests of students and enacting positive change. In 2021-22, Course Reps (392) and Doctoral Reps (52) were led and supported by School Presidents (31) and Doctoral Researcher Lead Reps (12).

#### **Peer Support**

The Peer Support department empowers students to create a friendly and supportive environment through the creation of student-to-student sharing of knowledge, skills and support. Through building learning communities, peer-to-peer support allows students to enrich their broader student experience and thrive in their academic endeavors.



---

## LOUGHBOROUGH STUDENTS' UNION

---

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2022

---

#### Peer Support (continued)

'Ask a Student' is an online portal for prospective, pre-arrival and current students to submit an enquiry and receive a personalised email response from a student. Departmental, International, BME, Mature, disability or general student experience mentors provide a tailored response to any question submitted. Mentors offered reassurance, insights and empowered students to access the opportunities and support available to them. In addition, our mentors provided an in-person induction service where students could ask questions face-to-face and be directed to facilities on campus. In 2021-22, our volunteer mentors answered 810 questions.

Throughout 2021-22, Peer Support held over 302 hours of Peer Assisted Learning sessions. These optional study sessions, attached to a specific module, were facilitated by students who had already passed the module. Through organising discussion and activities, the student leaders provide a relaxed environment where students can ask questions and attendees are able to explore their learning content and gain a better subject understanding for themselves. Peer Assisted Learning allows students to take control of their own learning journey, revise concepts and explore the ideas covered on the course in more depth. Feedback reported the development of study skills, academic confidence, learner autonomy and improved subject knowledge from those that participated. Over 6,154 hours of attendance were recorded.

#### Training Academy

LSU Training Academy provides our leaders with training to ensure they are carrying out their leadership role in a safe, inclusive, and well-planned manner and ensuring they understand the values of their volunteer role and develop the personal and professional skills.

LSU Training Academy saw 982 instances of attendance at a face-to-face workshop which included:

- Mental Health First Aid
- Physical Emergency First Aid
- Train the Trainer
- Empowerment
- Resilience

The Training Academy hosted a leadership conference which was attended by over 170 students and researchers. The day included 15 speakers, external trainers, business, Alumni and staff sharing their valued skills and knowledge.

#### Welfare & Diversity

Welfare and Diversity encompasses all students during their university experience. From promoting positive health and wellbeing to providing under-represented students with a voice, Welfare and Diversity ensures every student has a family in Loughborough.

- Researched LGBT+ student experience and advocated for accountability of the Medical Centre in its treatment of students.
- Launched a new and expansive Mental Health Ambassador scheme with 36 active volunteers.
- Instigated a Disability Support Network in London, the first of its kind with an active committee of postgraduates.
- Organised and facilitated a month-long campaign for Disability History Month.
- Created the Breaking BAME Barriers campaign which has seen many flagship initiatives, including bespoke research and insight to inform their activism.
- Guaranteed there is a person responsible for EDI in every LSU section, delivering training and support throughout the year.

---

## LOUGHBOROUGH STUDENTS' UNION

---

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2022

---

#### Action

Action is where volunteering and student development fits within LSU. Action has a strong relationship with the wider Loughborough Community and local stakeholders, with students contributing thousands of volunteering hours each year to support good causes and they include the following:

- Assisting the local council in the creation of a 'Tiny Forest' in Loughborough.
- Collected a tonne of donations to support the Ukraine crisis.
- Launched a new project in London called 'Literacy Pirates'
- 'Operation Jingle Bells' ran in partnership with a local charity, Leicestershire's Toys on the Table. LSU received monetary donations and physical donations alongside donations facilitated through an Amazon Wishlist for those who wanted to donate a physical gift but were unable to come into the building.
- Student Volunteer Week saw a total of 16 volunteering opportunities being offered over a 7-day period. These opportunities included landscaping, community little picks, various A-Team projects including working with Waterside Care and a weekend at the Alpaca Farm. In total we had 164 volunteers contribute 791 hours.

#### Enterprise

LSU Enterprise were again awarded a Santander Universities initiative fund for students to apply to. The funding is designed to encourage and help students try their ideas out, develop new business skills including understanding the need for market research and helping them develop their networking skills.

LSU received 174 enquires, 35 applications and 20 successful students who were awarded a £500 Initiate fund to take their ideas onto the next level. This was an 89% increase on 2020-21.

LSU Enterprise has continued to grow throughout 2021-22 increasing networking events from 111 in 2020-21 to 210 in 2021-22. These included events supporting diversity and inclusion like, Black Business Showcase, International Women Entrepreneurs Week and an International Networking Event.

#### Rag

Rag is the charity and fundraising section of Loughborough Students' Union. The section is dedicated to supporting student fundraising for whatever charity they wish to support. The impact on the community and the personal experience that has been achieved by the student has far-reaching consequences. The student volunteers are supported by members of Union staff.

#### Societies

The Societies Section within LSU supports and develops a large variety of student groups, interests and activities. In 2021-22, LSU Societies had 5,500 members across five different sections including Academic and Careers, Culture and Faith, General Interest, Outdoor and Sport, and Performance and Arts.

#### Athletic Union

The Athletic Union successfully coordinated the transition of Loughborough Students' Athletic Union to Loughborough University Sport Development Centre at the year-end. The transition will provide an improved experience for those participating within the AU whilst also developing its structures to better facilitate and support the key components of the Loughborough sporting offer (such as coaching, mentoring and training).

LSU sport led by an elected officer continues to lead on the Athletic Union's visibility and representation.

---

## LOUGHBOROUGH STUDENTS' UNION

---

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2022

---

#### Awards

Student achievement is celebrated by a number of awards but the LEA Awards (Loughborough Experience Awards) event which is held annually in June is supported by key staff from the University who are invited and are keen to attend and support the events. This year, our Awards were held in person.

Other award events that we held include:

- Hall Committee Awards
- Loughborough Recognition Awards (a celebration of all LSU's Sections and the achievements of our student volunteers including Media, Enterprise, Action, Rag, Education and Welfare and Diversity).
- Loughborough Academic Awards

All sections are regular attendees at their respective national sectional awards, and a number including Action, Media, Rag Welfare and Diversity and Societies have won multiple awards each year.

