

Company registration number: 07623917
Registered charity number: 1142616



University of Central Lancashire
**Students'
Union**

**UNIVERSITY OF CENTRAL LANCASHIRE
STUDENTS' UNION**

DRAFT FINANCIAL STATEMENTS

31 JULY 2024

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

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UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

TRUSTEE AND UNION INFORMATION

BOARD OF TRUSTEES 2024/25

Luke Fitzgerald	President
Joseph Bigland	Vice President Welfare
Charlotte Lastowecky	Vice President Education
Sophie Barratt	Vice President Activities
Syed Manan	Student Trustee (resigned 22 nd August 2024)
Manya Raj	Student Trustee (appointed 28 th November 2024)
Emma Sims	External Trustee
Dani Beckett	External Trustee

BOARD OF TRUSTEES 2023/24

Luke Fitzgerald	President (appointed 1 st July 2023)
Joseph Bigland	Vice President Welfare (appointed 1 st July 2023)
Charlotte Lastowecky	Vice President Education (appointed 1 st July 2023)
Sophie Barratt	Vice President Activities (appointed 1 st July 2023)
Syed Manan	Student Trustee (appointed 1 st December 2023)
Mordecai Mambohwa	Student Trustee (appointed 1 st December 2023; resigned 20 th June 2024)
Emma Sims	External Trustee
Dani Beckett	External Trustee (appointed 1 st December 2023)
Geoff Birch	External Trustee (resigned 2 nd October 2023)
Jose Sedano-Martinez	External Trustee (resigned 5 th August 2023)

COMPANY SECRETARY

J Russ	Resigned 19 th December 2023
G Wright	Appointed 19 th December 2023

KEY MANAGEMENT PERSONNEL

Chief Executive Officer	S Hartley
Director of Operations & Activities	J Russ
Director of Finance and Performance	L M Stott (resigned 6 th October 2023)
Director of Finance and Services	G Wright (appointed 1 st November 2023)
Director of Membership Voice	H Mason (appointed 18 th September 2023)

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

REGISTERED OFFICE 24 Fylde Road
Preston
Lancashire
PR1 7BY

AUDITORS Haines Watts
Statutory Auditor
3rd Floor Pacific Chambers
11-12 Victoria Street
Liverpool
L2 5QQ

BANKERS HSBC
PO Box 70,
40 Fishergate
Preston
PR1 2AD

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2024

The Board of Trustees are pleased to present their Annual Report for the year ended 31st July 2024 which includes the information set out on page 1 of this report, together with an account of activities and impact and the audited accounts for that year.

The 2023/24 academic year seen us round off our previous strategy and work on our new one for 2024-2028. Students will always remain at the heart of what we do and a key focus for us as an organisation is how we can positively impact students' lives, both their academic experience and also their university journey. We do a lot of things as an organisation, but with Student Life and Student Voice central to it all, our mission always has our members at the forefront of our impact.

OUR MISSION

The Union's mission is 'to make student life the best it can be' with the following long-term aims: -

- a) To promote the interests of students during their course of study.
- b) To represent, support and advise students.
- c) To provide social and recreational activities for students and, by so doing, advance the education of the students at the University of Central Lancashire for the benefit of the public.

The Union has activities and services for use by members and to support work with the University and other organisations on behalf of students. These include support for student representation throughout the University, the Union's independent Student Advice Centre, the Union's Activities Office supporting club, society and volunteering activities, Pulse Student Media, induction activities including 'Welcome Week' and connecting students to discounts through Totum. The Union also offers space for students to socialise, relax and purchase food and drinks via our social enterprise outlets and social spaces.

The Union, when reviewing or planning its activities, considers the Charity Commission's general and relevant guidance on public benefit and has complied with the duty in Section 4 of the 2006 Charities Act to have due regard to guidance on public benefit published by the Charity Commission.

UNION ACHIEVEMENTS

As well as working towards our strategic priorities, we also set annual 'Union Priorities'. These are shaped from our Full-time Officer's manifestos and other timely research and insight to ensure we are focused on the things that students need from us. We embedded these priorities into our operational planning to ensure they are not solely the responsibility of an Officer, but they were instead a shared set of organisational goals permanent staff could support.

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YEAR ENDED 31 JULY 2024

STUDENT VOICE

Students are central to everything we do. We're a democratic organisation with students at the heart of the decision making and leadership of the Students' Union. Whether we're sticking up for students or empowering them to speak up, the student voice is deep rooted into both the day-to-day and strategy of the Union.

This year we continue to support and develop our elected reps, empowering them to use their voice to create positive change on campus and in the community. At a University level, we delivered critical voice and feedback on the University's Mitigating Circumstances policy and procedure. While this work is ongoing into 2024/25, we spent this year gaining helpful insight from the students, including inviting the University to a student roundtable on the issue.

Another way we have impact University policy is lobbying for a preferred name policy through the Say My Name campaign. Similar to Mitigating Circumstances, this work has taken us into 2024/25 however we're working collaboratively with the University's Equality, Diversity and Inclusion team on this as well as other key guidance for supporting the Trans* Community.

We need to continually listen to our students, not just for feedback but to also understand who our students are. Increasing the number of student written blogs on lived experience across our website and communication channels has helped us gain greater understanding of the student journey and the issues they face.

One way to bring student voice to the heart of the key decision makers at the University was through our Vice Chancellor's Question Time event. This was a new initiative which brought together the most senior staff and our students, who were able to ask questions, share their views and also get to know the Vice Chancellor's Group (VCG). The first event proved successful and led to a commitment from VCG at the event, to work on bringing free period provisions to campus for students. This work has started and we're looking forward to seeing it finalise in 2025. The event worked so well, it's also making a return in February 2025.

Our Get Together programme consists of several events throughout the year supporting our black students, disabled students, LGBT* students and international students. Each community had events aimed at bringing their community together to socialise, feedback on their experience and find their home away from home. Successful social events also helped prove as successful listening exercises, with the Union able to gain important feedback to take to other spaces on behalf of those students.

While delivering and acting on student voice at a campus level is key, we also branched out into wider society throughout the year through impactful campaigns such as our Ban Conversion Therapy and Man Down (men's mental health) campaigns. Both reaching out to other Students' Unions across the UK, providing campaign materials to raise awareness and create an impact further afield. The Ban Conversion Therapy led by our Trans* Students Rep has seen hundreds of postcards to MPs to lobby the Government. The campaign's impact was noticed nationally and placed in the top three at the Student Pride Awards for Campaign of the Year.

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Away from campaigns, a lot of work was undertaken to improve and update the Union's byelaws. They were out of date and proved difficult for students to create change, our byelaws should never be a barrier to students. The work done to improve them has seen our processes become less bureaucratic for committee leaders helping them run their student groups more effectively and also ensure the process to make change is clear and simple.

Student voice isn't always about lobbying for change, our students submitted over 1000 nominations in our Golden Roses awards, which aims to celebrate academic and professional service staff from across the University at all three campuses. Across three ceremonies we awarded several staff and services, with students at the heart of the nominations and shortlisting panels.

