

The Union of UEA Students Limited
Annual Report and Accounts
for the year ended 31st July 2021

Company No. 09664303

Annual Report and Accounts for the year ended 31st July 2021

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Executive and Union Information

Address: Union House, University of East Anglia, Norwich, Norfolk, NR4 7TJ

Charitable Status: The Union was founded in 1963, registered in England and Wales, number 1139778 on the 11 January 2011

The Union became the Union of UEA Students Limited, a company limited by guarantee, company registration number 09664303, at the end of the financial year 2014-15. All of the operations and assets of the Unincorporated Union were transferred to the company at this date and continued under the new company. At this time the Charity received a new registered number 11162866.

Charity Trustees: The Union's Constitution, approved by Union Council on 18 April 2013 approved by University Council, 20th May 2013 and amended by a Committee of University Council, 20 January 2014, continued from the previous Constitution, approved by a committee of University Council on 23 March 2010, the establishment of a Board of Trustees comprising

- the 5 elected Full Time Officers,
- not more than 2 Part-time Student officers elected by and from the Part-time Student Officers,
- 1 Postgraduate Student elected by the Postgraduate Assembly
- not more than 4 Student Trustees elected by Union Council and
- not more than 6 External trustees appointed by the Appointments Committee (the Constitution was amended by Union Council on the 6 December 2018, approved by a committee of University Council on 20 January 2019 to increase the number of External Trustees from 4 to 6)

Full-time Officers elected to hold office from 1 July 2020 to 30 June 2021

- Undergraduate Education Officer- Callum Perry
- Postgraduate Education Officer- Ayane Hida
- Campaigns and Democracy Officer- Hamish Williams
- Activities & Opportunities Officer- Lizzie Payne
- Welfare Community & Diversity Officer- Emily Anderson

Full-time Officers elected to hold office from 1 July 2021 to 30 June 2022

- Undergraduate Education Officer- Ivo Garham
- Postgraduate Education Officer- Ayane Hida
- Campaigns and Democracy Officer- Hamish Williams
- Activities & Opportunities Officer- Lizzie Payne
- Welfare Community & Diversity Officer- Aaron Campbell

Part-time Executive Officers elected to hold office from July 2021

- Environment Officer Meg Watts
- Ethical Issues Officer Kate Adler
- International Officer (Non-EU place) Miriam Hussein
- International Officer (EU place) Alexandru Biteanu
- LGBT Officer+(open place) Alix Green
- LGBT+ (trans/non-binary) Dean J. Smith
- Mature Students' Officer Hannah Lambert
- Students with Disabilities Officer Megan Anderson
- Women's Officer Patrycja Poplawska
- Non Portfolio Officer Sophie Atherton
- Non Portfolio Officer Tristan Michel Cyril Politt
- Black Student Officer Chris Njoroge
- POC Officer Serene Shibili Sexton

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Trustees of the Union **For the period 1st July 2020 to 30 June 2021**

5 elected Full Time Officers:

Aaron Campbell
Ivo Garnham
Ayane Hida
Lizzie Payne
Hamish Williams

2 Part-time Student officers:

Serene Shibli Sexton
Patrycja Poplawska

3 Student Trustees:

Adrian Ashby
Lucy Hawker

1 PG Student Trustee

Abdul Shaikh

External trustees

Martin Jopp
Frances Fay
Jeremy Clayton

Organisational Management

Chief Executive Officer - Toby Cunningham
Director of HR & Shared Services – Caroline Wilson
Assistant Director, Finance – Tim Cave

Group Structure

The Union has two wholly owned non-charitable subsidiaries, Students' Union Services (East Anglia) Limited, which carries out the trading activities of the Union based on campus at UEA, and The Waterfront – Student Union Services Limited. Their trading results are consolidated in these financial statements.

Auditors Crowe U.K. LLP, Aquis House, 49-51 Blagrove Street, Reading, Berks, RG1 1PL

Bankers Co-operative Bank, 69 London Street, Norwich, NR2 1HT

Solicitors Eversheds, Kett House, Station Road, Cambridge, CB1 2J

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The Union of UEA Students Annual Report and Accounts for the year ended 31st July 2021

Trustees Report

The Trustees of the Union of UEA Students for the purposes of the Companies Act 2006, present their annual report in compliance with that Act, together with the financial statements, including the Trustees Report and Strategic Report, for the year ended 31 July 2021.

Structure, Governance and Management

The Union of UEA Students is governed by its Constitution dating from 1963, which was substantially revised in 1996 to incorporate the requirements of the 1994 Education Act, amended in 2008 and re-written in 2009 and 2013. The Student Officers are elected by a cross campus ballot of ordinary members of the Union on an annual basis and receive comprehensive training from the National Union of Students and the Union's management team.

The sabbatical posts are remunerated as authorised in the constitution in accordance with the Education Act 1994 and cannot exceed two years duration for each holder. Each officer has specific responsibility for aspects of the Union's activities and is supported by permanent staff who are organised in departments.

