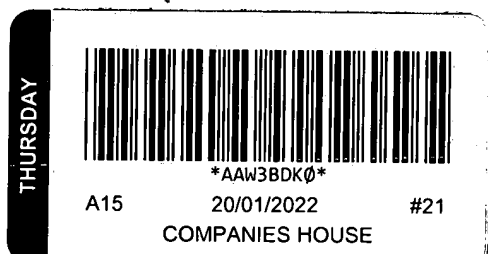


Company no. 12113080

NUSU TRADING LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 1 AUGUST 2021



NUSU TRADING LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 1 AUGUST 2021

Contents	Page
Officers and Professional advisors	1
Directors report	2
Statement of directors' responsibilities	3
Independent auditor's report	4-6
Income statement	7
Statement of financial position	8
Notes to the financial statements	9-12

NUSU TRADING LTD

OFFICERS AND PROFESSIONAL ADVISERS

FOR THE PERIOD ENDED 1 AUGUST 2021

Directors

Simon Gerry (appointed 19 July 2019)
Graham Hattam (appointed 19 July 2019)
David Miller (appointed 19 July 2019) (resigned 2 August 2021)
Ian J Kitchen (appointed 2 August 2021)
Sohail Shaikh (appointed 1 January 2020)
Dorothy Chirwa (resigned 27 June 2021)
Abbie Hutchinson (appointed 28 June 2021)

Company number

12113080

Registered Office

Newcastle University Students' Union
The University of Newcastle
King's Walk
Newcastle upon Tyne NE1 8QB

Auditors

UNW LLP
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

NUSU TRADING LTD

DIRECTORS REPORT

FOR THE PERIOD ENDED 1 AUGUST 2021

The directors present their annual report and financial statements of NUSU Trading Ltd for the period ended 1 August 2021.

The company was incorporated on 19 July 2019 and commenced trading on 12 September 2019.

Principle activities

The principal activity of the company during the period was the operation of a supermarket franchise and other commercial trading activities associated with Newcastle University Students' Union (the parent undertaking).

Review of Business

The income statement is shown on page 7.

Directors

The directors who served during the period were:

Simon Gerry (appointed 19 July 2019)

Graham Hattam (appointed 19 July 2019)

David Miller (appointed 19 July 2019)

Sohail Shaikh (appointed 1 January 2020)

Dorothy Chirwa (resigned 27 June 2021)

Abbie Hutchinson (appointed 28 June 2021)

NUSU Trading Ltd is a wholly owned subsidiary of Newcastle University Students' Union. Two directors are appointed from the board of Newcastle University Students' Union and one sabbatical officer is appointed each year.

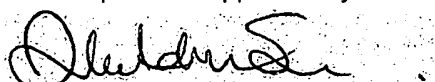
Statement of disclosure to auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Small companies' exemption

This report is prepared in accordance with provisions applicable to companies entitled to the small companies' exemption provided by section 415A of the Companies Act 2006.

This report was approved by the board on 2nd December 2021 and signed on its behalf by:



A Hutchinson

Director

STATEMENT OF DIRECTORS RESPONSIBILITIES

FOR THE PERIOD ENDED 1 AUGUST 2021

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

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

In preparing those financial statements, the directors are required to: -

- ▶ Select suitable accounting policies and then apply them consistently;
- ▶ Makes judgements and estimates that are reasonable and prudent;
- ▶ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

NUSU TRADING LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NUSU TRADING LTD

FOR THE PERIOD ENDED 1 AUGUST 2021

We have audited the financial statements of NUSU Trading Ltd (the company) for the period ended 1 August 2021 which comprise the Income Statement, Statement of Financial Position, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the company's affairs as at 1 August 2021 and of its loss for the period then ended;
- ▶ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent 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 other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

NUSU TRADING LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NUSU TRADING LTD

FOR THE PERIOD ENDED 1 AUGUST 2021

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have identified no material misstatements in the strategic report or the directors' report included within the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- ▶ adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- ▶ the financial statements are not in agreement with the accounting records and returns; or
- ▶ certain disclosures of directors' remuneration specified by law are not made; or
- ▶ we have not received all the information and explanations we require for our audit; or
- ▶ the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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.

NUSU TRADING LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NUSU TRADING LTD

FOR THE PERIOD ENDED 1 AUGUST 2021

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 identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by auditing standards) and from inspection of the company's legal correspondence, and we discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

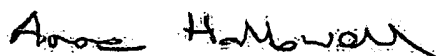
Secondly the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; data protection, safeguarding and certain aspects of company legislation and employment laws, recognising the nature of the company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures, we became aware of actual or suspected non-compliance and considered the effect as part of our procedures on the related financial statement items. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in any further disclosure within our report or the financial statements.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

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



Anne Hallowell BSc FCA DChA (Senior Statutory Auditor)

for and on behalf of UNW LLP, Statutory Auditor

Chartered Accountants

Newcastle upon Tyne

2nd December 2021

NUSU TRADING LTD
INCOME STATEMENT
FOR THE PERIOD ENDED 1 AUGUST 2021

	Note	2021	13 months ended 2 August 2020
		£	£
Turnover		634,525	1,330,866
Cost of sales		(562,833)	(1,032,206)
Gross profit		71,692	298,660
Other operating income	3	133,137	-
Administrative expenses		(273,446)	(384,371)
Operating loss		(68,617)	(85,711)
Interest payable		(10,000)	(9,960)
Loss on ordinary activities before taxation		(78,617)	(95,671)
Tax on loss		-	-
Loss for the financial period		(78,617)	(95,671)

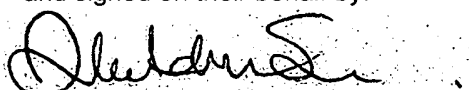
The company has no other recognised items of income or expenditure other than the results for the year as set out above.

