

Charity no. 1138091
Company no. 06978707

NEWCASTLE UNIVERSITY STUDENTS' UNION

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 1 AUGUST 2021

NEWCASTLE UNIVERSITY STUDENTS' UNION

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 1 AUGUST 2021

| Contents | Page |
|--|-------------|
| Legal and administrative information | 1 - 2 |
| Trustees' report | 3 - 17 |
| Statement of Trustees' responsibilities | 18 |
| Independent auditor's report | 19 - 22 |
| Consolidated statement of financial activities | 23 |
| Consolidated balance sheet | 24 |
| Charity balance sheet | 25 |
| Consolidated statement of cash flows | 26 |
| Notes to the consolidated financial statements | 27 - 44 |

NEWCASTLE UNIVERSITY STUDENTS' UNION

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 1 AUGUST 2021

The Trustees of the Newcastle University Students' Union have all served in office throughout the year and to the date of this report except where indicated.

| Trustees / Full Time Sabbatical Officers | Elected to hold Office | |
|--|------------------------|---------------------|
| | To 27 June 2021 | From 28 June 2021 |
| President | Dorothy Chirwa | Abbie Hutchinson |
| Education Officer | Sian Dickie | Livia Scott |
| Activities Officer | Hannah Finney | Haris Nadeem Bashir |
| Welfare & Equality Officer | Nadia Ahmed | Briana Gordhan |
| Editor of the Student Newspaper | Ella Williams | George Boatfield |
| Athletic Union Officer | Benthe Tanghe | Fergus Mainland |
| Postgraduate Officer | Charlotte Boulton | Eleanor McCarthy |

External Trustees

Elias Al Dahan (to 30 June 2021)
Jonathan Bennett (to 27 June 2021)
Adrian Drewett (from 28 June 2021)
Rao Muhammad Karam (from 1 July 2021)
David Miller
Timothy Rodaway (to 30 June 2021)
Ben Sadler (to 27 June 2021)
Sohail Shaikh
Sarah Winship (from 1 September 2020)
Ian Kitchen (from 28 June 2021)
Ali Zuhad (from 1 July 2021)

| | |
|-------------------------------|---|
| Company number | 06978707 |
| Registered Charity number | 1138091 |
| Registered & Principal Office | Newcastle University Students' Union The University of Newcastle King's Walk Newcastle upon Tyne NE1 8QB |

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

NEWCASTLE UNIVERSITY STUDENTS' UNION

LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

| | |
|----------------|---|
| Bankers | Lloyds Bank 102 Grey Street Newcastle upon Tyne NE1 6AG |
|----------------|---|

| | |
|-------------------|--|
| Solicitors | Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF |
|-------------------|--|

Newcastle University Students' Union employs a Chief Executive to work closely with the Trustees and ensure effective management of the organisation by leading a senior management team. During the year the senior managers were:

| | |
|--|--|
| Chief Executive and Company Secretary | Simon Gerry |
| Director of Commercial | Graham Hattam |
| Director of Finance | Paula Park (Resigned 30 June 2021) |
| Head of Finance | Blanche Phillips (Started 2 August 2021) |
| Director of Membership and Democratic Services | Lindsey Lockey |
| Director of Digital and Communications | Ann Cooper |

Subsidiary Company

NUSU Trading Ltd is a wholly owned subsidiary undertaking.
Company registered number: 12113080

Directors
S Gerry
S Shaikh
G Hattam
D Miller
A Hutchinson (from 28 June 2021)
D Chirwa (to 27 June 2021)

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report)

FOR THE YEAR ENDED 1 AUGUST 2021

Financial Statements

The Trustees present their report and financial statements for the year ended 1 August 2021.

Trustees

The Trustees who served during the year are disclosed on page 1.

Structure, Governance and Management

Newcastle University Students' Union ("NUSU") is the Students' Union of the University of Newcastle upon Tyne and falls under the definition of a "students' union" in section 20(1) of the Education Act 1994. On 1st August 2021 Newcastle University Students' Union is a company limited by guarantee and a registered charity, directly regulated by Companies House under the Companies Act 2006 and the Charity Commission under the Charities Act 2011. In accordance with best practice the Trustees have considered the requirements of the Statement of Recommended Practice (SORP 2015) and prepared these financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Governing Document

Newcastle University Students' Union is governed by its Constitution (which contains the Memorandum of Association and Articles of Association in accordance with The Companies Act 2006).

Trustees' Appointment, Induction and Training

The Sabbatical Officers are Trustees (and Directors for the purposes of Company Law) of Newcastle University Students' Union. They are elected by the membership of Newcastle University Students' Union by cross campus secret ballot for a one-year term of office. They receive training on all aspects of their duties from their predecessors and senior managers of Newcastle University Students' Union during a two-week induction process at the start of their term of office. They also receive external training relevant to their sabbatical posts from the University of Newcastle upon Tyne and other relevant bodies. Five External Trustees and two Student Trustees are appointed by an appointments panel made up of the Chair of the Board of Trustees, the Chair of Students' Union Council and the Executive Director of Academic Affairs of the University of Newcastle upon Tyne. Induction training is given to all new Trustees by the Chair and the Chief Executive and external Trustee training is also offered. (External Trustees are appointed for a four-year term of office and may only serve a maximum of two terms. Student Trustees are appointed for a one-year term of office only but may serve a maximum of two consecutive terms).

Pay Policy for Senior Staff

Director level salaries, as per all other staff, are aligned to the NUSU pay scale which itself mirrors Newcastle University's Professional Services Pay Scale for Grades A-G. Levels were set using a recognised job evaluation process.

The Chief Executive's pay is generally aligned to Newcastle University's Non-Clinical Professorial Salary Scale, which reflects the seniority and responsibility of the role. Benchmarking is also carried out with other Chief Executive Roles both in the Charity Sector and more specifically Students' Unions.

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Organisational Structure

Newcastle University Students' Union is a democratic organisation. Newcastle University Students' Union Trustee Board maintains the legal, financial and reputational integrity of Newcastle University Students' Union, as well as setting strategic direction, and managing governance and risk; the Trustees also act as guardians of Newcastle University Students' Union assets, including the building and reserves. Students' Union Council is the senior student representative body and plays a major part in driving the policies of the organisation as well as being responsible for the representative functions of Newcastle University Students' Union.

Related Parties – Relationship with the University of Newcastle upon Tyne

There is an arrangement with the University where Newcastle University Students' Union reports on its activities, finances and policies in accordance with the Education Act 1994 at a Partnership Committee which meets four times each year; this committee is chaired by an independent chairperson. In addition, the Sabbatical Officers represent the student membership at University Council, Senate and other University Committees. Newcastle University Students' Union receives annual funding from the University of Newcastle upon Tyne and is financially dependent on this support. On 19 July 2019 NUSU Trading Ltd was formed as a wholly owned subsidiary of the charity in order to operate certain commercial activities for the benefit of students.

Risk Management

The Trustee Board has examined the major strategic, business and operational risks which the Students' Union faces and confirms that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The Students' Union has a risk register and reviews it on a regular basis. The principal risks and uncertainties identified along with controls to mitigate are:

- Risk presented by Covid 19 pandemic on engagement and financial income. New plans and procedures were developed to ensure we could continue to operate a blended model of face to face and online activity. This ensured students and staff could be kept safe when, and plans were adapted as government guidelines changed. Reductions in income levels were offset by reductions in activities and cost savings that were made ensuring we maintained acceptable reserves; future budget planning included managed deficits in some areas, and financial schemes available to help businesses during the pandemic were accessed where possible.
- Reputational risk from inappropriate use of social media. The Students' Union has a social media policy for the use of the Students' Union social media accounts and also a policy for staff on their own use of social media. The policy is communicated to staff through staff emails and at the annual conference.
- Financial reliance on the University for funding. Funding is agreed annually, and the Students' Union demonstrates each year the vital role it plays in both attracting and retaining students and contributing to their experience whilst at University. The Students' Union reports back to the University regularly including through the annual Impact Report.
- Health and Safety compliance related to the activities of the Students' Union. The Students' Union has a Health and Safety manual that staff are made aware of; this includes performing risk assessments before undertaking activities. Staff and clubs and societies receive training on Health and Safety appropriate to their areas of work.

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Public Benefit Statement

When reviewing our objectives and planning our activities, we have given due consideration to the Charity Commission's general and relevant supplementary guidance on public benefit. In pursuit of these objectives and activities for the public benefit, Newcastle University Students' Union will ensure that the diversity of its membership is recognised, valued and supported and has established departments and services for use by its members to support its work with the University and other organisations on behalf of students. These include the Your Voice Team, the Student Advice Centre (SAC), the Activities Centre, and the Students' Union Memorabilia Shop, Co-op, Bars, Events and Marketing departments. Sabbatical Officers meet regularly with the Local Authority, the police, and other providers of services affecting students.

Objectives and Activities

Newcastle University Students' Union has identified its objects as the furtherance and the enhancement of the educational purposes of the University of Newcastle upon Tyne, including, but not limited to:

- a. providing sporting, social, cultural, and recreational opportunities in order to promote the academic and social education of students at University of Newcastle upon Tyne;
- b. protecting and promoting the interests of the students, their welfare, development, well-being, and conditions of study;
- c. acting as the official channel of communication between the students and the University and other bodies;
- d. providing representation, guidance and assistance to students on matters affecting their welfare and interests as students;
- e. promoting good relations between students and those of other educational establishments and the general public; and
- f. carrying out any ancillary or incidental charitable activities for the benefit of the community.