#### Entertainments and Events

For every stage of their university journey, LSU aims to provide opportunities for students to have fun and engage with the rich and varied student experiences available to them.

- Freshers saw a delivery of a diverse timetable of activity.
- The Sports and Societies Bazaars saw 10,000 students through the doors.
- Transitioned to fully digital model with 100% of ticket sales being sold online (via the LSU website or SU app) alongside ensuring no paper promotion of LSU events.
- Increased our medical provision on nights out to ensure guest safety.

#### Other Students' LSU Services

- LSU supports key University events, from participating at Open Days for prospective students to providing practical support when the students move-in and help students settle into their new environment.
- LSU retail outlets (located both with the LSU building and across the University campus) enable students to buy branded clothing alongside everyday essentials.
- Food outlets providing a choice of food to suit all dietary requirements.
- A dental outlet, hair salon and printing services.
- All of our part-time work vacancies have been advertised through LSU job site on our website and we have helped over 500 students obtain employment within LSU.

#### Finance Review

LSU has continued to benefit from the recognition and support of the University, and this year the annual block grant was £1,663,013 (2021: £1,633,013). LSU was in receipt of £1,703,013 (2021: £1,663,013) total grant funding for the year.

The LSU's gross income for the group from all sources this year totalled £9,153,438 (2021: £6,507,320). Total expenditure was £8,748,444 (2021: £6,680,870) on the wide-ranging student benefits the LSU provide, as well as modest fundraising and other revenue-generating activities we undertaken, gave a net income of £404,994 (2021: net expenditure of £173,550). After actuarial gains (losses) on the valuation of pension scheme provisions of £649,408 (2021: (£56,939)) are considered, the Union recorded a net movement in funds of £1,054,402 (2021: (£230,489)).

---

## LOUGHBOROUGH STUDENTS' UNION

---

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2022

---

#### Finance Review (continued)

In July 2022 the Union entered into a sale and leaseback arrangement with Loughborough University of its freehold interests in the building and land that make up Loughborough Students' Union, the consideration is based on an independent valuation carried out in accordance with Charity Commission guidelines. The sales price is £3,750,000, and rent of £300,000 per annum is initially payable under the 50 year leasing agreement.

The sales proceeds relating to the disposal are considered to represent fair value, by reference to the supporting valuations undertaken. The Union has recognised the profit of £139,262 arising on the sale in these financial statements. The operating lease commitment associated with the arrangement is disclosed in note 18. The disposal of fixed assets is recorded in the tangible fixed asset note 8.

#### Reserves

The Board of Trustees have reviewed their reserves and they will continue to ensure that everything is done to build reserves and remain a financially viable Union.

The reserves of the Group are in deficit by (£283,233) (2021: deficit £1,337,635), comprising £98,597 (2021: £3,554,753) of designated capital funds, (£4,004,075) (2021: (£4,770,683)) of pension deficit funds, £465,148 (2021: £485,588) of restricted funds and £3,157,097 (2021: (£607,293)) of unrestricted free reserves. It is the intention of the Board to ensure that LSU has sufficient reserves which plans for maintenance of essential services for our users.

Our policy takes into account any risks associated with unplanned closures within the LSU business model and takes into account spending commitments, potential liabilities and financial forecasts.

The Board will ensure that the reserves policy is monitored and reviewed on an annual basis to ensure that it remains effective in the light of changing funding and financial climate and other risks. The Board are aware that the reserves are in deficit but that this is due to the impact of the revaluation of the pension scheme. Whilst overall the Board is concerned by the pension contribution due, their focus will be ensuring that the Charity maintains its focus on generating a surplus through trading activity to ensure we continually add to our reserves and ensure we have a strong cash position.

It is the Board intention to grow the reserves (excluding the SUSS) scheme so that it has the equivalent of nine months standard operating expenditure.

#### Students Union Superannuation Scheme (Scheme)

The Scheme, now closed to new entrants, provides pension benefits in retirement and benefits on death either before or after retirement. The benefits provided by the Scheme are set out in the Trust Deed and Rules dated in accordance with Section 224(1) of the Pension Act 2004 the Trustees of the Scheme have had the Scheme undergo an actuarial valuation. The outcome of the valuation as of 30 June 2019 was as follows:

- The Scheme has assets to fulfil 46% of its technical provisions.
- Participating Unions will contribute to the shortfall starting which increases by 5% per annum, 12.6% in 2020/21 and then increasing by 5% each subsequent October.
- The deficit is expected to be eliminated within 10 years and 11 months.
- PPF Levy and related expenses will be paid in addition to the above shortfall as and when due.
- Using the assumptions prescribed for the Section 179 valuation, the scheme had enough assets to cover 47% of its liabilities in respect of the compensation that would be paid by the Pension Protection Fund by the scheme.

The impact on the Union has been further explained under note 17.

---

## **LOUGHBOROUGH STUDENTS' UNION**

---

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2022**

---

#### **Fundraising**

Fundraising is conducted by the Charity and the Charity is aware of the importance of raising charitable funds in accordance with the Charities (Protection and Social Investment) Act 2016, included in section 13 of the Act and that our approach to fundraising is aligned to those requirements. The Charity is committed to offering all its student members the opportunity to take part in fundraising activities during their studies.

The Charity aims to offer support for a range of diverse activities through involvement in the Raise and Give Society (RAG) or through the hiring of fundraising equipment for other society or individual student group. The charity will ensure all fundraising activities undertaken by students is accurately and properly recorded, this will include any complaints and how those complaints have been handled, ensuring that the approach to fundraising is inclusive and that the organisations we work with are aligned to our own values and goals. The approach is a purely voluntary and participative approach, and the Charity strongly discourages any approach that is deemed unreasonably intrusive or persistent or applies undue pressure to donors.

There were no complaints received in respect of the Union's fundraising activities at the time of signing this report.

#### **Third Party Indemnity**

Qualifying indemnity provision is in place for the benefit of the Trustees of the Union.

#### **Plans for the Future**

The Unions future is very positive. It has sufficient resources to invest in its future plans. These include the development of new products and services to better meet the needs of the charities beneficiaries and create a long-term sustainability for LSU.

Plans include significant refurbishment and rebuilding of the main Union premises; the development of online retail services, including home deliveries; and services directed at the needs of international and postgraduate students.

