

Registered number: 7759820  
Charity number: 1144146

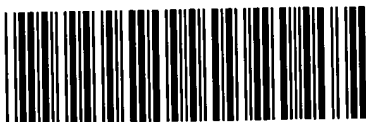
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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 JULY 2021**

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<b>Trustees</b>	<p>Kwame Asamoah-Kwarteng, General Secretary (appointed 1 July 2019, resigned 31 July 2021)<sup>1</sup> Ayla Huseyinoglu, Women's Officer (appointed 1 July 2019)<sup>1</sup> Rana Phool Ur Rehman, Postgraduate Officer (appointed 1 July 2019, resigned 11 August 2020)<sup>1</sup> Chloe Salins, Education Officer (appointed 1 July 2019)<sup>1</sup> Elizabeth Haughton, Activities and Development Officer (resigned 14 October 2020)<sup>1</sup> Jake Garrett, International Students Officer (appointed 1 July 2019, resigned 11 August 2020)<sup>1</sup> Adam Haigh, Welfare Officer (appointed 1 July 2019)<sup>1</sup> Nicholas Matthews (appointed 1 July 2019, resigned 31 July 2021)<sup>2</sup> Katie Foy (appointed 1 July 2019, resigned 10 March 2020)<sup>2</sup> Elizabeth Martin (appointed 1 July 2019, resigned 14 October 2020)<sup>2</sup> Vicii Kirkpatrick<sup>3</sup> Peter Ptashko (appointed 1 September 2019)<sup>3</sup> Jennifer Burton (appointed 28 January 2020)<sup>3</sup> Emily Bennett (appointed 1 August 2021) Kathleen Brook (appointed 1 August 2021) Muhammad Asad Butt (appointed 1 September 2020) Miguel Gonzalez-Valdes Tejero (appointed 1 August 2021) Joana Korley (appointed 1 August 2021) Prafulla Nagesh (appointed 1 August 2021) Camila Rusailh (appointed 1 August 2021) Julia Sock (appointed 1 August 2021) Melody Stephen (appointed 1 August 2021) Jas Taylor (appointed 1 August 2021) Nana Agyeman (appointed 1 August 2021, resigned 31 July 2021) Laritia Alexandratos (appointed 1 August 2020, resigned 31 July 2021) Krishna Chauhan (appointed 1 September 2020, resigned 31 July 2021) Yeuru Du (appointed 1 August 2021, resigned 31 July 2021) Chenze Ma (appointed 1 August 2020, resigned 31 July 2021) Junior Usina (appointed 1 August 2020, resigned 31 July 2021) Ecem Yalcin (appointed 1 August 2020, resigned 31 July 2021)</p>
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<sup>1</sup> Officer Trustees

<sup>2</sup> Student Trustees

<sup>3</sup> External Trustees

<b>Company registered number</b>	7759820
<b>Charity registered number</b>	1144146
<b>Registered office</b>	Steve Biko Building Oxford Road Manchester M13 9PR
<b>Chief executive officer</b>	Ben Ward

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
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**Advisers (continued)**

<b>Independent auditor</b>	Crowe U.K. LLP 3rd floor The Lexicon Mount Street Manchester M2 5NT
<b>Solicitors</b>	JMW Solicitors LLP 1 Byrom Place Spinningfields Manchester M3 3HG  DAC Beachcroft 3 Hardman Street Manchester M3 3HF
<b>Bankers</b>	Santander Bank plc Bootle Merseyside L30 4GB

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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 JULY 2021**

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The Trustees present their annual report together with the audited financial statements of the group and the company for 1 August 2020 to 31 July 2021. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) (updated October 2019), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (revised March 2018)).

**Purpose, Activities and Impact**

**a. Aims and objectives**

The fundamental purpose of the Union is to improve student life for the 40,000 students at the University of Manchester and everything the Union does pushes us towards that goal. Our vision is that **all students should be able to feel a part of the Manchester community where they can develop, prepare for their future and make a difference in the world around them.**

The charitable objects of the Union as set out in the Articles of Association are the advancement of education of students at the University of Manchester for the public benefit by:

1. Promoting the interests and welfare of students at the University of Manchester during their course of study and representing, supporting and advising students;
2. Being the recognised representative channel between students and the University of Manchester and any other external bodies; and
3. Providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its students.

The Union's purpose is to be the voice of students at the University of Manchester, effecting change and enriching student life together.

The Union's values are:

**Student Led**

We are led by students in everything we do and actively develop student leaders

**Diverse and Liberating**

We ensure accessibility, challenge inequality and champion liberation

**Inclusive and Open**

Our activities are welcoming to students from all courses, countries, backgrounds and levels of study, encouraging participation

**Ambitious & striving for excellence**

We set ourselves stretching targets and seek to be the very best at what we do

**Ethical and have integrity**

We actively seek to minimise any negative impacts of our work and stay true to our values

**Creative and Fun**

We encourage new ideas and enjoyment for our students staff and partners

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**b. Strategies for achieving objectives**

The current strategic plan and underlying framework takes the Union from 2016 to 2020. It was developed following major pieces of research and stakeholder engagement. A promise based approach has been taken to the development of the strategy and it is split into five promises to our students:

- We'll help you make the most of your time as a student
- We'll help you get the best future
- We'll help you discover and connect with Manchester
- We'll help you understand and change the world around you
- We'll build a truly outstanding students' Union

These promises are underpinned by our enabling strategies that focus on people, finance and service delivery. Each year the teams in the Union take part in a planning cycle to develop the activity for the coming year linking back to the delivery of the strategic aims. These departmental plans are then linked to individual staff members' personal objectives. During the uncertainty of 2020 related to the Covid-19 pandemic, the board took the decision to pause development of a new strategic plan and approved some short-term objectives until the operating environment stabilises. These can be summarised as:

1. **Continue and strengthen our advocacy role for and on behalf of students.** The student voice is of paramount importance during this period towards decision makers local and national.
2. **Provide a sense of community for our students.** We know that the provision of extra and co-curricular activities can positively support mental health, retention and happiness during this time.
3. **Ensure the Students' Union undertakes responsible financial stewardship practices** to make sure we aren't causing additional unnecessary concern to the University or other stakeholders.
4. **Take the opportunity to deal with some long-standing infrastructure challenges** and inefficient processes which hinder our ability to deliver activity during times of business as usual.

**c. Main activities undertaken to further the charity's purpose for the public benefit**

The Union undertakes numerous activities in support of the students of Manchester and for the broader benefit of the public:

**Advice Service**

The Union provides a specialist advice service which supports student needs around the areas of housing, money, welfare and academic issues. Over 4,000 students regularly access the service, and are saved thousands of pounds and kept in higher education through our advocacy

**Educational Engagement**

We provide representation and peer leadership for curriculum development, quality assurance and enhancement of our members' education and represent students on all major decision making bodies at the University.

**Democracy & Campaigning**

We run a range of social justice and campaigning projects which supports the development of civic participation in our members. These are focused on enhancing rights and liberating under-represented groups.

**Insight and Research**

Our insight unit develops a range of student-focused research projects which help our aspiration to become the experts on the realities of our students' lives. Throughout the year, we involve over 7000 students in these projects.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**Student Activities & Volunteering**

We provide a choice of over 480 student groups which offer students opportunities for social and skills development. We also support student-led volunteering; facilitating a wide range of volunteering and fundraising opportunities.

**Community Development**

We support a range of student groups around where they live such as hall students, off-campus, mature, part-time and distance learners. We provide services which increase their sense of belonging and the ability to form lasting friendships.

**Shops, bars and catering outlets**

We run a range of commercial facilities which provide great value products and services, whilst providing relaxing environments for students to meet and interact.

**Venues & Events**

We provide a series of live music and club venues which attract over 350,000 people through the doors each year at around 460 shows and events. We also stage our annual Welcome Week and a series of live music festivals which are popular with students.

**d. Our impact**

Some of our impact measures from the last year are:

- Over 23,000 students at the University have been in at least one activity type at the Union over the last year, whilst a drop on a usual year, this still represents over 55% of our membership.
- Over 8000 students have taken part in democratic decision making, enhancing the propensity to participate in civil society.
- Over 72% of students have rated their satisfaction in the Union at good or excellent.
- We established a new Buddy Scheme which supported over 1000 students to make connections and form new friendships.
- We have saved students over £200,000 through our advice and support on a range of matters such as academic compensation, housing deposits and benefits.
- We brought in nearly £500,000 in additional external grants to support our live music business as a part of the cultural fabric of the city.

**Strategic report**

**Achievements and performance**

**a. Key financial performance indicators**

The last year has presented unprecedented challenges to the financial sustainability of the organisation, with the impact of the Covid-19 pandemic forcing the complete closure of services for most of the financial year. We have taken full advantage of government support schemes such as the Job Retention & Support Scheme (JRSS) to support our core staffing overhead cost whilst our ability to generate income has been curtailed. The operating deficit generated at the end of this year is lower than originally predicted, and this has mainly arisen through government support schemes, grants from the Arts Council, a recruitment freeze on vacant staffing positions and tighter cost control

We believe there are some good indicators of recovery, including confirmation of the Union's block grant for the next year, a full return of our live music programme in the first half of the new financial year, and student

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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numbers at the University of Manchester expanding once again.