The notes on pages 9 to 12 form part of these financial statements.

NUSU TRADING LTD
STATEMENT OF FINANCIAL POSITION
AT 1 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	251,512	330,937
		<u>251,512</u>	<u>330,937</u>
Current assets			
Stocks	5	47,388	45,529
Debtors	6	40,860	59,151
Cash at bank and in hand		150,883	49,495
		<u>239,131</u>	<u>154,175</u>
Current liabilities			
Creditors – amounts falling due within one year	7	(344,926)	(180,782)
		<u>(105,795)</u>	<u>(26,607)</u>
Net current liabilities			
		<u>(105,795)</u>	<u>(26,607)</u>
Total assets less current liabilities		<u>145,717</u>	<u>304,330</u>
Creditors – amounts falling due after one year	8	(320,000)	(400,000)
		<u>(174,283)</u>	<u>(95,670)</u>
Net liabilities			
		<u>(174,283)</u>	<u>(95,670)</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		(174,284)	(95,671)
		<u>(174,283)</u>	<u>(95,670)</u>
Shareholders' funds		<u>(174,283)</u>	<u>(95,670)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities. The financial statements were approved by the board of directors and authorised for issue on 2nd December 2021 and signed on their behalf by:



Director
 Abbie Hutchinson
 Company no. 12113080

The notes on pages 9 to 12 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 1 AUGUST 2021

1 ACCOUNTING POLICIES

General information

The company is a private company limited by shares, incorporated, and domiciled in England.

The address of the registered offices is Newcastle University Students' Union, King's Walk, Newcastle upon Tyne, NE1 8QB.

Basis of Preparation

These financial statements have been prepared in accordance with section 1A of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements have been prepared on historical cost convention. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £. The principal accounting policies adopted are set out below.

Going Concern

The financial statements have been prepared on a going concern basis which assumes that NUSU Trading Ltd will continue to operate for the foreseeable future and meet its liabilities as they fall due. The current circumstances with the ongoing Covid-19 pandemic have been challenging for trading however the company has been able to continue trading throughout. The company was able to make cost savings through reduced staffing and by utilising the Coronavirus Job Retention Scheme. The parent company continue to provide financial support to the company for providing services to the student body. Forecasts for the remainder of 20/21 financial year and budgets for 21/22 have been prepared and the directors reasonably conclude that the company with the support of its parent company will be able to meet its liabilities as they fall due for the foreseeable future.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied, net of discounts and Value Added Tax. Trading Services revenue is recognised at the point of sale or provision of service. Income is deferred when invoiced in advance when services have not yet been provided.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write down the assets to their estimated residual values over the course of their anticipated working lives.

The annual rates of depreciation used on furniture and equipment on a straight-line basis is 20%.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 1 AUGUST 2021

1 ACCOUNTING POLICIES (Continued)

Stock

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

Financial instruments

The company only enters basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, cash and bank balances and loans from related parties.

All such instruments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, in which case the transaction is measured at the present value of the future receipts discounted at a market rate of interest. All financial instruments are subsequently carried at amortised cost using the effective interest method.

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.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Creditors

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.

Finance costs

Finance costs are charged to the income statement over the term of the debt using the effective interest method.

2 EMPLOYEES

The company does not employ any staff. Staff are employed by the parent entity and recharged to the company at cost.

3 Sundry Income

Income was received from Newcastle University for the loss of income of closing the Co-op (£109k) and from an insurance claim for loss of income (£24k), both related to Covid-19.

NUSU TRADING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 1 AUGUST 2021

4 TANGIBLE FIXED ASSETS

	Total £
Cost	
At 2 August 2020	397,125
Additions	-
Disposals	-
	<hr/>
At 1 August 2021	397,125
	<hr/>
Depreciation	
At 2 August 2020	66,188
Disposals	-
Charge for the period	79,424
	<hr/>
At 1 August 2021	66,188
	<hr/>
Net book value	
At 1 August 2021	251,512
	<hr/>
Net book value	
At 2 August 2020	330,937
	<hr/>

	2021 £	2020 £
5 STOCKS		
Goods held for resale	47,388	45,529
6 DEBTORS		
	2021 £	2020 £
Other debtors	5,699	5,084
Trade debtors	20,353	1,608
Prepayments and accrued income	14,808	10,015
Taxation	-	42,444
	<hr/>	<hr/>
	40,860	59,151
	<hr/>	<hr/>

NUSU TRADING LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 1 AUGUST 2021****7 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade creditors	21,564	1,277
Accruals	74,889	14,735
Amounts owed to parent	167,785	164,770
Loan repayment to University of Newcastle	80,000	-
VAT	688	-
	<hr/>	<hr/>
	344,926	180,782
	<hr/>	<hr/>

8 CREDITORS – AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Amount owed to University of Newcastle	320,000	400,000
	<hr/>	<hr/>
	320,000	400,000
	<hr/>	<hr/>

The loan from University of Newcastle was originally repayable over 5 years with annual instalments and secured with a floating charge over the company's assets. The loan was renegotiated to defer the first repayment extending the loan to 6 years. Interest is chargeable at a rate of 2.5% per annum and interest is charged to the income statement.

9 CONTROLLING PARTY AND RELATED PARTY TRANSACTIONS

The company operates principally for the benefit of Newcastle University Students' Union, whom the directors deem to be the ultimate controlling party.

Group accounts are drawn up by Newcastle University Students' Union which include the results of NUSU Trading Ltd and the registered office of Newcastle University Students' Union is the same as that of NUSU Trading Ltd.

The company takes an exemption allowed under FRS102 from disclosing transactions between wholly owned group members.