---

## LOUGHBOROUGH STUDENTS' UNION

---

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2022

---

#### Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources of the group for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Union will continue in business.


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

In so far as the Trustees are aware:


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

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

This report was approved by the Trustees on 21 March 2023 and signed on their behalf by:

DocuSigned by:  
  
31EFCCC708B34FB...

**Andy Doyle, Chair**

DocuSigned by:  
  
697E9FCDD99140B...

**Harry Hughes-Slaterry, President**

---

**LOUGHBOROUGH STUDENTS' UNION**

---

---

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOUGHBOROUGH STUDENTS' UNION**

---

**Opinion**

We have audited the financial statements of Loughborough Students' Union ("the Parent Charitable Company") and its subsidiary ("the Group") for the year ended 31 July 2022 which comprise the group statement of financial activities, the consolidated and company only balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 Charitable Company's affairs as at 31 July 2022 and of the Group's incoming resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions related to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Parent Charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' 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.

---

## LOUGHBOROUGH STUDENTS' UNION

---

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOUGHBOROUGH STUDENTS' UNION

---

#### Opinion on other matters prescribed by the Companies Act 2006

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

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

#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report.

We have nothing to report in respect of the following matters 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 Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a strategic report.

#### Responsibilities of trustees

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

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

#### Auditor's responsibilities for the audit of the financial statements

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

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

Our assessment focussed on key laws and regulations the Group and Parent Charitable Company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery and employment legislation.



---

## LOUGHBOROUGH STUDENTS' UNION

---

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOUGHBOROUGH STUDENTS' UNION

---

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Group and Parent Charitable Company and how the Group and Parent Charitable Company are complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Group and Parent Charitable Company's control environment and how the Group and Parent Charitable Company have applied relevant control procedures, through discussions with management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Group and Parent Charitable Company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

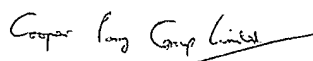
Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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 at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

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



Simon Atkins FCA  
Senior Statutory Auditor  
for and on behalf of:

#### COOPER PARRY GROUP LIMITED

Statutory Auditor  
Cubo Birmingham  
Office 401, 4<sup>th</sup> Floor  
Two Chamberlain Square  
Birmingham  
B3 3AX  
Date: 29 March 2023

# LOUGHBOROUGH STUDENTS' UNION

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2022

		Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	2	-	1,784,249	1,784,249	2,664,160
Charitable activities	4	365,275	1,012,248	1,377,523	626,827
Other trading activities:					
Fundraising	3	-	5,852,117	5,852,117	2,474,553
Trading activities		-	-	-	409,746
Sale of Subsidiary		-	-	-	332,015
Other income (gain on disposal of Tangible Fixed Assets)		-	139,262	139,262	-
Investment income		-	287	287	19
<b>Total income</b>		<b>365,275</b>	<b>8,788,163</b>	<b>9,153,438</b>	<b>6,507,320</b>
<i>Continuing operations</i>		365,275	8,788,163	9,153,438	6,111,582
<i>Discontinued operations</i>		-	-	-	395,738
<b>Expenditure on:</b>					
Raising funds		-	4,323,463	4,323,463	3,072,604
Charitable activities		449,960	3,975,021	4,424,981	3,608,266
<b>Total expenditure</b>	5	<b>449,960</b>	<b>8,298,484</b>	<b>8,748,444</b>	<b>6,680,870</b>
<i>Continuing operations</i>		449,960	8,298,484	8,748,444	6,258,884
<i>Discontinued operations</i>		-	-	-	421,986
<b>Net income before other recognised gains and losses</b>		<b>(84,685)</b>	<b>489,679</b>	<b>404,994</b>	<b>(173,550)</b>
Transfers between funds	13	64,245	(64,245)	-	-
		(20,440)	425,434	404,994	(173,550)
<b>Other recognised losses</b>					
Actuarial losses on defined benefit pension schemes	17	-	649,408	649,408	(56,939)
Net movement in funds		(20,440)	1,074,842	1,054,402	(230,489)
<b>Reconciliation of funds:</b>					
Total funds brought forward	13	485,588	(1,823,223)	(1,337,635)	(1,107,146)
<b>Total funds carried forward</b>		<b>465,148</b>	<b>(748,381)</b>	<b>(283,233)</b>	<b>(1,337,635)</b>

All income and expenditure derive from continuing activities with the exception of activities associated with the Loughborough Students' Union Campus Nursery subsidiary which was sold in the previous year (see note 1.1).

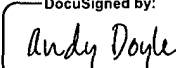
The notes on pages 20 to 36 form part of these financial statements.

# LOUGHBOROUGH STUDENTS' UNION

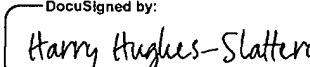
## CONSOLIDATED BALANCE SHEET AS AT 31 JULY 2022

			31 July 2022	31 July 2021
	Note	£	£	£
<b>Fixed assets</b>				
Tangible assets	8		98,597	3,554,753
<b>Current assets</b>				
Stocks		178,729	177,466	
Debtors	10	154,405	276,605	
Cash at bank and in hand		<u>4,438,616</u>	<u>675,775</u>	
		4,771,750	1,129,846	
<b>Creditors: amounts falling due within one year</b>	11	<u>(1,293,752)</u>	<u>(1,443,339)</u>	
<b>Net current assets / (liabilities)</b>			<u>3,477,998</u>	<u>(313,493)</u>
<b>Total assets less current liabilities</b>			<u>3,576,595</u>	<u>3,241,260</u>
<b>Defined benefit pension scheme liability</b>	12		<u>(3,859,828)</u>	<u>(4,578,895)</u>
<b>Net assets</b>			<u>(283,233)</u>	<u>(1,337,635)</u>
<b>Union Funds</b>				
Restricted funds	13		465,148	485,588
Unrestricted funds				
General funds	13		3,157,097	(607,293)
Designated – capital fund (including revaluation reserve)	13	98,597	3,554,753	
Designated - pension reserve	13	<u>(4,004,075)</u>	<u>(4,770,683)</u>	
			(3,905,478)	(1,215,930)
<b>Total funds</b>			<u>(283,233)</u>	<u>(1,337,635)</u>

The financial statements were approved by the Trustees on 21 March 2023 and signed on their behalf, by:

DocuSigned by:  
  
 31EFCCC708B34FB...