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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Key financial indicators are:

Indicator	Target met	Comment
Reserves in line with policy	Yes	The 21/22 approved reserve position is £514k based on brought forward reserves of £579k, b/f reserves are provisionally looking to be just under £1m which exceeds the minimum required. These reserves will be held until we have a clearer picture of 21/22 and any potential disruption to service
Commercial surpluses	No	As a consequence of COVID many of the services were closed for the full year and not able to generate revenue. The venues have however secured additional funding from both the Arts Council and Manchester City Council to support core operating costs during the closure
Year-end surplus	No	The provisional year end position was a net loss and so we have not achieved this target. This is again driven by the extended closures and lack of ability to generate external revenue
Spend in line with budget	Yes	The original budget was prepared pre COVID and was a break-even position before pension revaluations. Following the announcement of lockdown an initial forecast was prepared and this estimated a loss in excess of £500k – this replaced the original budget. This version did expect that we would be able to trade to some degree during the year. This was not the case, however due to freezing spend/recruitment, the additional venues funding and use of the furlough scheme we have come in better than the revised budget.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**b. Review of activities and factors relevant to achieve objectives**

The overall underlying student engagement index for our organisation remains relatively strong, given the remote nature of much of our work in the last 12 months. The index includes our 'deep' participation measures such as society memberships, democratic participation, volunteering, fundraising, student media, course and hall representation. Total engagement this year stands at around 23,000, which although slightly lower than last year (24,400) and lower than target of 25,000 in an ordinary year, is still a substantial number. We have added a number of new involvement channels, such as a peer buddy scheme which have engaged new types of students.

Reflecting on the previous annual report, the following progress has been made against the objectives set:

Strategic Promise	Programmes of work	Performance
We'll help you make the most of your time as a student	<ul style="list-style-type: none"><li>• Empower you to shape your academic experience</li><li>• Make it easy to get involved in activities which fulfil your passions</li><li>• Build communities and networks which will help your student life</li></ul>	<ul style="list-style-type: none"><li>• Over the last year, the Union has elected, trained and supported over 1,000 course reps. We have used MS Teams to undertake more training than ever before, with over 80% of the reps attending at least one session. We have student reps in every part of the institution for the first time, and are working closely with Manchester Doctoral College to develop a new model for PGR representatives. In the most recent research, over 85% of reps were satisfied with the support received by the Students' Union. The student representative system has made a real impact across the institution in this unusual year, and we have trialled a student-led review of teaching &amp; learning which builds into the quality assurance system. This will be an annual piece of work and a central purpose of the reps in future years.</li><li>• We have established a Postgraduate Research (PGR) Association to drive a sense of belonging amongst those students, and have elected a committee to oversee this work. This will act as a semi-autonomous group under the auspices of the SU, and we know these students are least satisfied with our work at the current time. This work was undertaken following our largest piece of research with PGR students, involving nearly 1,200 responses.</li><li>• We have supported 480 societies, the largest total in the UK by some distance. Individual society memberships have levelled off over the last couple of years to just on 33,000. Over 1 in 3 students are involved in at least one student group, totalling 14,200 students. This is a slight drop year on year, but to be expected given the challenges faced.</li></ul>

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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Strategic Promise	Programmes of work	Performance
		<ul style="list-style-type: none"><li>• Our groups have still invited over 250 visiting speakers to their events, giving students the chance to debate and be exposed to wider social issues. We have not stopped any external speaker during the course of the year and take our duties under the Code of Practice on Freedom of Speech very seriously. We have proactively worked with Wonkhe and five other SUs to create a new national code of standards for Freedom of Speech. The Work can be found at: <a href="https://wonkhe.com/wp-content/wonkhe-uploads/2021/01/Taking-the-debate-forward-Feb-2021.pdf">https://wonkhe.com/wp-content/wonkhe-uploads/2021/01/Taking-the-debate-forward-Feb-2021.pdf</a> and is a recognition that despite the low numbers of speakers being prevented, it's vital we positively engage with policy makers. We have met with DfE officials and sector bodies to gain endorsement for the code.</li><li>• We have worked closely with Sport Manchester over the last six months as part of their sports review around athlete profiles and levels of support. We have reached agreement to site their offices in the Students' Union building, driving even more student led activity into our premises. This partnership is critical to build a consistent experience of sport and recreation activities amongst students.</li><li>• We continue to partner closely on the implementation of the Stellify scheme, and all our key student leadership roles feed into credit on the 'step up and lead' part of the award. We are taking part in the review of the scheme and are particularly keen to extend its reach to Postgraduate students.</li></ul>

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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Strategic Promise	Programmes of work	Performance
		<ul style="list-style-type: none"><li>• We continue to partner closely on the implementation of the Stellify scheme, and all our key student leadership roles feed into credit on the 'step up and lead' part of the award. We are taking part in the review of the scheme and are particularly keen to extend its reach to Postgraduate students.</li><li>• This has been a tremendously difficult year for our clubs &amp; societies, with many restrictions on activity across the whole year. Despite this, many of our groups have innovated to create thousands of opportunities for students to build friendships and find activities to help them thrive at University. Overall engagement has been strong, and investment in some new systems has made it easier for our student leaders to create these opportunities. Some examples of activity are:<ol style="list-style-type: none"><li>1. Ballroom &amp; Latin dance – They have held weekly tango and salsa lessons online. Over 200 students have taken part in these over a six-week period, and most of these aren't members of the society.</li><li>2. Gen-Sec on the Radio – holding a whole range of interesting international debates with students from all over the world.</li><li>3. Run Wild Society – They have created a series of running routes to help students stay fit and in many cases take up running. They have also collated running videos which have had real traction online.</li><li>4. Nightline – student listening service have moved from the phoneline to doing anonymised email and text support. This obviously complements other services such as Big White Wall.</li></ol></li></ul>

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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Strategic Promise	Programmes of work	Performance
		<ol style="list-style-type: none"><li>5. Nightline – student listening service have moved from the phoneline to doing anonymised email and text support. This obviously complements other services such as Big White Wall</li><li>6. Yoga society – online yoga classes have been very popular, with at least 3000 participants over the year.</li><li>7. Decolonise UoM group – they have held reading groups, alternative lectures exploring the role of colonialization in the curriculum.</li><li>8. Student Action – Over 300 student volunteers have moved the intergenerational project onto the phone and are regularly calling lonely elderly residents across Greater Manchester.</li><li>9. Islamic Society – working in partnership with University and the SU, they have provided fast-breaking packs for students observing Ramadan and Iftar meals every evening on campus.</li></ol> <ul style="list-style-type: none"><li>• Our student media groups have had a strong year, with the Mancunion newspaper being nominated for 7 national student publication awards and winning 4 of them. Fuse FM has broadcast 47 hours a week of original content and Fuse TV has launched a ground-breaking live weekly news show to keep students informed of changes throughout the term. The Women in Media conference (now in its 4th year) attracted over 2000 delegates from across the UK and hosted over 100 speakers to help women students take the first step in this challenging industry. The speakers included Laura Kuenssberg and Beth Rigby.</li></ul>

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

Strategic Promise	Programmes of work	Performance
		<ul style="list-style-type: none"> <li>The Union held its annual elections during late February/early March. The turnout was 6,572 votes, which is the 3rd highest in the UK this year, and 42 candidates stood for election to these roles.</li> <li>Work has continued (and in some cases drawn to a close) on a number of OfS funded projects. These have included a Diversity &amp; Inclusion ambassador scheme which looks to tackle some of the issues linked to the BAME attainment gap and support initiatives to get these students to engage in different ways with their learning, curriculum design, access to support services etc. The project around Postgraduate Wellbeing finished during the year and has opened a number of doors for our work with PGR students, and led to the creation of a new full-time officer role from July 2019.</li> <li>The International Society is now embedded in our building, and we are working through the final requirements in relation to pensions to fully merge the governance of the two organisations in the new financial year. We have worked closely to ensure we avoid duplication and see one programme of activity for home and international students.</li> </ul>
We'll help you get the best future	<ul style="list-style-type: none"> <li>Create the best skills development programme for you</li> <li>Develop brilliant part time work opportunities</li> <li>Develop our advice and wellbeing services to ensure you are set for the future</li> </ul>	<ul style="list-style-type: none"> <li>We have worked in partnership with the University to further embed the 'Stellify' programme to support students to articulate and demonstrate their extra-curricular skills. So far, over 6500 students have participated in the first stages of the programme. We have ensured all voluntary leadership roles across the Union are embedded into the new HEAR, and we have supported over 4,000 leaders during the last year.</li> </ul>

**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

Strategic Promise	Programmes of work	Performance
		<ul style="list-style-type: none"> <li>We have almost doubled the types of student employment roles being undertaken in the organisation. We have developed jobs in finance, marketing, education, event support, research and student advice in addition to current roles across our commercial services.</li> <li>Our Advice Centre continues to be well used by students, and in the current circumstances, this has become more important than ever. We cover academic, welfare, housing and financial advice. Over the last year, the advisors have handled over 4,000 cases and 16,000 enquiries from a wide variety of students, and have saved them over £200,000 in returned housing deposits, benefits claimed and other consumer refunds. We have made the decision to create additional capacity in the team to undertake the ever-more complex casework, and have continued to offer developmental roles to students. The use of digital tools has enabled the service to reach many more students than previous years.</li> <li>Our jobshop has pivoted to offer different types of employment to students, as the hospitality industry has closed. We have supported over 1,000 to find work, and have worked closely with the University to place students in roles such as food delivery, Covid marshals and administrative work.</li> <li>We have signed a memorandum of understanding with Masood Enterprise Centre to promote entrepreneurial activity to our students, including an inter-society competition and stronger working partnerships with the centre.</li> </ul>
We'll help you discover and connect with Manchester	<ul style="list-style-type: none"> <li>Help you get to know the city and its opportunities</li> <li>Help you engage with the City through positive community action</li> <li>Help you have an amazing social life</li> </ul>	<ul style="list-style-type: none"> <li>Our innovative Widening Participation and Access work is now intrinsic to the University's Access Agreement and supports students to lead projects encouraging young people to consider University as an option. Access All Areas has over 35 different projects with over 500 students volunteering.</li> </ul>