As the academic year came to a close, a General Election was announced and our Officer Team led the work on collaborating with the University on voter registration and encouraging students to vote on election day. While it's difficult to measure our specific impact on this, we can say we played a part in ensuring students understood their right to vote and contributed to the numbers from across the UK in young people registering and voting increasing.

STUDENT LIFE

Being a student has the potential to change your life in so many ways. However, that doesn't always mean that University of Central Lancashire students have 100% of their time to dedicate to student life. Many of our students are juggling being a student, working and supporting their families.

It's crucial to us students feel like, and know, we're here to support with all aspects of their student life and over the past academic year, the Students' Union has significantly enriched student life with a diverse range of innovative projects and initiatives.

This year we had the exciting introduction of the Study Break program, which supports students through the exam and assessment period. Study Break hosted activities and study support sessions in collaboration with the University including an end of year celebration. We were also able to secure funding from the University to provide free food to students during exam weeks.

With the University's adoption of the University Mental Health Charter to support mental health on campus, the Students' Union have been involved in the work and student submission of the charter. Cementing wellbeing as a priority and at the heart of everything we do.

With over 100 student groups active throughout the year, including a range of newly formed groups like the reintroduction of the Jewish Society, our campus community has become more diverse and dynamic. With student groups playing a vital role in the experience of their members, we prioritised making our groups more accessible. Through the inclusion of disability awareness in committee training, we have helped groups foster a more inclusive environment. While the Access to Activities Fund seen more students being able to access memberships and therefore feel part of events and activities.

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YEAR ENDED 31 JULY 2024

This year seen a notable increase in social sports participation, highlighted by the launch of a weekly futsal competition alongside new turn up and play sessions, which has energised our recreational sports offer.

While we continue to support and develop our volunteers throughout the year, the creation of the ACES (Awarding and Celebrating Excellent Students) end of year event has provided a celebratory platform to recognise the vital contributions of our volunteers and student staff.

Enhanced relationships through our Media Sales have brought local and national companies closer to students, creating a lively atmosphere in and around our building, boosting footfall and helping grow students' knowledge and understanding of what we do. Additionally, collaborations with external services such as We Are With You and Gender Outreach have broadened our support network, bringing expertise and specialist support to our students in need.

The launch of Lampworks created a new, exciting social space in our building for our members with a new menu, interactive darts and weekly events. Lampworks also launched Payback, a scheme which helps put money back into our student groups. Lampworks also hosted a festive menu during our Lampland festivities, alongside supporting other community events like Pride, international socials and more.

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Over at our satellite campuses in Burnley and Westla, we increased the number of events at those campuses including bespoke Welcome and Study Break activity. Our satellite campuses were supported by student activators who helped grow our student groups, through society branches or bespoke groups.

Together, these initiatives have not only increased student participation but also strengthened community ties, making the Students' Union an integral part of enhancing the overall student experience.

PLANS FOR THE FUTURE

We have created a new strategic plan for the academic year 25/26. This plan has been shaped by our student members and our staff team and our refreshed mission is to 'Support students to learn well and live more at University'. As part of the research we undertook to build this new strategy it was clear that students need us to be focussing on three areas of work to enable them to learn well and live more. These three areas are known in our new strategy as 'core missions' and they are: tackling the costs of study, boosting wellbeing and increasing attainment. We will review these missions annually and will be able to shift focus if necessary, which should allow us to keep up with the fast pace nature of student issues and challenges. We have set new KPIs to measure our progress against these missions and our new strategy as a whole and we will be reporting against these in the future.

To support our new mission we have also shaped 5 enabling plans as part of this strategy plan. These plans are; EDI, Data / Insight, People / Culture, Finance / Resources and Democracy / Representation. These plans have associated action plans and objectives.

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We began work on the Democracy / Representation enabling plan in August 2024 by tendering for an external consultant to support us to review our representation structures. This work was deemed necessary by Trustees and the Senior Leadership Team as our engagement in representation and democracy has been steadily dropping over the last strategic period (since 2020). That piece of work has now come to an end and we are beginning to implement the recommended changes.

Changes to our representation structures are not yet fully approved by Trustees and our members but they are likely to include changes to our full-time officer roles and representative roles on Students' Council. We are also exploring how to bring in Community Organising principals into our organisation in an effort to build more collective power and tackle the feeling of isolation that are becoming more commonplace amongst our membership.

We are beginning the work now of ensuring that our organisation has the right structure and resources to support these important and exciting changes.

STRUCTURE AND GOVERNANCE

For the period represented by these accounts UCLan Students' Union operated as a company limited by guarantee (Company No. 7623917) and as a registered charity (Registered Charity No. 1142616). The Governance of the Union and its powers are set out in the Articles of Association. The Union operates on democratic principles with a Students' Council having the powers to approve the general policy of the Union and to represent the voice of students at the University. The Students' Council membership comprises the Union's Elected Officer team, together with representatives of student communities, demographics, and academic schools.

In the period covered by this report the Union was governed by its Board of Trustees comprising of elected students, students appointed by the Board and External (Lay) Trustees. This arrangement ensures that the Board has the diverse range of skills, knowledge and experience needed in order to carry out its role effectively. The elected officer roles of Union President, Vice President Education, Vice President Welfare and Vice President Activities are full-time paid posts and remunerated as authorised by the 1994 Education Act. Other Trustee roles are volunteers.

The Board of Trustees receive an induction into their legal and administrative responsibilities from the National Council for Voluntary Organisations (NCVO) of which the Union is a member, participate in learning and development opportunities offered by the National Union of Students (NUS) and others and have on-going training to ensure they are sufficiently well informed to carry out their responsibilities.

The Board of Trustees has delegated responsibility for the the day-to-day running of the Union to the Chief Executive Officer, Stefanie Hartley, through a Statement of

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Delegated Authority (SODA). The Trustees of the Charity receive regular reports from the Chief Executive and senior managers and review the Union's performance.

The relationship between the Board and the Chief Executive is fundamental to effective governance and management of the Union. It is the responsibility of the Board to ensure that the Chief Executive has clear objectives, to review performance and consider the development of their employees alongside that of the charity. One element of this is to ensure that the CEO is appropriately remunerated, and that the basis of this remuneration is understood by the Board and CEO. The Board has undertaken a review of salaries and benefits paid to CEOs in Students' Unions and the voluntary sector in order to establish a suitable level of remuneration.

RISK MANAGEMENT

The Board of Trustees has examined the major strategic business and operational risks faced by the Union. The Union has a risk register that is reviewed and updated on a regular basis. Where appropriate the Union has established systems or procedures to mitigate the risks the charity faces.

Budgetary, fraud 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 & safety of staff, volunteers, and participants in all the activities organised by the Union. These procedures are reviewed periodically to ensure they are effective and continue to meet the needs of the charity. The Union has not suffered any serious incident to be reported to the Charity Commission but internal controls have been reviewed and are found to be adequate.