**Andy Doyle, Chair**

DocuSigned by:  
  
 697E9FCDD99140B...

**Harry Hughes-Slaterry, President**

**Registered company number: 12000783**

The notes on pages 20 to 36 form part of these financial statements.

---

**LOUGHBOROUGH STUDENTS' UNION**


---




---

**UNION BALANCE SHEET  
AS AT ENDED 31 JULY 2022**

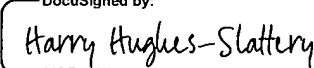

---

	Note	£	31 July 2022 £	£	31 July 2021 £
<b>Fixed assets</b>					
Tangible assets	8		98,597		3,554,753
Investments	9		<u>20,000</u>		<u>20,000</u>
			<b>118,597</b>		<b>3,574,753</b>
<b>Current assets</b>					
Stocks		178,729		177,466	
Debtors	10	154,405		276,605	
Cash at bank and in hand		<u>4,438,616</u>		<u>675,775</u>	
		<b>4,771,750</b>		<b>1,129,846</b>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(1,474,929)</u>		<u>(1,624,944)</u>	
<b>Net current assets / (liabilities)</b>			<b>3,296,821</b>		<b>(495,098)</b>
<b>Total assets less current liabilities</b>			<b>3,415,418</b>		<b>3,079,655</b>
<b>Defined benefit pension scheme liability</b>	12		<b>(3,859,828)</b>		<b>(4,578,895)</b>
<b>Net assets</b>			<u><b>(444,410)</b></u>		<u><b>(1,499,240)</b></u>
<b>Union Funds</b>					
Restricted funds	13		465,148		485,588
<i>Unrestricted funds</i>					
General funds	13		2,995,920		(768,898)
Designated – capital fund (including revaluation reserve)	13	98,597		3,554,753	
Designated – pension reserve	13	<u>(4,004,075)</u>		<u>(4,770,683)</u>	
			<b>(3,905,478)</b>		<b>(1,215,930)</b>
<b>Total funds</b>			<u><b>(444,410)</b></u>		<u><b>(1,499,240)</b></u>

The financial statements were approved by the Trustees on 21 March 2023 and signed on their behalf, by:

DocuSigned by:  
  
 31EFCCC708B34FB...

**Andy Doyle, Chair**

DocuSigned by:  
  
 697E9FCDD99140B...

**Harry Hughes-Slaterry, President**

**Registered company number: 12000783**

The notes on pages 20 to 36 form part of these financial statements.

---

**LOUGHBOROUGH STUDENTS' UNION**

---

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

---

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net income/(expenditure) for the year	1,054,402	(230,489)
<b>Adjustment for:</b>		
Depreciation charges and loss on disposal of fixed assets	216,357	245,345
Gain on disposal of investment in subsidiary	-	(332,015)
Gain on disposal of tangible fixed assets	(139,262)	-
SUSS charge net of repayments	(766,608)	(99,919)
(Increase) / decrease in stocks	(1,263)	118,849
Decrease / (increase) in debtors	122,200	(83,718)
(Decrease) / increase in creditors	(102,046)	826,628
<b>Net cash provided by operating activities</b>	<u>383,780</u>	<u>444,681</u>
<b>Cash flows from investing activities:</b>		
Proceeds from sale of investment in subsidiary	-	345,000
Net proceeds from sale of tangible fixed assets	3,735,320	-
Purchase of tangible fixed assets	<u>(356,259)</u>	<u>(854,118)</u>
<b>Net cash provided by / (used in) investing activities</b>	<u>3,379,061</u>	<u>(509,118)</u>
<b>Cash flows from financing activities:</b>		
Repayments of borrowings	<u>-</u>	<u>(50,000)</u>
<b>Net cash used in financing activities</b>	-	(50,000)
<b>Change in cash and cash equivalents in the year</b>	3,762,841	(114,437)
Cash and cash equivalents brought forward	675,775	790,212
<b>Cash and cash equivalents carried forward</b>	<u><u>4,438,616</u></u>	<u><u>675,775</u></u>

---

## LOUGHBOROUGH STUDENTS' UNION

---

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

---

#### 1. Accounting Policies

##### 1.1 Basis of preparation of financial statements

Loughborough Students' Union is a company limited by guarantee and is a registered charity.

The address of the registered office is given on page 2 of these financial statements.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

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

Loughborough Students' Union constitutes a public benefit entity as defined by FRS 102.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Union and its subsidiary undertakings, Loughborough Student Services Limited and Loughborough Students' Union Campus Nursery LTD. The results of the subsidiaries are consolidated on a line by line basis. Loughborough Students' Union Campus Nursery LTD was sold during the previous year, the results were consolidated on a line by line basis up to the point of disposal. In the results of the group, the revenue associated with the subsidiary was £Nil (2021: £395,738) and a net loss of £Nil (2021: net loss of £26,248) was attributable to the subsidiary's activities.

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

##### 1.2 Fund accounting

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Union for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

##### 1.3 Basis of consolidation

The consolidated financial statements consolidate the results of the parent company and of the subsidiaries on a line by line basis. A separate Statement of Financial Activities and income and expenditure account for the charitable company itself are not presented because advantage has been taken of the exemptions afforded by section 408 of the Companies Act 2006.

---

## LOUGHBOROUGH STUDENTS' UNION

---

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

---

#### 1. Accounting Policies (continued)

##### 1.4 Going concern

At the time of signing the accounts, the Trustees have considered the effect of the current economic climate on the going concern position, and consider that after taking this into account, the group will continue to operate for a period of at least 12 months from the date of signing these accounts. At the balance sheet date the group held significant cash balances and had significant net current assets. The deficit net funds position has arisen from an extension of the repayment period under which the Union is committed to paying deficit contributions, to reduce the deficit on the SUSS pension scheme, which is closed to new entrants. This deficit is repayable over a number of years, and is built into financial forecasts prepared by the executive team. Government support is utilised, where it is appropriate to do so, during the period, the Furlough scheme was used.

The financial forecasts prepared by the executive team show that the group will be able to operate within the facilities available to it.

On that basis, the Trustees have prepared these financial statements on a going concern basis.