Funds Held as Custodian

Newcastle University Students' Union acts as custodian for funds raised by the students' many clubs and societies. £952,000 of such funds were handled by NUSU during the year with a balance of £616,000 remaining at the year end. This is in addition to the grants disbursed to the clubs and societies by NUSU.

Achievements and Performance

As with the end of the last financial year this was what can only be described as an exceptional year. Having reflected on the past 12 months it is clear that we have been living through some of the most challenging times we are ever likely to face, yet in adversity our Officers and staff have worked tirelessly to improve the lives of our students and mitigate where possible the numerous impacts that the Covid pandemic has had on the higher education sector and wider society in general.

Whilst our Strategic plan for NUSU 2021 (full plan can be viewed at www.nusu.co.uk) has continued to be the bedrock upon which we plan and operate our activities and services, this year more than any we have had to be agile and flexible and adapt our ways of working, service delivery, how we have engaged our student population, and how we deployed staff. The student voice, our representative work, and the welfare needs of students, were very much the priority throughout the year as we had to deal with an everchanging set of national restrictions and guidelines, and continually reshape what we were trying to deliver and how.

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Achievements and Performance (continued)

To some extent some of our key performance indicators took a back seat as we focussed on the immediate needs and crisis management, and we are delighted with many of the outcomes we managed to achieve for students. This report highlights some of the outcomes and other achievements and shows how we managed to work in a safe and effective manner whilst still contributing positively to the overall student experience.

It was heartening to see in our annual survey that overall, 80% of students felt we had had a positive impact on their overall university experience; 77% felt that their overall experience of engaging in NUSU activities and events had been negatively impacted by the pandemic but 74% still felt that NUSU had still played a meaningful role in delivering a positive experience despite the Covid restrictions.

However, it is clear from other surveys that the negative impacts on student mental health and wellbeing have been significant this year, and next year we will face further challenges in rebuilding and resetting some of our programmes, recreating the sense of belonging that so many students were missing this year, and adapting to the changing needs of our students.

This year was to be the final year of our 2018-2021 Strategic Plan, but entering the year during a national lockdown, it was evident that it would be far from a normal year. Throughout this challenging time, we held fast to our organisational values and strategic themes and have continued to put our students needs and experiences at the heart of everything we have done. With so many day-to-day challenges and an unpredictable long-term landscape the Trustees agreed to pause the development of a new strategic plan and push back planning to 2021-22.

Our values and strategic themes are at the very heart of everything we deliver. We aim for all our students to have the best experience whilst studying at Newcastle University. Our Student Advice Centre (SAC) and Your Voice teams continue to ensure students are supported and represented on both academic and personal issues whilst our Activities and Commercial departments ensure students feel included in the student community and provide fun and empowering environments on campus.

Our strategic themes are:

- Empower students to enhance their academic experience
- Excite students with new experiences and meaningful social opportunities
- Energise students to embrace personal development and career preparation
- Proactively support students in their everyday lives

To **Empower** students to enhance their academic experience.

At NUSU we are committed to empowering our student body to improve their student experience. Whether they volunteer to become a student representative, attend Student Council or campaign on the issues that matter to them, we support them to make a difference. With the support of the Your Voice team, the Officer team campaigned on the issues that mattered to students during what was a very challenging year.

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Achievements and Performance (continued)

Campaign Priorities

During 2020/21, we focussed our campaigning around nine priorities that were determined by the Officer team at the start of the academic year:

- Academic Interests;
- Belonging to Newcastle;
- Decolonising NCL;
- Environment;
- Equality, Diversity, and Inclusion;
- Financial Support;
- Mental Health & Wellbeing;
- Student Safety; and
- Preparing for the Future.

Campaign Highlights:

Throughout the year, we ran 16 Change Campaigns as we looked to change policies and procedures, attitudes, and ideas. Here are just a few of the highlights:

- **Pride Inside:** Led by Ben Campbell (LGBT+ Officer) and in collaboration with the LGBTQ+ Society, this campaign celebrated LGBTQ+ students who had seen Pride celebrations cancelled nationally. Open to all, the campaign featured engaging discussions and panels, volunteering opportunities, and raising awareness of the support and services available to LGBTQ+ students.
- **Feel Yourself February:** Hosted by Nadia Ahmed (Welfare & Equality Officer) and Ella Williams (Editor of the Courier), Feel Yourself February raised awareness of body positivity during the pandemic, through discussing personal experiences and making everyone feel a little better at this tough time.
- **Claiming Our Space:** As part of the wider Decolonising NCL priority, this project led by student entrepreneur, Dami Fawehinmi, invited Black, Asian and Minority Ethnic students to explore how they navigate their identities within Higher Education spaces and to express this through the powerful medium of art. We received 14 phenomenal submissions and crowned two deserving winners!
- **Postgrad Mental Health:** This campaign focused on the unique experiences of postgraduate students and how mental health impacts postgraduate wellbeing. The campaign featured events, including CBT (Cognitive Behavioural Therapy) workshops, a panel discussion and a tailored Postgrad Mental Health Support Guide featuring full details on support services available locally and nationally for postgraduates.

Officer Successes

This year the whole Sabbatical Team were recognised at the Pride Awards with a Vice Chancellor Outstanding Team Achievement Award for their unwavering commitment in representing students interests and needs during the pandemic. Officer work included:

- Passed new NUSU policies such as our Hate Crime and Drug and Alcohol policies;
- Pushed for the University to adopt a harm reduction approach to drug use;
- Partnered with the Newcastle Public Health team to provide students with a confidential space to chat and get support on their drug or alcohol use;
- Worked with the University to secure a safety net for 2020/21, with our own Near Miss Policy proposals contributing largely to the measures introduced;

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Achievements and Performance (continued)

- Postgraduate Officer, Charlotte Boulton, lobbied the University to improve their funding scheme to support PGRs (Post Graduate Researchers) with stipend support;
- Held four panels as part of our Decolonising NCL campaign;
- Received a record 674 nominations for The Education Awards, showcasing how students valued the contribution of so many University staff this academic year;
- Produced our Gay Guide to Newcastle and BAME Welcome Pack to support LGBT+ and BAME students settle into Newcastle;
- Our BAME Officer, Sohumi Pandya, introduced the BAME Union to further represent the BAME student voice;
- LGBT+ Officer, Ben Campbell, hosted Trans Awareness, a week-long campaign to amplify the voices of trans students at Newcastle. This was also the launch of the NUSU Trans Fund to help students buy items to help them in their everyday lives;
- Provided information on Hate Crime, how to spot it, report it and get help;
- Charlotte Boulton (Post Graduate Officer) launched regular welfare drop-in sessions to help support the Post Graduate community;
- Challenged the City Council on Covid Marshall behaviours in student areas;
- Introduced Find a Flatmate to help students make connections with others who are looking for flatmates this forthcoming academic year; and
- Supported local businesses as restrictions eased through our Shop Local campaign.

To **Energise** students to embrace personal development & career preparation.

Our Go Volunteer department and Employability team worked together to offer personal development and career preparation opportunities to our students, so that they feel prepared for their future careers when they finish their studies. Working remotely did not dampen the energy or enthusiasm of our students or staff. Together they continued to make an impact, supporting the wider community, and developing and enriching their own personal skill sets.

Volunteering from Home

Virtual micro-volunteering sessions and activities took place with either materials volunteers already had or by collecting kits to take home and do online. This included Post Pals, writing letters to sick children, or sewing wiggly bags which were donated to various children's hospitals.

For many, these small intimate sessions were a welcome distraction from lockdown. They proved to be a great addition for those who would usually be too shy to take part in larger group sessions. The activities were relaxing and therapeutic with many volunteers making new friendships at a time when there were few opportunities to do so. For some, this could have been a very lonely time, but these sessions offered a valuable lifeline to our University community. Once restrictions were slightly lifted, we reverted to in-person activities in very small numbers, finally giving students a chance to meet our regular volunteers in person and get to know them even better.

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Achievements and Performance (continued)

Project Surf

Project Surf was the brainchild of Brittany Culverwell, a Newcastle University student who was passionate about surfing and how it could help local children with autism improve socialisation skills, physical fitness, balance, and overall well-being. The surfing sessions took place in the summer of 2020 and were such a success that the project was repeated in summer 2021. It was delivered in partnership with the South Shields Surf School and would not have been possible without the involvement of student volunteers from the Surf Society and the award of a grant from the Go Volunteer Grants Scheme. Project Surf was victorious in the New Volunteer Project of the Year category at this year's Community Impact Awards and the Outstanding Contribution to the Community Award at the Pride of Newcastle University Awards 2021.

Student Volunteer Week

NEST

North East Solidarity and Teaching or N.E.S.T for short, offers families who have been forced to leave their own home country hope, support and opportunities. Despite the pandemic N.E.S.T continued to provide a comprehensive and impactful programme of services to over 700 refugees and asylum seekers, regionally, nationally and internationally. In the last academic year, N.E.S.T was able to deliver over 1,000 care packs, over 750 English lessons, over 500 youth sessions and has supported on a weekly basis up to 200 adults and approximately 100 young people and children. It was shortlisted for the MacJannet Prize, won multiple community impact awards and was runner up at the Pride of Newcastle awards. In addition, it also attracted national attention as well as project workers and volunteers being invited to speak at international engagements.

