

**SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

CONTENTS

	Page
Reference and administrative details of the charity, its Trustees and advisers	1 - 2
Trustees' report	3 - 15
Independent auditor's report on the financial statements	16 - 19
Statement of financial activities	20
Balance sheet	21 - 22
Statement of cash flows	23
Notes to the financial statements	24 - 55

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2023

Trustees	Laura Davies, External Trustee, Chair Ashley McDowell, External Trustee Leah Booker, External Trustee Alex Erdlenbruch, External Trustee Seun Seidu, Sabbatical Officer (appointed 1 July 2023) Ellie Ann Millar, Sabbatical Officer (appointed 1 July 2023) Jeremiah Abiola Fasipe, Sabbatical Officer (appointed 1 July 2023) Martha Katherine Mitchell, Sabbatical Officer (appointed 1 July 2023) Owusu Emmanuel Takyi, Sabbatical Officer (appointed 1 July 2023) Omolara Afolabi, Student Trustee Alfiya Khan, Student Trustee (resigned 1 July 2023) Allona Thomas, Student Trustee (resigned 30 July 2022) Andrew Sergiou-Fawcett, Student Trustee (resigned 1 April 2023)
Charity registered number	1141925
Principal office	The Hubs, Paternoster Row Sheffield S1 2QQ
Sabbatical officers	2023/24 Jeremiah Abiola Fasipe Owusu Emmanuel Takyi Martha Katherine Mitchell Ellie Ann Millar Seun Seidu 2022/23 Sabahat Pathan Dayo Oladiti Charlotte Breen Misbah Hasham Ticklay Mobolaji Edun Uju Vanessa Okoroafor
Senior management team	Julie Byrd, Chief Executive Jane Anslow, Deputy Chief Executive Mark Hewerdine, Director of Resources Jenine Woolley, Director of Services Bryan Crane, Digital Transformation Specialist Sally Pleming, HR & EDI Specialist

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Independent auditor	BHP LLP Chartered Accountants 2 Rutland Park Sheffield S10 2PD
Bankers	National Westminster Bank PLC 1 St Paul's Place 121 Norfolk Street Sheffield S1 2JF
Solicitors	DLA Piper UK LLP St Paul's Place 121 Norfolk Street Sheffield S1 2JX

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JULY 2023

The Trustees present their report and the audited financial statements of Sheffield Hallam University Students' Union (the Union) for the year ended 31 July 2023. The Trustees confirm that the Annual report and financial statements of the Union comply with current statutory requirements, the requirements of the Union's governing document and 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) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

Summary of charity's objectives and activities undertaken in relation to these objects:

- The Students' Union's objects are the advancement of education of students at Sheffield Hallam University for the public benefit by:
 - o Promoting the interests and welfare of students at Sheffield Hallam University during their course of study, and representing, supporting and advising students
 - o Providing social, cultural and recreational activities and forums for discussions and debate for the personal development of its students
 - o Being the recognised representative channel between students and Sheffield Hallam University and any other external bodies

b. Main activities undertaken to further the charity's purposes for the public benefit

The trustees have had regard to the guidance issued by the Charity Commission on public benefit and confirm that the Students' Union continues to benefit the public as explained in the summary of objectives and activities.

Achievements and performance

a. Investment policy and performance

Investment performance: The Students' Union placed surplus funds on deposit with various banks, during the period and achieved an average 2.1% rate of interest.

Financial review

a. Review of the year

The Students' Union's gross income from all sources totalled £2,846,107 (2022: £2,810,214).

Total expenditure was £2,792,175 (2022: £2,706,545). After taking account of transfers and actuarial losses on the defined benefit pension schemes, there is a net increase in funds of £202,825 (2022: £286,669).

Funds carried forward as at 31 July 2023 total deficits of £1,159,896 (2022: £1,362,721) and comprise unrestricted funds, excluding the pension liabilities of £679,881 (2022: £550,443), designated funds of £270,796 (2022: £442,676), pension reserve deficit funding £2,200,970 (2022: £2,437,379) and a restricted fund surplus of £90,397 (2022: £81,539).

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

The Students' Union has continued to benefit from the recognition and support of the University, and for the academic year 2022/23 the annual block grant was £2,458,000 (2022: £2,458,000). This is the principal funding of the Union.

The Trustees confirm that the Students' Union has sufficient funds to meet all its expected obligations. The block grant for 2023/24 has been confirmed at £2,576,796.

b. Reserves policy

What are reserves?

Reserves are that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes.

This excludes:

- restricted & endowment funds
- tangible fixed assets (required to maintain operations)
- amounts designated for essential future spending.

Why does the Students' Union need reserves?

To ensure our long-term sustainability, enable us to improve our facilities and continue to provide services and activities during any short term reduction in income, by mitigating:

- a) The risk of unforeseen emergency or other unexpected need for funds, e.g. an unexpected large repair bill or funding for an urgent project.
- b) Covering unforeseen day-to-day operational costs, e.g. employing temporary staff to cover a long-term sick absence.
- c) A source of income, e.g. a grant, not being renewed, to give time to take action.
- d) Planned commitments, or designations, that cannot be met by future income alone, e.g. a major purchase or project.
- e) To fund short-term deficits in a cash budget.

If we conclude that our charity does not need to hold any reserves, then we must explain that in our annual report. How much do we need in reserve?

The reserves level may be a target amount or range, for each reason set out above:

- a) To meet an unforeseen emergency or unexpected need - consider risks and how much might be needed for such contingencies; this will involve judgment of events that may occur and their likelihood.
- b) Do we need a small contingency to meet unforeseen operational costs?
- c) Uncertainty over future income may mean having reserves equivalent to a number of weeks of income, to allow time develop new sources of income or to cut-back on expenditure.
- d) A planned spending commitment which cannot be met from future income, often this will be included within designations in accounts.
- e) An amount might be needed to cover 'troughs' in the cash budget - review budgets to ascertain how much might be needed.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

In summary, the identified financial risks should influence the level of reserves we target and be explained in your reserves policy.

Assessing actual reserve at the end of the year

The final step is to compare the target reserve with actuals, explain any material difference and explain any action being taken or planned to bring reserves into line.

SHSU Reserve Target Methodology

To ensure that the Target Reserves Methodology is consistent with the Union's strategy, it is considered by the Trustees that the level of reserves should be sufficient to cover unavoidable costs, but not be excessive, as the Union's primary aim is to serve students, not to accumulate reserves.

SHSU is heavily reliant upon grant funding from Sheffield Hallam University. The level of this grant is linked to the SU's performance, and the Trustees believe that there is little likelihood of grant funding ceasing altogether.

Following a review of the organisation's operations and cost structure, it was determined that many costs would be discretionary in the event of the grant ceasing, as many costs are either paid to the University or to provide discretionary services.

It was deemed appropriate to provide for those costs which, in the case of the grant ceasing, would be unavoidable, they being, all costs that would be incurred in the case having to wind-up the Union and make the workforce redundant.

Those unavoidable costs have been assessed as at the year-end and a forecast worst-case position for the end of the following year and results in the target reserves range of £306,000 to £372,000.