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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Strategic Promise	Programmes of work	Performance
		<ul style="list-style-type: none"><li>• We have launched a student peer buddy scheme to provide support and friendship to students who have faced high levels of loneliness over the last year. From a standing start, the scheme has over 500 buddies and 550 students being buddied. The scheme has a 100% recommendation rating and we are working with the University to ensure it is embedded for future years.</li><li>• Over 2,000 students have volunteered through our projects and programmes, mainly being delivered online supporting families and older residents across Greater Manchester.</li><li>• In response to the Covid-19 crisis, overlapping from last year, three of our student groups have come together to establish volunteering programmes to support key workers in the NHS with shopping, advice and other areas. In addition, our Intergenerational project is supporting over 300 elderly residents in Manchester with telephone contact to combat loneliness.</li><li>• So far this year, our Rag group has raised over £76,000 for local and national charities and we had hoped this would grow over this year, with a new committee who are keen to compete with some of the larger Rag groups across the UK. The restrictions on fundraising activity has hit us particularly hard.</li><li>• Environmental volunteering continues to be extremely popular with students, and two initiatives in particular have won awards over the last year. Our 'Want not Waste' zero waste shop has moved into larger premises to enable a greater range of products, recycling centre for unusual items and clothes upcycling. As essential retail, this has been able to operate throughout the year. Our 'Biko Bikes cycling co-operative has refurbish and rented out over 150 bikes to students. We have secured a grant of £50,000 to establish a student-led sustainability projects fund. This will make its first grants in September 2021.</li></ul>



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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Strategic Promise	Programmes of work	Performance
We'll help you understand and change the world around you	<ul style="list-style-type: none"><li>• Help students create change and have a sense of social justice</li><li>• Embed Diversity &amp; Liberation in everything we do</li><li>• Develop alternative models using co-operative principles to help students and their needs</li></ul>	<ul style="list-style-type: none"><li>• We have once again had representatives take part in the Manchester City Council student strategy board, taking a far more proactive approach to community engagement. Our Welfare &amp; Community Officer also attends and contributes to all major residents' groups, and we have re-affirmed our partnership with Manchester Student Homes by providing space on the ground floor of our building for their new headquarters. We have embedded the new Greater Manchester Student Assembly with the five other Students' Unions across the city region. The GM Mayor is supportive of the scheme and will be attending the meetings across the next year. There are some key concerns around transport, safety and housing which it will be far more effective to work with others on.</li><li>• We have continued to strongly advocate on student safety issues within the City following our research and that of the University. Following the successful pilot last year, we have continued to roll out our 'student angel' scheme to support vulnerable students in the night time economy. Over the course of the academic year, we have ensured over 850 people were kept out of A&amp;E and supported over 1,000 to get home safely. Manchester City Council have already confirmed funding for future years. Many medical and related students volunteer in the scheme to give them early valuable experience.</li></ul>

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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Strategic Promise	Programmes of work	Performance
		<ul style="list-style-type: none"><li>Our liberation campaigns continue to deliver some really important work on behaviour change and education to students. Over 7,000 students took part in the online reclaim the night actions, moving it away from a single physical march for the first time. This tied in well with increased concern about womens' safety and street harassment over the early part of 2021. We have improved support for our liberation campaign groups (women, BME, Disabled and LGBT) ensuring a range of high-profile campaigns such as Black History Month, Disabled History Month and LGBT History month have been properly programmed and delivered really engaging online activity.</li></ul>
We'll build a truly outstanding Students' Union	<ul style="list-style-type: none"><li>Develop our people and our physical facilities to transform our Union</li><li>Become the experts on our students and amplify their voices</li><li>Transform our digital capacity and ensure online delivery of our services</li></ul>	<ul style="list-style-type: none"><li>We have completely replaced our main digital systems (CRM system, EPOS system, Web services) and commissioned an integrated system from SUMS (Students' Union Management System). This will be transformative in our drive to become more efficient, focus on added value processes but also give us a single point of truth on student participation in our activities. The reporting data will allow us to focus on areas with deficient engagement, and there are many opportunities to use the system to support other areas of the institution and we have already agreed an MOU with UoM Sport to use the system for club management. Our Trustee Board has continued to meet more frequently over the last year to ensure more agile decision making.</li></ul>

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**TRUSTEES' REPORT (continued)**  
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Strategic Promise	Programmes of work	Performance
		<ul style="list-style-type: none"><li>• We have a strategic ambition to be the experts on Manchester students, understanding and amplifying the realities of their lives. We have conducted a range of research projects across the year, and have spoken to over 7,000 different students as part of this research. We aim for these research projects to be useful to our officers, reps and the University itself, and hope to complement many of the other national surveys (such as NSS &amp; PTES). We are working closely with colleagues in Teaching &amp; Learning Support to develop a new survey strategy. We need to ensure students are able to link our work in these areas on academic advocacy, as our 'don't know' scores on NSS Q26 remains low compared to our benchmark group.</li><li>• We are working closely on developing a new approach to student/staff partnership. We have recently published a new set of protocols for students on University Committees (our officers sit on 92 across the institution) and the identification of joint priorities through UURC.</li><li>• We have re-formed a new marketing department around the principles of 'student generated content,' expanding the number of part time roles in this area to better engage with sub-sets of the student body. We have developed more of a thematic approach to marketing, with clear planning cycles to enhance delivery and evaluation of marketing campaigns.</li></ul>

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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<b>Strategic Promise</b>	<b>Programmes of work</b>	<b>Performance</b>
<b>Enablers</b>		
We're underpinned by sustainable finance and resources	<ul style="list-style-type: none"><li>• People</li><li>• Pounds</li><li>• Place</li><li>• Process</li></ul>	<ul style="list-style-type: none"><li>• One of our principal objectives over the last year has been to ensure a strong financial base from which to build our recovery. Over the last year, we have been able to meet our reserve policy targets. The pension revaluation last year meant an accounting deficit of £2.2million (but an operating surplus of almost £200k). We are projecting an end of year deficit of almost £300k this year, which we are hoping to bring down through further expenditure restrictions. We have held a recruitment freeze over the last year, meaning vacancy levels of 24% of our usual staffing establishment. We have also taken full advantage of the furlough scheme, particularly for our commercial and student staff. Our buildings have been underutilised over the last year, but we have repurposed many of our spaces for teaching and private study spaces.</li><li>• Whilst we have had some staffing capacity challenges over the last year, we are proud to have maintained the rest of our workforce to help us bounce back later this year. We continue to undertake work to improve our culture and ensure we are an effective charity and employer of choice for our staff. We have moved to 'pulse' staff engagement surveys to be more responsive to the needs of our people and we have recently been achieving +14 net promoter scores as recommending the Union as a good place to work. We have developed a new set of organisational values, co-created with our student and permanent workforce, and are working with Koreo (a social change consultancy) to accelerate our work on embedding the values and creating a more inclusive culture.</li></ul>

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**TRUSTEES' REPORT (continued)**  
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Strategic Promise	Programmes of work	Performance
		<ul style="list-style-type: none"><li>The three-year rolling financial plan has once again been approved by our trustee board and the Union-University Relationship Committee (UURC), and we have taken a prudent approach to the next financial year as the recovery builds up over a longer period. We still remain concerned about some restrictions remaining in the new year, along with the uncertainty around live music touring related to both the pandemic and Brexit visa challenges. Our financial plan is underpinned by the three-year block grant agreement with the University, which runs until 2022, and continues to be a better approach than annual grant setting. Our strategic approach has been to target small grant increases to cover fixed costs such as inflationary staff costs, with ambitions to generate more income ourselves to fund growth. It is worth mentioning, we are in the top three Students' Unions for generating commercial surpluses, which has left us more exposed than many over the last year. Our external grant funding this year has compensated for this, and maybe something we continue to explore in more normal times.</li></ul>

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**TRUSTEES' REPORT (continued)**  
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<b>Strategic Promise</b>	<b>Programmes of work</b>	<b>Performance</b>
We're driven by brilliant enterprise and services	<ul style="list-style-type: none"><li>• Venues</li><li>• Bars</li><li>• Catering &amp; Retail</li><li>• Media Sales/Business development</li></ul>	<ul style="list-style-type: none"><li>• We have taken the opportunity to review our portfolio of services, and are confident about our recovery plan going in to 2021/22. We have added additional clients to our media sales agency, and our Venues team have brought in over £500,000 in grant income. In line with the University, we have taken a mixed economy approach of self-run and outsourced catering outlets which have stabilised profitability whilst reducing costs to the organisation. We now provide media sales for 6 students' unions, with two more joining the portfolio over the course of the year. Over 1,000 students have found jobs through our jobshop and we have some ambitious plans for this over coming years, including providing more on-campus jobs for students as hospitality work dried up.</li><li>• In October 2020, we celebrated the 30th Anniversary of our Manchester Academy music venue with some special performances (on a smaller scale than planned). However, the online 'create your own line-up' campaign engaged over 12,000 people across Greater Manchester and we have updated our online exhibition of publicly donated items in partnership with Manchester Digital Music Archive.</li></ul>

**c. Investment policy and performance**

The Union's investments are made after due consideration is given by the Trustees to both environmental and ethical matters and are subject to constant review to ensure that these criteria are met. Investment gains for the year amounted to £334k (2020: £70k loss).

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**Financial review**

**a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. These included confirmation from our principal funder (The University of Manchester) of the previously agreed Block Grant for the next year. The Trustees have also received additional funding from Arts Council England through the Culture Recovery Fund, and approved further control and conversion of some investments to cash reserves. For these reasons they continue to adopt the going concern basis in preparing the financial statements. Further details of the adoption of the going concern basis can be found in the Accounting Policies.

**b. Financial risk management objectives and policies**

In the year to the 31st July 2021 the Union has recorded a surplus of £107k (2020: £2,198k deficit). Following the five month closure of the previous financial year, we took an extremely prudent approach to activity, and were not able to trade in any meaningful way. We have made difficult decisions throughout the year, such as a freeze on recruitment, pay restraint, cost recovery from government support schemes and a strict approach to expenditure budgets, requiring high-level approval. Whilst this has been an unprecedented time of financial pressure, through careful cash management and cost control, we have been able to maintain and exceed our forecasted cash position in line with the reserve policy.

We are grateful for the continued support from the University in terms of our block grant settlement, which was increased by around 2% to £2,497k (2020: £2,457k) and the additional grants to accelerate projects relating to access, residents' associations and off-campus students. We also recognise the significant investment in the Students' Union building and are grateful for the University's recognition of the mutual benefit of a high performing Students' Union.