NCL+ Advanced Award

Our students made the most of their time in lockdown with a record number applying to complete their NCL+ Advanced Award. This valuable scheme offers students valuable skills, knowledge, qualifications, and a chance to build contacts to help them in their future career. Students learn key concepts behind successful leadership, career preparation or business basics. In 2021, 210 students, more than double the students from the previous year, completed their Advanced Award.

Celebrating Success Awards

Every year we like to celebrate and recognise the many students that dedicate so much time and energy to volunteering. This year it was more important than ever to recognise their commitment under difficult Covid-19 circumstances. All areas of extra-curricula activity were celebrated across a series of special online award events. Only one event took place in-person, the Student Media Awards, which celebrated their successes at an outdoor ceremony when the government restrictions were lifted. NUSU also collaborated with the University to produce a feature length Pride Awards film hosted by Vice Chancellor of Newcastle University Chris Day and our own Activities Officer Hannah Finney.

To Proactively Support students in their everyday university lives.

In normal times student life can sometimes be challenging, and during a pandemic these challenges can be even greater. Throughout the year, and despite the difficulties of remote working, a full and comprehensive support service offering invaluable support, advice and information was delivered. Our Officers, staff and volunteers ensured our students were well looked after in their time of need.

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Achievements and Performance (continued)

Face to face appointments were moved online with great success. Many students welcomed this change, especially those who were abroad or at home with parents. Our advisers kept up to date with ever-changing legislation, sometimes weekly or even daily, to ensure our students received the current and correct advice when they needed it. The online Frequently Asked Questions, a vital tool for many students, were regularly updated and achieved over 6,000 page views. The 'appointments offered' target was exceeded and, possibly due to the ease of online appointments, the 'did not attend' rate has been significantly reduced.

In terms of directly helping students we: Offered 1,358 Student Advice Centre appointments; Advised 436 students from 45 different countries; Reported 46 possible breaches of tenancy licenses to Newcastle City Council; Saved students just under £73,000 in rent returns, deposits, student finance or fees for students following our advice. Over 200 students found us via the website, with over 45,000 page views; 134 individual cases were specifically COVID related and we helped alleviate their stress. In our survey students reflected on the service:

- 94% of students who used the SAC services rated them as excellent, good, or satisfactory;
- 89% of students agreed that they would use the SAC if the need arose; and
- 80% of students were satisfied that the SAC's response time.

We also proactively supported students during Covid:

- To lobby the university for covid rent rebates and requested private providers to do the same;
- Secured rent rebates for international students when teaching continued but they could not enter UK;
- Launched Find a Flatmate and offered advice and support for seeking new flatmates during lockdown;
- Supported students against unjustified community complaints relating to covid breaches, ASB and noise complaints;
- End of tenancy and Covid self-isolation advice given;
- Assisted them in challenging the quality of teaching and assessments during lockdown;
- Supported them in requesting IT support and devices to students working from home;
- Issues relating to a lack of course related international study opportunities; and
- Disruption to learning and meeting deadlines due to self-isolation, mental health, or caring demands.

To **Excite** students with new experiences and meaningful social opportunities.

NUSU knows there is so much more to student life than just studying and an important part of what we do is to offer exciting and meaningful social experiences to suit a variety of tastes. We continually review where, when, and how our students want to participate and this year presented difficulties like never before. It became clear that the potential lack of in person activity would significantly restrict our engagement, so we quickly responded by providing alternative online and virtual experiences when government restrictions were imposed. All gigs, club nights, and associated licensed activity which drive the majority of our commercial income ceased for the majority of the year. In our survey:

- 83% of students agree that NUSU provides virtual and in-person opportunities, activities, and events to suit student needs;
- 79% of students were aware of the social opportunities and experiences NUSU provides; and
- Despite Covid, 90% of students who participated in the Welcome to NUSU activities rated them as satisfactory or above.

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Achievements and Performance (continued)

Welcome to NUSU

90% of students who participated in a Welcome to NUSU event agreed that it was satisfactory, good or excellent. Understandably a new and Covid safe approach was needed for Freshers 2020. Welcome to NUSU offered students a blended experience of virtual and in-person events and opportunities to meet new friends and learn a little more about Newcastle and the surrounding area. The new online Give it a Go programme included more than 100 free events across three weeks. We also partnered with digital event specialists Native to offer a diverse online events programme. Virtual quiz nights, talks, and comedy nights were enjoyed by more than 1000 students from the comfort and safety of their homes. Eight sold out socially distanced outdoor events were also hosted in a beautifully decorated stretch tent and the outdoor, light festooned Hope Terrace was a new welcome addition to Luther's Bar. We partnered again with Native in Summer 2021 to offer a Virtual Summer Festival where 250 of our students connected with students across the country in this fun online experience.

Give It A Go

We kick started the academic year with the Welcome Weeks programme supporting UK and quarantining international students with online Give It A Go activities. As restrictions remained in place this approach continued throughout term 1 and the winter holidays and term 2 under the new campaign banner of Locked Down, Link Up. After the Spring holidays restrictions were eased a little and a blended programme of in-person and online activities was rolled out to support students whether they had returned to campus or continued to study remotely.

The blended programme included Activities and Sports Assistants delivering live tours, zoom quizzes, craft tutorials, live bake along sessions, and online socials. We worked with external organisations and instructors to deliver Zumba, Yoga, mindfulness, exercise and even Face Yoga classes, and with Kielder Observatory, make-up artists, and local tour companies to deliver virtual experiences. In-person activities returned for households and small groups with social badminton and football, social walks, small group craft sessions in the stretch tent and three surfing trips!

The Activities Team also supported many NUSU campaigns throughout the year including This Girl Can, Our ImpACT, Permission to Pause, Postgrad mental health, Locked Down Link Up, and the Festival of Culture, as well as supporting NUSU staff mental health awareness week, and the University's Be Connected Week and Winter break programme. In total we ran 734 activities with 3,876 participants and a 5/5 average rating for the activities we put on. The 3 most popular activities were: 1. Surfing 2. Yoga 3. Kielder Observatory Visits.

Societies

Societies also adapted to the Covid Government guidelines. Committees completed their officer training online for the first time. 817 officers finished this training in September with 191 Society Welfare Officers completing additional role specific training and 173 members completing online social secretary training.

Activities were delivered predominantly online with societies taking to zoom and setting members virtual challenges. There was a real sense of community from societies, with many creating sessions and activities for non-members who were self-isolating. Many delivered wellbeing activities and held regular online 'face to face' drop-in social sessions. Some of these wellbeing sessions also involved collaborations with other societies to help deliver a variety of activities. Societies also contributed to the University Winter Break and Be Connected Week student support programmes.

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Achievements and Performance (continued)

Society Campaigns

The pandemic didn't deter societies from getting involved in NUSU campaigns, and many societies ran their own campaigns including Sun Aware, Let Me Be-lieve, and Make Misogyny a Hate Crime. There was also many fantastic awareness and fundraising events that have had a positive impact in the local community and nationally, which our societies should be immensely proud of. They received even more Celebrating Success Awards nominations than the previous year, which shows the great work that has been done during such a challenging year. Our societies' achievements were also celebrated at the prestigious Pride of Newcastle Awards.

Earn Your Stars

We received more applications than ever this year for the inclusive Societies initiative - Earn Your Stars with a total of 54 applications with 22 Bronze and 5 Silver Awards achieved. We also saw, for the first time, societies achieving the prestigious Gold Award; The Feminist Society, Bar Society, Dermatology Society and Nu:Kem Society all achieved this accolade. We are proud to acknowledge their hard work to increase inclusivity, especially during such challenging times. The drive towards better inclusion has become a priority for all our societies, with many others striving for this recognition. From removing barriers to participation, to holding regular welfare sessions, and campaigning to raise mental health awareness, our societies have made an incredible impact this year.

Welfare Training & Support

In addition to the 191 Society Welfare Officers mentioned above a further 67 AU Club Welfare Officers completed role specific training in addition to committee training at the start of the year. They also completed virtual SVLO Level 1 training delivered by the University. Welfare Officers have received further support through a monthly newsletter, weekly updates from the AU and Activities Officers, and weekly drop-in sessions. In addition, a total of 5 Emergency First Aid courses, totalling 90 spaces were made available to committees to ensure they met health and safety requirements.

Earn Your Stripes

Despite the challenges of the year, Clubs still made positive steps to develop their sporting offer and enable all our students the opportunity to get involved with sport. At a time when all activities had been suspended, and interaction with students severely impacted, 10 of our clubs were still able to gain a celebrated Gold Award. This achievement not only illustrates how adaptable clubs have been but also how important the Athletic Union has been in ensuring students have a sense of belonging in these unprecedented times.

Campus Leagues

This was a difficult year for Campus Leagues with Covid protocol prohibiting in-person opportunities in a wide range of areas, not just the suspension of grassroots sport. The return to play was also impacted by reduced capacities, limited, or adapted formats and ever-changing guidelines. Despite these challenges, household bubbles and casual play opportunities, alongside the Sports Services, enabled students to get access to over 150 hours of activity before local and national restrictions began to lift. Term 3 finally saw outdoor activity return, with the reinstatement of weekly semi-competitive leagues across Campus Leagues, later being joined by indoor organised sport in mid-May, contributing to over 300 students getting weekly competitive fixtures.

Inclusive Newcastle

Despite the effects of the pandemic, we ensured that Inclusive Newcastle remained open throughout the academic year, supporting student's access to our activities and participatory programmes. Following referrals from Student Wellbeing, individually tailored support packages were created and resulted in 1,200 student memberships to Clubs

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Achievements and Performance (continued)

and Societies and access to both in person and online programmes dependant on the students' needs and/or location.