At 31 July 2023 the Union had total deficits of £1,159,896 (2022: £1,362,721). Restricted funds were £90,397 (2022: £81,539). Unrestricted funds were (£1,250,293) (2022: (£1,444,260)). Free reserves are set out below:

Unrestricted funds	(£1,250,293)
Less: fixed assets	(£53,899)
Less: designated funds	(£270,796)
Add: pension deficit	£2,200,970
Free reserves	£625,982

Free reserves are above the Union's target range of £306,000 to £372,000.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

c. Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. A significant surplus was accumulated in 2022/23 resulting in the Union continuing to have Free Reserves in excess of their target range. The plan for 2023-25 is to utilise part of this excess reserve to edge the Union towards its Free Reserves target range. A conservative forecast has been created to the end of the 2023 calendar year, to ensure the financial viability of the organisation.

The biggest threats to the Union's longer-term position is are considered to be:

- any reduction to the block grant from the university
- the effects of continuing inflationary pressures on the operation of the Union
- the failure of the Union to prepare properly its next strategic plan.

After review, it was concluded that the Union can continue to provide its services safely and still be financially viable for this period. For this reason they continue to adopt the going concern basis in preparing the financial statements.

d. The 2020-2025 Strategy

The Students' Union, during 2019/20, undertook extensive consultation with key stakeholders including over 5,000 students, the University and community partners to formulate a new strategy covering 2020 to 2025.

The consultation highlighted a need to; Invest in digital development, decentralise to be where students are, create value for stakeholders, have an agile staffing structure, be responsive and have impact with rapid research and insight and to support the University's strategy through partnership working, be strong, and ensure sustainability, both environmental and financial.

A vibrant programme of activity and events is being delivered by working with the providers within the City to create value for money offers for Hallam students, such as the Peddler Warehouse Takeover event for the 2021/22 Welcome, and the dedicated Hallam Nation Party night every Wednesday at the local Crystal Night club. We will also work closely with our neighbours at Sheffield Students' Union to ensure Hallam students have access to their bars and vibrant club night programme.

Our Mission

We are here to support the advancement of education of students at Sheffield Hallam University by:

- Being the recognised representative channel between students and Sheffield Hallam University and any other external bodies
- Promoting the interests and welfare of students at Sheffield Hallam University during their course of study representing, supporting and advising members
- Providing opportunities for students to socialise, develop cultural awareness and debate issues, to enhance their personal development

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Our Vision

By 2025 we will be known nationally for:

- delivering **outstanding representation**
- creating **strong vibrant** student communities
- generating student **learning and employment** through **regional community engagement**
- inspiring students to **stand up for their rights** and wellbeing

Underpinned by a strong, vocal and democratic Union, that involves students in our decision making.

Outstanding Representation Strategy.

By 2025 we commit to:

- Increase the number of students who agree that the SU represents their academic interests from 55% to 75%.
- Achieve an 85% satisfaction rate amongst students with the student representation system.
- 80% of students will be aware that the SU is responsible for the student representation at Sheffield Hallam University.
- Winning a national award reflecting what has been achieved.

This will be achieved by:

- Agreeing with the University a new approach to academic representation that gives the SU greater ownership of the system.
- Creating a strong brand for academic representation and the student reps.
- Agreeing and delivering a five year action plan for establishing representation as the flagship activity of the Students' Union.
- Effective support of the Officers and other reps to facilitate positive working relationships with University staff and delivers successful outcomes for students.
- A Student Union physical presence in high footfall areas across campus promoting the representation and support functions to students.
- Delivering a digital system/tool to support the new approach to representation.
- Providing a tracking system for students to see the progress of their feedback.
- Creating an effective communications plan to report back actions and delivers campaigns to support the collective issues being raised by students.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Creating strong vibrant student communities

By 2025 we commit to:

- Increasing the number of students who agree "The Students Union has had a positive impact on my sense of belonging to the University or college": 55% agree (2018- 37%, 2017 – 34%) NSS.
- Raising awareness that the SU supports and co-ordinates academic societies, with 90% of students being aware.
- 85% of students agreeing that 'the Students' Union creates a sense of fun and provides activities that they want to get involved in'
- A 50% increase in Give It A Go attendees (internal data)

This will be achieved by:

- Creating a college-focused Students' Union Engagement Team that create fun, relevant and bespoke activities across colleges.
- A greater self-service element via a digital solution to engage those students who are part-time, time poor and commuters in activities and societies.
- A digital solution will facilitate communication between student communities via forums, group chat to generate higher levels of engagement, debate and information sharing.
- Creating an inclusion fund for students identified in the University's Access and Participation Plan to enable them to participate in societies and activities.
- Delivering a new and expanded Give it a Go offer.

Student learning and employment through engaging with the regional community.

By 2025 we commit to:

- Ensuring that students form 70% of the Student Union workforce (currently 56%).
- Increasing the percentage of students who agree that the Students Union has had a positive impact on the local community from 40% 2019 to 60% 2025 (NSS).
- Providing a service to Sheffield City Region Charities, that is rated good to excellent by 80% of the charities involved.
- Achieving a 25% increase in the number of students volunteering through SHSU - currently 1,600 for 2020 (Internal data).

This will be achieved by:

- Creating new roles for students across the organisation for students to get part-time work, work experience, placements and internships.
- Establishing the SU as a broker between the Charity Sector in the Sheffield City Region and Sheffield Hallam students for work experience; placements; jobs; research projects; volunteering opportunities.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

- Forming a Charity/Students Union Development Board to identify the key social issues and identify social action projects for student involvement.
- Creating an on-line portal to bring students and charities together to promote volunteering, work experience/placement opportunities, internships, discussion/debate, skills development awards, projects.
- Launching a Student Community Action Programme working with disadvantaged communities in the region. Linked to a Community Action Award.
- Developing a student skills sharing app to allow students to swop their talent/skills to benefit research projects, ideas creation, delivering events.
- Creating a virtual "makers" area of the app to where students with common interests, such as computers, technology, science, digital art, or electronic art, can form groups, socialize and collaborate.

Inspiring students to stand up for their rights and wellbeing

By 2025 we commit to:

- Establishing the Students Union as an organisation that "stands up for student rights" with 75% of students agreeing with the statement (currently 33% Membership Survey).
- 85% of students being aware that the Students' Union has an Advice Service (currently 68%, Membership Services Survey).
- 80% of students associating the Students' Union as a place to go for support with wellbeing (currently 50% - Strategy Survey 2020).
- An increase in the number of students who agree that the Students' Union represents their academic interests, from 55% to 75% in 2025 (NSS).

This will be achieved by:

- Establishing a physical presence in high footfall areas across campus for the Student Union Advice Centre.
- Working with the University to create a comprehensive and co-ordinated peer support system for students who need it with a specific focus on mental health.
- Developing clear, simple, comprehensive and responsive digital self-help resources on a range of issues, relevant to the student experience.
- Establishing a full online 'student life guide' (working title) that is a quarterly publication to raise awareness amongst students of their rights for example in employment and consumer issues with useful information about living in the City.
- Targeted support for students in those demographic groups most likely to experience a decline in wellbeing as a result of being at University.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

A strong, vocal and democratic Union (co-creating with students and involvement in decision making)

By 2025 we will have:

- 7,000 voters in March 2025 Election (21% of the student population currently 10%)
- An 40% increase in the number of students standing for the Autumn and Spring Union elections
- 75% of the student population agreeing they understand how the SHSU is run (Membership Survey 2019 43% currently)
- 75% of the student population agreeing the Students Union is open about how it makes decisions (Membership Survey 2019 47% currently)

This will be achieved by:

- Delivering a marked increase in election engagement and turnout using a new digital solution and a more effective marketing and communications strategy
- Implementing an agreed structure for clear communication and decision making between College Executives, Union Council and the Trustee Board
- Introducing a Union 'Executive' meeting to ensure changes to representation are embedded in the Students' Union governance structures
- Producing an Inclusion Action Plan to support the changes needed within the Students' Union, to educate students and staff about the issues and to lobby the University for change
- Introducing a digital solution for gathering student ideas and issues to inform policy
- Reviewing the role, membership and procedures of Union Council and establish a new model that reflects the students it represents, takes effective decisions and demonstrates a high standard and level of engagement
- Agree a new Articles of Governance/Constitution to reflect the changes in this strategic plan, the incorporation of the organisation, separate out the bye laws from the Articles to allow greater flexibility for changes

Our 2022/23 Progress

The external environment over 2022/23 changed significantly, after two years of the Covid, the economy saw extraordinary rises in the cost of living, rising fuel costs, and inflation at a rate not seen for years. affecting students through rising rents, energy bills, transport costs and food bills.