##### 1.5 Income

Income from donations and legacies is recognised at the point at which the Union becomes legally entitled to the funds.

All other income is derived from charitable activities and trading activities. This income is recognised if the following conditions are satisfied:

- the Union has transferred the significant risks and rewards of ownership to the buyer;
- the Union retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of income can be measured reliably;
- it is probable that the Union will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objectives of the union.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Union's operations, including support costs and costs relating to the governance of the Union apportioned to charitable activities.

---

## LOUGHBOROUGH STUDENTS' UNION

---

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

---

#### 1. Accounting Policies (continued)

##### 1.7 Tangible fixed assets and depreciation

Tangible fixed assets (excluding freehold land and buildings) are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives:

Land	-	Not depreciated
Freehold property	-	5 - 40 years
Fixtures & fittings	-	3 - 10 years

Freehold land & buildings are carried at fair value at the period end less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date. Fair values are determined from market based evidence normally undertaken by professionally qualified valuers. Increases in an asset's carrying amount as a result of a revaluation are recognised as unrealised gains and are accumulated within funds.

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

##### 1.8 Impairment

A review for impairment of a fixed asset is carried out if events or changes in circumstance indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the consolidated statement of financial activities.

##### 1.9 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Union. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

In July 2022 the Union entered into a sale and leaseback arrangement with Loughborough University of its freehold interests in the building and land that make up Loughborough Students' Union, the consideration is based on an independent valuation carried out in accordance with Charity Commission guidelines. The sales price is £3,750,000, and rent of £300,000 per annum is initially payable under the 50 year leasing agreement.

The sales proceeds relating to the disposal are considered to represent fair value, by reference to the supporting valuations undertaken. The Union has recognised the profit of £139,262 arising on the sale in these financial statements. The operating lease commitment associated with the arrangement is disclosed in note 18.



---

## LOUGHBOROUGH STUDENTS' UNION

---

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

---

#### 1. Accounting Policies (continued)

##### 1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

##### 1.11 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Union; this is normally upon notification of the interest paid or payable by the Bank.

##### 1.12 Pensions

The Union operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Union to the fund in respect of the period.

The Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary.

The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. The present value of the Union's share of the defined benefit scheme deficit funding liability is recorded as a liability, with annual movements in the present value unwound through the Statement of Financial Activities.

The scheme was closed to future accrual on 30 September 2011.

##### 1.13 Debtors

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

##### 1.14 Cash at Bank and in hand

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

##### 1.15 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Union anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

---

**LOUGHBOROUGH STUDENTS' UNION**

---

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

---

**1. Accounting Policies (continued)**

**1.16 Financial instruments**

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

**1.17 Judgments in applying accounting policies and key sources of estimation uncertainty**

Amounts included in the financial statements involve the use of judgment and/or estimation.

These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgments and estimation is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

**Judgments in applying accounting policies**

The trustees must judge whether all of the conditions required for income to be recognised in the Statement of Financial Activity in the financial period, as set out above, have been met.

**Sources of estimation uncertainty**

- Depreciation rates are based on estimates of the useful lives and residual values of the assets involved;

- The valuation of Freehold Land & Buildings is a best estimate of the anticipated fair value of the property in its current condition and use. Management obtain a valuation from a RICS authorised valuer in determining an appropriate valuation to incorporate into the Balance Sheet at sufficiently regular intervals.

## LOUGHBOROUGH STUDENTS' UNION

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

#### 2. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Grants	-	1,703,013	1,703,013	1,663,013
Other government grants	-	81,236	81,236	1,001,147
Total	-	<u>1,784,249</u>	<u>1,784,249</u>	<u>2,664,160</u>
Total 2021	-	<u>2,664,160</u>	<u>2,664,160</u>	

£68,954 of other government grants relates to income received under the Government's Furlough Scheme (2021: £913,464).

#### 3. Income generating services

	Sales £	Cost of sales £	GP %	Other direct expenses £	Surplus 2022 £	Surplus 2021 £
Bars	1,509,970	443,799	70.61%	188,126	878,045	75,438
Entertainment	892,473	254,595	71.47%	243,396	394,482	145,300
	<u>2,402,443</u>	<u>698,394</u>	<u>70.93%</u>	<u>431,522</u>	<u>1,272,527</u>	<u>220,738</u>
Shops	2,399,508	1,675,049	30.19%	439,621	284,838	14,051
Catering	766,721	242,753	68.34%	229,018	294,950	47,241
Partnership	65,438	-	100.00%	39,054	26,384	10,507
Car parking	14,675	-	100.00%	-	14,675	3,344
Rents and franchises	203,332	-	100.00%	229,289	(25,957)	29,365
	<u>3,449,674</u>	<u>1,917,802</u>	<u>44.41%</u>	<u>936,982</u>	<u>594,890</u>	<u>104,508</u>
Total	<u>5,852,117</u>	<u>2,616,196</u>	<u>55.29%</u>	<u>1,368,504</u>	<u>1,867,417</u>	<u>325,246</u>
Total 2021	<u>2,474,553</u>	<u>1,257,635</u>	<u>49.18%</u>	<u>891,672</u>	<u>325,246</u>	

#### 4. Other incoming resources

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
RAG	-	11,683	11,683	1,823
Membership	70,470	742,223	812,693	348,020
Income from student activities	294,805	258,342	553,147	276,984
Total	<u>365,275</u>	<u>1,012,248</u>	<u>1,377,523</u>	<u>626,827</u>
Total 2021	<u>145,217</u>	<u>481,610</u>	<u>626,827</u>	

---

**LOUGHBOROUGH STUDENTS' UNION**


---

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


---

**5. Analysis of Expenditure by expenditure type**

	Cost of sales 2022 £	Staff costs 2022 £	Depreciation 2022 £	Support costs 2022 £	Total 2022 £	Total 2021 £
<b>Costs of generating funds:</b>						
Income generating services	2,616,196	1,368,504	91,747	246,588	4,323,035	2,637,763
Fundraising expenses	-	-	-	428	428	434,841
Total costs of generating funds	<u>2,616,196</u>	<u>1,368,504</u>	<u>91,747</u>	<u>247,016</u>	<u>4,323,463</u>	<u>3,072,604</u>

All costs of generating funds expenditure are unrestricted in nature.