Net liabilities have fallen by £442k to £2,487k (2020: £2,929k net liabilities). The Union has maintained a positive net asset figure excluding the pension deficit on the balance sheet, which stands at £7,483k (2020: £7,911k). This is a long-term liability for which the Union has an annual repayment plan.

**Principal funding sources**

Funding of the Union comes from the University of Manchester block grant which has been confirmed for 2021/22 as £2.54m (with an inflationary increase from 2020/21) and trading activities of the commercial entities which, in the year to 31st July 2021, generated income of £680k (2020: £2,336k). There is no reason to believe the current level of support from the University of Manchester will not continue over the coming years, and has been re-confirmed. A three-year funding settlement was re-negotiated during 2018/19 and will continue until 2022. Over the last year, we received £358k from Arts Council England and £90k from Manchester City Council.

**Expenditure**

The expenditure for core purpose expenditure in the year was in line with the objectives set out in the 4-year Strategic Plan. We have shown restraint during the last year however, whilst trying to ensure we enhance the student experience through representation and activities for our members.

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**TRUSTEES' REPORT (continued)**  
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**c. Principal risks and uncertainties**

The key risks faced by the Union are outlined below

**Loss of key personnel**

There is a high level of staff turnover and historically the Union has not been great at documenting processes. This does mean that when key people leave the organisation they can take valuable skills and insight with them. Mitigating work around developing operational procedures and guides have commenced and will continue over the forthcoming year.

**Loss of commercial revenue**

Commercial revenues are the second primary funding stream after the block grant. The challenges presented by the pandemic have been unprecedented, removing our ability to trade for the whole year. We have taken advantage of as many funding streams as possible to solidify our position and allow us to recover when it is right to do so. We have reduced permanent staffing costs, increased scrutiny on performance, and are in discussions with other organisations about further income generating opportunities.

**d. Reserves policy**

**Overall approach**

A detailed 5 year reserve policy has been set by the Board and will allow us to make a substantial investment in our estate during the extension works. In addition, our current financial strategy provides for a modest level of capital expenditure and identifies and allocates funding for the achievement of our strategic aims. The Trustees will continue to review the reserves policy over the forthcoming year. The approach to reserves can be broken down into the following categories:

**Unrestricted reserves**

The reserve policy makes a provision for

- Staff notice and redundancy payments
- Legal fees in the event the Union is wound up
- Provision for unforeseen events
- An increase towards the end of the 3-year block agreement to fund three months of non-commercial staff

The minimum unrestricted reserve balance is £500,000.

The unrestricted reserves stated in the accounts include the pension deficit that is also listed as a creditor. This is a long-term liability and would not become due immediately. As such the reserve policy allows for the separating out of the Pension liability and it is the unrestricted balance less the pension deficit to which the policy is applied.

**Designated reserves**

Fixed assets and investment funds are held as designated reserves as this is not freely available cash. From time to time the Board may be asked to designate reserves for a specific purpose. The Union currently holds £40,000 as a designated reserve. This is income that was received by the Robert Stanley Armitage Trust to further the Unions charitable purposes. Some of this fund has been allocated for student access to activities and student enterprise, the plans for how these funds will be accessed are currently being developed.



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**Restricted reserves**

In addition to the block grant the Union received periodic funding from the University for specific projects. These are used for Access & Widening Participation, Residents' Associations, Student Wellbeing and Living at Home Student support. Any balances in these projects are treated as restricted reserves to be used on delivering the aims of the project.

Total funds as at 31 July 2021 stood at a deficit of £2,487k (2020: £2,929). Of these, £50k (2020: £30k) related to restricted funds, £3,802k (2020: £4,189k) to designated funds and £7,483k (2020: £7,911k) to the pension liability, leaving £1,143k (2020: £763k) as free reserves. As outlined in this report, management and the Trustees are working to ensure the minimum target balance is achieved.

**Structure, governance and management**

**a. Constitution**

The company and the group is registered as a charitable company limited by guarantee and was set up by a Trust deed

The company and the group is constituted under a Trust deed and has registered charity number 1144146

**Governance, structure and management**

University of Manchester Students' Union is the Students' Union of the University of Manchester within the meaning of section 22 of the Education Act 1994. It registered as a Private Company Limited by Guarantee on 1st September 2011 and as a Charity on 5th October 2011.

**Governing document**

University of Manchester Students' Union (henceforth referred to as "the Union") is governed by the Articles of Association.

The Union is required by the Education Act 1994 to be run in accordance with the Code of Practice on the Students' Union as revised from time to time by The University of Manchester.

**b. Method of appointment or election of Trustees**

The Directors of the Union are the Trustees for the purposes of Charity Law (they are referred to collectively from now onwards as "the Trustees"). The Board of Trustees comprises of up to eight Officer Trustees, up to three Student Trustees and up to three External Trustees.

The Officer Trustees are elected to serve a 12-month term by the student membership of the Union in accordance with the Bye-Law on Elections. Officer Trustees must be students or Officer Trustees at their time of election, and can run for a second consecutive or non-consecutive term of office. They serve in office from 1st August to 31st July in the following year (changed during this year). An Officer Trustee is automatically a member of the Union for their term of office.

The Student Trustees are appointed by the Trustees on the recommendation of the Appointments Panel. They can serve one term of up to two years or until they cease to be a student, whichever is sooner.

The External Trustees are appointed by the Trustees on the recommendation of the Appointments Panel. They serve a term of three years. They are eligible for re-appointment once and can serve a second term. In the

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**TRUSTEES' REPORT (continued)**  
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term covering these accounts, two external trustees were appointed to join the Board, focusing on human resource and commercial development expertise (identified through a skills audit of the board).

**c. Policies adopted for the induction and training of Trustees**

All Trustees are given a formal induction upon their appointment. The Trustees are offered a variety of training opportunities throughout their time as Trustees, and the Union reviews this regularly. The Chief Executive ensures that ongoing training needs are monitored and responded to.

**d. Pay policy for senior staff**

The senior staff pay policy is outlined in the remuneration policy approved by the People and Culture committee. Senior salaries are benchmarked against other students' unions and third sector organisations to ensure that they remain at a level that is competitive and promotes the retention of talent within the Union. This is reviewed annually. A decision to show pay restraint in light of the pandemic was made within the year. No cost of living or increments have been payable across the staff team.

**e. Organisational structure and decision making**

**Organisation structure**

The organisation has a staff team headed up by the Chief Executive who is responsible for delivery of activity in line with the strategic framework. Some aspects of decision making are delegated to the staff team as detailed in the scheme of delegated authority. This is reviewed annually and approved by the trustee board.

**Decision making processes**

The Trustees hold ultimate responsibility and decision-making power regarding the affairs of the Union. They are responsible for maintaining legal, financial and reputational integrity of the Union, as well as setting strategy, overseeing governance and directing management and administration. The Trustees are the guardians of all Union assets.

The Union is a democratic organisation and as such there are mechanisms for members of the Union to influence the direction and activities of the Union.

**Trustee Board Committees**

The Board is supported in its work by five Board Committees: the Governance and Appointments Committee, the Audit and Risk Committee, the People and Culture Committee, the Student Engagement and Participation Committee and the MAV & Commercial Board.

**Governance and Appointments**

This works on behalf of the Board to interview potential new Trustees and make recommendations. It also makes recommendations on the governance structure of the organisation.

**Audit and Risk**

This committee is responsible for conducting assurance and risk management on behalf of the Board. In this regard, it conducts detailed scrutiny into the Union's finances and reviews the Union's risk register at its meetings. It also is responsible for assessing the effectiveness of the Union's internal controls. The Committee is responsible for overseeing the Union's relationship with its External Auditors.

**People and Culture Committee**

This committee is responsible for oversight of employee policies and for managing matters concerning the remuneration of the Chief Executive and Officer Trustees.

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**TRUSTEES' REPORT (continued)**  
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**Student Engagement and Participation Committee**

This committee is responsible for oversight and scrutiny of the Union's core student engagement work around representation, development and activities. It monitors student satisfaction and develops plans to improve this.

**MAV and Commercial Board**

This board is responsible for oversight of all income generating services, ensuring commercial strategies are developed and deployed to maximise income for core purpose activities. It also provides specific oversight of all and any trading subsidiaries.

Executive Committee

The Officer Trustees comprise the Executive Committee. The Executive Committee is responsible for representing the views of students, for the implementation of all democratically adopted policy and for providing the political leadership of the Union.

Union Senate and Referendums

The Union convenes the Union Senate on a regular basis. This is the democratic governing body for the union and makes policy that can be submitted by any student. Each Senate is made up of around 70 elected student officers and 20 randomly selected students, to ensure that the panel is representative of the whole student population. Decisions on policy may also be referred to a referendum of all students to make a decision.

**f. Related parties and subsidiaries**

**Relationship with the University of Manchester**

Under the Education Act 1994, the University of Manchester has a statutory duty to take such steps as are reasonably practicable to ensure that the Union operates in a fair and democratic manner and is held to proper account for its finances. The Union therefore works alongside the University of Manchester in ensuring that the affairs of the Union are properly conducted and that the educational and welfare needs of the Union's members are met. The formal relationship with the University is governed by a Code of Practice and the Union works closely with the University and its students to develop appropriate Bye-Laws for its working practices. The University of Manchester is not a related party as defined by the Charities FRS 102 Statement of Recommended Practice (SORP).

The Senior Management of the University, the Officer Trustees and the Union's senior management team meet regularly in the University-Union Relations Committee, which examines the activities and finances of the Union. Two Officer Trustees are members of the University Board of Governors and Officer Trustees also sit on its Senate and General Assembly. The Union is financially dependent upon the support of the University; in 2020/21 its block grant comprised £2.5m.

**Subsidiary Undertakings**

During the year the Union operated two trading subsidiaries, Manchester Academy Venues Ltd (company number 8638433) and Th1rt3en Media Ltd (company number 10854553). Manchester Academy Venues Ltd and Th1rt3en Media Ltd are related parties under FRS102, and the Union is the controlling party.