THE RELATIONSHIP BETWEEN THE UNION AND UCLan

The Union receives a grant from the University and occupies buildings owned by the University. The University also pays for utilities, caretaking and cleaning staff as well as providing support for ICT networks, health & safety advice, HR advice and telecommunications. This non-monetary support is integral to the success of the Union and to the relationship between the University and the Union. In the current year, reflecting the requirements of the SORP, this non-monetary support is included in the Union's Accounts.

In order to strengthen and deepen our partnership in 2017 the President of the Union, Chair of the Board of the University, the University Vice-Chancellor, and Union's Chief Executive Officer signed a Partnership Agreement. Based on guidance from the NUS (National Union of Students) and Association of University Chairs the partnership agreement codifies how the two bodies will work together in their mutual interest.

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REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2024

AFFILIATIONS TO OTHER BODIES

The Union affiliates to several organisations in order to benefit from training, professional development opportunities and information including Advice UK.

The University itself affiliates to the National Governing Bodies for many sports; however our clubs affiliate directly for the following sports: Archery, Ju-Jitsu and Mountaineering to facilitate student sport participation and inter University competition.

The Union also affiliates to the National Union of Students (NUS UK) for the national representation of student's interests and the wider range of benefits, support, and cost savings it receives. The Union is an active participant in NUS UK and NUS Charity and their related companies to ensure that the organisation continues to function effectively on behalf of members. The Trustees have reviewed the cost and benefit of NUS membership and are content that there is significant net benefit from our involvement.

FINANCIAL REPORT

Net Operating result for the year 2023/24

The net operating surplus of £89K shows an increase of 17% over the previous year. In addition, the net unwinding cost of the pension fund deficit is £48K giving an overall net surplus of £41K (deficit of £20K in the previous year).

Accounting for the Union's share of the Students' Union Superannuation Scheme (SUSS) can be affected by external factors including an estimate of the real value of future contributions to the deficit. The actuaries had already increased the recovery period by two years to May 2037. This scheme is now closed to new employees and the majority of current staff are in an auto-enrolled scheme in which contributions have remained at 5/6%. The Union's policy is to match employee contributions up to 6%.

Average staffing numbers have remained static. Staff costs, reported in note 12, increased to £1.258M (2022/23 £1.173M), representing 46% of operating expenditure (2022/23, 44%). Expenditure on student wages increased from £160K to £179K supporting students to finance their university education whilst gaining employability and life skills along the way.

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The financial statements reflect the value attributed to the accommodation and services provided to the Union by the University in 2023/24 of £664,301 (2022/23 : £587,172); this is reported as a benefit in kind as both restricted charitable income and charitable expenditure.

The Union's clubs and societies operate within agreed delegated authorities though the Union is responsible for reporting income collected and spent. In the year, clubs and societies deposited £174K and expended £175K; in addition the Union transferred funds from archived inactive groups (£17K) and provided further grants; in total clubs and societies benefited to the tune of £33K. Balances carried forward at the end of the year totalled £92K (2023 : £60K). In addition funds of £19K were held for specific Student Union Projects.

Notes 3 to 12 provide detailed analysis of income and expenditure during the year with previous year's comparisons

Membership services comprise all the direct services and support provided to students including representation, advice services and engagement activities such as volunteering, social and sports. Total costs have increased from £1,985K to £2,004K demonstrating levels of activity have been maintained throughout the year.

Primary Purpose Trading comprises our social enterprise activities. The SU Café has continued to be popular and it is hoped its customer base will continue to grow. The SU Bar, "Lampworks" re-opened at the start of the year to provide a safe space for students to own. By investing in social enterprise we help a lot of students fund their education through part-time work, meeting friends at work and gaining work experience. We strive to be a good employer, so Students recognise this as they encounter different employers throughout their career.

Balance Sheet at 31 July 2024

The Balance Sheet shows negative net funds of £964.6K (2023: £1,006.0K). The reduction in the negative net fund reflects the overall surplus of £41,375 (2023 : deficit of £20,477). The Trustees are aware of the issues surrounding the pension liability and recognise it as a long-term issue rather than an immediate risk. The fact that the scheme is closed provides some degree of risk management with respect to the liability, however, the Trustees make sure that both Trustees and Officers keep up to date with all issues that impact on the scheme.

Note 20 shows the detailed breakdown of accumulated funds held by the Students' Union. Some funds are restricted in their use as they are linked to specific income received in previous years which can only be used for the purposes for which it is given.

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Restricted funds include balances on club & society accounts which are held by the Union, on behalf of the groups, for use on their specific activities. The constitution of the groups allows the Union to archive groups which are inactive for 2 years and close those which are inactive for 3 years; such funds are transferred to either an archive designated reserve or a Club/Society bidding designated reserve. This ensures funds are utilised to benefit students and current groups are supported.

The SUSS pension deficit of £1.22 million is a negative restricted fund, which the Union recognises separately for clarity and its unique nature.

Unrestricted funds represent accumulated reserves which can be applied at the discretion of the Union, providing a measure of flexibility and resilience should the Union encounter financial challenges in any particular year. This year general reserves have fallen from £136K to £115K primarily as a result of cash transfers to the SUSS pension of £96K.

The Union has for several years benefited from an HM Revenue and Customs (HMRC) catering concession which allows for the treatment of catering sales on campus to be exempt from VAT. Three Unions received official letters from HMRC allowing this treatment and it has therefore been adopted as common practice for catering sales across most Students' Unions. HMRC have recently said their letters were incorrect and Bar Catering should not be included. NUS, Bates Wells and several other Unions, including ours, have launched a legal challenge. Whilst the dispute continues, we have disclosed a contingent liability of circa £2k, based on any payments to HMRC being less than 50% likely to arise and trust the inconsistent treatment across the industry will ensure this does not crystallise into a cost to the Union.

Designated funds are created when the Trustees themselves choose to ring fence funds for a particular project or purpose.

Each year the Trustees consider the accumulated funds to make sure that they are satisfied that the Union is making best use of charitable funds. Note 24 shows that, at the end of the year, the Union had an unrestricted net current asset position of £107K (2023: £166K).

Cashflow

The activities in 2023/24 generated cash of £112K (2023: £78K) as detailed in Note 27. The Cash Flow Statement shows other factors which have an impact on the cash reserves of the Union. During the year capital expenditure totalled £30K and, as reported above, £96K deficit repayments to the SUSS pension fund. In addition, interest of £2K was received. The closing cash balance was £276K, a reduction of £11K from the previous year.

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RESERVES POLICY

The Trustees monitor reserves and consider that free reserves should be equivalent to around 80% of unrestricted funds (including fixed assets and designated funds) to ensure the Union has sufficient funds to meet any unexpected liabilities and to allow it to develop activities and operations in line with the strategy for the benefit of students. This equates to a target level of free reserves as at the 31st July 2024 of £118K.

Total reserves as at the 31st July 2024 stood at a deficit of £965K . Restricted funds (due primarily to the pension fund liability) were at a deficit of £1,111K; designated funds were £32K and unrestricted funds that are fixed assets are £26K leaving free reserves as a surplus of £88K.