**Expenditure on Union activities:**

RAG	-	-	-	13,655	13,655	3,825
Pension Scheme Service costs	-	21,446	-	159,658	181,104	131,501
Support Services	-	941,641	63,129	767,821	1,772,591	2,039,273
Representation & Member Services	-	598,424	40,119	101,456	739,999	825,642
Membership Relations	-	105,401	7,066	13,343	125,810	127,619
Student Activities	-	213,236	14,296	1,364,290	1,591,822	480,406
Total expenditure on Union Activities	<u>-</u>	<u>1,880,148</u>	<u>124,610</u>	<u>2,420,223</u>	<u>4,424,981</u>	<u>3,608,266</u>

Total resources expended 2,616,196 3,248,652 216,357 2,667,239 8,748,444 6,680,870

**Union activities summary by fund type**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total expenditure 2022 £	Total expenditure 2021 £
RAG	-	13,655	13,655	3,825
Pension Scheme Service costs	-	181,104	181,104	131,501
Support Services	-	1,772,591	1,772,591	2,039,273
Representation & Member Services	-	739,999	739,999	825,642
Membership Relations	-	125,810	125,810	127,619
Student Activities	449,960	1,141,862	1,591,822	480,406
Total	<u>449,960</u>	<u>3,975,021</u>	<u>4,424,981</u>	<u>3,608,266</u>
Total 2021	<u>104,626</u>	<u>3,503,640</u>	<u>3,608,266</u>	

---

**LOUGHBOROUGH STUDENTS' UNION**

---

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

---

**6. Net resources expended**

	2022 £	2021 £
Depreciation of tangible fixed assets	216,357	245,345
Gain on disposal of tangible fixed assets	139,262	-
Gain on disposal of subsidiary	-	332,015
Auditor's remuneration - audit	22,750	14,000
Auditor's remuneration - non audit	10,000	-
Rental payments under operating lease agreements	9,863	-
Pension costs (scheme interest)	159,658	96,087
Pension costs (change in discount rate)	649,408	56,939
Pension costs (extension of the contribution schedule)	-	-

During the year, Trustees received reimbursement of expenses totalling £nil (2021 - £nil) in relation to their roles as Trustees.

**7. Staff costs**

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	2,972,693	2,916,433
Social security costs	169,311	199,326
Pension costs (defined contribution schemes)	106,648	133,581
	<u>3,248,652</u>	<u>3,249,340</u>

Included within staff costs are termination payments totalling £25,000 (2021 - £25,300) which were funded from unrestricted funds.

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

	2022 No.	2021 No.
Income generating services	213	148
Support services	25	33
Member relations	8	6
Student activities	5	3
Representation & member services	25	25
Campus nursery	-	18
	<u>276</u>	<u>233</u>

The number of higher paid employees was:

	2022 No.	2021 No.
In the band £70,001 - £80,000	-	1
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	1	-

**Key management personnel**

The key management personnel of the Union comprise the trustees and the senior management team as listed on page 2. The total amount of employee benefits (including pension contributions and employer's national insurance contributions) received by key management personnel for their services to the union was £471,252 (2021 - £545,430) (this includes payment of salaries to executive committee members and sabbatical student officers as detailed in Note 19).

---

**LOUGHBOROUGH STUDENTS' UNION**


---

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


---

**8. Tangible fixed assets**

Group & Union	Freehold Land & Buildings £	Fixtures, fittings & equipment £	Total £
<b>Cost or valuation</b>			
At 1 August 2021	4,497,597	729,497	5,227,094
Additions	281,468	74,791	356,259
Disposals	(4,779,065)	-	(4,779,065)
At 31 July 2022	-	804,288	804,288
<b>Depreciation</b>			
At 1 August 2021	1,021,769	650,572	1,672,341
Charge for the year	161,238	55,119	216,357
Eliminated on disposal	(1,183,007)	-	(1,183,007)
At 31 July 2022	-	705,691	705,691
<b>Net book value</b>			
At 31 July 2022	-	98,597	98,597
At 31 July 2021	3,475,828	78,925	3,554,753

Freehold Land & Buildings were included in the Balance Sheet at valuation (see note 1.7 and 1.17). The carrying amount that would have been recognised had the assets been carried under the cost model for Freehold Land & Buildings at the period end date is £Nil (2021 - £301,332).

Included within Freehold Land & Buildings is Land which was not depreciated and was valued at £Nil (2021 - £2,432,549).

See note 1.9 in relation to the sale and leaseback arrangement that has resulted in the disposal of Freehold Land & Buildings recorded above.

**9. Fixed asset investments**

	<u>Group</u>		<u>Union</u>	
	2022 £	2021 £	2022 £	2021 £
Value at 1 August 2021	-	-	20,000	20,001
Additions	-	-	-	-
Disposals	-	-	-	(1)
Reversal of impairment	-	-	-	-
Value at 31 July 2022	-	-	20,000	20,000

Company name	Country	Percentage Shareholding	Description
Loughborough Student Services Limited	England and Wales	100%	Trading activities for the Union
		Profit / (Loss) £	Capital & Reserves £
		(428)	161,177

---

**LOUGHBOROUGH STUDENTS' UNION**


---



---

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


---

**10. Debtors**

	<b>Group</b>		<b>Union</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	72,575	95,677	72,575	95,677
Amounts owed by group undertakings	-	-	-	-
Amounts owed by related parties	188	39,710	188	39,710
Other debtors	24,802	97,906	24,802	97,906
Prepayments and accrued income	56,840	43,312	56,840	43,312
	<b>154,405</b>	<b>276,605</b>	<b>154,405</b>	<b>276,605</b>

Included within other debtors is £18,195 (2021: other debtors £5,264) of net balances paid to third party charities, being monies fundraised by the RAG department for local, national and international charities which have been received via the Loughborough Students' Union bank account. A separate bank account is in operation and overseen by the RAG Administrator.