**Relationship to the National Union of Students**

The Students' Union is a member of the National Union of Students (NUS). This is a national federation of Students' Unions. The Students' Union co-operates with NUS and other Student Unions in pursuit of some of its charitable objectives. This co-operation relates mainly to campaigning on national student issues and support from NUS with organisational development as well as membership of a purchasing consortium.

**g. Risk management**

The Trustee Board is responsible for ensuring that the Students' Union has a robust approach to the

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**TRUSTEES' REPORT (continued)**  
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management of opportunities and risks, and the Audit and Risk Sub-committee reviews the highest strategic level risks on a regular basis through a delegation of authority. The operational Health, Safety and Legal committee have regular oversight of the risk register and are responsible for liaising with departments to ensure that it remains up to date. A range of systems and processes are in place to mitigate the risks faced by the Students' Union.

Financial and control risks are mitigated through a robust budget management process and supporting policies and procedures for the authorisation and processing of transactions. Procedures are also in place to ensure legal compliance with Health and Safety and Employment law and to safeguard staff, volunteers and participants in all activities organised by the Students' Union. These procedures are regularly reviewed to ensure that they meet the needs of the Students' Union. The Trustees believe that all major risks are appropriately addressed and mitigated.

During the year, an urgent need for further risk oversight was identified by the Senior Leadership Team of the Union. We returned to a more normal committee cycle, ensuring more strategic scrutiny, enabling us to look ahead. However, we endured that more regular forecasting and tactical papers were presented to enable obligations to be understood and met throughout the governance structure.

**h. Public benefit statement**

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission regarding public benefit as detailed in this report.

**i. Effective Governance**

The Union has adopted the Code of Good Governance for the Voluntary Sector, and has applied all recommended standards to its work. The trustees have conducted a full audit against the standards, and this will remain an annual commitment on the cycle of business for the board.

The trustees took part in an external audit of board effectiveness provided by the National Union of Students (NUS) two years ago and will undergo the same at the end of the next financial year. This audit assessed the board against a series of indicators specifically developed for Students' Union boards. A resultant action plan has been developed to drive improvements across the next three years.

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**TRUSTEES' REPORT (continued)**  
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**Plans for future periods**

**a. Future developments**

We felt it prudent to pause work on our new long-term strategy, given the uncertainty around the short and medium-term future of the sector. However, we have undertaken numerous research projects to keep us at the forefront of student needs and priorities and have used this to inform planning for the next 12-18 months. We have accelerated some other priorities such as new system implantation, finalising the merger of the International Society and the provision of space and support services to Sport Manchester as part of a recent review. We remain hugely grateful for the ongoing partnership and support from the University to help us deliver our objectives, and certainly don't this strong relationship for granted. The maintenance of our previously agreed block grant settlement has also helped us with our stabilisation processes. We have trialled a number of online projects which will be embedded over the next year, focused on community building, provision of advice & representation and tackling student loneliness.

The table below outlines the operational priorities for 2021/22 and the key initiatives that will be delivered by teams in support of the strategic plan. The board agreed the following overall objectives and outcomes to ensure a clear sense of priorities during a period of real uncertainty:

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<b>Restart activity to bring the campus alive and create a sense of belonging for our students.</b>	We know that there is a huge appetite to experience many of the activities missed over the last 18 months and centring these experiences will drive up satisfaction and engagement.
<b>Support students' transitions into learning following the pandemic.</b>	know the experiences of the last year haven't subsided overnight, and it's vital for us to tackle loneliness, students being overwhelmed by change and work with the University to provide support
<b>Prioritise work which will have a positive impact on liberation &amp; diversity and environmental sustainability.</b>	A key part of us becoming more legitimate and relevant to all students is prioritising and accelerating work in these themes.
<b>Develop a new, long-term sustainable future for the Students' Union.</b>	We will develop a new 3–4-year strategy, aligned with a sustainable financial model, focused on the needs of students now.
<b>Building a sustainable organisation</b>	We will ensure we have an underpinning staffing infrastructure to support the on-going needs of the business. In order to mitigate against potential future funding cuts we will need to ensure that we grow our other revenue streams whilst at the same time, ensuring that we are maximising investment in the activities will really demonstrate the value that we add to student life, particularly focused on academic representation.

The objectives developed by each functional area are split using a balanced scorecard which is cascaded through each team for monitoring and evaluation purposes.

**Funds held as custodian**

The University of Manchester Students' Union acts as custodian for several activities:

**Clubs & Societies**

Funds raised by the many clubs and societies run by its members - these funds are separately identified in the finance system and the balance at the year-end was £0.3m (2020: £0.23m)

**RAG**

Funds raised by students under the RAG (Raising and Giving) initiative for distribution to nominated charities.

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£24.5k was raised in the year.

**Residents associations**

Funds held on behalf of the Residents' Associations of the University halls of residence to operate representation and social activities - these funds are separately identified in the finance system and the balance at the year-end was £0.01m (2020: £0.12m).

**SUSS Pension**

During 2017-18, the charitable company was made aware of a possible increase in the liability for the pension deficit. This relates to a potentially defective amendment made to the closed pension scheme (SUSS). During 2019-20, progress was made by the SUSS trustees to lower the amount of potential contingent liability. The final result of this challenge have been incorporated into the latest valuation being shown in this set of accounts. We have disclosed all liabilities known to us at this time.

We have been working closely with the University of Manchester to discuss the possibility of undertaking a bulk transfer out of the Students' Union Superannuation Scheme (SUSS) into a local scheme. Whilst the work on this project has not been concluded, this work has a major bearing on the future financial success of the charitable company.

**Disclosure of information to auditor**

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

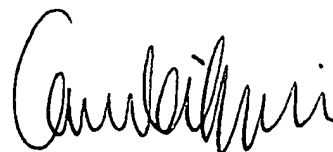
- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable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

**Auditor**

The auditor, Crowe U.K. LLP, has indicated its willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

This report was approved by the Trustees, on 29 March 2022 and signed on their behalf by:

**Camila Florencia Rusailh, Activities and Development Officer**



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF MANCHESTER  
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**Opinion**

We have audited the financial statements of the University of Manchester Students' Union (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Union Balance Sheet, Consolidated Cash Flow Statement 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).

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, 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 2021 and of the group's 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 qualified opinion**

We were unable to confirm the existence of a cash investment fund held by the University of Manchester Students' Union as at the reporting date. The most recent statement, dated 8 May 2020, details a material balance of £170,423 is held in an account in the Students' Union's name however no documentation was available to confirm whether this balance was still held in the aforementioned account as at the reporting date and therefore we were unable to obtain sufficient appropriate audit evidence as to the existence and ownership of these funds as at the reporting date.

Similarly we were unable to obtain sufficient appropriate audit evidence as to the ownership of a further £912,804 of investments held with another four institutions in the Students' Unions name as at the reporting date. The value included in the financial statements is based on market data and the number of units held as at the last received statement date for each account which range from 31 July 2020 to 5 April 2021.

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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF MANCHESTER  
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**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustee's 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. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

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

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

Except for the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Group Strategic Report.

Arising solely from the limitation of scope of our work relating to investments, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of the audit, and
- we were unable to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006

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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
**(A Company Limited by Guarantee)**

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

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requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;

**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 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.

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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
**(A Company Limited by Guarantee)**

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

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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and taxation legislation and the Charities SORP (FRS 102).

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the group and charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group and charitable company for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and completeness of income. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, testing income from underlying evidence such as block grant confirmations from the University, sample testing on the posting of journals, reviewing accounting estimates for biases and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations. A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
**(A Company Limited by Guarantee)**

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

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**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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Jayson (Senior Statutory Auditor)

for and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

3rd floor  
The Lexicon  
Mount Street  
Manchester  
M2 5NT

Date: 29 March 2022

**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 JULY 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations and legacies	2	2,497,348	90,930	2,588,278	2,583,687
Charitable activities	3	341,293	575	341,868	379,564
Trading activities	4	1,056,960	-	1,056,960	3,281,568
Investments	5	-	-	-	3,107
<b>Total income</b>		<b>3,895,601</b>	<b>91,505</b>	<b>3,987,106</b>	<b>6,247,926</b>
<b>Expenditure on:</b>					
Trading activities	6	1,855,686	-	1,855,686	3,637,315
Charitable activities	7	2,011,918	77,770	2,089,688	2,371,863
Other expenditure	8	(66,167)	-	(66,167)	2,436,695
<b>Total expenditure</b>	<b>9</b>	<b>3,801,437</b>	<b>77,770</b>	<b>3,879,207</b>	<b>8,445,873</b>
<b>Net income / (expenditure) before investment gains/(losses)</b>		<b>94,164</b>	<b>13,735</b>	<b>107,899</b>	<b>(2,197,947)</b>
Net gains/(losses) on investments	14	334,272	-	334,272	(70,040)
<b>Net income / (expenditure) before transfers</b>		<b>428,436</b>	<b>13,735</b>	<b>442,171</b>	<b>(2,267,987)</b>
Transfers between Funds	20	(6,726)	6,726	-	-
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>421,710</b>	<b>20,461</b>	<b>442,171</b>	<b>(2,267,987)</b>
<b>Net movement in funds</b>		<b>421,710</b>	<b>20,461</b>	<b>442,171</b>	<b>(2,267,987)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		(2,959,206)	29,966	(2,929,240)	(661,253)
<b>Total funds carried forward</b>		<b>(2,537,496)</b>	<b>50,427</b>	<b>(2,487,069)</b>	<b>(2,929,240)</b>

The notes on pages 39 to 61 form part of these financial statements.