This created more stress for students, and affecting their wellbeing and academic performance. These external factors also impacted ability of the Students' Union, to pay its operational costs and deliver decent pay awards for staff and has shaped our priorities for the year.

As a result, the aim of developing a financially robust Students' Union for the future to weather economic disruption; deliver an attractive package of services for students; and offer value for the University grant, became critical in 2022/23.

Urgent planning work was undertaken to determine the changes that would be needed to our structure, systems, and processes to develop a more robust Students' Union. The changes required included:

- A move to a more self-service offer across all services to facilitate access to information 24/7.
- An increase in resources to deliver an exciting programme of events.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

- Replacing manual/out of date administrative processes and replacing with more efficient automated processes.
- Reaching a decision with the University about a new location, including the rent and overhead contribution and the impact of this on the grant.
- Widening the plan to generate extra income to supplement the grant.
- Developing an approach to recruitment that would attract staff who have the right mind set; skills/drive to deliver; including redesigning job descriptions; person specification; terms and conditions; to create a competitive, cost-efficient reward and recognition package based on a new grading system.

The implementation of the changes would require a phased approach over the medium term, and it was agreed that 2022/23 would be the year for establishing the groundwork.

As part of our strategic plan and the fact we were navigating our way out of a global pandemic, we approached Welcome in a different way for 2022/23. The University was encouraging students to come back to campus, and we supported that approach. Throughout Welcome and into the first semester we delivered face to face events to encourage students to come together after a difficult two years. The Trustee Board agreed additional investment to support a dedicated Events resource to grow our social programme by working with internal partners such as the University on Welcome, Welcome Back and Gather events and external partners in the City including Peddlers Market, Code Nightclub, Crystal Nightclub, The O2 Academy and Kommune. The Welcome activity was delivered over a longer period to give students chance to settle in, with a concentrated number of events happening over the first three weeks, and other events continuing to run over the first semester. There were over 100 events delivered by the Students Union and its Societies over that period.

Over the year, the University and the Students' Union discussed how to measure the performance of the Students' Union, not just financial performance. As a result we agreed a set of Key Performance Indicators (KPIs) for student engagement and satisfaction. The results for student engagement and satisfaction for the year 2022/23 can be seen in the following tables:

Student engagement 2022/23

Student Engagement – the number of students engaging in the Students' Union increases, year on year	21/22	Target 22/23	22/23
Indicator Name	Last year		Final
Total level of student engagement/interactions with the Students' Union across all services (Student Transactions – MSL)	71806	60000	80815
Total level of student engagement/interactions with the Students' Union across all services (Students engaged % of Retained Enrolment – MSL)	43%	40%	47%
The number of students engaging in volunteering through the Students' Union increases year on year (Student Volunteers – MSL)	1114	1200	1333
The percentage of students voting in the officer elections increases year on year (Students Voting in HSU wide elections for Officers – MSL)	25%	15%	23%

The engagement figures are sourced from internally collated data, generated from student sign-ups tracked by the Students' Union web platform/database managed by Membership Solutions Limited (MSL)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Student satisfaction 2022/23

Student Satisfaction – student satisfaction with the Students' Union increases, year on year	21/22	Target 22/23	22/23
Indicator Name	Last year		Final
Overall student satisfaction scores for the Students Union services increase year on year "I am satisfied with the Students' Union at my University" (HHAWD)	42%	60%	52%
Overall student satisfaction scores for the Students' Union Services increase year on year "Q26: The SU effectively represents students' academic interests" (HHAWD)	44%	60%	54%
Overall student satisfaction scores for the Students' Union Services increase year on year "Q25: How well does the Students' Union represent your academic interests" (NSS)	41%	60%	64%
The percentage of the student body that are satisfied with their representation increases year on year "The Students' Union effectively represents me and my issues" (HHAWD)	35%	48%	45%
The percentage of students who agree that the SU has a positive impact on their sense of belonging (HHAWD)	31%	50%	42%
The percentage of students who agree that the SU has a positive impact on their sense of belonging (NSS)	23%	50%	25%

Student satisfaction data is generated from two sources. One source is the Hallam How are We Doing Survey (HHAWD) this is delivered via an external research agency and takes a holistic look at the student experience to identify areas of need. The survey is run three times a year (November, March, May). The other source is the National Student Survey (NSS) and provides data that is benchmarked against other Universities and Students' Unions.

During 2022/23 the Students' Union performed well in terms of levels of student engagement, it surpassed its targets for the year on all the engagement indicators. However, the Students' Union needs to improve its performance in terms of student satisfaction levels, despite an improvement in our position in our National Student Survey (NSS) score. Our score for the year was 64% from a previous year score of 41%.

It should be noted however, that the wording of the main Students' Union question has changed from "The Students' Union effectively represents students' academic interests" to "How well does the students' union represent students' academic interests?". The response scale also changed. It was a five point, "Definitely Agree", "Mostly Agree", "Neither Agree or Disagree", "Mostly Disagree" and "Definitely Disagree" range, to a four point scale of "Very well", "Well", "Not very well", and "Not at all well", and a "This does not apply to me" category which is not included in the overall score.

The shift in student positivity towards the Students' Union has been reflected across the Students' Union sector, resulting in a sector average of 71.4%, meaning that we are 7.7% below the average. However, we have made a small improvement in our national ranking, going up 6 places to 117 out of 129

It has been agreed that an objective of reaching the NSS sector average (currently 71.4%), within two years would be a realistic stretch target for the organisation, and an improvement plan will be developed based on this ambition.

Structure, governance and management

a. Organisational structure and decision making

1. Sabbatical Trustees

Up to six Sabbatical Trustees are elected by secret ballot by the Members of the Students' Union at an election held in accordance with the Bye-laws and the Education Act 1994, and remain in office for a term of usually twelve months in accordance with the Bye-laws and the Education Act 1994. The term of office may be shorter or longer on a transitional basis to coincide with an alteration of the year start or end. The Sabbatical Trustees are elected to posts set out in the Bye-laws. At the same time as commencing the term of office as a trustee the Sabbatical Trustees enter into a contract of employment with the Students' Union.

2. Student Trustees

Up to four Student Trustees are elected by secret ballot by the Members of the Students' Union at an election held in accordance with the Bye-laws and the Education Act 1994. Student Trustees are appointed for the remainder of their time as a student at Sheffield Hallam University, or a maximum term of three years, whichever is the shorter. The Student Trustees are not deemed to be "major office holders" for the purposes of section 22 of the Education Act 1994.

3. External Trustees

Up to four External Trustees are appointed by the Appointments Panel for a period of 4 years. External Trustees may serve a maximum of two 4 year terms.