Designated reserves of £32K (2023: £56K) relate to balances held by Clubs and Societies.

Strict procedures are in place to ensure reserves are not committed unless there are available liquid funds. The Trustees also have the flexibility to release funds from designated reserves at any time.

Social enterprise activities are monitored to ensure they are consistent with the Union's charitable objects.

FUNDRAISING REPORT

The Union does not make direct fundraising appeals to its members. Our societies, on occasion, can carry out fundraising activities for their society funds and for external charities. We provide guidance to students based on the Union's Bye-Law 6 (632/634) and our Fundraising Policy. No complaints were received concerning these fundraising activities.

CUSTODIAN ACTIVITIES

The Union act as custodian for funds raised by the Union's many clubs and societies from their own activities and for their own use.

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REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2024

TRUSTEES' RESPONSIBILITIES

Charity law and UCLan Students' Union's Articles of Association require us as Trustees to prepare Annual Financial Statements giving a true and fair view of the state of the affairs of the Union at its year-end and of the Union's income and expenditure for the year. In preparing these statements we are required to: -

- select the most suitable accounting policies and apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- prepare the Financial Statements on a going concern basis unless it is not appropriate to presume that the Union will continue in business.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the Financial Statements comply with charity law and the requirements of the Union's Board of Trustees and the University under the 1994 Education Act. We are also responsible for safeguarding the assets of the charity and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SMALL COMPANIES NOTE

In preparing this report, the Directors (Trustees) have taken advantage of the small companies' regime exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Board on 27th February 2025 and will be signed at its next meeting on 17th April 2025.

Luke Fitzgerald
President and Chair of the Board of Trustees

Stefanie Hartley
Chief Executive Officer

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS YEAR ENDED 31 JULY 2024

Opinion

We have audited the financial statements of University of Central Lancashire Students' Union (the 'charity') for the year ended 31 July 2024 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS YEAR ENDED 31 JULY 2024

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.

In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS YEAR ENDED 31 JULY 2024

preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the company engagement team included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Reviewing financial statements disclosures and testing to supporting documentation to assess compliance with applicable law and regulations;
- Challenging assumptions and judgements made by management in its significant accounting estimates, in particular:
 - Depreciation - we carried out a review and recalculation of depreciation to assess its appropriateness for inclusion within the financial statements;
- Identifying and testing journal entries, in particularly any journal entries posted with unusual account combinations.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS YEAR ENDED 31 JULY 2024

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

Use of our report

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

{To be signed following the meeting on Trustees on 17th April 2025.}

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 JULY 2024

		2024			2023
	Note	Restricted £	Unrestricted £	Total £	Total £
INCOME FROM:					
Voluntary income	3	-	1,380,000	1,380,000	1,359,636
Charitable activities	4	845,072	568,600	1,413,672	1,359,726
Other trading activities	5	-	15,990	15,990	3,066
Investments	6	-	2,213	2,213	1,700
Income from Operations		845,072	1,966,803	2,811,875	2,724,128
EXPENDITURE ON:					
Charitable activities:					
Membership services	7-9	771,327	1,232,741	2,004,068	1,984,811
Primary purpose trading	7-9	68,623	650,109	718,732	662,963
Expenditure from Operations		839,950	1,882,850	2,722,800	2,647,774
Pension Discount Unwinding Cost	11 / 21	47,700	-	47,700	73,621
Exceptional Expenditure	11	-	-	-	23,210
Total Expenditure		887,650	1,882,850	2,770,500	2,744,605
Net Operating Surplus for the year		5,122	83,953	89,075	76,354
Net Result for the year Surplus/(Deficit)		(42,578)	83,953	41,375	(20,477)
Total funds brought forward		(1,198,227)	192,224	(1,006,003)	(985,526)
Reserves Transfer	20	129,330	(129,330)	-	-
Total funds carried forward		(1,111,475)	146,847	(964,628)	(1,006,003)

The charity has no recognised gains or losses other than the results as set out above.
All of the activities of the charity are classed as continuing.

The notes on pages 21 to 40 form part of these financial statements.

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

BALANCE SHEET

Company No: 07623917

31 JULY 2024

		31/07/2024		31/07/2023	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	13		39,370		26,422
Investments	14		1		1
			<u>39,371</u>		<u>26,423</u>
CURRENT ASSETS					
Stock	15	31,293		22,658	
Debtors	16	82,167		81,780	
Cash at bank and in hand		<u>275,965</u>		<u>287,539</u>	
		389,425		391,977	
CREDITORS:					
Amounts due within one year	17	(271,463)		(249,567)	
NET CURRENT ASSETS					
Total assets less current liabilities			<u>117,962</u>		<u>142,410</u>
			157,333		168,833
CREDITORS:					
Amounts due after more than one year	18		<u>(1,121,961)</u>		<u>(1,174,836)</u>
NET ASSETS	24		<u>(964,628)</u>		<u>(1,006,003)</u>
FUNDS					
Restricted funds					
- Pension Deficit Reserve			(1,222,533)		(1,270,614)
- Students' Societies & Club Funds			111,058		72,387
- Total Restricted Funds			<u>(1,111,475)</u>		<u>(1,198,227)</u>
Unrestricted funds					
- General Funds			114,738		135,922
- Designated Funds			32,109		56,302
- Total Unrestricted Funds			<u>146,847</u>		<u>192,224</u>
TOTAL FUNDS	20		<u>(964,628)</u>		<u>(1,006,003)</u>

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

These financial statements were approved by the Board of Trustees on 27th February 2025.

Luke Fitzgerald
President and Chair of the Board of Trustees

Stefanie Hartley
Chief Executive Officer

The notes on pages 21 to 40 form part of these financial statements.

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

CASH FLOW STATEMENT

31 JULY 2024

		2024	2023
Net cash (outflow)/inflow from operating activities	27	112,321	77,717
<u>Investing activities</u>			
Payments to acquire tangible fixed assets		(30,328)	(26,308)
<i>Net cash flow from investing activities</i>		(30,328)	(26,308)
<u>Financing activities</u>			
Repayment of Pension Deficit		(95,780)	(91,218)
Interest received		2,213	1,700
<i>Net cash flow from/ (used in) financing activities</i>		(93,567)	(89,518)
Increase/(Decrease) in cash and cash equivalents		(11,574)	(38,109)
Cash and cash equivalents at start of year		287,539	325,649
Cash and cash equivalents at end of year		<u>275,965</u>	<u>287,539</u>

The notes on pages 21 to 40 form part of these financial statements.

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

1. GENERAL INFORMATION

University of Central Lancashire Students' Union is a registered charity in England and Wales, with the charitable object of advancing the education of students at the University of Central Lancashire.

The charity is a private company limited by guarantee (Co No 07623917), with the registered office and principal address at Fylde Road, Preston, PR1 6BY.