**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 7759820**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 JULY 2021**

	Note	£	2021 £	£	2020 £
<b>Fixed assets</b>					
Tangible assets	13		2,583,408		3,283,609
Investments	14		1,083,243		865,092
			<u>3,666,651</u>		<u>4,148,701</u>
<b>Current assets</b>					
Stocks	15	45,195		69,452	
Debtors	16	626,509		588,548	
Investments	17	183,885		183,885	
Cash at bank and in hand		2,074,220		1,101,272	
			<u>2,929,809</u>	<u>1,943,157</u>	
<b>Creditors: amounts falling due within one year</b>	18	(1,997,518)		(1,473,651)	
<b>Net current assets</b>			<u>932,291</u>		<u>469,506</u>
<b>Total assets less current liabilities</b>			<u>4,598,942</u>		<u>4,618,207</u>
<b>Creditors: amounts falling due after more than one year</b>	19		(7,086,011)		(7,547,447)
<b>Net liabilities</b>			<u>(2,487,069)</u>		<u>(2,929,240)</u>
<b>Charity Funds</b>					
Restricted funds	20		50,427		29,966
Unrestricted funds	20		(2,537,496)		(2,959,206)
<b>Total deficit</b>			<u>(2,487,069)</u>		<u>(2,929,240)</u>

The financial statements were approved and authorised for issue by the Trustees on 29 March 2022 and signed on their behalf, by:

**Camila Florencia Rusailh, Activities and Development Officer**

The notes on pages 39 to 61 form part of these financial statements.



**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 7759820**

**COMPANY BALANCE SHEET**  
**AS AT 31 JULY 2021**

	Note	£	2021 £	£	2020 £
<b>Fixed assets</b>					
Tangible assets	13		2,583,408		3,283,609
Investments	14		1,083,259		865,108
			<u>3,666,667</u>		<u>4,148,717</u>
<b>Current assets</b>					
Stocks	15	45,195		69,452	
Debtors	16	817,510		948,921	
Investments	17	183,885		183,885	
Cash at bank and in hand		1,633,039		908,597	
		<u>2,679,629</u>		<u>2,110,855</u>	
<b>Creditors: amounts falling due within one year</b>	18	(1,838,352)		(1,643,118)	
<b>Net current assets</b>			<u>841,277</u>		<u>467,737</u>
<b>Total assets less current liabilities</b>			<u>4,507,944</u>		<u>4,616,454</u>
<b>Creditors: amounts falling due after more than one year</b>	19		(7,086,011)		(7,547,447)
<b>Net liabilities</b>			<u>(2,578,067)</u>		<u>(2,930,993)</u>
<b>Charity Funds</b>					
Restricted funds			50,427		26,067
Unrestricted funds			(2,628,494)		(2,957,060)
<b>Total deficit</b>			<u>(2,578,067)</u>		<u>(2,930,993)</u>

The financial statements were approved and authorised for issue by the Trustees on 29 March 2022 and signed on their behalf, by:

**Camila Florencia Rusailh, Activities and Development Officer**

The notes on pages 39 to 61 form part of these financial statements.



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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
(A Company Limited by Guarantee)

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**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 JULY 2021**

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	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	22	994,295	394,612
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		-	2,710
Purchase of fixed assets		(21,347)	(158,740)
<b>Net cash used in investing activities</b>		(21,347)	(156,030)
<b>Change in cash and cash equivalents in the year</b>		972,948	238,582
Cash and cash equivalents brought forward		1,285,157	1,046,575
<b>Cash and cash equivalents carried forward</b>	23	2,258,105	1,285,157

The notes on pages 39 to 61 form part of these financial statements.



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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**1. Accounting Policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (March 2018) - (Charities SORP (FRS 102) (updated October 2019)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

University of Manchester Students' union meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

University of Manchester 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 company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

University of Manchester Students' Union is a private charitable company limited by guarantee, incorporated in England and Wales. Further general information can be found on page 1.

**1.2 Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**1. Accounting Policies (continued)**

**1.3 Going concern**

UMSU meets its day-to-day working capital requirements through its banking facilities, cash holdings and the strong relationships it has with its funders. The Union's original forecasts and projections, taking account of previous likely changes in student numbers, show that Umsu should be able to operate within the level of its current facility and is assessing opportunities to generate cash to ensure liquidity in the medium term. The Union has also taken steps to utilise the various support mechanisms instigated by the UK Government, including use of the Coronavirus Job Retention Scheme and HMRC's Time to Pay Scheme.

The Union is in a net liability position of £2.6m at the reporting date. This is due to the Suss pension liability of £7.5m which is long term in nature with £7.1 only payable after 12 months of the reporting date. Therefore there is no impact on the short term financial viability of the Union. In addition, the University is legally required under the Education Act to have a Students' Union.

At the time of approval of these financial statements, the Covid-19 virus continues to develop and has been designated a global pandemic by the World Health Organisation. University campuses have been closed with teaching online until further notice although the UK government has announced a road map which allowed students on practical courses to return from March 2021. Both short-term and long-term effects of the rapidly changing situation are unknown. As for many businesses at this time, the Trustees consider that there is potential for significant impact on the Union's key services and other commercial operations. The Trustees have undertaken planning and forecasting and continue to closely monitor the developing situation with a base scenario, areas where variables may differ and the impact of these. Despite the current circumstances the Trustees believe that the company's financial resources and contingency planning is sufficient to ensure the ability of the company to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and due to the options outlined above to the Union means there is not a material uncertainty as to whether the company can continue as a going concern and have prepared the financial statements on a going concern basis.

**1.4 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**1. Accounting Policies (continued)**

**1.5 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 based on staff headcount.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

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 company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

**1.6 Basis of consolidation**

The financial statements consolidate the accounts of University of Manchester Students' union and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

The income and expenditure account for the year dealt with in the accounts of the company was a £48,690 deficit (2020 - £2,197,946).

**1.7 Intangible fixed assets and amortisation**

Intangible assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Computer software	-	3 years straight line
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**1.8 Tangible fixed assets and depreciation**

A review for impairment of a fixed asset is carried out if events or changes in circumstances 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 Statement of Financial Activities.

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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**1. Accounting Policies (continued)**

Tangible fixed assets 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 on the following bases:

Long-term leasehold property	-	Over 55 years
Academy refurbishment	-	5% - 20% straight line
Fixtures and fittings	-	5% - 33% straight line
Union refurbishment	-	10% - 20% straight line

**1.9 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

- (i) **Subsidiary undertakings**  
Investments in subsidiaries are valued at cost less provision for impairment.

**1.10 Interest receivable**

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

**1.11 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.

**1.12 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.

**1.13 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.

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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**1. Accounting Policies (continued)**

**1.14 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 company 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.

**1.15 Financial instruments**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.16 Pensions**

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

Where the charity has entered into an agreement to fund a deficit in the scheme, the charity recognises a liability for the contributions payable that arise from the agreement and recognise the resulting expense in the Statement of Financial Activities.

The charity also participates in the NUS Pension Scheme (NUSPS), a defined contributions scheme. Contributions are accounted for as paid throughout the year.

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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**1. Accounting Policies (continued)**

**1.17 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 company 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 company 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.

**1.18 Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

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

The Union occupies the premises on a rent free basis from the University. No donation in kind can be estimated in respect of this arrangement due to the bespoke nature of the building and its location.

Critical areas of judgment:

The items in these financial statements where these judgements and estimates have been made include assumptions around financial assets and liabilities of pension scheme contributions, the discount rate applied thereto and the valuation of fixed asset investments.

The asset and liabilities are estimated by an independent, qualified actuary who assesses the value for SUSS as a whole and based on this, a deficit recovery plan is agreed between the participating employers, the Union of which is one, and the SUSS trustees. The discount rate applied to the aforementioned obligatory future deficit contribution payments is equivalent to that of a high quality corporate bond with a maturity date the same as the mandatory repayment period, being 15 years.

Fixed asset investments are valued according to the prevailing market rates for those investments. All such rates are publicly available.

Clubs and societies affiliated with the University and Union are considered to be separate legal entities from the Union. The Union holds funds on their behalf which is accounted for as if the Union is an agent. Funds are therefore recognised on the balance sheet.

**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

**2. Income from donations and legacies**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other voluntary income	-	90,930	90,930	126,289
University Block Grant	2,497,348	-	2,497,348	2,457,398
<b>Total donations and legacies</b>	<b>2,497,348</b>	<b>90,930</b>	<b>2,588,278</b>	<b>2,583,687</b>
<b>Total 2020</b>	<b>2,457,398</b>	<b>126,289</b>	<b>2,583,687</b>	

Income from donations and legacies 2020	Unrestricted funds £	Restricted funds £	2020 £
Other voluntary income	-	126,289	126,289
University Block Grant	2,457,398	-	2,457,398
<b>Total</b>	<b>2,457,398</b>	<b>126,289</b>	<b>2,583,687</b>

**3. Income from charitable activities**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Membership support	(3,925)	-	(3,925)	134,140
Education & Advocacy	8,645	295	8,940	31,412
Communications	27,615	-	27,615	17,998
Other	308,958	280	309,238	196,014
<b>Total</b>	<b>341,293</b>	<b>575</b>	<b>341,868</b>	<b>379,564</b>
<b>Total 2020</b>	<b>379,564</b>	<b>-</b>	<b>379,564</b>	

Following a review of the activities of the charity, the charitable activities listed above upon which the Union reports, have been refined, resulting in the restatement of the comparatives to ensure that they are comparable with the current year figures.

**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

**Income from charitable activities 2020**

	Unrestricted funds £	As restated 2020 £
Membership support	134,140	134,140
Education & Advocacy	31,412	31,412
Communications	17,998	17,998
Other	196,014	196,014
<b>Total</b>	<b>379,564</b>	<b>379,564</b>

**4. Trading activities**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Bars	161,504	-	161,504	635,505
Catering & Retail	76,331	-	76,331	280,408
Job shop	13,812	-	13,812	7,874
Turnover from trading subsidiaries	770,076	-	770,076	2,335,451
Visitor services	35,237	-	35,237	22,330
	<b>1,056,960</b>	<b>-</b>	<b>1,056,960</b>	<b>3,281,568</b>
<b>Total 2020</b>	<b>3,281,568</b>	<b>-</b>	<b>3,281,568</b>	

Turnover from trading subsidiaries represents income generated from marketing activities, photography commission, social events and the operation of entertainment venues.