The trustees delegate the day-to-day management of the Students' Union to the Chief Executive who in turn, line manages full-time members of staff experienced in the running of the Students' Union's activities.

b. Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Policies adopted for the induction and training of trustees

The Students' Union provides both in house and external training for new trustees through a third party specialist. In 2022-23, officer and student trustee training was supplemented by workshops convened by external trustees.

d. Pay policy for senior staff

Senior levels of pay are set by the Trustee Board, with other key managers paid on the NJC pay scale, with pay scales set by reference to job evaluation software.

e. Related party relationships

The relationship between the University and the Students' Union is established in the Regulations of the University and detailed in Students' Union rules approved by both organisations. The Students' Union receives a block grant from the University, and occupies a building owned by the University, for which it pays rent. Although the Students' Union continues to generate supplementary funding from various commercial activities, it will always be dependent on the University's support.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Structure, governance and management (continued)

f. Risk management

The Board of Trustees has examined the major strategic, business, and operational risks faced by the Students' Union. A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Budgetary and internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers and participants on all activities organised by the Students' Union.

During the year, the trustees regularly considered the impact of the Covid-19 pandemic on the immediate and longer term operational and financial position. The Health & Safety Operations Group met on a weekly basis, to consider the latest position, on infection levels and risks, legislation, and guidance and to ensure that appropriate actions were undertaken in a timely manner.

The Staff Wellbeing Group also became increasingly active to ensure that staff mental wellbeing was promoted and catered for specifically due to social restrictions and new remote working practises.

All staff that could work from home were encouraged and facilitated to do so. Where necessary, the safe return to work for those that couldn't work remotely, was assisted after the initial lockdown. Strict control measures were put in place for the Student Union building, to ensure Covid-19 pandemic security and virtually all student services were transferred online. There has been, and continues to be, regular dialogue with operation teams and working groups at the University, to ensure that our virus control measures are consistent and complementary to theirs. There is regular feedback to the Finance & Risk Committee and to the Board. These updates cover the safety of staff, students and the community and the continuing safe provision of services to students. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

A previously identified risk to Trustees, most of whom are students, is the potential unlimited personal liability if the organisation encountered financial difficulties. To mitigate this risk, it was decided to incorporate the organisation. This is now in progress and it is expected that this will be completed in the summer of 2024.

Plans for future periods

a. Future Developments

Over the next year we will work towards the goals that have been set out above in the 2025 strategy. In addition, we will put in place the systems and processes that will be required to enable staff to deliver the vision. This will include exploring the options of a much-improved building, having achieved stage 2 Investors in Diversity accreditation, working towards stage 3, improving staff wellbeing and developing our digital capabilities.

Information on fundraising practices

We undertake no fundraising activities within the scope of the Charities (Protection and Social Investment) Act 2016.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of trustees and signed on their behalf by:

Laura Davies
[Laura Davies \(Nov 16, 2023 12:42 GMT\)](#)
.....

Laura Davies
Chair of Trustees

Date: Nov 16, 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

We have audited the financial statements of Sheffield Hallam University Students' Union (the 'charity') for the year ended 31 July 2023, which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION
(CONTINUED)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the charity's financial statements are not in agreement with the accounting records and returns; 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 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 charity'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 parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that 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.

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

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

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011, Companies Act 2006, data protection, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION
(CONTINUED)**

- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION
(CONTINUED)**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BHP LLP

[BHP LLP \(Nov 16, 2023 16:33 GMT\)](#)

BHP LLP

Chartered Accountants
Statutory Auditor
2 Rutland Park
Sheffield
S10 2PD

Date: Nov 16, 2023

BHP LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	2,468,000	3,000	2,471,000	2,468,200
Charitable activities	4	94,996	140,005	235,001	243,738
Other trading activities	5	66,778	-	66,778	47,560
Investments	6	31,317	-	31,317	6,560
Other income	7	42,011	-	42,011	44,156
Total income		2,703,102	143,005	2,846,107	2,810,214
Expenditure on:					
Raising funds	8	125,551	-	125,551	132,846
Charitable activities	9	2,532,477	134,147	2,666,624	2,573,699
Total expenditure		2,658,028	134,147	2,792,175	2,706,545
Net movement in funds before other recognised gains		45,074	8,858	53,932	103,669
Other recognised gains:					
Actuarial gains on defined benefit pension schemes	29	148,893	-	148,893	183,000
Net movement in funds		193,967	8,858	202,825	286,669
Reconciliation of funds:					
Total funds brought forward		(1,444,260)	81,539	(1,362,721)	(1,649,390)
Net movement in funds		193,967	8,858	202,825	286,669
Total funds carried forward		(1,250,293)	90,397	(1,159,896)	(1,362,721)

The Statement of Financial Activities includes all gains and losses recognised in the year.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

BALANCE SHEET
AS AT 31 JULY 2023

	Note	2023 £	As restated 2022 £
Fixed assets			
Tangible assets	16	53,899	62,452
Investments	17	170,000	-
		<u>223,899</u>	<u>62,452</u>
Current assets			
Stocks	18	17,278	9,549
Debtors	19	75,891	102,300
Investments	20	945,637	1,020,000
Cash at bank and in hand		219,380	454,720
		<u>1,258,186</u>	<u>1,586,569</u>
Creditors: amounts falling due within one year	21	(524,856)	(663,234)
Net current assets		<u>733,330</u>	<u>923,335</u>
Total assets less current liabilities		<u>957,229</u>	<u>985,787</u>
Creditors: amounts falling due after more than one year:			
SUSS pension deficit	22	(2,117,125)	(2,348,508)
Net liabilities excluding pension liability		<u>(1,159,896)</u>	<u>(1,362,721)</u>
Defined benefit pension scheme liability	29	-	-
Total net liabilities		<u>(1,159,896)</u>	<u>(1,362,721)</u>
Charity funds			
Restricted funds	23	90,397	81,539
Unrestricted funds			
Designated funds	23	270,796	442,676
General funds	23	(1,521,089)	(1,886,936)
Total unrestricted funds	23	<u>(1,250,293)</u>	<u>(1,444,260)</u>
Total funds		<u>(1,159,896)</u>	<u>(1,362,721)</u>

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2023

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

Laura Davies

[Laura Davies \(Nov 16, 2023 12:42 GMT\)](#)

Laura Davies

Chair of Trustees

Date: Nov 16, 2023

The notes on pages 24 to 55 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2023

	Note	2023 £	As restated 2022 £
Cash flows from operating activities			
Net cash provided by operating activities	26	(150,810)	270,405
Cash flows from investing activities			
Bank interest		20,820	6,560
Proceeds from the sale of tangible fixed assets		1,650	-
Purchase of tangible fixed assets		(11,363)	(18,991)
Purchase of investments		(95,637)	(251,580)
Net cash used in investing activities		(84,530)	(264,011)
Change in cash and cash equivalents in the year		(235,340)	6,394
Cash and cash equivalents at the beginning of the year		454,720	448,326
Cash and cash equivalents at the end of the year	27	219,380	454,720

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Sheffield Hallam University 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.

The financial statements have been prepared in £ sterling which is the functional currency of the Union and rounded to the nearest £1.

1.2 Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. A significant surplus was accumulated in 2022/23 resulting in the Union continuing to have Free Reserves in excess of their target range. The plan for 2023-25 is to utilise part of this excess reserve to edge the Union towards its Free Reserves target range. A conservative forecast has been created to the end of the 2023 calendar year, to ensure the financial viability of the organisation.