2. ACCOUNTING POLICIES

(a) Accounting convention

The financial statements are prepared in accordance with the Companies Act 2006, Charities Act 2011, Statement of Recommended Practice 'Accounting and Reporting by Charities' 2019 ('SORP'), and the Financial Reporting Standard 102.

The Trustees consider the charity to be a public benefit entity. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

(b) Incoming resources

All incoming resources are recognised in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Incoming resources are not shown net of expenditure.

(c) Grants received

Revenue grants other than the block grant are credited to the SOFA in the year in which they are received. The block grant is credited to the SOFA in the year in which it is receivable. In the SOFA grants are shown as income and the related expenditure disclosed as appropriate.

(d) Resources expended

All expenditure is accounted for on an accruals basis and is stated net of VAT where this can be reclaimed.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs which can be directly allocated to activities and those costs of an indirect nature necessary to support them.

Costs are allocated between the expenditure categories of the SOFA based on usage of the resource.

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

2. ACCOUNTING POLICIES (CONTINUED)

(d) Resources expended (continued)

Where costs cannot be directly allocated they are apportioned on an appropriate basis and recognised in SOFA. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

(e) Tangible fixed assets

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Alterations to premises	– 25% p.a. straight line
Fixtures and equipment	– 25% - 33% p.a. straight line

Assets are capitalised if they cost more than £5,000 and are expected to last more than one year.

(f) Investments

Fixed asset investments are valued at cost.

(g) Stock

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

(h) Debtors

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

(i) Cash and cash equivalents

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

(j) Financial Instruments

The charity 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, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

2. ACCOUNTING POLICIES (continued)

(k) Creditors

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

(l) Operating lease agreements

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

(m) Accounting for Accumulated Funds

The Students' Union has three distinct types of accumulated funds in its balance sheet: -

Restricted funds representing unspent funds at the end of the financial year to be spent on particular activities as specified by the donor.

Unrestricted general funds arising from the accumulated surplus from its various activities held to provide a measure of financial flexibility in the future.

Designated Funds are general funds set aside by the Board of Trustees for a specific purpose.

The income and expenditure are shown in the Statement of Financial Activities.

The assets and liabilities representing each fund are shown in the notes to the accounts.

(n) Pension costs

The Charity participates in the Students' Union Superannuation Scheme, a multi-employer defined benefit pension scheme. Where it is not possible for the Charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme, it accounts for the scheme as a defined contribution scheme.

Where the scheme is in deficit and where the Charity has agreed, with the scheme, to participate in a deficit funding arrangement the Charity recognises a liability for this obligation. The amount recognised is the net present value of the contributions payable under the agreement that relate to the deficit. This amount is expensed in the Statement of Financial Activities and is held on the Balance Sheet as a restricted reserve.

The Union also participates in a defined contribution pension scheme administered by Aegon. A defined contribution plan is a pension plan under which the Charity pays fixed contributions into a separate entity. Once the contributions have been paid the Charity has no further payments obligations.

The contributions are recognised as an expense in the Statement of Financial Activities when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Charity in independently administered funds.

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

2. ACCOUNTING POLICIES (CONTINUED)

(o) Taxation

No provision is made in these accounts for corporation tax as the Union is exempt from such taxes as a result of its charitable status.

(p) Going concern

The Trustees are aware that the Union is technically insolvent due to the net liability position. However, this is caused by the pension creditor which is largely payable over the next 13 years. The Union is in a net current asset position and the Union continues to seek to generate funding from various trading activities but it will continue to be dependent on the support of the University of Central Lancashire for which the Trustees express their thanks on behalf of the members of the Union. There is no reason for the Union to believe this financial or non-monetary support from the University will not continue for the foreseeable future. In 2011 the Union and University agreed a Memorandum of Understanding between the organisations to support the continuing payment of the block grant and the non-monetary support.

(q) Judgements in applying accounting policies and key sources of estimation uncertainty

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets. See note 13 for the carrying amount of alterations to premises and fixtures & equipment and note 2 (e) for the useful economic lives for each class of assets.

(ii) Multi-employer defined benefit pension scheme

The Charity participated in the Students' Union Superannuation Scheme; a multi-employer defined benefit pension scheme with other Students' Union organisations. In the judgement of the trustees, the Charity does not have sufficient information on the plan's assets and liabilities to be able to reliably account for its share of the defined benefit obligations and plan assets. Therefore, the scheme is accounted for as a defined contribution scheme, see note 21 for further details.

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

(iii) Treatment of Clubs and Societies

The Charity has significant control over the finances and activities of clubs and societies and therefore considers them to be part of the Charity. As such, it accounts for them as if the Union is the principal in transactions with income and expenditure being presented in the Statement of Financial Activities.

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

3. VOLUNTARY INCOME

	Restricted	Unrestricted	Total
	£	£	2024
	£	£	£
Grant Funding	-	1,380,000	1,380,000
	-	1,380,000	1,380,000

	Restricted	Unrestricted	Total
	£	£	2023
	£	£	£
Grant Funding	-	1,359,636	1,359,636
	-	1,359,636	1,359,636

4. INCOME FROM CHARITABLE ACTIVITIES

	Restricted	Unrestricted	Total
	£	£	2024
	£	£	£
Voice	295,614	8,551	304,165
Life	476,385	28,548	504,933
Membership Services	771,999	37,099	809,098
Primary Purpose Trading Activities	73,073	531,501	604,574
Total	845,072	568,600	1,413,672
Charitable activities			
Direct Income from charitable activities	-	568,600	568,600
Benefit in kind –			
Accommodation & Service	664,301	-	664,301
Clubs and Societies - Income	180,771	-	180,771
	845,072	568,600	1,413,672

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

	Restricted	Unrestricted	Total
			2023
	£	£	£
Voice	261,291	5,020	266,311
Community	433,429	57,496	490,925
Membership Services	694,720	62,516	757,236
Primary Purpose Trading Activities	64,589	537,901	602,490
Total	759,309	600,417	1,359,726
Charitable activities			
Direct Income from charitable activities	-	600,417	600,417
Benefit in kind –			
Accommodation & Service	587,171	-	587,171
Clubs and Societies - Income	172,138	-	172,138
	759,309	600,417	1,359,726

5. INCOME FROM OTHER TRADING ACTIVITIES

	Restricted	Unrestricted	Total
			2024
	£	£	£
Marketing	-	6,975	6,975
Digital Income	-	8,704	8,704
Commission	-	311	311
	-	15,990	15,990
	Restricted	Unrestricted	Total
			2023
	£	£	£
Marketing	-	1,338	1,338
Digital income	-	555	555
Commission	-	1,173	1,173
	-	3,066	3,066