Following a review of the activities of the charity, the charitable activities listed above upon which the Union reports, have been refined, resulting in the restatement of the comparatives to ensure that they are comparable with the current year figures.

**5. Investment income**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	-	-	-	3,107
<b>Total 2020</b>	<b>3,107</b>	<b>-</b>	<b>3,107</b>	



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**6. Costs of trading activities**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Bars	56,565	-	56,565	275,902
Catering & retail	5,542	-	5,542	165,506
Job Shop	360	-	360	7,497
Visitor services	-	-	-	1,977
Expenditure of trading subsidiaries	24,293	-	24,293	932,454
Allocated support costs	591,899	-	591,899	742,243
Pay Costs	694,076	-	694,076	1,015,192
Depreciation & FA write offs	482,951	-	482,951	496,544
	<u>1,855,686</u>	<u>-</u>	<u>1,855,686</u>	<u>3,637,315</u>
<i>Total 2020</i>	<u>3,637,315</u>	<u>-</u>	<u>3,637,315</u>	

Following a review of the activities of the charity, the activities listed above upon which the Union reports, have been refined, resulting in the restatement of the comparatives to ensure that they are comparable with the current year figures.

**7. Analysis of expenditure on charitable activities**

Following a review of the activities of the charity, the charitable activities listed below upon which the Union reports, have been refined, resulting in the restatement of the comparatives to ensure that they are comparable with the current year figures.

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Membership support	938,319	-	938,319	965,813
Education & Advisory	1,068,852	-	1,068,852	1,267,813
Grant funded projects	4,747	77,770	82,517	138,237
	<u>2,011,918</u>	<u>77,770</u>	<u>2,089,688</u>	<u>2,371,863</u>
<i>Total 2020</i>	<u>2,233,626</u>	<u>138,237</u>	<u>2,371,863</u>	

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Analysis of expenditure on charitable activities 2020	Unrestricted funds £	Restricted funds £	As restated 2020 £
Membership support	965,813	-	965,813
Education & Advisory	1,267,813	-	1,267,813
Grant funded projects	-	138,237	138,237
<b>Total</b>	<b>2,233,626</b>	<b>138,237</b>	<b>2,371,863</b>

**8. Other expenditure**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
SUSS Pension Movement	(66,167)	(66,167)	2,436,695
<b>Total 2020</b>	<b>2,436,695</b>	<b>2,436,695</b>	

The SUSS pension movement for the year reflects the fact that following the 2019 actuarial valuation of the Scheme, the period over which deficit repayments are required to be made has been extended by three years to June 2035 and the rate at which annual payments increase has been amended for 2021/22 to be 20% rather than the previously set rate of 5%. After this 20% increase in 2021/22, the increases revert back to 5% per annum. Finally the discount rate applied to the future deficit repayments has risen from 1.45% to 1.70% to reflect a 15 year high quality corporate bond.

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

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total 2021 £	Restated Total 2020 £
Expenditure on trading activities	1,016,758	483,496	355,432	1,855,686	3,637,315
<b>Costs of raising funds</b>	<b>1,016,758</b>	<b>483,496</b>	<b>355,432</b>	<b>1,855,686</b>	<b>3,637,315</b>
Membership support	590,656	93,132	254,531	938,319	970,570
Education & Advisory	768,777	68,628	231,447	1,068,852	1,263,062
Grant funded projects	74,976	-	7,541	82,517	138,237
<b>Charitable activities</b>	<b>1,434,409</b>	<b>161,760</b>	<b>493,519</b>	<b>2,089,688</b>	<b>2,371,869</b>
<b>SUSS Pension Cost</b>	<b>-</b>	<b>-</b>	<b>(66,167)</b>	<b>(66,167)</b>	<b>2,436,695</b>
	<b>2,451,167</b>	<b>645,256</b>	<b>782,784</b>	<b>3,879,207</b>	<b>8,445,879</b>
<b>Total 2020</b>	<b>2,856,239</b>	<b>735,909</b>	<b>4,853,725</b>	<b>8,445,873</b>	

Following a review of the activities of the charity, the activities listed above upon which the Union reports, have been refined, resulting in the restatement of the comparatives to ensure that they are comparable with the current year figures.

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	Staff costs £	Depreciation £	Other costs £	Restated 2020 £
Expenditure on raising voluntary income	1,392,607	587,334	1,657,368	3,637,309
Costs of raising funds	1,392,607	587,334	1,657,368	3,637,309
Membership support	513,025	69,950	387,595	970,570
Education & Advisory	814,512	78,625	369,925	1,263,062
Grant funded projects	136,095	-	2,142	138,237
Charitable activities	1,463,632	148,575	759,662	2,371,869
SUSS Pension Cost	-	-	2,436,695	2,436,695
Total	2,856,239	735,909	4,853,725	8,445,873

**10. Net income/(expenditure)**

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	646,087	734,769
Auditor's remuneration - audit	10,800	10,500
Auditor's remuneration - other services	1,500	3,300
Operating lease rentals	12,640	12,640

During the year, Trustees received remuneration of £163,044 (2020 - £166,650) and related employer pension costs of £2,241 (2020 - £4,314) comprising of the cost of employing the 8 (2020 - 8) sabbatical representation officers.

During the year, no Trustees received any benefits in kind (2020 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2020 - £362).

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**11. Staff costs**

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	2,198,731	2,583,041
Social security costs	169,801	180,880
Other pension costs	82,635	92,318
	<u>2,451,167</u>	<u>2,856,239</u>

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

	2021 No.	2020 No.
Student Voice	19	22
Overheads	12	13
Venues & Front of House	10	12
Union Commercial Services	10	11
Membership Services	10	16
Marketing & Communications	7	7
Media Sales	3	3
Governance	1	1
	<u>72</u>	<u>85</u>

The number of higher paid employees was:

	2021 No.	2020 No.
In the band £60,001 - £70,000	2	2

Key management consists of officer trustees and the chief executive officer as detailed on page 1. Their aggregate remuneration (including employer pension costs) totalled £257,181 (2020 - £237,690) during the year.

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**12. Intangible fixed assets**

Group and Company	Licences £
<b>Cost</b>	
At 1 August 2020 and 31 July 2021	32,540
<b>Amortisation</b>	
At 1 August 2020 and 31 July 2021	32,540
<b>Carrying amount</b>	
At 31 July 2021	-
At 31 July 2020	-

**13. Tangible fixed assets**

Group and Company	Leasehold property £	Academy Refurb £	Fixtures and fittings £	Union Refurb £	Total £
<b>Cost</b>					
At 1 August 2020	1,247,798	3,989,220	1,452,010	3,410,721	10,099,749
Additions	-	-	-	21,347	21,347
Disposals	-	-	-	(170,198)	(170,198)
At 31 July 2021	1,247,798	3,989,220	1,452,010	3,261,870	9,950,898
<b>Depreciation</b>					
At 1 August 2020	1,066,633	2,906,250	1,176,016	1,667,241	6,816,140
Charge for the year	22,646	203,985	193,201	226,255	646,087
On disposals	-	-	-	(94,737)	(94,737)
At 31 July 2021	1,089,279	3,110,235	1,369,217	1,798,759	7,367,490
<b>Net book value</b>					
At 31 July 2021	158,519	878,985	82,793	1,463,111	2,583,408
At 31 July 2020	181,165	1,082,970	275,994	1,743,480	3,283,609

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**14. Fixed asset investments**

<b>Group</b>	<b>Unlisted securities £</b>
<b>Market value</b>	
At 1 August 2020	865,092
Disposals	(116,105)
Revaluations	334,256
At 31 July 2021	<u>1,083,243</u>

**Group investments at market value comprise:**

	<b>2021 £</b>	<b>2020 £</b>
Unlisted investments	1,083,243	865,090
Group	-	2
Total market value	<u>1,083,243</u>	<u>865,092</u>

All the fixed asset investments are held in the UK

Further details about the shareholdings, financial performance and position of the group undertakings are included in note 27.

<b>Company</b>	<b>Unlisted securities £</b>
<b>Market value</b>	
At 1 August 2020	865,108
Disposals	(116,105)
Revaluations	334,256
At 31 July 2021	<u>1,083,259</u>

**Company investments at market value comprise:**

	<b>2021 £</b>	<b>2020 £</b>
Unlisted investments	1,083,259	865,106
Group	-	2
Total	<u>1,083,259</u>	<u>865,108</u>

All the fixed asset investments are held in the UK

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**15. Stocks**

	<u>Group</u>		<u>Company</u>	
	2021	2020	2021	2020
	£	£	£	£
Finished goods and goods for resale	45,195	69,452	45,195	69,452

**16. Debtors**

	<u>Group</u>		<u>Company</u>	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	416,584	221,842	277,462	50,808
Amounts owed by group undertakings	-	-	388,799	561,379
Other debtors	6,112	148,984	6,107	148,546
Prepayments and accrued income	203,813	217,722	145,142	188,188
	626,509	588,548	817,510	948,921

**17. Current asset investments**

	<u>Group</u>		<u>Company</u>	
	2021	2020	2021	2020
	£	£	£	£
Unlisted investments	183,885	183,885	183,885	183,885

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

	<u>Group</u>		<u>Company</u>	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts	-	59	-	59
Other loans	-	1,580	-	1,580
Trade creditors	163,503	154,565	154,250	45,800
Amounts owed to group undertakings	-	-	-	416,450
Other taxation and social security	131,645	55,217	114,682	55,217
SUSS pension	396,725	363,301	396,725	363,301
Other creditors	1,074,513	711,172	1,038,129	593,143
Accruals and deferred income	231,132	187,757	134,566	167,568
	1,997,518	1,473,651	1,838,352	1,643,118

Included within creditors are amounts held on behalf of student clubs and societies. The total held as at 31



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**18. Creditors: Amounts falling due within one year (continued)**

July 2021 was £710,939 (2020: £525,208). Included with bank and cash are related assets of £299,092 (2020: £349,114) which are held in a separate bank account specifically in relation to clubs and societies.