The biggest threats to the Union's longer-term position is are considered to be:

- a freeze or cut in the block grant from SHU,
- continuation of the recent increase in inflation or
- the failure of the Union to prepare properly its next strategic plan.

After review, it was concluded that the Union can continue to provide its services safely and still be financially viable for this period. For this reason they continue to adopt the going concern basis in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

1. Accounting policies (continued)

1.3 Income

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

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the volunteers is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Building improvements	- 3 - 10 years
Fixtures and fittings	- 3 - 10 years

1.7 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 the 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 presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments held as fixed assets are shown at cost less provision for impairment.

1.8 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.

1.9 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.

1.10 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

1. Accounting policies (continued)

1.11 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 charity 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 in the Statement of financial activities as a finance cost.

1.12 Financial instruments

The charity 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.

1.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.14 Pensions

The Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. Under the terms of FRS102, in these circumstances contributions are accounted for as if the Scheme were a defined contribution scheme based on actual contributions paid through the year. The present value of the Union's deficit contribution is recognised as a liability in accordance with Charities SORP (FRS102).

The Union also contributes to defined contribution pension schemes for its employees. The pension charge represents the amounts payable by the company to the fund in respect of the year.

The Union also has one member remaining in the SYPA defined benefit scheme. A liability for the charity's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. The pension charge is based on a full actuarial valuation dated 31 July 2020.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

1. Accounting policies (continued)

1.15 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 charity 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 charity 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.

Investment income, gains and losses are allocated to the appropriate fund.

1.16 Employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Redundancy benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Union recognises redundancy benefits when it is committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

2. 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 charity 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.

Critical areas of judgment:

(i) SUSS and SYPA pension deficits

The Union is committed to provide deficit funding to the Students' Union Superannuation Pension Scheme, of which it is a contributing employer, and the SYPA defined benefit scheme.

South Yorkshire Pension Fund Liability - the present value of the liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. Any changes in these assumptions will impact the carrying value of the pension liability.

SUSS creditor - under Charities SORP FRS 102, the present value of the future deficit contributions is recognised. The calculation of the present value of the future deficit contributions is subject to an assumption of a discount rate. The discount rate used is determined by reference to market yields at the reporting date on high quality corporate bonds.

(ii) Support costs

Staffing and administration support costs are allocated across the various activities of the Union. Support costs are allocated on the basis set out in note 10 to the accounts.

3. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Block grant	2,458,000	-	2,458,000	2,458,000
Other grants	10,000	3,000	13,000	10,200
	<u>2,468,000</u>	<u>3,000</u>	<u>2,471,000</u>	<u>2,468,200</u>
Total 2022	<u>2,468,000</u>	<u>200</u>	<u>2,468,200</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

4. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Shop sales	72,575	-	72,575	98,599
Events	22,421	-	22,421	18,328
Clubs and societies products	-	139,914	139,914	126,480
Volunteering	-	91	91	331
Total 2023	94,996	140,005	235,001	243,738
Total 2022	116,927	126,811	243,738	

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Welcome week	-	-	13,877
Advertising	66,778	66,778	33,683
	66,778	66,778	47,560
Total 2022	47,560	47,560	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	31,317	31,317	6,560
	<hr/>	<hr/>	<hr/>
Total 2022	6,560	6,560	
	<hr/>	<hr/>	

7. Other income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Commission	40,361	40,361	44,156
Profit on disposal of assets	1,650	1,650	-
	<hr/>	<hr/>	<hr/>
	42,011	42,011	44,156
	<hr/>	<hr/>	<hr/>
Total 2022	44,156	44,156	
	<hr/>	<hr/>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

8. Expenditure on raising funds

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Voluntary fundraising	13,442	13,442	14,632
Commercial activities	25,750	25,750	31,870
Wages and salaries	74,071	74,071	75,222
Employers NI	7,595	7,595	7,376
Pension costs	4,693	4,693	3,746
	<u>125,551</u>	<u>125,551</u>	<u>132,846</u>
Total 2022	<u>132,846</u>	<u>132,846</u>	

	Direct costs 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Voluntary fundraising	2,934	10,508	13,442	14,632
Commercial activities	3,533	22,217	25,750	31,870
Wages and salaries	74,071	-	74,071	75,222
Employers NI	7,595	-	7,595	7,376
Pension costs	4,693	-	4,693	3,746
	<u>92,826</u>	<u>32,725</u>	<u>125,551</u>	<u>132,846</u>
Total 2022	<u>91,233</u>	<u>41,613</u>	<u>132,846</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

8. Expenditure on raising funds (continued)

Analysis of fundraising support costs

	Voluntary fundraising 2023 £	Commercial activities 2023 £	Total funds 2023 £	Total funds 2022 £
Insurance	827	827	1,654	1,714
NUS affiliation	1,875	1,875	3,750	3,750
Training and Development	521	542	1,063	1,821
Recruitment	857	857	1,714	2,722
Marketing and promotional	87	3,995	4,082	1,796
Executive costs	22	13	35	769
IT	-	4,808	4,808	5,715
Legal and Finance	865	3,249	4,114	11,379
Office support	590	597	1,187	1,229
Impairment	-	-	-	1,095
Depreciation	-	435	435	488
Repairs and maintenance	-	155	155	55
SYPA pension finance costs	(250)	(250)	(500)	300
SUSS pension costs	5,114	5,114	10,228	8,780
Total 2023	10,508	22,217	32,725	41,613
Total 2022	12,470	29,143	41,613	

The support costs detailed above are allocated dependent upon the nature of the expenditure. Insurance costs and pension finance costs are allocated on CR weighting. NUS affiliation, IT, finance, office support, repairs and maintenance and legal and professional costs are all allocated on NUS weighting. Training and development costs and recruitment costs are allocated on HR weighting. Marketing and promotional costs are allocated on marketing weighting. Executive costs are allocated on executive weighting. Depreciation is allocated to the activity to which it relates.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Student Voice	970,637	-	970,637	907,286
Activities and development, volunteering	552,171	3,681	555,852	550,620
Shops	246,512	-	246,512	258,166
Clubs and societies	625,882	130,466	756,348	712,641
Governance costs (note 12)	133,275	-	133,275	130,986
Pension costs	4,000	-	4,000	14,000
	<u>2,532,477</u>	<u>134,147</u>	<u>2,666,624</u>	<u>2,573,699</u>
Total 2022	<u>2,443,333</u>	<u>130,366</u>	<u>2,573,699</u>	

10. Analysis of expenditure by activities

	Direct costs 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Student Voice	856,191	114,446	970,637	907,286
Activities and development, volunteering	442,091	113,761	555,852	550,620
Shops	222,990	23,522	246,512	258,166
Clubs and societies	681,868	74,480	756,348	712,641
Governance costs (note 12)	96,086	37,189	133,275	130,986
Pension costs	4,000	-	4,000	14,000
	<u>2,303,226</u>	<u>363,398</u>	<u>2,666,624</u>	<u>2,573,699</u>
Total 2022	<u>2,149,534</u>	<u>424,165</u>	<u>2,573,699</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Student Voice 2023 £	Activities & development, 2023 £	Shops 2023 £	Clubs & societies 2023 £
Depreciation	9,800	1,898	1,758	5,724
Insurance	4,744	5,792	827	2,951
NUS affiliation	9,375	13,125	1,875	3,750
Training and development	8,365	4,177	519	1,221
Recruitment	4,287	6,002	857	1,715
Marketing and promotional	19,281	18,921	1,280	4,712
Executive costs	246	45	9	67
IT	15,289	9,626	1,926	10,991
Finance	7,074	7,074	1,769	14,149
Office support	3,043	4,521	941	1,243
Repairs and maintenance	2,362	1,555	5,877	15,975
Legal and professional	6,260	6,977	1,019	2,253
SYPA pension finance costs	(1,250)	(1,750)	(250)	(500)
SUSS pension finance cost	25,570	35,798	5,115	10,229
Impairment	-	-	-	-
Total 2023	114,446	113,761	23,522	74,480
Total 2022	120,398	140,010	27,588	91,188