**11. Creditors:  
Amounts falling due within one year**

	<b>Group</b>		<b>Union</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	171,484	354,863	171,784	354,863
Amounts owed to group undertakings	-	-	181,177	181,605
Amounts due to related parties	7,319	5,940	7,319	5,940
Other taxation and social security	105,229	56,558	105,229	56,558
Other creditors	67,170	152,004	67,170	152,004
Accruals and deferred income	798,303	682,186	798,303	682,186
Defined benefit pension scheme deficit funding liability	144,247	191,788	144,247	191,788
	<b>1,293,752</b>	<b>1,443,339</b>	<b>1,474,929</b>	<b>1,624,944</b>

Included within accruals and deferred income:

	<b>Group</b>		<b>Union</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred income at 1 August 2021	13,052	67,671	13,052	27,438
Resources deferred during the period	9,992	13,052	9,992	13,052
Resources released from previous periods	-	(67,671)	-	(27,438)
	<b>23,044</b>	<b>13,052</b>	<b>23,044</b>	<b>13,052</b>

Deferred income consists of grant funding received in advance.

---

**LOUGHBOROUGH STUDENTS' UNION**

---

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

---

**12. Creditors:**  
**Amounts falling due after more than one year**

	<u>Group</u>		<u>Union</u>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Defined benefit pension scheme deficit funding liability	<b>3,859,828</b>	4,578,895	<b>3,859,828</b>	4,578,895
	<u><b>3,859,828</b></u>	<u>4,578,895</u>	<u><b>3,859,828</b></u>	<u>4,578,895</u>

Included within the above are amounts falling due as follows:

	<u>Group</u>		<u>Union</u>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Between two and five years</b>				
Defined benefit pension scheme deficit funding liability	<u><b>806,282</b></u>	<u>957,869</u>	<u><b>806,282</b></u>	<u>957,869</u>
<b>More than 5 years</b>				
Defined benefit pension scheme deficit funding liability	<u><b>3,053,546</b></u>	<u>3,621,026</u>	<u><b>3,053,546</b></u>	<u>3,621,026</u>



---

**LOUGHBOROUGH STUDENTS' UNION**


---

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


---

**13. Statement of funds – current period**

	Brought Forward at 1 Aug 2021 £	Income £	Expenditure £	Transfers £	Gains & losses £	Carried Forward at 31 July 2022 £
<b>Designated funds</b>						
Capital fund – charity	1,122,204	43,693	(216,357)	(850,943)	-	98,597
Revaluation reserve	2,432,549	95,569	-	(2,528,118)	-	-
Pension deficit	(4,770,683)	-	(159,658)	276,858	649,408	(4,004,075)
	<u>(1,215,930)</u>	<u>139,262</u>	<u>(376,015)</u>	<u>(3,102,203)</u>	<u>649,408</u>	<u>(3,905,478)</u>
<b>General funds</b>						
General reserve	(768,898)	8,648,901	(7,922,041)	3,037,958	-	2,995,920
Trading activities	161,605	-	(428)	-	-	161,177
	<u>(607,293)</u>	<u>8,648,901</u>	<u>(7,922,469)</u>	<u>3,037,958</u>	<u>-</u>	<u>3,157,097</u>
Total Unrestricted funds	<u>(1,823,223)</u>	<u>8,788,163</u>	<u>(8,298,484)</u>	<u>(64,245)</u>	<u>649,408</u>	<u>(748,381)</u>
<b>Restricted funds</b>						
Other restricted grants	603	-	-	-	-	603
Athletic Union	300,243	147,438	(247,212)	65,338	-	265,807
Clubs & Societies	184,742	217,837	(202,748)	(1,093)	-	198,738
	<u>485,588</u>	<u>365,275</u>	<u>(449,960)</u>	<u>64,245</u>	<u>-</u>	<u>465,148</u>
Total of funds	<u>(1,337,635)</u>	<u>9,153,438</u>	<u>(8,748,444)</u>	<u>-</u>	<u>649,408</u>	<u>(283,233)</u>

---

## LOUGHBOROUGH STUDENTS' UNION

---

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

---

#### Description of funds

##### Designated funds:

Capital fund	This represents the net book value of fixed assets (excluding land) held by Loughborough Students' Union (Charity line) and its subsidiaries (trading activities line).
Revaluation reserve	This represents the net book value of land which was recognised at valuation in the 31/08/2018 accounts. The land was sold under a sale and leaseback transaction which took place in the year, resulting in there being no fund balance to carry forward at 31 July 2022.
Pension deficit	This represents the discounted value of deficit contribution payments that Loughborough Students' Union is committed to pay in line with the disclosures within the pension note.

##### Restricted funds:

Other restricted grants	Grants received with restrictions on use imposed by the donor.
Athletic Union	Funds raised by the Athletic Union are recognised as restricted income and will be applied to the expenditure of the Athletic Union. Any unspent funds are carried forward at the end of the period and will be spent in future years.
Clubs & Societies	Funds raised by individual clubs and societies are recognised as restricted income and will be applied to the expenditure of that club or society. Any unspent funds are carried forward at the end of the period and will be spent in future years by the appropriate club or society.

#### Transfers between funds

A net amount of £3,379,061 was transferred out of capital funds and the revaluation reserve. This was made up of a transfer into the funds totalling £356,259 in respect of fixed asset additions in the period. The balance represented the net book value of assets disposed of under the sale and leaseback arrangement that was entered into for the Union's land & buildings.

£276,858 was transferred to pension deficit reserve (designated) from the general reserves reflect the value of pension deficit contribution payments made in the period.

£65,338 was transferred from the general reserves to the Athletic Union restricted funds to reflect the surplus from club activities transferred during the year.