Our Commercial Activity

It was necessary to temporarily close most of our trading offer. In line with government restrictions, our live music venue remained dark, and Luther's Bar and our take-away food offers all remained closed. However, with study spaces, computer clusters and University libraries all remaining open there was a need to provide students who came to campus with a quality food and drink offer, and with this in mind we ensured our Co-op store remained open throughout.

Our Co-op Store Supporting our Students

Many of our students remained in student accommodation despite the pandemic and unfortunately many at some point needed to self-isolate. Our Co-op team delivered the most incredible service in providing support and food packages during this time. Initially 150 Co-op care packages were created and then when the scale of the pandemic was understood a partnership between the University, NUSU, Co-op and Deliveroo was quickly formed to ensure that essential goods could be delivered directly to students' doors. 500 new items were added to the store menu and up to 210 packages were produced per day. For many weeks the Co-op staff worked tirelessly to ensure our students were not left hungry.

Our Co-op store has also supported charities both here at NUSU, and within the local community. In the last 12 months staff and customers have helped raise just shy of £3,000 for Metro Radio's Cash for Kids, which helps disabled and disadvantaged kids and their families across Tyneside, and NUSU's 'Procrastiknitting' project where students knit items such as hats for premature babies and scarves for the homeless, which are donated to charities and Newcastle University's highly skilled First Responders.

Our Comms & Digital

When the scale and longevity of the pandemic became clear we prioritised our online and digital communications to support the virtual program. NUSU's digital first approach meant that we were well placed to make this essential transition. The website became a vital 'virtual space' to host Change Campaigns, Clubs & Societies and Housing Fairs, online galleries and much more. We moved away from traditional and onsite marketing assets such as the mobile app, leaflets and digital screens and a greater emphasis was placed on developing the website, social media, and e-communications to ensure our messages were still being delivered to the student community. In terms of reach:

- 57,917 followers on social media, including a 28% year-on-year increase on Instagram.
- 96% of students rate NUSU's communications as satisfactory or above, with 24% stating that it is excellent, a year-on-year increase of 7%.

Having suffered a few significant IT issues this year as the University responded to a cyber-attack, a new working relationship is being forged with the University's IT department to ensure that NUSU has a robust, up to date and secure IT network for the future. Having secured additional financial support each member of NUSU staff has or will

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Achievements and Performance (continued)

have in the coming months a new personal device, where possible moving colleagues onto laptops to support flexible working.

Our People

We know that our people are what makes us great. This year they illustrated resilience and dedication in the face of adversity. With the invaluable support of our front of house and retail teams the NUSU building was kept open for students throughout the pandemic. Many other staff worked remotely often dealing with poor connectivity and IT issues, but throughout there remained a great team spirit and commitment to delivering the very best service for our students. Despite the challenging circumstances: 86% of staff agree or strongly agreed that NUSU is interested in their health & wellbeing; 92% were satisfied or very satisfied at work; and 97% of respondents would recommend NUSU as a good place to work.

This year we welcomed the introduction of a new NUSU HR Manager, who has overseen the return to office working and led on the introduction of new flexible working conditions. Internal communications became an even bigger priority this year to keep our dispersed workforce together. Staff briefings and coffee mornings were held digitally, and staff e-newsletters distributed fortnightly.

Equality Diversity & Inclusion

One of our major projects this year revolved around our work on Equality, Diversity & Inclusion. We worked with specialist advisors Diversity Matters to deliver a robust and fully comprehensive Equality, Diversity and Inclusion Audit to progress our EDI journey and improve our practices. The audit included a variety of internal and external stakeholder surveys, interviews and focus groups, and review of current policies and procedures. The findings have directly informed our new EDI strategy and organisational objectives which we will be taking forward over the next 12 months and beyond. It also helped inform our new EDI Training Matrix which will be rolled out to all staff.

Plans for 2021-22

Looking forward to 2021-22 we will be focussed on rebuilding, resetting and reviewing our offer, with the aim to have established a new 'normal' by the end of the academic year. In terms of rebuilding, we will be aiming to re-establish our strong engagement figures to pre-pandemic levels; in resetting we will be adjusting our programmes and activities to incorporate the positive learnings gained through Covid and testing the new approaches; and in reviewing we will continuously take feedback on all that we do to inform our future planning.

Our NUSU Strategic Plan, NUSU 2021, was extended for a further year while we undertake further research to inform our future strategic direction. This provides the platform for us to continue to deliver an excellent overall student experience for our students. The plan can be viewed at www.nusu.co.uk. We have 4 specific themes moving forward:

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Achievements and Performance (continued)

- To Empower students to enhance their academic experience.
- To Energise students to embrace personal development & career preparation.
- To Excite students with new experiences and meaningful social opportunities.
- To Proactively Support students in their everyday university lives.

We will achieve these by delivering specific priorities in each area as follows:

Empower

- To enable students to improve their learning experience.
- To ensure students voices are heard, amplified and acted upon. To empower students to make positive change.
- To provide vibrant and accessible social learning spaces in the SU.

Energise

- To ensure all students are encouraged to develop their interests and shape their own futures.
- To ensure students are aware of the opportunities available to them, can reflect on the skills they have and are able to articulate them in a meaningful way.
- To ensure representatives, leaders and volunteers are equipped with the skills to be effective.
- To support students in developing new ideas for projects, especially those with local communities.

Excite

- To provide a diverse range of relevant opportunities, events, and social experiences to meet student desires.
- To work with city operators and venues on opportunities that would add value to the student experience.
- To provide community building activities, and space, in which to engage with peers and have fun.
- To review our space on campus to make it a friendly place to hang-out and enjoy downtime.

Proactively Support

- To ensure that students are supported and encouraged to experience all university life has to offer.
- To proactively support students who need our help and provide effective signposting to relevant support services.
- To improve accessibility to our professional advice services and ensure students have support when and where they need it.
- To ensure all clubs, societies and activities provide an inclusive and welcoming environment.

We will also a number of specific key aims to focus on this year as follows:

- Ensure we operate as safely as possible and in accordance with any continuing Covid guidelines;
- Carry through the actions in our new EDI Strategy, and ensure all staff receive identified training;
- Review our Freedom of Speech Policies following recent government announcements;
- Introduce a new improved customer relationship management system (CRM);
- NUSU Trading Company to move back to a surplus position;
- Introduce a new Board Sub Committee – People & Culture; and
- Formulate a new Strategic Plan for launch in academic year 2022/23.

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Financial Review

The main source of funding is received from the University of Newcastle upon Tyne as a block grant.

The fund balances carried forward at 2 August 2021 show a total of £10,823,000 including a £9,951,000 permanent endowment fund relating to the Students' Union building at King's Walk, £496,000 in restricted funds, £115,000 of designated funds, and £261,000 in the General Fund. A consolidated deficit on general funds of £26,000 was generated in the year which was ahead of target as we had planned for a managed £136,000 deficit due to the likely impact of Covid 19 restrictions. The trading subsidiary made a loss of £79,000 and the charity a surplus of £53,000.

Assets

The Students' Union's tangible assets include the building, fixtures and fittings, equipment and motor vehicles. The building is held in trust and whilst cannot be sold can, along with other assets, be used to enable it to carry out its objectives. The movements in tangible assets during the year are set out in note 8 to the accounts.

Reserves Policy

The Trustees look forward to a further challenging financial year in 2021-22 as restrictions associated with the pandemic lift. The Trustees plan to maintain reserves at a level of two to three months' core activity costs which is approximately £300,000. The trustees have actively made savings in this year to minimise the financial impact of Covid 19. At the end of this year, we are close to achieving this target on the general fund. The Trustees recognise that 2021/22 will be a challenging year and are planning to accept a group operating surplus of £40,000 in 2021/22. The significant investment in the Coop store is expected to produce the required returns once trading returns to pre pandemic levels; these include a fixed rental income of £30,000 per annum and gifting of any further excess profits to the charity. The flexibility from the University on the restructuring of the loan during Covid 19 has assisted with liquidity.

Support

The Students' Union continues to receive financial support from the University of Newcastle upon Tyne and the Trustees consider that financial support will continue to be made available. Forecasts are prepared on the best available current information and regular budgetary reviews take place to protect the reserves position.

Going Concern

Accordingly, the Trustees of the Students' Union believe that it is appropriate to prepare the financial statements on a going concern basis. No material uncertainties have been identified for the 12-month period from approval of these financial statements.

Investments

Investments are monitored on a regular basis by the Finance Committee on behalf of the Trustee Board. Investments are now held in Lindsell Train UK Equity Fund as shown in note 9 to the accounts and any proposed changes must be put before the Trustees.

NEWCASTLE UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (incorporating the Strategic Report) (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Financial Risk Management Objectives and Policies

The main risks associated with the Students' Union's financial assets and liabilities are set out below. The Students' Union does not undertake any hedging activity.

Interest rate risk

Financial assets, liabilities, interest income and interest charges and cash flows can be affected by movements in interest rates.

Credit risk

The Students' Union is exposed to credit risk on debtors, particularly with promoters for specific events. This risk is managed by requiring up front deposits where appropriate.

Liquidity risk

The Students' Union aims to mitigate liquidity risk by managing cash generated by its operations. Significant projects and capital expenditure are approved by the Trustees after considering available resources to provide funding for such matters. During the Covid 19 pandemic we have made use of government support including the Coronavirus job retention scheme, and the loan from Newcastle University was refinanced for a second time to delay the capital repayments and help improve the short-term cash position.