The Union operates on democratic principles. The Union Council has the power to set policy statements, reviews annual budgets and accounts of the Union and oversees the election of students to serve on Union and University committees. Union Council's membership comprises the Union's Student Officer Committee, together with representatives of all Union clubs, societies and peer support groups and representatives of students in every school of study.

The Student Officer Committee operates as the main representative/leadership body in the Union. The Trustee Board can set aside decisions of Union Council if it incurs significant risk to the finances, legal standing or reputation of the organisation but Union Council can override the Student Officer Committee's or Trustee Board's interpretation of Union policy and can ultimately remove trustees or officers from office.

The post of external trustee is advertised on the Union website and applications invited from relevant contacts and associated bodies, in particular current trustees. External trustees are appointed by a panel based on skills and knowledge. Lay students apply in a similar fashion but are appointed by Union council when it sits.

All trustees of the Union are required to attend training. Trustees receive this based on NUS' good governance guide, which revolves heavily around Charity Commission and best practice advice.

The Union operates policies for the full and fair consideration of applications, continuing employment and training while employed and training, career development and promotion for disabled persons.

The Union maintains arrangements aimed at systematic provision of employee information, regular consultations so that employees' views can be considered, encouraging employees' involvement in the entity's performance and achieving a common awareness of the financial and economic factors affecting the entity's performance.

Governance:

During the first summer of the global pandemic the board met on a monthly basis to receive progress reports and analysis of various scenario's going forward the board approved the new financial deal with the University, plans for the year ahead and a 6 month forecast budget.

During the autumn the board received monthly written updates for the Senior Management team advising them of progress, cash-flow, and potential scenarios and their consequences to the budget and annual plans.

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Relationship with the University of East Anglia

The Union of UEA Students receives Grants from and occupies a building owned by the University of East Anglia. A formal lease is in place between the University and the Union of UEA Students governing the use of Union House. This creates an annual charge of £438,000 payable by the Union for which specific additional grant funding is received.

Although the Union continues to generate funding from various trading activities, it remains dependent on the University's support. There is no reason to believe that this or equivalent support from the University will not continue for the foreseeable future as the Education Act 1994 imposes a duty on the University to support a student representative body.

Discussions over future funding arrangements with the University have been formalised during the year leading to increased grant funding in 2021 and thereafter.

The new funding model increases the block grant, partly in exchange for the transfer of the retail and catering business and their associated costs to UEA, with the addition of a decrease in rent payable on Union House. The new arrangements will allow us to develop long terms plans for the charity and the subsidiary companies and reduces the reliance of the charitable outputs on commercial revenues..

Fundraising

The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Charitable Objects as set out in our Constitution

The Union's object is the advancement of education of students at the University of East Anglia for the public benefit by:

- promoting the interests and welfare of students at the University of East Anglia during their course of study and representing, supporting and advising students;
- being the recognised representative channel between students and the University of East Anglia and any other external bodies; and
- providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its students.

The trustees confirm that, in exercising their powers and duties, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Trustee Board Responsibilities

The Trustees (who are also directors of the Union of UEA Students Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the relevant accounting standards and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to Auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

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Strategic Report

Review of achievements and performance of the Group for the period

Within the year the Union undertook activity to secure the interests of and improve the experience of students at UEA.

The Board approved revised strategic priorities and ambitions in July and a revised annual plan and six month financial forecast in September.

The year began with limited social activity and face to face learning due to restrictions imposed by the Government due to the global pandemic. We were able to offer limited social activities and spaces to our members and adapted our venues to accommodate social distancing and to allow for on-line ordering and table service. These spaces and activities ceased during the second lockdown in November until we came out of the third lockdown in May 2021.

In April 2021 in accordance with Government regulations we operated a 'beer garden' on campus again with on-line ordering and table service. We were able to show major sporting events like the Euros and the Olympics, creating a safe social space for students.

As well as continuing with our strategic priorities the pandemic required us to react swiftly to the changing circumstances on and off campus. We successfully lobbied the University in the following areas;

- Free PCR testing and hotel quarantine for International Students and
- PGR workplaces and mature student access to PG spaces in library.
- Extra support for Student isolating and Money for online activities.
- No re-assessment fees and No detriment education policy.
- Sports membership rebates and extensions.
- Cheaper food for isolating and quarantine groups.
- Rebates on accommodation and supported the University in lobbying landlords and private halls providers in giving rebates to students unable to take up their accommodation
- Free parking in campus for placement students.
- Edith Cavell as a respite space for FMH students and NHS workers
- We received a significant increase in welcome project based funding to support on-line activities and support for student societies.

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Support: A campus that Cares

- We transferred our Advice service to an on-line facility with on-line appointments and drops, as well as increasing and improving the on-line information for students.
- Working with other Students' Unions we lobbied the Government and local MP's for improved student hardship support. We worked with Student Support Services redefine the criteria for access to hardship funds and ensured that funds were targeted for PG and International students.
- We lobbied for the University to set up a laptop support scheme to help students from widening participation backgrounds access on-line learning
- Working with Student Support Services we helped organize and facilitate Christmas activities for International students stuck on campus during the shutdown period
- Set on-line shopping and delivery service and worked with the Library to deliver books to residences
- As part of our divestment from fossil fuels campaign we lobbied the University not renew the Barclays lease on campus
- UEA agreed to act as accommodation guarantors for international and vulnerable students.