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

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
SUSS pension (see note 24)	<b>7,086,011</b>	<b>7,547,447</b>	<b>7,086,011</b>	<b>7,547,447</b>

Creditors include amounts not wholly repayable within 5 years as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Repayable by instalments	<b>5,113,009</b>	<b>5,677,118</b>	<b>5,113,009</b>	<b>5,677,118</b>

**20. Statement of funds**

**Statement of funds - current year**

	<b>Balance at 1 August 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers in/out £</b>	<b>Gains/ (Losses) £</b>	<b>Balance at 31 July 2021 £</b>
<b>Designated funds</b>						
Fixed asset reserve	3,283,609	-	(721,548)	21,347	-	2,583,408
Investment reserve	865,093	-	-	(116,105)	334,272	1,083,260
Robert Armitage Trust	40,000	-	(4,747)	-	-	35,253
Student funds	-	-	-	100,000	-	100,000
	<b>4,188,702</b>	<b>-</b>	<b>(726,295)</b>	<b>5,242</b>	<b>334,272</b>	<b>3,801,921</b>
<b>General funds</b>						
General Funds	762,840	3,895,601	(3,141,309)	(373,813)	-	1,143,319
SUSS pension deficit	(7,910,748)	-	66,167	361,845	-	(7,482,736)
	<b>(7,147,908)</b>	<b>3,895,601</b>	<b>(3,075,142)</b>	<b>(11,968)</b>	<b>-</b>	<b>(6,339,417)</b>
<b>Total Unrestricted funds</b>	<b>(2,959,206)</b>	<b>3,895,601</b>	<b>(3,801,437)</b>	<b>(6,726)</b>	<b>334,272</b>	<b>(2,537,496)</b>

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**20. Statement of funds (continued)**

**Restricted funds**

Restricted projects	29,966	91,505	(77,770)	6,726	-	50,427
Total of funds	(2,929,240)	3,987,106	(3,879,207)	-	334,272	(2,487,069)

Designated funds relate to:

Fixed asset reserve - this represents the amount of funds which are tied up in intangible and tangible fixed assets and therefore are not necessarily available for use in day to day operations.

Investment reserve - this represents the amount of funds which are tied up in fixed asset investments and therefore not readily available for use by the charity.

Robert Armitage Trust - this fund has been set aside to further the Union's charitable objects. Plans for how these funds will be utilised are currently being developed.

**Statement of funds - prior year**

	<i>Balance at 1 August 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 July 2020 £</i>
<b>Designated funds</b>						
Fixed asset reserve	3,859,638	-	(734,769)	158,740	-	3,283,609
Investment reserve	935,133	-	-	-	(70,040)	865,093
Robert Armitage Trust	40,000	-	-	-	-	40,000
	<u>4,834,771</u>	<u>-</u>	<u>(734,769)</u>	<u>158,740</u>	<u>(70,040)</u>	<u>4,188,702</u>
<b>General funds</b>						
General Funds	321,132	6,121,637	(5,147,508)	(532,421)	-	762,840
SUSS pension deficit	(5,856,924)	-	(2,427,505)	373,681	-	(7,910,748)
Total Unrestricted funds	<u>(701,021)</u>	<u>6,121,637</u>	<u>(8,309,782)</u>	<u>-</u>	<u>(70,040)</u>	<u>(2,959,206)</u>
<b>Restricted funds</b>						
Restricted projects	39,768	126,289	(136,091)	-	-	29,966
Total of funds	<u>(661,253)</u>	<u>6,247,926</u>	<u>(8,445,873)</u>	<u>-</u>	<u>(70,040)</u>	<u>(2,929,240)</u>

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

**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	2,583,408	-	2,583,408
Fixed asset investments	1,083,243	-	1,083,243
Current assets	2,879,382	50,427	2,929,809
Creditors due within one year	(1,997,518)	-	(1,997,518)
Creditors due in more than one year	(7,086,011)	-	(7,086,011)
	<u>(2,537,496)</u>	<u>50,427</u>	<u>(2,487,069)</u>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2019 restated £	Restricted funds 2019 restated £	Total funds 2019 restated £
Tangible fixed assets	3,283,609	-	3,283,609
Fixed asset investments	865,092	-	865,092
Current assets	1,913,191	29,966	1,943,157
Creditors due within one year	(1,473,651)	-	(1,473,651)
Creditors due in more than one year	(7,547,447)	-	(7,547,447)
	<u>(2,959,206)</u>	<u>29,966</u>	<u>(2,929,240)</u>

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

	<b>2021</b>	<b>Group</b>
	<b>£</b>	<b>2020</b>
		<b>£</b>
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<b>442,171</b>	<b>(2,267,987)</b>
<b>Adjustment for:</b>		
Depreciation charges	<b>646,087</b>	<b>734,769</b>
(Loss) on investments	<b>(218,151)</b>	<b>70,040</b>
Dividends, interest and rents from investments	<b>-</b>	<b>(2,710)</b>
Loss on the sale of fixed assets	<b>75,461</b>	<b>-</b>
Decrease in stocks	<b>24,257</b>	<b>7,885</b>
(Increase)/decrease in debtors	<b>(37,962)</b>	<b>76,252</b>
Increase/(decrease) in creditors	<b>121,675</b>	<b>(622,077)</b>
Revaluation of SUSS pension liability	<b>(59,243)</b>	<b>2,398,440</b>
<b>Net cash provided by operating activities</b>	<b>994,295</b>	<b>394,612</b>

**23. Analysis of cash and cash equivalents**

	<b>2021</b>	<b>Group</b>
	<b>£</b>	<b>2020</b>
		<b>£</b>
Cash in hand	<b>2,074,220</b>	<b>1,101,272</b>
Notice deposits (less than 3 months)	<b>183,885</b>	<b>183,885</b>
<b>Total</b>	<b>2,258,105</b>	<b>1,285,157</b>

**24. Pension commitments**

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

The most recent valuation of the Scheme was carried out as at 30 June 2019 and showed that the market value of the Scheme's assets was £119.1m (June 2016: £101.3m), with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The 2019 valuation has been finalised and shows a scheme deficit of £140.9m. The increase in the deficit is in line with the level expected and previously reported by scheme trustees.

The assumptions applied at 30 June 2019:

1. The investment on return would be 4.0% per annum before retirement and 2.0% per annum after retirement.
2. Pensions accruing on the CARE basis would revalue at 3.6% per annum.

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**24. Pension commitments (continued)**

3. Present and future pensions would increase at rates specified by Scheme rules where appropriate where these are dependent on inflation.

The 2016 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 17 years and increased by at least 5% each year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates applied with effect from 28 June 2017.

Following the 2019 triennial revaluation, which also reflected the outcome from the previously identified '7% pension increase' issue affecting some members within the scheme (Manchester members were affected by the pension issue), the Trustees of SUSS concluded that it would be necessary to increase contributions to clear the deficit over the next 15 years. Those Unions with members directly affected by the pension increase issue would be required to pay a greater contribution to the scheme deficit; 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.

In accordance with FRS 102, the net present value of the future contributions required over 15 years to clear the funding deficit is £7,548,903 (2020: £7,910,748). In calculating this net present value, annual increase of 5% have been made (with the exception of the year 2021/22 where an increase of 20% has been made) and a discount rate of 1.45% representing the typical yield of high quality corporate bonds has then been applied.

The closed SUSS pension has been replaced with a new scheme provided by Aegon on behalf of NUS. All existing members of the SUSS scheme have been transferred to the NUS Pension Scheme (NUSPS) following consultation with Unison. NUSPS is a defined contribution scheme. Contributions to this scheme commenced on October 2011. Contributions paid into the scheme by the Union for the year amounts to £89,188 (2020: £93,222). Contributions totalling £63,362 (2020: £nil) were payable to the fund at the balance sheet date and are included in creditors.

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**25. Operating lease commitments**

At 31 July 2021 the total of the group's future minimum lease payments under non-cancellable operating leases was:

Group	2021 £	2020 £
<b>Amounts payable:</b>		
Within 1 year	12,640	12,640
Between 1 and 5 years	25,280	37,920
Total	<u>37,920</u>	<u>50,560</u>

At 31 July 2021 the company had annual commitments under non-cancellable operating leases as follows:

<b>Company</b>		
<b>Amounts payable:</b>		
Within 1 year	12,640	12,640
Between 1 and 5 years	25,280	37,920
Total	<u>37,920</u>	<u>50,560</u>

**26. Related party transactions**

The Union is in receipt of a recurrent grant from the University of Manchester of £2,497,348 (2020: £2,457,398). As explained in the Trustees Report, the University is not considered to be a related party.

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. No donation in kind can be recognised in respect of this arrangement due to the bespoke nature of the building and its location.

The two trading subsidiaries are considered to be related parties. The available exemption for transactions with wholly owned subsidiaries under Section 20 FRS 102 has been taken.

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**UNIVERSITY OF MANCHESTER STUDENTS' UNION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**27. Principal subsidiaries**

**Manchester Academy Venues Limited**

Subsidiary name	Manchester Academy Venues Limited
Company registration number	08638433
Basis of control	Sole share holder
Equity shareholding %	100%
Total assets as at 31 July 2021	£ 499,437
Total liabilities as at 31 July 2021	£ (500,613)
Total equity as at 31 July 2021	£ (1,177)
Turnover for the year ended 31 July 2021	£ 565,551
Expenditure for the year ended 31 July 2021	£ 566,728
Loss for the year ended 31 July 2021	£ (1,177)

**Th1rt3en Limited**

Subsidiary name	Th1rt3en Limited
Company registration number	10854553
Basis of control	Sole share holder
Equity shareholding %	100%
Total assets as at 31 July 2021	£ 104,994
Total liabilities as at 31 July 2021	£ 103,816
Total equity as at 31 July 2021	£ 1
Turnover for the year ended 31 July 2021	£ 114,104
Expenditure for the year ended 31 July 2021	£ 80,625
Profit for the year ended 31 July 2021	£ 33,479