Auditors

UNW LLP were reappointed as the Company's auditors in March 2020.

Statement of disclosure to auditors

So far as each person who was a Trustee at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Trustees and the company's auditor, each Trustee has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the Trustees



Simon Gerry
Company Secretary

2.12.21

Date

NEWCASTLE UNIVERSITY STUDENTS' UNION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 1 AUGUST 2021

The Trustees (who are also Directors of Newcastle University Students' Union for purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

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

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 group will continue in operation.

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

NEWCASTLE UNIVERSITY STUDENTS' UNION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEWCASTLE UNIVERSITY STUDENTS' UNION

FOR THE YEAR ENDED 1 AUGUST 2021

We have audited the financial statements of Newcastle University Students' Union (the 'parent charitable company') and its subsidiary (the 'group') for the period ended 1 August 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the group and parent charitable company's affairs as at 1 August 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ▶ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

NEWCASTLE UNIVERSITY STUDENTS' UNION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEWCASTLE UNIVERSITY STUDENTS' UNION (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Opinion on other matter prescribed by the Companies Act 2006

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

- ▶ the information given in the Trustees' Report, which includes the directors' report and the strategic report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ▶ The strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

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

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

- ▶ The parent charitable company has not kept adequate and sufficient accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- ▶ the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- ▶ certain disclosures of Trustees' remuneration specified by law are not made; or
- ▶ we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities statement set out on page 18, the Trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

NEWCASTLE UNIVERSITY STUDENTS' UNION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEWCASTLE UNIVERSITY STUDENTS' UNION (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

NEWCASTLE UNIVERSITY STUDENTS' UNION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEWCASTLE UNIVERSITY STUDENTS' UNION (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

Use of our report

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

Anne Hallowell

Anne Hallowell BSc FCA DChA (Senior Statutory Auditor)

for and on behalf of UNW LLP, Statutory Auditor

Chartered Accountants

Newcastle upon Tyne

2 December 2021

NEWCASTLE UNIVERSITY STUDENTS' UNION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 1 AUGUST 2021

| | Note | Unrestricted General Fund £000 | Designated Fund £000 | Restricted Funds £000 | Permanent Endowment £000 | Total 2021 £000 | Total 2020 £000 |
|--|------|--------------------------------------|-------------------------|--------------------------|-----------------------------|-----------------------|-----------------------|
| Income and endowments from: | | | | | | | |
| Block Grant | 2a | 2,159 | - | - | - | 2,159 | 2,337 |
| Grant income | 2b | 446 | - | - | - | 446 | 170 |
| Trading services income | 3a | 876 | - | - | - | 876 | 2,344 |
| Other services income | 3b | 35 | - | 541 | - | 576 | 225 |
| Total | | 3,516 | - | 541 | - | 4,057 | 5,076 |
| Expenditure on: | | | | | | | |
| Charitable activities | | | | | | | |
| Trading services expenditure | 4 | 1,142 | - | - | - | 1,142 | 2,276 |
| Support costs | 4 | 2,308 | 2 | 309 | 220 | 2,839 | 3,039 |
| Total | | 3,450 | 2 | 309 | 220 | 3,981 | 5,315 |
| Net income/(expenditure) before unrealised gains | | 66 | (2) | 232 | (220) | 76 | (239) |
| Net (losses)/ gains on investments | 9 | 8 | - | - | - | 8 | (4) |
| Net income/(expenditure) | | 74 | (2) | 232 | (220) | 84 | (243) |
| Transfers between funds | | (100) | 100 | - | - | - | - |
| Net movement in funds | | (26) | 98 | 232 | (220) | 84 | (243) |
| Total funds brought forward at 3 August 2020 | | 287 | 17 | 264 | 10,171 | 10,739 | 10,982 |
| Total funds carried forward at 2 August 2021 | | 261 | 115 | 496 | 9,951 | 10,823 | 10,739 |

All of the above results derive from continuing activities. All gains and losses recognised in the period are included in the Statement of Financial Activities.

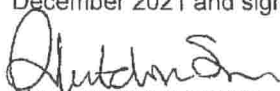
NEWCASTLE UNIVERSITY STUDENTS' UNION

CONSOLIDATED BALANCE SHEET

AT 1 AUGUST 2021

| | Note | 2021 £000 | 2020 £000 |
|---|------|--------------|--------------|
| Fixed assets | | | |
| Tangible assets | 8 | 10,360 | 10,701 |
| Investments | 9 | 59 | 51 |
| | | <hr/> | <hr/> |
| | | 10,419 | 10,752 |
| Current assets | | | |
| Stocks – Goods held for resale | | 103 | 121 |
| Debtors | 10 | 149 | 172 |
| Cash at bank and in hand | | 1,462 | 868 |
| | | <hr/> | <hr/> |
| | | 1,714 | 1,161 |
| Current liabilities | | | |
| Creditors – amounts falling due within one year | 11 | (990) | (774) |
| | | <hr/> | <hr/> |
| Net current assets | | 724 | 387 |
| | | <hr/> | <hr/> |
| Total assets less current liabilities | | 11,143 | 11,139 |
| | | <hr/> | <hr/> |
| Creditors – amounts falling due after one year | 12 | (320) | (400) |
| | | <hr/> | <hr/> |
| Net assets | | 10,823 | 10,739 |
| | | <hr/> | <hr/> |
| Restricted Funds | | | |
| Permanent Endowment | 14 | 9,951 | 10,171 |
| Restricted Funds | 14 | 496 | 264 |
| Unrestricted Funds | | | |
| General Fund | 14 | 261 | 287 |
| Designated Fund | 14 | 115 | 17 |
| | | <hr/> | <hr/> |
| Total Charity Funds | | 10,823 | 10,739 |
| | | <hr/> | <hr/> |

The financial statements on pages 23 to 44 were approved by the Trustee Board and authorised for issue on 2nd December 2021 and signed on their behalf by:



President 2021/22
Abbie Hutchinson
Company no. 06978707



Trustee
Sarah Winship

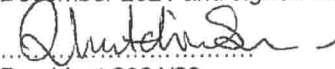
NEWCASTLE UNIVERSITY STUDENTS' UNION

CHARITY BALANCE SHEET

AT 1 AUGUST 2021

| | Note | 2021 £000 | 2020 £000 |
|---|------|--------------|--------------|
| Fixed assets | | | |
| Tangible assets | 8 | 10,108 | 10,370 |
| Investments | 9 | 59 | 51 |
| | | <hr/> | <hr/> |
| | | 10,167 | 10,421 |
| Current assets | | | |
| Stocks - Goods held for resale | | 56 | 76 |
| Debtors | 10 | 277 | 277 |
| Cash at bank and in hand | | 1,311 | 818 |
| | | <hr/> | <hr/> |
| | | 1,644 | 1,171 |
| Current liabilities | | | |
| Creditors – amounts falling due within one year | 11 | (813) | (758) |
| | | <hr/> | <hr/> |
| Net current assets | | 831 | 413 |
| | | <hr/> | <hr/> |
| Total assets less current liabilities | | 10,998 | 10,834 |
| | | <hr/> | <hr/> |
| Net assets | | 10,998 | 10,834 |
| | | <hr/> | <hr/> |
| Restricted Funds | | | |
| Permanent Endowment | 14 | 9,951 | 10,171 |
| Restricted Funds | 14 | 496 | 264 |
| Unrestricted Funds | | | |
| General Fund | | 436 | 382 |
| Designated Fund | 14 | 115 | 17 |
| | | <hr/> | <hr/> |
| Total Charity Funds | | 10,998 | 10,834 |
| | | <hr/> | <hr/> |

The financial statements on pages 23 to 44 were approved by the Trustee Board and authorised for issue on 2nd December 2021 and signed on their behalf by:


 President 2021/22
 Abbie Hutchinson
 Company no. 06978707


 Trustee
 Sarah Winship

NEWCASTLE UNIVERSITY STUDENTS' UNION

CONSOLIDATED CASHFLOW STATEMENT

FOR THE YEAR ENDED 1 AUGUST 2021

| | Notes | 2021 £000 | 2020 £000 |
|--|-------|--------------|--------------|
| Cash flows from operating activities: | | | |
| Net cash provided by operating activities | 18 | 630 | 69 |
| | | <hr/> | <hr/> |
| Cash flows from investing activities: | | | |
| Purchase of property, plant and equipment | 8 | (36) | (432) |
| Proceeds from sales of investments | 9 | - | - |
| Purchase of investments | 9 | - | - |
| | | <hr/> | <hr/> |
| Net cash used in investing activities | | (36) | (432) |
| | | <hr/> | <hr/> |
| Cash flows from financing activities: | | | |
| Value of new loans obtained during the period | 11 | - | 400 |
| | | <hr/> | <hr/> |
| Net cash inflow from financing activities | | - | 400 |
| | | <hr/> | <hr/> |
| Change in cash and cash equivalents in the year | | 594 | 37 |
| Cash and cash equivalents at the beginning of the year | | 868 | 831 |
| | | <hr/> | <hr/> |
| Total cash and cash equivalents at the end of the year | 19 | 1,462 | 868 |
| | | <hr/> | <hr/> |

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 1 AUGUST 2021

1 ACCOUNTING POLICIES

Basis of Preparation

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019)- (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £1,000.

Basis of Consolidation

The financial statements consolidate the financial statements of the charitable company and its subsidiary undertaking. Inter-group transactions, balances and profits are eliminated on consolidation. The consolidation is carried out on a line by line basis.