(Analysis of support costs continues on next page)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

10. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Governance costs (note 12) 2023 £	Total funds 2023 £	Total funds 2022 £
Depreciation	301	19,481	19,212
Insurance	2,482	16,796	16,632
NUS affiliation	5,625	33,750	33,750
Training and development	1,556	15,838	20,358
Recruitment	2,572	15,433	24,491
Marketing and promotional	189	44,383	26,250
Executive costs	45	412	8,844
IT	1,931	39,763	60,898
Finance	3,537	33,603	28,358
Office support	1,768	11,516	12,617
Repairs and maintenance	-	25,769	24,356
Legal and professional	2,594	19,103	59,146
SYPA pension finance costs	(750)	(4,500)	2,700
SUSS pension finance cost	15,339	92,051	79,023
Impairment	-	-	7,530
Total 2023	<u>37,189</u>	<u>363,398</u>	<u>424,165</u>
Total 2022	<u>44,981</u>	<u>424,165</u>	

The support costs detailed above are allocated dependent upon the nature of the expenditure. Insurance costs and pension finance costs are allocated on CR weighting. NUS affiliation, IT, finance, office support, repairs and maintenance and legal and professional costs are all allocated on NUS weighting. Training and development costs and recruitment costs are allocated on HR weighting. Marketing and promotional costs are allocated on marketing weighting. Executive costs are allocated on executive weighting. Depreciation and impairments are allocated to the activity to which it relates.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

11. Support costs

	2023	2022
	£	£
Fundraising support costs (note 8)	32,725	41,613
Charitable activities support costs (note 10)	363,398	424,165
	<u>396,123</u>	<u>465,778</u>

12. Governance costs

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Governance costs	133,275	133,275	130,986
	<u>130,986</u>	<u>130,986</u>	
Total 2022			<u>130,986</u>

13. Net income/(expenditure)

This is stated after charging:

	2023	2022
	£	£
Operating lease expenditure	186,000	186,000
Depreciation of tangible fixed assets: - owned by the charity	19,916	19,700
Auditor's remuneration - audit	18,000	14,655
	<u>186,000</u>	<u>186,000</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

14. Staff costs

	2023	2022
	£	£
Wages and salaries	1,513,769	1,414,231
Social security costs	139,735	128,377
Contribution to defined contribution pension schemes	61,034	53,193
Operating costs of defined benefit pension schemes	20,000	27,000
	<u>1,734,538</u>	<u>1,622,801</u>

Included within staff costs are redundancy costs of £nil (2022: £4,778).

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

	2023	2022
	No.	No.
Trading Operations: Permanent staff	1	1
Student Services: Permanent staff	49	48
Other	2	3
	<u>52</u>	<u>52</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
	No.	No.
In the band £60,001 - £70,000	3	3

The total remuneration and benefits received by key management personnel, including employers NI and pension, were £543,861 (2022: £495,609). The Union consider the senior management personnel to be the Chief Executive Officer, and the Director of Resources, the Deputy CEO, The Director of Services, Digital Transformation Specialist, HR and EDI Specialist and the Sabbatical Officers.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

15. Trustees' remuneration and expenses

The six sabbatical officer roles each incurred a salary charge, as authorised in the Union's governing document, for the representation, campaigning and support work they undertake as distinct from their Trustee responsibilities. This work includes voicing student opinion with the institution and local community, defending and extending the rights of students through petitions, discussion with MPs and also organising and supporting student volunteers and service provision for them. Details of the six sabbatical officers are available on page 1 of the financial statements.

Remuneration is paid to each sabbatical officer for an annual term. Should an officer leave part way through the year the remuneration is paid on a pro rata basis. For the year to 31 July 2023 each officer received remuneration of £20,982 (2022: £19,042). The aggregate amount payable under such contracts in the year ended 31 July 2023 was £132,813 (2022: £115,596).

During the year ended 31 July 2023, expenses totalling £2,743 were paid to 4 Trustees (2022: £2,747 to 5 Trustees). These expenses were in relation to travel expenses and Visa costs.

16. Tangible fixed assets

	Building Improvement £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 August 2022	269,218	494,530	763,748
Additions	-	11,363	11,363
Disposals	-	(17,433)	(17,433)
At 31 July 2023	<u>269,218</u>	<u>488,460</u>	<u>757,678</u>
Depreciation			
At 1 August 2022	251,073	450,223	701,296
Charge for the year	3,756	16,160	19,916
On disposals	-	(17,433)	(17,433)
At 31 July 2023	<u>254,829</u>	<u>448,950</u>	<u>703,779</u>
Net book value			
At 31 July 2023	<u><u>14,389</u></u>	<u><u>39,510</u></u>	<u><u>53,899</u></u>
At 31 July 2022	<u><u>18,145</u></u>	<u><u>44,307</u></u>	<u><u>62,452</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

17. Fixed asset investments

	Flagstone investments £
<i>Cost or valuation</i>	
Additions	170,000
At 31 July 2023	<u>170,000</u>
<i>Net book value</i>	
At 31 July 2023	<u>170,000</u>

18. Stocks

	2023 £	2022 £
Finished goods and goods for resale	<u>17,278</u>	<u>9,549</u>

19. Debtors

	2023 £	2022 £
Trade debtors	2,475	47,419
Other debtors	1,215	3,388
Prepayments and accrued income	72,201	51,493
	<u>75,891</u>	<u>102,300</u>

20. Current asset investments

	2023 £	As restated 2022 £
Longer term deposits	<u>945,637</u>	<u>1,020,000</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

21. Creditors: Amounts falling due within one year

	2023 £	2022 £
SUSS defined benefit scheme funding deficit liability (note 29)	83,845	88,871
Trade creditors	75,697	116,230
Other taxation and social security	34,611	32,003
Other creditors	76,551	85,924
Accruals and deferred income	254,152	340,206
	<u>524,856</u>	<u>663,234</u>
	2023 £	2022 £
<i>Deferred income</i>		
Deferred income at 1 August	209,485	2,707
Resources deferred during the year	2,500	209,485
Amounts released from previous periods	(209,485)	(2,707)
<i>Deferred income at 31 July</i>	<u>2,500</u>	<u>209,485</u>

Income has been deferred where income relates to events and activities which have not been carried out at the year end.