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

6. INCOME FROM INVESTMENTS

	Restricted	Unrestricted	Total
	£	£	£
Bank Interest	-	2,213	2,213
	-	2,213	2,213

	Restricted	Unrestricted	Total
	£	£	£
Bank Interest	-	1,700	1,700
	-	1,700	1,700

7. EXPENDITURE ON CHARITABLE ACTIVITIES

Restricted and Unrestricted Expenditure by Theme

	Restricted	Unrestricted	Total
	£	£	£
Membership Services			
Voice	297,839	719,164	1,017,003
Life	472,898	513,577	986,475
Projects	590	-	590
	<u>771,327</u>	<u>1,232,741</u>	<u>2,004,068</u>
Primary Purpose Trading Activities	<u>68,623</u>	<u>650,109</u>	<u>718,732</u>
	<u>839,950</u>	<u>1,882,850</u>	<u>2,722,800</u>
Direct Costs Plus Benefit in Kind			
Direct expenditure	-	1,882,850	1,882,850
Clubs and Societies - Expenditure	175,059	-	175,059
Benefit in Kind – Accom & Services	664,301	-	664,301
Projects	590	-	590
	<u>839,950</u>	<u>1,882,850</u>	<u>2,722,800</u>

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

Restricted and Unrestricted Expenditure by Theme

	Restricted	Unrestricted	Total
	£	£	2023
	£	£	£
Membership Services			
Voice	261,291	739,014	1,000,305
Community	436,789	544,781	981,570
Projects	2,782	153	2,935
	<u>700,862</u>	<u>1,283,948</u>	<u>1,984,810</u>
Primary Purpose Trading Activities	<u>64,589</u>	<u>598,374</u>	<u>662,963</u>
	<u>765,451</u>	<u>1,882,322</u>	<u>2,647,773</u>
Direct Costs Plus Benefit in Kind			
Direct expenditure	-	1,882,323	1,882,323
Clubs and Societies - Expenditure	175,497	-	175,497
Benefit in Kind – Accom & Services	587,172	-	587,172
Projects in membership services	2,782	-	2,782
	<u>765,451</u>	<u>1,882,323</u>	<u>2,647,774</u>

8. CHARITABLE ACTIVITIES

Direct & Support Expenditure by Theme

	Activities undertaken directly	Support costs	Total
	£	£	2024
	£	£	£
Membership Services			
Voice	851,449	165,554	1,017,003
Life	820,921	165,554	986,475
Projects	590	-	590
	<u>1,672,960</u>	<u>331,108</u>	<u>2,004,068</u>
Primary Purpose Trading Activities	<u>677,809</u>	<u>40,923</u>	<u>718,732</u>
Total	<u>2,350,769</u>	<u>372,031</u>	<u>2,722,800</u>

	Activities undertaken directly	Support costs	Total
	£	£	2023
	£	£	£
Membership Services			
Voice	861,743	138,562	1,000,305
Community	590,428	843,008	1,385,562
Projects	204	2,935	-
	<u>1,501,904</u>	<u>1,707,686</u>	<u>277,124</u>
Primary Purpose Trading Activities	<u>447,242</u>	<u>628,712</u>	<u>34,251</u>
Total	<u>2,336,398</u>	<u>311,375</u>	<u>2,647,773</u>

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

9. Charitable activities Charitable expenditure by cost type

	Membership Services £	Primary Purpose Trading Activities £	Central Support Costs £	Total 2024 £
Cost of Sale/Activity Costs	51,242	245,680	1,954	298,876
	742,325	289,289	226,487	
Wages & Salaries				1,258,101
Training and Subsistence	8,882	690	7,138	16,710
Other employment costs	7,378	(474)	10,950	17,854
NUS Affiliation Fee	35,947	-	-	35,947
Club & Society Support	1,841	-	-	1,841
Administration	1,720	1,099	(291)	2,528
Insurance	2,964	-	24,196	27,160
Repairs and Maintenance	-	10,910	2,625	13,535
Essential Materials	18,583	27,933	5,100	51,616
Equipment and software	19,310	11,738	17,109	48,157
Advertising & Promotions	22,760	(3,237)	1,065	20,588
Financial Costs	3,752	10,582	27,420	41,754
Professional Fees	2,665	2,692	25,446	30,803
Benefit in Kind - Accommodation & Services	577,942	66,430	19,929	664,301
Depreciation - Refurbishment	-	9,694	-	9,694
Depreciation - Equipment	-	4,783	2,903	7,686
Restricted Project Costs	590	-	-	590
Restricted Club and Society Costs	175,059	-	-	175,059
	1,672,960	677,809	372,031	2,722,800
Central Support Cost Allocation	331,108	40,923	(372,031)	
Total	2,004,068	718,732	-	2,722,800

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

9. Charitable activities (continued) Charitable expenditure by cost type

	Membership Services	Primary Purpose Trading Activities	Central Support Costs	Total 2023
	£	£	£	£
Cost of Sale/Activity Costs	49,787	239,296	203	289,286
	748,698	247,336	177,116	
Wages & Salaries				1,173,150
Training and Subsistence	10,195	2,354	11,623	24,172
Other employment costs	3,605	62	22,065	25,732
NUS Affiliation Fee	32,196	-	-	32,196
Club & Society Support	83,601	124	6,537	90,262
Administration	8,363	372	25,737	34,472
Insurance	5,944	-	18,295	24,239
Repairs and Maintenance	32	7,893	2,609	10,534
Essential Materials	5,177	22,469	-	27,646
Equipment and software	15,526	13,013	6,408	34,947
Motor Costs	-	-	-	-
Advertising & Promotions	11,291	8,078	-	19,369
Financial Costs	3,135	17,040	1,692	21,867
Professional Fees	34,718	974	18,298	53,990
Benefit in Kind - Accommodation & Services	510,840	58,717	17,615	587,172
Depreciation - Refurbishment	3,383	5,597	-	8,980
Depreciation - Equipment	2,763	5,386	3,178	11,327
Restricted Project Costs	2,782	-	-	2,782
Restricted Club and Society Costs	175,651	-	-	175,651
	1,707,687	628,712	311,374	2,647,773
Central Support Cost Allocation	277,123	34,251	(311,374)	0
Total	1,984,810	662,963	-	2,647,773

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

10. GOVERNANCE COSTS

	Total 2024 £	Total 2023 £
Audit	8,520	8,500
Insurance	1,445	1,445
Travel Expenses	59	96
Board away days	1,563	400
Board expenses	31	41
Gifts	59	28
Training	4,193	10,470
Statutory filing fee	13	-
Civil Subscription	-	3,608
	<u>15,883</u>	<u>24,588</u>

11. EXCEPTIONAL AND SIGNIFICANT ITEMS

	Restricted £	Unrestricted £	Total 2024 £
SUSS Pension Unwinding/Revaluation	47,700	-	47,700
	<u>47,700</u>	<u>-</u>	<u>47,700</u>

	Restricted £	Unrestricted £	Total 2023 £
Long Term Sickness	-	16,800	16,800
Redundancies	-	3,910	3,910
Old Invoices – Trading Services	-	2,500	2,500
SUSS Pension Unwinding/Revaluation	73,621	-	73,621
	<u>73,621</u>	<u>23,210</u>	<u>96,831</u>

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

12. STAFF COSTS AND NUMBERS

	Total 2024 £	Total 2023 £
Wages and salaries	1,084,222	1,007,617
National insurance	83,278	78,314
Pension costs	90,601	87,218
	<u>1,258,101</u>	<u>1,173,149</u>

Key management personnel, as disclosed on page 1, received remuneration of £158,976 (2023: £127,099).