In accordance with section 9 of FRS102- Consolidated and Separate Financial Statements- NUSU Trading Limited is a wholly owned subsidiary and under the control of the Union.

A separate Statement of Financial Activities (SoFA) for the charity itself is not presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006

Company status

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

Going Concern

The financial statements have been prepared on a going concern basis as it is assessed that the Students' Union will continue in operating existence for the foreseeable future and meet its liabilities as they fall due. Whilst the ongoing impact of Covid 19 is likely to mean we continue to operate under increased financial pressure we are able to adequately mitigate these risks through a mixture of measures which include our insurance, use of CJRS, agreement to extend loan repayments, and our ability to cut costs where necessary.

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

1 ACCOUNTING POLICIES (Continued)

Fund Accounting

General funds are unrestricted funds available for use at the discretion of the Trustees in furtherance of the general objectives of Newcastle University Students' Union.

Restricted funds are received to be used for activities prescribed by the donor; this includes additional grants received from the University for Sports, EDI Work and the Access Agreement, and Volunteering Grants have also been received from Santander and various local organisations to support our volunteering activities.

The Permanent Endowment fund is a capital fund which must be held indefinitely and cannot be converted into income but may be used to generate income.

Designated funds were established last year for a Digital Transformation project that will continue this year, and further funds were designated to cover increased staff training, marketing research, Freshers Week, and purchase of some capital items.

Custodian funds are entrusted to Newcastle University Students' Union for safekeeping and are students' clubs and societies' members' accounts. Such custodian activities are disclosed in the Annual Report, the clubs and societies balances are included in creditors (note 11).

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

Incoming Resources and Deferral of Income

Grants receivable, including government grants, are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specific future period, in which case they are deferred.

Trading income is recognised at the point of sale or provision of service. Income is deferred when invoiced in advance when services have not yet been provided.

Resources Expended

Resources expended are accounted for on an accruals basis. The cost headings comprise expenditure, which includes staff costs, directly attributable to the activity. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with use of the resources. Central overheads are allocated on the basis of their use, with the aim of ensuring that those costs remaining within administration relate to the management of the Students' Union's assets, organisational administration and compliance with constitutional and statutory requirements.

Expenditure is shown net of VAT recovered. Where VAT is irrecoverable this is included within support costs and is charged to restricted funds or capitalised where appropriate.

Gifts in Kind Policy

The University of Newcastle upon Tyne provides some free services including buildings insurance. Newcastle University Students' Union has been unable to value these, so they are not shown as income or expenditure in the accounts.

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

1 ACCOUNTING POLICIES (Continued)

Investments

Investments are stated at market value at the balance sheet date. Unrealised gains or losses are credited or debited to the Statement of Financial Activities.

Tangible Assets and Depreciation

Tangible assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write down the assets to their estimated residual values over the course of their anticipated working lives. The building depreciation is now charged at 2%.

The annual rates of depreciation used on the straight-line basis are as follows: -

| | % |
|-------------------------------------|--------|
| Furniture and equipment | 20-33½ |
| Motor vehicles | 33½ |
| Buildings and building improvements | 2 |

Land is not depreciated.

Where fixed assets are impaired the assets are written down to their recoverable amount. The recoverable amount is the higher of the net realisable value and the value in use.

Stock

Stock, which comprises goods for resale, is stated at the lower of historical cost and net realisable value.

Financial instruments

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

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

Debtors

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

Cash at bank and in hand

Cash at bank and in hand includes cash 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.

Creditors

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

1 ACCOUNTING POLICIES (Continued)

Employee benefits

The costs of short-term employee benefits are recognised as an expense in the period in which the service is received.

Pensions

The pension costs charged in the financial statements represents the contributions payable by Newcastle University Students' Union during the period in accordance with FRS102.

An explanation of the pension schemes in which Newcastle University Students' Union participates and details on payments in the period can be found in note 13 to the accounts.

Other Student Related Activity

NUSU funds certain related activities by means of grants or contributions which are charged to the statement of financial activities. The results of such operations are included within the accounts of Newcastle University Students' Union.

Critical accounting estimates and areas of judgement

Estimates and judgements 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.

Estimates included within these financial statements include depreciation charges. None of the estimates made are considered to carry significant estimation uncertainty, nor to bear significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year.

In preparing these financial statements the Trustees do not consider there were any significant areas of judgement that were required in applying the charity's accounting policies as set out above.

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

2a BLOCK GRANT RECEIVABLE

| | 2021 | 2020 |
|---------------------------------------|--------------|--------------|
| | £000 | £000 |
| Block grant from Newcastle University | 2,159 | 2,337 |
| | <u>2,159</u> | <u>2,337</u> |

2b GRANT INCOME

| | 2021 | 2020 |
|--|-------------|-------------|
| | £000 | £000 |
| Coronavirus Job Retention Scheme grant | 201 | 170 |
| Other grant income | 246 | - |
| | <u>446</u> | <u>170</u> |

3a TRADING SERVICES INCOME

| | Unrestricted | 2021 | 2020 |
|--------------------------|---------------------|-------------|--------------|
| | £000 | £000 | £000 |
| Bars | 31 | 31 | 355 |
| Shops | 677 | 677 | 1,444 |
| Events | 4 | 4 | 278 |
| Marketing | 82 | 82 | 133 |
| Other trading activities | 82 | 82 | 134 |
| | <u>876</u> | <u>876</u> | <u>2,344</u> |

Trading Services income was £876,000 (2020: £2,344,000) of which £nil was restricted (2020: £nil).

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

3b OTHER SERVICES INCOME CURRENT YEAR

| | Unrestricted £000 | Restricted £000 | 2021 £000 |
|--------------------|----------------------|--------------------|--------------|
| Athletic Union | - | 300 | 300 |
| Activities | 2 | 15 | 17 |
| Access Agreement | - | 88 | 88 |
| Campus Sport | - | 27 | 27 |
| Media | - | - | - |
| Your Voice | 25 | - | 25 |
| Volunteering | 8 | 40 | 48 |
| Advocacy & Welfare | - | 71 | 71 |
| Bank interest | - | - | - |
| | <u>35</u> | <u>541</u> | <u>576</u> |

OTHER SERVICES INCOME PRIOR YEAR

| | Unrestricted £000 | Restricted £000 | 2020 £000 |
|--------------------|----------------------|--------------------|--------------|
| Athletic Union | - | - | - |
| Activities | 21 | - | 21 |
| Access Agreement | - | 90 | 90 |
| Campus Sport | 3 | 13 | 16 |
| Media | 11 | - | 11 |
| Your Voice | 9 | 42 | 51 |
| Volunteering | 5 | 38 | 43 |
| Advocacy & Welfare | - | - | - |
| Bank interest | 3 | - | 3 |
| | <u>42</u> | <u>183</u> | <u>225</u> |

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

4 EXPENDITURE ON CHARITABLE ACTIVITIES

TRADING SERVICES EXPENDITURE CURRENT YEAR

| | Direct Costs £000 | Indirect Costs £000 | Total 2021 £000 |
|--------------------------|----------------------------------|------------------------------------|--------------------------------|
| Bars | 23 | 96 | 119 |
| Shops | 568 | 188 | 756 |
| Events | 11 | 42 | 53 |
| Marketing | - | 30 | 30 |
| Other Trading Activities | 23 | 59 | 82 |
| Depreciation | - | 92 | 92 |
| Loan interest | - | 10 | 10 |
| | <u>625</u> | <u>517</u> | <u>1,142</u> |

TRADING SERVICES EXPENDITURE PRIOR YEAR

| | Direct Costs £000 | Indirect Costs £000 | Total 2020 £000 |
|--------------------------|----------------------------------|------------------------------------|--------------------------------|
| Bars | 138 | 190 | 328 |
| Shops | 1,103 | 331 | 1,434 |
| Events | 172 | 105 | 277 |
| Marketing | - | 62 | 62 |
| Other Trading Activities | 16 | 67 | 83 |
| Depreciation | - | 83 | 83 |
| Loan interest | - | 10 | 10 |
| | <u>1,429</u> | <u>809</u> | <u>2,276</u> |

Trading services expenditure was £1,142,000 (2020: £2,276,000) of which £nil was restricted (2020: £7,000) and £nil charged to designated funds (2020: £1,000).

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

4 EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

SUPPORT COSTS CURRENT YEAR

| | Admin & Building | Rep & Democracy | Participation | Advocacy & Welfare | Comm- unications | Grants | Total 2021 |
|--------------|---------------------|--------------------|---------------|-----------------------|---------------------|------------|---------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Staff costs | 512 | 267 | 458 | 171 | 187 | 201 | 1,796 |
| Depreciation | 256 | - | 6 | - | 23 | - | 285 |
| Energy costs | 174 | - | - | - | - | - | 174 |
| Other costs | 163 | 32 | 65 | 12 | 64 | - | 336 |
| Sport (AU) | - | - | - | - | - | - | - |
| Societies | - | 33 | 214 | - | 1 | - | 248 |
| | <u>1,105</u> | <u>332</u> | <u>743</u> | <u>183</u> | <u>275</u> | <u>201</u> | <u>2,839</u> |

SUPPORT COSTS PRIOR YEAR

| | Admin & Building | Rep & Democracy | Participation | Advocacy & Welfare | Comm- unications | Grants | Total 2020 |
|--------------|---------------------|--------------------|---------------|-----------------------|---------------------|------------|---------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Staff costs | 532 | 228 | 471 | 170 | 138 | 170 | 1,709 |
| Depreciation | 258 | - | 8 | - | 21 | - | 286 |
| Energy costs | 173 | - | - | - | - | - | 173 |
| Other costs | 164 | 45 | 174 | 11 | 58 | - | 452 |
| Sport (AU) | - | - | 136 | - | - | 134 | 270 |
| Societies | - | - | 51 | - | - | 98 | 149 |
| | <u>1,110</u> | <u>273</u> | <u>840</u> | <u>181</u> | <u>217</u> | <u>402</u> | <u>3,039</u> |

Support Costs were £2,839,000 (2020: £3,039,000) of which £220,000 was charged to the permanent endowment (2020: £222,000), £233,098 to restricted funds (2020: £251,000), and £1,739 to designated funds (2020: £ nil).