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

	2023 £	2022 £
SUSS defined benefit scheme funding deficit liability (note 29)	<u>2,117,125</u>	<u>2,348,508</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

23. Statement of funds

Statement of funds - current year

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2023 £
Unrestricted funds						
Designated funds						
Hardship fund	2,000	-	-	-	-	2,000
Student societies funding	11,991	-	-	-	-	11,991
Social Entrepreneurs	1,428	-	-	-	-	1,428
Housing fair	16,190	-	(614)	-	-	15,576
Sheffield Student Sustain	402	-	-	-	-	402
Digital Transformation project	179,735	-	(76,693)	-	-	103,042
Other Strategic Plan	1,495	-	-	-	-	1,495
Inclusivity Fund	20,000	-	-	-	-	20,000
SU Rebrand	25,523	-	(3,528)	-	-	21,995
Incorporation	30,412	-	(6,420)	-	-	23,992
Events team	103,500	-	(34,625)	-	-	68,875
22-23 Budget Overspend	50,000	-	-	(50,000)	-	-
	442,676	-	(121,880)	(50,000)	-	270,796

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2023 £
General funds						
Unrestricted funds	550,443	2,703,102	(2,434,869)	(138,795)	-	679,881
Pension reserve - SYPA	-	-	1,000	-	(1,000)	-
Pension reserve - SUSS	(2,437,379)	-	(102,279)	188,795	149,893	(2,200,970)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

23. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2023 £
	(1,886,936)	2,703,102	(2,536,148)	50,000	148,893	(1,521,089)
Total Unrestricted funds	(1,444,260)	2,703,102	(2,658,028)	-	148,893	(1,250,293)
	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2023 £
Restricted funds						
Clubs and Societies	65,231	139,914	(130,296)	-	-	74,849
Burgulary reduction campaign and community projects	1,757	-	-	-	-	1,757
NUS Conference	3,631	-	-	-	-	3,631
Development funds	4,170	-	-	-	-	4,170
Nightline	4,638	91	(3,681)	-	-	1,048
Book club	1,912	-	-	-	-	1,912
Decolonising Project (NUS)	200	-	-	-	-	200
Community Fridge Grant	-	3,000	(170)	-	-	2,830
	81,539	143,005	(134,147)	-	-	90,397
Total of funds	(1,362,721)	2,846,107	(2,792,175)	-	148,893	(1,159,896)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

23. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2022 £
Unrestricted funds						
Designated funds						
Hardship fund	2,000	-	-	-	-	2,000
Black History month	475	-	(475)	-	-	-
Student societies funding	7,207	-	-	4,784	-	11,991
Social Entrepreneurs	1,428	-	-	-	-	1,428
Housing fair	16,579	-	(389)	-	-	16,190
Sheffield Student Sustain	402	-	-	-	-	402
Digital Transformation project	200,000	-	(20,265)	-	-	179,735
Other Strategic Plan	1,495	-	-	-	-	1,495
Inclusivity Fund	20,000	-	-	-	-	20,000
SU Rebrand	-	-	(24,477)	50,000	-	25,523
Incorporation	-	-	(9,588)	40,000	-	30,412
Events team	-	-	-	103,500	-	103,500
22-23 Budget Overspend	-	-	-	50,000	-	50,000
	<u>249,586</u>	<u>-</u>	<u>(55,194)</u>	<u>248,284</u>	<u>-</u>	<u>442,676</u>
General funds						
Unrestricted funds	685,832	2,683,203	(2,416,182)	(402,410)	-	550,443
Pension reserve - SYPA	(166,000)	-	(17,000)	-	183,000	-
Pension reserve - SUSS	(2,509,986)	-	(87,803)	160,410	-	(2,437,379)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

23. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2022 £
	(1,990,154)	2,683,203	(2,520,985)	(242,000)	183,000	(1,886,936)
Total Unrestricted funds	(1,740,568)	2,683,203	(2,576,179)	6,284	183,000	(1,444,260)
	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2022 £
Restricted funds						
Clubs and Societies	71,917	126,480	(126,882)	(6,284)	-	65,231
Burglary reduction campaign and community projects	1,757	-	-	-	-	1,757
NUS Conference	3,631	-	-	-	-	3,631
Development funds	4,170	-	-	-	-	4,170
Nightline	7,791	331	(3,484)	-	-	4,638
Book club	1,912	-	-	-	-	1,912
Decolonising Project (NUS)	-	200	-	-	-	200
	91,178	127,011	(130,366)	(6,284)	-	81,539
Total of funds	(1,649,390)	2,810,214	(2,706,545)	-	183,000	(1,362,721)

Designated funds:

Hardship fund represents funds allocated to allow poorer students to join societies with high subscriptions and fees.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

Black history month represents monies to part-finance campaigns and events aimed at celebration and higher inclusiveness for students of black heritage.

Student societies funding represents funds of dormant societies.

Social entrepreneurs represents funding for student business ventures.

Housing fair represents net Income from Housing Fairs, designated to be used on similar events.

Sheffield student sustain represents funds designated for students' green projects.

Strategic Plan - Digital Transformation project represents funds allocated to fund a new digital strategy, a key part of the new organisational Strategy.

Strategic Plan - Other is to fund a restructure of the organisation to better support the new Strategy.

Inclusivity Fund represents funds to support inclusivity of under-represented groups.

SU Rebrand represents funds designated to the cost of a rebrand of the Students' Union.

Incorporation represents funds designated to the cost of the Students' Union becoming incorporated.

Events Team represents funds designated to the cost of new events project by the Students' Union.

22-23 Budget Overspend represents funds designated to cover the budgeted deficit for 2022-23.

Restricted funds:

Clubs & Societies represents monies raised for the purpose of furthering their particular activity.

Arts & Communities represents monies held for the Nightline project and burglary reduction campaign. Funds for the burglary reduction campaign represents monies held for future campaigning to help prevent burglaries amongst student communities.

NUS Conference funds to facilitate attendance at NUS Conference.

Development funds represents monies received for the development of societies and SHU Media.

Book Club to support student involvement in school reading projects.

Decolonising Project represented funds restricted to a NUS campaign to the decolonise education programme.

Transfers between funds:

A transfer of £50,000 was made in the year to release the designated fund in relation to planned 22-23 deficit.

A transfer of £188,795 represents contributions made to the SUSS pension scheme out of unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

24. Summary of funds

Summary of funds - current year

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2023 £
Designated funds	442,676	-	(121,880)	(50,000)	-	270,796
General funds	(1,886,936)	2,703,102	(2,536,148)	50,000	148,893	(1,521,089)
Restricted funds	81,539	143,005	(134,147)	-	-	90,397
	(1,362,721)	2,846,107	(2,792,175)	-	148,893	(1,159,896)

Summary of funds - prior year

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2022 £
Designated funds	249,586	-	(55,194)	248,284	-	442,676
General funds	(1,990,154)	2,683,203	(2,520,985)	(242,000)	183,000	(1,886,936)
Restricted funds	91,178	127,011	(130,366)	(6,284)	-	81,539
	(1,649,390)	2,810,214	(2,706,545)	-	183,000	(1,362,721)

25. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	53,899	-	53,899
Fixed asset investments	170,000	-	170,000
Current assets	1,094,851	163,335	1,258,186
Creditors due within one year	(451,918)	(72,938)	(524,856)
Creditors due in more than one year	(2,117,125)	-	(2,117,125)
Total	(1,250,293)	90,397	(1,159,896)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

25. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	62,452	-	62,452
Current assets	1,421,601	164,968	1,586,569
Creditors due within one year	(579,805)	(83,429)	(663,234)
Creditors due in more than one year	(2,348,508)	-	(2,348,508)
Total	(1,444,260)	81,539	(1,362,721)

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

	2023 £	As restated 2022 £
Net income for the year (as per Statement of Financial Activities)	53,932	103,669
Adjustments for:		
Depreciation charges	19,916	28,325
Bank interest	(31,317)	(6,560)
Profit on the sale of fixed assets	(1,650)	-
(Increase)/decrease in stocks	(7,729)	11,339
Decrease/(increase) in debtors	36,906	(58,928)
(Decrease)/increase in creditors	(133,352)	248,167
SYPA pension adjustments	(1,000)	17,000
SUSS pension contributions paid	(188,795)	(160,410)
SUSS notional interest	102,279	87,803
Net cash provided by/(used in) operating activities	(150,810)	270,405