---

**LOUGHBOROUGH STUDENTS' UNION**


---

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


---

**14. Statement of funds – prior period**

	Brought Forward at 1 Sept 2020 £	Income £	Expenditure £	Transfers £	Gains & losses £	Carried Forward at 31 July 2021 £
<b>Designated funds</b>						
Capital fund – trading activities	13,713	-	(13,713)	-	-	-
Capital fund – charity	512,703	-	(244,617)	854,118	-	1,122,204
Revaluation reserve	2,432,549	-	-	-	-	2,432,549
Pension deficit	(4,870,601)	-	(96,087)	252,944	(56,939)	(4,770,683)
	<u>(1,911,636)</u>	<u>-</u>	<u>(354,417)</u>	<u>1,107,062</u>	<u>(56,939)</u>	<u>(1,215,930)</u>
<b>General funds</b>						
General reserve	139,529	5,952,357	(5,785,921)	(1,074,863)	-	(768,898)
Trading activities	219,964	409,746	(435,906)	(32,199)	-	161,605
	<u>359,493</u>	<u>6,362,103</u>	<u>(6,221,827)</u>	<u>(1,107,062)</u>	<u>-</u>	<u>(607,293)</u>
Total Unrestricted funds	<u>(1,552,143)</u>	<u>6,362,103</u>	<u>(6,576,244)</u>	<u>-</u>	<u>(56,939)</u>	<u>(1,823,223)</u>
<b>Restricted funds</b>						
Other restricted grants	603	-	-	-	-	603
Athletic Union	267,497	104,756	(72,010)	-	-	300,243
Clubs & Societies	176,897	40,461	(32,616)	-	-	184,743
	<u>444,997</u>	<u>145,217</u>	<u>(104,626)</u>	<u>-</u>	<u>-</u>	<u>485,588</u>
Total of funds	<u>(1,107,146)</u>	<u>6,507,320</u>	<u>(6,680,870)</u>	<u>-</u>	<u>(56,939)</u>	<u>(1,337,635)</u>

---

**LOUGHBOROUGH STUDENTS' UNION**


---



---

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


---

**15. Analysis of net assets between funds**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Tangible fixed assets	-	98,597	98,597	3,554,753
Current assets	465,148	4,306,602	4,771,750	1,129,846
Creditors due within one year	-	(1,293,752)	(1,293,752)	(1,443,339)
Creditors due in more than one year	-	(3,859,828)	(3,859,828)	(4,578,895)
Total	<u>465,148</u>	<u>(748,381)</u>	<u>(283,233)</u>	<u>(1,337,635)</u>
Total 2021	<u>485,588</u>	<u>(1,823,223)</u>	<u>(1,337,635)</u>	

**16. Capital commitments**

At 31 July 2022 the Group and Union had capital commitments of £nil (2021: £178,645).

**17. Pension commitments**

The Union is a member of the NUSPS defined contribution (money purchase) pension scheme. The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 31 July 2022 amounted to £276,858 (2021 - £252,945).

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

The most recent Valuation of the Scheme was carried out as at 30 June 2019 and showed that the market value of the Scheme's assets was £119,103,000 with these assets representing 32% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £140,907,000.

The assumptions which have the most significant effect upon the results of the Valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumptions applied at 30 June 2019:

- The investment return would be 4.0% per annum before retirement and 2.0% per annum after retirement; and
- Present and future pensions would increase at rates specified by Scheme rules with appropriate assumptions where these are dependent on inflation.

The 2019 Valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 14 years and 10 months and increased by 12.6% from 1 October 2021 and by a further 5% each subsequent year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

The scheme is closed to future accrual.

---

**LOUGHBOROUGH STUDENTS' UNION**

---

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

---

**17. Pension commitments (continued)**

**PRESENT VALUES OF PROVISION**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Present value of provision		
Pension liability due in a year	144,247	191,788
Pension liability due after a year	3,859,828	4,578,895
Present value of provision	<u>4,004,075</u>	<u>4,770,683</u>

**Reconciliation of opening and closing provisions**

	<b>Year Ending 31 July 2022 £</b>
Provision at start of period	4,770,683
Unwinding of the discount factor (interest expense)	159,658
Deficit contribution paid	(276,858)
Remeasurements – change of discount factor	<u>(649,408)</u>
Provision at end of period	<u><u>4,004,075</u></u>

**Statement of Financial Activities impact**

	<b>Year Ending 31 July 2022 £</b>
Interest expense	159,658
Remeasurements – change of discount factor	<u>(649,408)</u>
Costs recognised in income and expenditure account	<u><u>(489,750)</u></u>

**Assumptions**

	<b>31 July 2022 % per annum</b>
Rate of interest (discount rate)	3.87%

---

**LOUGHBOROUGH STUDENTS' UNION**


---

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


---

**18. Operating lease commitments - Lessee**

At 31 July 2022 Loughborough Students' Union had commitments to make future minimum lease payments under non-cancellable operating leases (refer to note 1.9 for further details on significant leasing arrangements), which fall due as follows:

	2022	2021
	£	£
Within one year	300,000	-
Between two and five years	1,230,302	-
In over five years	17,808,653	-
	<u>19,338,955</u>	<u>-</u>

**19. Related party transactions**

During the year Loughborough Students' Union had the following related party transactions:

	2022	2021
	£	£
Grants and income received from Loughborough University	1,832,505	2,168,747
Amounts advanced (in 2021) and still outstanding by / to Loughborough University	412,587	412,587
Proceeds on disposal of Loughborough Students' Campus Nursery Ltd received from Imago @ Loughborough Limited, a company owned and controlled by Loughborough University	-	345,000
Gross proceeds from sale & leaseback of Union land & buildings from Loughborough University	3,750,000	-
Payment of salaries to executive committee members and sabbatical student officers	187,208	215,712
Reimbursed expenses to executive committee members and sabbatical student officers	-	1,130
Other Trustees' expenses	-	-
Payments to Loughborough University	262,924	224,105
Income from Loughborough College	40,000	30,000
Amounts owed to Loughborough University	7,319	5,646
Amounts owed from Loughborough University	188	39,710
Sales made to Loughborough Student Services Limited	-	13,304
Gift aid payable from Loughborough Student Services Limited	-	88
Income received by LSU on behalf of Loughborough Student Services Limited	-	37,434
Amounts owed to Loughborough Student Services Limited	181,177	181,605
Costs recharged to Loughborough Student's Union Campus Nursery LTD	-	356,801
Management and other recharges made to Loughborough Student's Union Campus Nursery LTD	-	20,004
Income received by LSU on behalf of Loughborough Student's Union Campus Nursery LTD	-	594,198
Gift aid paid from Loughborough Student's Union Campus Nursery LTD	-	73,137

Included in the payment of salaries to executive committee members and sabbatical student officers is remuneration paid to 4 (2021: 6) trustees totalling £92,108 (2021: £127,670).

In accordance with the Loughborough Student's Union memorandum and articles of association, salaries were paid to Sabbatical Officers that also held office for the year, in relation to their work undertaken in an employed capacity, as distinct from their Trustee responsibilities.