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

5 WAGES AND SALARIES

| | 2021 £000 | 2020 £000 |
|-----------------------|--------------|--------------|
| Wages and salaries | 1,855 | 1,967 |
| Social Security costs | 145 | 143 |
| Pension costs | 124 | 119 |
| | <u>2,124</u> | <u>2,229</u> |

There was one employee whose emoluments, including employer pension contributions of £17,000, fell within the band £90,000 - £110,000 in the period and this employee was a member of USS, a defined benefit pension scheme (2020: one employee within the £90,000 - £110,000 band).

Key Management personnel comprise Chief Executive Officer, Director of Membership and HR, Director of Commercial, Director of Finance and Director of Digital and Communications. The total employee benefits of the key management personnel were £344,000 (2020: £309,000).

The average number of employees (Full Time Equivalent) analysed by function was:

| | 2021 No. | 2020 No. |
|--------------------------------------|-------------|-------------|
| Administration & Building Services | 15 | 15 |
| Representation & Democracy | 10 | 8 |
| Participation & Personal Development | 16 | 17 |
| Advice & Welfare | 5 | 5 |
| Communications | 6 | 5 |
| Trading | 15 | 29 |
| | <u>67</u> | <u>79</u> |

Average number of employees over the year was 124 (2020: 139).

6 TRUSTEES' REMUNERATION AND EXPENSES

Salaries are paid to the sabbatical officers (The President, Activities Officer, Education Officer, Welfare & Equality Officer, Editor of the Student newspaper, Athletic Union Officer and Postgraduate Officer) who are those members of the Trustee Board who are required by the Constitution of the Students' Union to take sabbatical leave for their term of office. The sabbatical officers' salaries and NI costs for the year ended 1 August 2021 totalled £140,000 (2020: £152,000). Each sabbatical officer receives a gross annual salary of £20,130 (2020: £20,130). In addition, reimbursed expenses to members of the Trustee Board totalled £nil (2020: £1,473 to seven members).

7 AUDITORS REMUNERATION

Fees payable to the auditors in respect of Statutory Audit were £10,500 (2020: £8,000).

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

8 TANGIBLE ASSETS

Group

| | Land & Buildings £000 | Furniture and equipment £000 | Motor Vehicles £000 | Total £000 |
|-----------------------|-----------------------------|---------------------------------------|---------------------------|---------------|
| Cost | | | | |
| At 3 August 2020 | 20,411 | 1,301 | 48 | 21,760 |
| Additions | - | 36 | - | 36 |
| Disposals | - | - | - | - |
| At 1 August 2021 | 20,411 | 1,337 | 48 | 21,796 |
| Depreciation | | | | |
| At 3 August 2020 | 10,227 | 790 | 42 | 11,059 |
| Disposals | - | - | - | - |
| Charge for the year | 218 | 153 | 6 | 377 |
| At 1 August 2021 | 10,445 | 943 | 48 | 11,436 |
| Net book value | | | | |
| At 1 August 2021 | 9,966 | 394 | - | 10,360 |
| Net book value | | | | |
| At 2 August 2020 | 10,184 | 511 | 6 | 10,701 |

The majority of the Students' Union land and buildings is freehold and a small element is leasehold. All assets are held in trust for the students of the University of Newcastle upon Tyne. Fixed assets held are used in direct furtherance of the Students' Union's objects.

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

8 TANGIBLE ASSETS

Charity

| | Land & Buildings £000 | Furniture and equipment £000 | Motor Vehicles £000 | Total £000 |
|-----------------------|-----------------------------|---------------------------------------|---------------------------|---------------|
| Cost | | | | |
| At 3 August 2020 | 20,411 | 904 | 48 | 21,363 |
| Additions | - | 36 | - | 36 |
| Disposals | - | - | - | - |
| At 1 August 2021 | 20,411 | 940 | 48 | 21,399 |
| Depreciation | | | | |
| At 3 August 2020 | 10,227 | 724 | 42 | 10,993 |
| Disposals | - | - | - | - |
| Charge for the year | 218 | 74 | 6 | 298 |
| At 1 August 2021 | 10,445 | 798 | 48 | 11,291 |
| Net book value | | | | |
| At 1 August 2021 | 9,966 | 142 | - | 10,108 |
| Net book value | | | | |
| At 2 August 2020 | 10,184 | 180 | 6 | 10,370 |

The majority of the Students' Union land and buildings is freehold and a small element is leasehold. All assets are held in trust for the students of the University of Newcastle upon Tyne. Fixed assets held are used in direct furtherance of the Students' Union's objects.

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

9 INVESTMENTS

| | GROUP & CHARITY | |
|--------------------------------------|----------------------------|-------------|
| | 2021 | 2020 |
| | £000 | £000 |
| Market value at 3 August 2020 | 51 | 55 |
| Income retained within the portfolio | - | - |
| Net investment gains – unrealised | 8 | (4) |
| Disposal of Investments | - | - |
| Purchase of investments | - | - |
| | <hr/> | <hr/> |
| Market value at 1 August 2021 | 59 | 51 |
| | <hr/> | <hr/> |

The Market Value at 1 August 2021 represents:

28,027.644 units LF Lindsell Train UK Equity D (Acc) at 209.36 pence

£1 investment in wholly owned subsidiary NUSU Trading Ltd incorporated on 19th July 2019.

The historical cost of investments at 1 August 2021 was £55,000.

10 DEBTORS

| | GROUP | | CHARITY | |
|---|--------------|-------------|----------------|-------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £000 | £000 | £000 | £000 |
| Trade debtors | 38 | 11 | 18 | 9 |
| Other debtors | 10 | 12 | 4 | 7 |
| Prepayments and accrued income | 101 | 106 | 87 | 96 |
| Taxation | - | 43 | - | - |
| Balances owed by subsidiary undertaking | - | - | 168 | 165 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 149 | 172 | 277 | 277 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

11 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

| | GROUP | | CHARITY | |
|---|--------------|--------------|--------------|--------------|
| | 2021 £000 | 2020 £000 | 2021 £000 | 2020 £000 |
| Trade creditors | 63 | 15 | 42 | 14 |
| Amount owed to University of Newcastle | 36 | 43 | 36 | 43 |
| Deferred income (invoiced in advance) | 11 | 36 | 11 | 36 |
| Funds held as custodian – Students' clubs and societies | 616 | 567 | 616 | 567 |
| Other creditors | 59 | 17 | 10 | 17 |
| Taxation and Social Security | 31 | 26 | 31 | 26 |
| Payroll | - | - | - | - |
| Accruals | 94 | 70 | 67 | 55 |
| Loan | 80 | - | - | - |
| | <u>990</u> | <u>774</u> | <u>813</u> | <u>758</u> |

Deferred income comprises income invoiced in advance of the service being provided.

| | £000 |
|---|-----------|
| Balance at 3 August 2020 | 36 |
| Amount released to charitable services income | (27) |
| Amount deferred in year | 2 |
| Balance as at 1 August 2021 | <u>11</u> |

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

| 12 CREDITORS – AMOUNTS FALLING DUE AFTER ONE YEAR | GROUP | | CHARITY | |
|---|--------------|--------------|--------------|--------------|
| | 2021 £000 | 2020 £000 | 2021 £000 | 2020 £000 |
| Amount owed to University of Newcastle | 320 | 400 | - | - |

The loan from University of Newcastle was originally repayable over 5 years with annual instalments and secured with a floating charge over the Trading Company's assets. The loan was renegotiated to defer the first two repayments due to Covid effectively extending the loan to 7 years. Interest is chargeable at a rate of 2.5% per annum and interest is charged to the income statement.

13 PENSIONS

Newcastle University Students' Union participates in the University of Newcastle upon Tyne Retirement Benefits Plan (1971) and indirectly participates in the Universities Superannuation Scheme. These schemes are defined benefit schemes and operate as a 'pooled arrangement' where contributions are set in relation to the current service period only. Newcastle University Students' Union is unable to identify its share of the underlying assets and liabilities of these schemes.

Due to the nature of the scheme contributions, they are accounted for within the accounts of Newcastle University Students' Union as a defined contribution scheme. The income and expenditure account charge for the period under FRS102 represents employer contributions payable.

Staff employed by the company who joined in 2011 or later are eligible to be members of a stakeholder scheme. It is a defined contribution scheme and is independently administered by an insurance company. Contributions are recognised in the statement of financial activities in the period in which they become payable.

Pension contributions payable for the period ended 1 August 2021 amounted to £124,000 (2020: £119,000) and there were 56 employees (2020: 54) participating in these schemes during the period. Outstanding contributions at the year-end were £9,000 (2020: £8,000).