For the year ended 31 July 2024 and 31 July 2023 no employee received remuneration in excess of £60,000.

The average number of staff employed by the charity was:

	2024 No.	2023 No.
Full time staff	35	36
Student staff	39	40
	<u>74</u>	<u>76</u>

13. FIXED ASSETS

	Alterations to premises £	Fixtures & equipment £	Total £
Cost			
As at 1 August 2023	1,078,190	558,982	1,637,172
Additions	18,639	11,689	30,328
Disposals	-	-	-
As at 31 July 2024	<u>1,096,829</u>	<u>570,671</u>	<u>1,667,500</u>
Accumulated depreciation			
As at 1 August 2023	1,060,264	550,486	1,610,750
Charge for the year	9,694	7,686	17,380
On Disposals	-	-	-
As at 31 July 2024	<u>1,069,958</u>	<u>558,172</u>	<u>1,628,130</u>
Net book value			
31 July 2024	<u>26,871</u>	<u>12,499</u>	<u>39,370</u>
31 July 2023	<u>17,926</u>	<u>8,496</u>	<u>26,422</u>

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

14. FIXED ASSET INVESTMENT

	Investment in subsidiaries	Total
Cost	£	£
As at 1 August 2023 and 31 July 2024	1	1

Name of company	2024 Equity held	2023 Equity held
	%	%
Investments in subsidiaries		
53 Degrees Events Limited	100%	100%

	Aggregate of share capital and reserves	Profit for the year
Turnover	£	£
53 Degrees Events Limited - dormant	-	1

15. STOCK

	2024	2023
	£	£
Bar	14,505	9,067
Shop stock	-	651
Atrium stock	4,925	4,127
Clothing stock	11,863	8,813
	<u>31,293</u>	<u>22,658</u>

16. DEBTORS

	2024	2023
	£	£
Prepayments and accrued income	40,103	47,229
University debtor	-	10,367
Other debtors	42,064	24,184
	<u>82,167</u>	<u>81,780</u>

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

17. CREDITORS: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	67,963	64,633
Social security and other taxes	25,312	20,488
Other creditors	48,131	49,796
Accruals and deferred income	29,485	18,873
Pension liability	100,572	95,777
	<u>271,463</u>	<u>249,567</u>

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

	2024	2023
	£	£
Pension liability	<u>1,121,961</u>	<u>1,174,836</u>
	<u>1,121,961</u>	<u>1,174,836</u>
Repayment due as follows:		
Due 1-2 Years	105,600	195,556
Due 2-5 Years	349,548	449,307
Due 5+ Years	666,813	529,973
	<u>1,121,961</u>	<u>1,174,836</u>

Please refer to note 21 for further details on the pension liability such as repayment terms and discount rate.

19. FINANCIAL INSTRUMENTS

Financial liabilities measured at amortised cost:

	2024	2023
	£	£
Financial liabilities measured at present value:		
Pension deficit	<u>1,222,533</u>	<u>1,270,614</u>
	<u>1,222,533</u>	<u>1,270,614</u>

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

20. RESERVES

	At 1 August 2023	Incoming resources	Resources expended	Transfers	At 31 July 2024
	£	£	£	£	£
Restricted Funds					
Pension Deficit Fund	(1,270,614)	-	(47,700)	95,781	(1,222,533)
Benefit in kind – Accommodation and Service	-	664,301	(664,301)	-	-
Clubs and Societies	59,973	173,540	(175,059)	33,549	92,003
Student Union Projects	12,414	7,231	(590)	-	19,055
Total Restricted Funds	(1,198,227)	845,072	(887,650)	129,330	(1,111,475)
Unrestricted Funds					
Accumulated General Fund	135,922	1,966,803	(1,881,132)	(106,855)	114,738
Total General Funds	135,922	1,966,803	(1,881,132)	(106,855)	114,738
Designated funds					
Film and arts designated fund	5,113	-	(1,718)	-	3,395
Sport Ball funds	4,563	-	-	-	4,563
Clubs and Societies bidding reserve	22,412	-	-	-	22,412
Clubs and Societies archived	19,196	-	-	(17,457)	1,739
Development Sport	5,018	-	-	(5,018)	-
Total Designated Funds	56,302	-	(1,718)	(22,475)	32,109
Total Unrestricted Funds	192,224	1,966,803	(1,882,850)	(129,330)	146,847
Total Funds	(1,006,003)	2,811,875	(2,770,500)	-	(964,628)

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

20. RESERVES (continued)

Pension Deficit Fund

The Union is a member of the Student Union Superannuation Scheme, a multi-employer defined benefit pension scheme. The fund value of £1.27m represents the Union's share of the scheme's deficit at a net present value, which has a recovery plan running until 2037. (Note 21 – Pensions, for more details.) Following a full review, the trustees decided to transfer this fund from general funds to restricted funds to illustrate the rules place on the deficit, for which, the trustees are bound.

Benefit in Kind – Accommodation & Services

The Students' Union occupies two university buildings which are fully maintained and serviced by the University. The non-monetary total for this support is £664k and is reported in the Statement of Financial Activities income and expenditure, page 23 and detailed in notes 4, 6 and 8.

Clubs and Society Funds

Funds raised by individual clubs and societies are recognised as restricted funds through the Statement of Financial Activities in the year the Union is entitled to the income. Expenditure is recognised against these funds in the year with any unspent funds being recognised as restricted funds available to the individual clubs and societies in future periods.

General Funds

Unrestricted general funds arising from the accumulated surplus from its various activities held to provide flexibility in the future.

Sports Ball funds

Made from Sports Ball surpluses, this fund is used to support clubs and societies with a long-term investment need. This fund is continuous.

Clubs and Societies Designated Bidding/ Archived Reserves

The funds of groups inactive for two or more years are transferred to an archive reserve and held for release to Groups who can bid for these funds for investment into their Club or Society benefiting students on many levels.

Film and Arts Designated Fund

The Students' Union received a 'one-off' grant of funds from the University in 2008 in order to support the continued presentation of films by the Union's Film Society in the 'Mitchell and Kenyon Cinema' on Campus. As this remains unused the University have lifted their restriction and these funds have been designated for the general film and arts spend.

Student Union Projects

These are funds ring fenced for small projects to benefit students and the community.

Development Sport

Uclan have sponsored indoor cricket, rugby, basketball and baseball for Sport development which was invoiced in July 2023 and paid in this financial year. Unpaid invoices are held in this reserve until they are paid to ensure the group collects the funds owing.