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

27. Analysis of cash and cash equivalents

	2023 £	As restated 2022 £
Cash in hand	219,380	454,720
Total cash and cash equivalents	219,380	454,720

28. Analysis of changes in net debt

	As restated At 1 August 2022 £	Cash flows £	At 31 July 2023 £
Cash at bank and in hand	454,720	(235,340)	219,380
Liquid investments	1,020,000	(74,363)	945,637
	1,474,720	(309,703)	1,165,017

29. Pension commitments

The charity participates in a defined benefit pension scheme - 'South Yorkshire Pension Scheme'

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 July 2023 %	At 31 July 2022 %
Discount rate at 31 July	5.10	3.45
Future salary increases	3.65	3.80
Future pension increases	3.05	2.80
Inflation rate	3.05	2.75

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

29. Pension commitments (continued)

	At 31 July 2023 Years	At 31 July 2022 Years
Mortality rates (in years)		
- for a male aged 65 now	20.6	22.6
- at 65 for a male aged 45 now	21.4	24.1
- for a female aged 65 now	23.6	25.4
- at 65 for a female aged 45 now	25.0	27.3

The charity's share of the assets in the scheme was:

	At 31 July 2023 £	At 31 July 2022 £
Equities	839,000	845,000
Government bonds	268,000	273,000
Property	97,000	112,000
Cash / liquidity	12,000	13,000
Total fair value of assets	1,216,000	1,243,000

The amounts recognised in the Statement of financial activities are as follows:

	2023 £	2022 £
Current service cost	20,000	27,000
Expected return on scheme assets	(42,000)	(19,000)
Interest on obligation	37,000	22,000
Total amount recognised in the Statement of financial activities	15,000	30,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

29. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2023 £	2022 £
Opening defined benefit obligation	1,101,000	1,382,000
Current service cost	20,000	27,000
Contributions by scheme participants	7,000	7,000
Benefits / transfers paid	(54,000)	(44,000)
Actuarial (gains) / losses	(116,000)	(293,000)
Interest cost	37,000	22,000
Closing defined benefit obligation	995,000	1,101,000

Movements in the fair value of the Union's share of scheme assets were as follows:

	2023 £	2022 £
Opening fair value of scheme assets	1,243,000	1,216,000
Actuarial (losses)/gains	(38,000)	32,000
Expected return on assets	42,000	19,000
Contributions by scheme participants	7,000	7,000
Benefits / transfers paid	(54,000)	(44,000)
Employer contributions	16,000	13,000
Closing fair value of scheme assets	1,216,000	1,243,000

	2023 £	2022 £
Closing defined benefit obligation	(995,000)	(1,101,000)
Closing fair value of scheme assets	1,216,000	1,243,000
Pension scheme surplus at 31 July	221,000	142,000

The net pension surpluses arising in both 2023 and 2022, in accordance with the requirements of FRS 102, are not recognised in the balance sheet as the Union is unable to recover this surplus from the pension scheme.

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities was £(1,000) (2022: £183,000).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

The Union expects to contribute £23,000 in 2024.

The Union participates in the NUS Pension Scheme, a defined contribution pension scheme. The assets of the scheme are held separately from those of the Union in an independently administered fund. The pension costs charged represents contributions payable by the Union to the fund and amounted to £61,034 (2022: £53,193). There are unpaid contributions of £3,187 (2022: £2,427) at the year end and included within other creditors in note 19 to the financial statements.

The Union also 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 onwards accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the scheme closed to further 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 with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £140.9m.

Valuations are conducted every three years based upon assumptions agreed by the trustees, and is used to set the contributions payable by the participating employers.

The increase shown in the deficit since 2016 is in line with the changes previously reported, following annual reviews, but makes allowance for the impact of the 7% pension increase issue. This has increased the deficit in SUSS but its impact has been mitigated by the member consent exercise.

Employer contributions increased by 5% in October 2020 and then by around 18%, on average, from 1 October 2021 (8% for those without any members affected by the compromise issue, and more for those with affected members). Contributions will increase by 5% each year thereafter until the end of the deficit recovery period, which is expected to be in August 2035. However, contributions due from October 2023 onwards will be reviewed following the next actuarial valuation.

Under FRS102, the Union is required to recognise as a liability the present value of its agreed share of future deficit contributions. Finance costs are recognised as the present value unwinds.

The total contributions paid into the Scheme by Sheffield Hallam University Students' Union in respect of eligible employees for the year ended 31 July 2023 amounted to £188,795 (2022: £160,410).

Under FRS 102 the multi-employer pension liability has been calculated based on the assumptions of the above expected deficit payments using a discount rate of 4.5% (2022: 3.5%).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

Present value of provision

	2023	2022
	£	£
Student's Union Superannuation Scheme	<u>2,200,970</u>	<u>2,437,379</u>

Present value of provision:

Creditors: amounts falling due within one year	83,845	88,871
Creditors: amounts falling due after more than one year	<u>2,117,125</u>	<u>2,348,508</u>
	<u>2,200,970</u>	<u>2,437,379</u>

Reconciliation of opening and closing provisions

	2023
	£
Provision as at 1 August 2022	2,437,379
Unwinding of discount factor	102,279
Deficit contribution paid	(188,795)
Actuarial gains	(149,893)
Provision as at 31 July 2023	<u>2,200,970</u>

Assumptions:

	2023	2022
	%	%
Rate of discount	<u>4.50</u>	<u>3.50</u>

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

30. Operating lease commitments

At 31 July 2023 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Not later than 1 year	<u>186,000</u>	<u>186,000</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

31. Related party transactions

The following are considered to be related parties for the reasons stated. The transactions with these related parties are set out below.

Sheffield Hallam University

The union is in the receipt of a block grant from Sheffield Hallam University of £2,458,000 (2022: £2,458,000). It also purchased services from the university of £293,844 (2022: £338,154) and provided services to the University of £40,428 (2022: £54,514). At the year-end a balance of £4,363 (2022: £76,083) is included within trade creditors and a balance of £600 (2022: £20,377) is included within trade debtors. Included in the purchases figure is the annual rent charge to the Union during the year totalling £186,000 (2022: £186,000), for occupation and use of the HUBS building.

The Board of Trustees

The elected officers of the Board of Trustees receive remuneration for their services as provided for within the Constitution. The aggregate amount payable under such contracts in the 12 month period was £126,492 (2022: £115,596).

32. Controlling party

The Union is controlled by the Board of Trustees. The ultimate control of the Union is vested under the constitution in the membership in General Meetings. As such no single person or entity controls the Union as defined by Financial Reporting Standard 102.

33. Affiliations

	2023	2022
	£	£
Advice UK	416	1,978
National Association of Student Money Advisers	350	350
National Union of Students	37,500	37,500
Yorkshire & Humber Employers Association	255	162
Total Affiliations	38,521	39,990

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

34. Prior year adjustments

The prior year balance sheet has been restated to show cash deposits with a maturity date of more than 3 months as current asset investments rather than cash and cash equivalents in order to comply with the requirements of the SORP 2019 (FRS 102). This has no overall impact on the net assets of the charity at 31 July 2022 and does not impact the statement of financial activities for that year.

The cash flow statement has been restated to reflect the above adjustment and to reclassify SUSS pension deficit contributions to cashflows from operating activities from financing activities to reflect the true nature of these payments.