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

14 STATEMENT OF FUNDS CURRENT PERIOD

| | Balance at 3.8.20 £000 | Income & investments £000 | Expenditure £000 | Transfers £000 | Balance at 1.8.21 £000 |
|--|------------------------------|---------------------------------|---------------------|-------------------|------------------------------|
| <i>Unrestricted funds</i> | | | | | |
| General funds | 287 | 3,524 | (3,450) | (100) | 261 |
| Designated funds | 17 | - | (2) | 100 | 115 |
| <i>Restricted funds</i> | | | | | |
| ‡University- Access Agreement | 6 | 88 | (42) | - | 52 |
| ‡University- Sports expansion | 12 | - | (9) | - | 2 |
| ‡ University- Catherine Cookson | 4 | 5 | (4) | - | 5 |
| ‡ University NUFR- Catherine Cookson | - | 3 | - | - | 3 |
| ‡ University- Nightline rent | - | 7 | (7) | - | - |
| ‡ University- Best Neighbour | - | - | - | - | - |
| ‡ University- Post Grad Salaries | 1 | - | (1) | - | - |
| ‡ University- Frederick Douglass Award | 2 | - | - | - | 2 |
| ‡ University- Sensory packs | 5 | - | (4) | - | 1 |
| ‡ Touch Rugby | 2 | - | - | - | 2 |
| ‡ University- Elite Sport | - | 300 | (118) | - | 182 |
| ‡ University- EDI Consultation | - | 30 | (10) | - | 20 |
| ‡ University- LGBTQ+ attainment gap | - | 1 | - | - | 1 |
| ‡ University- LGBTQ+ safe spaces | - | 15 | - | - | 15 |
| ‡ University- Micro aggression arts | - | 2 | (1) | - | 1 |
| ‡ Volunteering- SCAN funds | 2 | - | - | - | 2 |
| #University – Capital | 193 | - | (53) | - | 139 |
| #University – Finance Systems | 21 | - | (8) | - | 13 |
| ‡ Santander Diversity Ambassadors | 2 | 10 | (11) | - | 2 |
| ‡ Newcastle City Council | 7 | - | (7) | - | - |
| ‡ NEST donations | 4 | 6 | (5) | - | 5 |
| ‡ National Lottery NEST | - | 12 | (12) | - | - |
| ‡ Action Foundation NEST | - | 28 | (14) | - | 14 |
| ‡ Coop first Responders | - | 1 | - | - | 1 |
| ‡ Coop Procrastiknitting | - | 1 | - | - | 1 |
| ‡ Newcastle City Council Community Health fund | - | 2 | - | - | 2 |
| ‡ Support and Wellbeing Activity | - | 27 | (3) | - | 24 |
| ‡ Healthy and Happy Fund (Circus Grant) | - | 1 | - | - | 1 |
| ‡ Youth Trips | - | 3 | - | - | 3 |
| ‡ NICOT | 3 | - | - | - | 3 |
| <i>Total Restricted Funds</i> | <i>264</i> | <i>541</i> | <i>(309)</i> | <i>-</i> | <i>496</i> |
| Permanent Endowment | 10,171 | - | (220) | - | 9,951 |
| | <u>10,739</u> | <u>4,065</u> | <u>(3,981)</u> | <u>-</u> | <u>10,823</u> |
| - #Capital Grant | | | | | |
| - ± Trading Services Income/ Expenditure | | | | | |
| - ‡ Other Service Income/Expenditure | | | | | |

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

14 STATEMENT OF FUNDS CURRENT PERIOD (CONTINUED)

The Students' Union Building is held in a Permanent Endowment trust by the Trustees of Newcastle University Students' Union.

NUSU received funding from Newcastle University for the following:

- To support the delivery of Elite Sports activities.
- To support EDI activities.
- To purchase new furniture, equipment and new finance systems.

Further external funding has been received from various organisations for Volunteering projects.

The designated fund was created for the Digital transformation project which will be continued next year.

Further funds were designated to cover increased staff training, marketing research, Freshers Week, and the purchase of some capital items.

14 STATEMENT OF FUNDS PRIOR YEAR

| | Balance at 28.7.19 £000 | Income & investments £000 | Expenditure £000 | Transfers £000 | Balance at 2.08.20 £000 |
|---|-------------------------------|---------------------------------|---------------------|-------------------|-------------------------------|
| <i>Unrestricted funds</i> | | | | | |
| General funds | 232 | 4,893 | (4,838) | - | 287 |
| Designated funds | 18 | - | (1) | - | 17 |
| <i>Restricted funds</i> | | | | | |
| †University- Access Agreement | 14 | 90 | (98) | - | 6 |
| †University- Sports expansion | 18 | 14 | (20) | - | 12 |
| † University- Catherine Cookson | 2 | 5 | (3) | - | 4 |
| † University- Nightline rent | - | 7 | (7) | - | - |
| † University- Best Neighbour | - | 3 | (3) | - | - |
| † University- Post Grad Salaries | - | 22 | (21) | - | 1 |
| † University- Frederick Douglass Award | - | 3 | (1) | - | 2 |
| † University- Sensory packs | - | 5 | - | - | 5 |
| † Touch Rugby | 2 | - | - | - | 2 |
| † Volunteering- SCAN funds | 9 | - | (7) | - | 2 |
| #University - Mens Bar refurbishment 2016 | 5 | - | (5) | - | - |
| #University – Capital | 250 | - | (57) | - | 193 |
| #University – Finance Systems | 29 | - | (8) | - | 21 |
| † Santander 1718 | 1 | - | (1) | - | - |
| † Santander Diversity Ambassadors | - | 6 | (4) | - | 2 |
| † Santander Salaries | - | 2 | (2) | - | - |
| † Newcastle City Council | - | 23 | (16) | - | 7 |
| † Reece Group | 3 | - | (3) | - | - |
| † NEST donations | 1 | 3 | - | - | 4 |
| † Boat Club Legacy | 2 | - | (2) | - | - |
| † NICOT | 3 | - | - | - | 3 |
| <i>Total Restricted Funds</i> | 339 | 183 | (258) | - | 264 |
| Permanent Endowment | 10,393 | - | (222) | - | 10,171 |
| | <u>10,982</u> | <u>5,076</u> | <u>5,319</u> | <u>-</u> | <u>10,739</u> |

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 AUGUST 2021

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

The Students' Union's net assets belong to various funds as follows:

| | Fixed Assets/ investments | Net Current Assets | Long Term Liabilities | Fund Balances |
|---------------------------|------------------------------|-----------------------|--------------------------|------------------|
| | £000 | £000 | £000 | £000 |
| General funds | 333 | 248 | (320) | 261 |
| Designated funds | - | 115 | - | 115 |
| Restricted funds | 135 | 361 | - | 496 |
| Permanent endowment funds | 9,951 | - | - | 9,951 |
| | <u>10,419</u> | <u>724</u> | <u>(320)</u> | <u>10,823</u> |

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

| | Fixed Assets/ investments | Net Current Assets | Long Term Liabilities | Fund Balances |
|---------------------------|------------------------------|-----------------------|--------------------------|------------------|
| | £000 | £000 | £000 | £000 |
| General funds | 427 | 260 | (400) | 287 |
| Designated funds | 2 | 15 | - | 17 |
| Restricted funds | 152 | 112 | - | 264 |
| Permanent endowment funds | 10,171 | - | - | 10,171 |
| | <u>10,752</u> | <u>387</u> | <u>(400)</u> | <u>10,739</u> |

16 RELATED PARTY TRANSACTIONS

During the year ended 1 August 2021, the University of Newcastle upon Tyne provided a block grant of £2,159,000 (2020: £2,337,000) to Newcastle University Students' Union. At the year-end Newcastle University Students' Union owed the University £36,000 (2020: £43,000) for net goods and services provided by the University. The University made a loan of £400,000 to the trading subsidiary NUSU Trading Ltd in 2019/2020.

The charity has taken advantage of the exemption allowed under FRS102 from disclosing transactions between wholly owned group members.

17 CONTROLLING PARTY

The Trustee Board is the controlling party of Newcastle University Students' Union.

NEWCASTLE UNIVERSITY STUDENTS' UNION

NOTES TO THE CASHFLOW STATEMENT

FOR THE YEAR ENDED 1 AUGUST 2021

18 NOTES TO THE CASHFLOW STATEMENT

Reconciliation of changes in resources to net inflow/ (outflow) from operating activities

| | 2021 £000 | 2020 £000 |
|--|--------------|--------------|
| Net expenditure before unrealised gains | 84 | (243) |
| Depreciation | 377 | 369 |
| Decrease in stocks | 18 | (44) |
| Decrease/(increase) in debtors | 23 | (32) |
| Increase in creditors | 136 | 15 |
| Unrealised (gains)/losses on investments | (8) | 4 |
| | <hr/> | <hr/> |
| Net cashflow from operating activities | 630 | 69 |
| | <hr/> | <hr/> |

19 ANALYSIS OF CHANGES IN NET DEBT

| | At 3 August 2020 | Cash flows | Non-cash movements | At 1 August 2021 |
|-----------------------------------|---------------------|------------|-----------------------|---------------------|
| Cash and cash equivalents | 868 | 594 | - | 1,462 |
| Debt due within one year | - | - | (80) | (80) |
| Debt due after more than one year | (400) | - | 80 | (320) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Changes in net debt | 468 | 594 | - | 1,062 |
| | <hr/> | <hr/> | <hr/> | <hr/> |