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

20. RESERVES (continued)

2023 Reserves Movement

	At 1 August 2022	Incoming resources	Resources expended	Transfers	At 31 July 2023
	£	£	£	£	£
Restricted Funds					
Pension Deficit Fund	(1,288,211)	-	(73,621)	91,218	(1,270,614)
Benefit in kind – Accommodation and Service	-	587,172	(587,172)	-	-
Clubs and Societies	75,690	166,559	(175,497)	(6,779)	59,973
Student Union Projects	9,617	5,579	(2,782)	-	12,414
Total Restricted Funds	(1,202,904)	759,310	(839,072)	84,439	(1,198,227)
Unrestricted Funds					
Accumulated General Fund	173,019	1,959,500	(1,905,379)	(91,218)	135,922
Total General Funds	173,019	1,959,500	(1,905,379)	(91,218)	135,922
Designated funds					
Film and arts designated fund	5,113	-	-	-	5,113
Sport Ball funds	4,717	-	(154)	-	4,563
Clubs and Societies bidding reserve	22,412	-	-	-	22,412
Clubs and Societies archived	12,417	-	-	6,779	19,196
Development Sport	(300)	5,318	-	-	5,018
Total Designated Funds	44,359	5,318	(154)	6,779	56,302
Total Unrestricted Funds	217,378	1,964,818	(1,905,533)	(84,439)	192,224
Total Funds	(985,526)	2,724,128	(2,744,605)	-	(1,006,003)

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

21. PENSIONS

The Charity participates in the Student Union Superannuation Scheme, a multiemployer defined benefit pension scheme whose membership consists of employees of students' unions and related bodies throughout the country. With effect from 30 September 2011 the scheme closed to future accrual.

The employers share the actuarial risks associated with all members of the scheme. The Charity is not legally responsible for the scheme and does not have sufficient information to use defined benefit accounting. Accordingly, the scheme is accounted for as if it is a defined contribution scheme.

The Charity and the other employers are jointly and severally liable for the scheme's deficit. At 30 June 2019, the scheme overall deficit was £140,900,000 when a recommended monthly contribution was set for each participating employer. The figure set was that estimated to clear the ongoing deficit, with contributions to be made to 2035 (later extended to 2037) increasing by at least 5% each year. (A one-off increase of 8% was applied in October 2021).

A liability of £1,222,533 (2023: £1,270,614) has been recognised for UCLan SU, representing the present value of the additional contributions payable between the year-end and 2037, with the resulting movement recognised in the Statement of Financial Activity under the heading of 'Pension Discount Unwinding' reporting a cost of £47,700 (2023: £73,261). The discount rate used to calculate this liability was 5.08%.

As the SUSS is closed to future accrual there were no employer contributions paid into the scheme by the Union for the year ended 31 July 2024 (2023 : £nil); the Union does however continue to pay funding towards the deficit. For the year ended 31 July 2024, these contributions amounted to £95,780 (2023: £91,218).

The Union also participates in two other defined contribution schemes. The assets of these schemes are held separately from those of the company in an independently administered fund.

22. RELATED PARTY TRANSACTIONS

The Union is a registered charity for the purposes of the Charities Act 1993. The Union is in receipt of a recurrent grant from the University of Central Lancashire (UCLan) of £1,380,000 (2023: £1,359,636).

In addition, the Union occupies its building on a rent-free basis under an informal licence subject to the Union maintaining the building in a good state of repair. In accordance with the Charities SORP (2015), the trustees have estimated that the provision of space and associated services is worth £664,301 (2023: £587,171) to the Union and have recognised this amount in the Statement of Financial Activities. Amounts due from the University at 31 July 2024 were £10,997 (2023: £10,367).

The Elected Officers receive remuneration for their services as provided for within the Articles of Association. The aggregate amount payable under such contracts in the year was £81,729 (2023: £76,668). In addition, the Union has paid Trustees' liability insurance of £1,445. (2023: £1,445).

23. CONTROLLING PARTY

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

Control of the Union rests with the Student Council which is made up of an elected chairperson and elected student representatives. The Council decides on Union policy, mandates the trustees to put policies into action and ensures the Board of Trustees keep standards high across all aspects of the Union.

24. NET ASSETS BY FUNDS

	Restricted	Unrestricted	Total 2024
	£	£	£
Tangible Fixed Assets	-	39,370	39,370
Investments	-	1	1
Net Current Assets	10,486	107,476	117,962
Liabilities due after more than one year	(1,121,961)	-	(1,121,961)
Total Funds	(1,111,475)	146,847	(964,628)
Available Reserves	111,058	146,847	257,905
Accounting Reserves	(1,222,533)	-	(1,222,533)
Total Reserves	(1,111,475)	146,847	(964,628)
	Restricted	Unrestricted	Total 2023
	£	£	£
Tangible Fixed Assets	-	26,422	26,422
Investments	-	1	1
Net Current Assets	(23,391)	165,801	142,410
Liabilities due after more than one year	(1,174,836)	-	(1,174,836)
Total Funds	(1,198,227)	192,224	(1,006,003)
Available Reserves	72,387	192,224	264,611
Accounting Reserves	(1,270,614)	-	(1,270,614)
Total Reserves	(1,198,227)	192,224	(1,006,003)

25. COMMITMENTS UNDER OPERATING LEASES

UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2024

At 31 July 2024 the Students' Union had no outstanding obligations under non-cancellable operating leases (2023: none).

26. TRUSTEES' REMUNERATION AND EXPENSES

Each of the Union's 4 Elected Officers are paid £20,432 (2023: £19,791) for the year, as authorised in the union's governing document, for the representation, campaigning, and support work they undertake as distinct from their trustees' responsibilities. This work includes voicing student opinion with the institution and local community, defending and extending the right of the students through petitions, discussion with MPs and also organising and supporting student volunteers and service provision for them. The total salary and NI costs for the elected officer team amounted to £89,027 (2023: £76,668). Included within these totals are employer pension contributions of £1,040 (2023: £5,200).

No other trustee received any benefits during the year.

Trustees were reimbursed a total of £nil (2023 - £nil) for the year in respect of personal travel and subsistence expenses.

27. RECONCILIATION OF OPERATING CASH FLOW

	2024	2023
	£	£
Cash flows from operating activities		
Surplus for the financial year	41,375	(20,476)
<i>Adjustments to reconcile profit for the year to net cash from operating activities</i>		
Interest received	(2,213)	(1,7001)
Depreciation	17,380	20,306
(Increase)/decrease in inventories	(8,635)	(2,441)
Decrease in trade and other debtors	(387)	(24,126)
Increase in trade and other creditors	17,101	32,533
Add back Pension Discount Unwinding Costs	47,700	73,621
Cash generated from operating activities	112,321	77,717

28. CONTINGENT LIABILITY

As detailed in the Trustees' Report on page 11, the Union is subject to a possible claim from HMRC in relation to the treatment of catering sales in some of its commercial trading outlets. The Students' Union, along with other Students' Unions and the NUS, is legally challenging the basis for HMRC's potential claim, which management and the Trustees estimate to be in the region of £1,891 and, as at the reporting date and approval of the financial statements, assess the claim to be possible rather than probable and hence this potential outflow has been disclosed as a contingent liability rather than a provision.