Inclusivity: A Union of All.

- We organized on-line and face to face peer support groups to keep vulnerable students connected and supported
- We developed on-line activities and events for liberations history months
- Facilitated meetings between the Vice Chancellor and religious societies to improve prayer facilities and highlight religious based harassment
- Our work on anti-racism on campus continued
 - We worked closely with the University on an inclusive education policy
 - We lobbied successfully for three BAME ambassador students to participate in the VC task force for tackling racism
 - We developed and published an Anti-racism statement
 - We conducted a survey of black students to identify priorities for action
 - We ran a black student leadership programme to encourage students of colour to stand for officer positions resulting a more diverse Student officer Committee
 - We ran a pilot anti-racism training session for students groups
 - Adopted the Halo Collective guidance on recruitment

Engagement: Building trust with the membership.

- We produced officers videos for on-line induction programs
- Improved the content of the website to highlight new on-line resources
- Regular officer blogs
- Officer videos and face book live events
- Developed student officer social media profiles
- Gathered hundreds of students inputs and feedback on their academic experiencing during COVID
- We organised facebook live events for members to talk to officer and a Q&A event with the Vice-Chancellor

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Representation & Support: Building Academic Communities.

We restructured the staff team to ensure that each faculty had a dedicated member of staff, this enabled us to build real expertise and support on a school by school basis with increased staff support at Student Staff liaison Committee and the Faculty Learning and Teaching Quality Committee.

- We introduced Convener and School Rep forums where conveners could get together discuss common issues and share best practice
- We worked with the University to embed de-colonising the curriculum into the inclusive education policy
- We lobbied for two No detriment policies to cover both academic periods of the pandemic ensuring that the changes in teaching and assessment did not have a detrimental impact on student outcomes
- We lobbied for the removal of fees for students retaking assessments
- We worked to ensure that the curriculum review did not breach OfS and CMA guidance

Democracy: Transparency in Decision Making.

- We continue to develop and revise our democracy review, looking at how other Union's get student input and how we can make the process more inclusive
- We moved all of our democratic meetings into on-line spaces to enable students to participate and make change motions were passed regarding Barclays Bank, Students rets, Tuition Fees and adopting a more sustainable default web browser on campus.
- Our Election we ran fully on-line with on-line campaigning and voting. The turn-out was 2140 down on 2020, but this was expected due to the pandemic, however overall nominations were up from 84 to 92. The diversity of candidates was also improved with more students of colour and women students that 2020
- The voting history over the last three year period is as follows:-

	<u>2019</u>	<u>2020</u>	<u>2021</u>
Individual votes	1,977	2,750	2,140
Unique votes	9,560	16,733	14,902
Engagement score	4.84	6.08	6.96

Transforming: Enabling our members to fulfil their ambitions.

- We arranged for projectors to be delivered to each halls kitchen to create a safe social space in each flat.
- We organised on-line club nights, quizzes, discussion support groups and screenings
- We organised a series of 'flativities' activities for students within flats to work together including pumpkin carving, Christmas decoration making, mug painting etc
- We moved all of our volunteer training on-line
- We developed a get-connected on-line space to enable students to connect with each other and access the resources need to run their clubs and societies
- We organized our varsity with Essex SU into a series of on-line events
- We moved our Sports and Societies fairs on-line making it easier to join and in January we ran a 'UEA YOU Way' campaign to encourage more membership and over 800 more students signed up to student groups
- Student groups ran a 'Movember' fundraising campaign on-line and raised a staggering £37,000
- Improved PGR sport provision from the Sports Park

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Transforming: Enabling our members to fulfil their ambitions.

We supported 58 Sports Clubs and 209 societies with a combined membership of 8,253. In total we had 2,167 volunteers supporting our various activities with 1,867 of these being Committee members responsible for leading our wide variety of Student Groups.

Our buddy scheme attracted 300 volunteers who supported 604 new students. We hosted 936 Do Something Different events despite the ongoing pandemic restrictions.

We organized 7 outreach projects giving students that chance to meet local school children virtually and talk about their experiences at University, with many others paused due to an inability to provide physical workshops

Financial Review and results for the period of the Group

The financial statements for the period ended 31 July 2021 have been prepared on a consolidated basis. The companies concerned are Students' Union Services (East Anglia) Limited and Waterfront - Student Union Services Limited. These companies undertake activities, which for commercial reasons, are more appropriately channeled through trading companies rather than being undertaken directly by the Union.

The Union's financial strategy has been to:

- finance its current range of activities;
- renegotiate its funding arrangements with the University to bring it onto a more sustainable footing
- in the context of the Covid-19 pandemic, take advantage of government and university support measures including the furlough scheme and bank lending whilst reducing expenditure to reflect the lock-down and restricted numbers of students on campus.

The Union has three sources of funding:-

- Direct funding of grant from the University, with additional support in the form of maintenance, cleaning and I.T. services
- Profits from its commercial social enterprises.
- Specific grant funding for capital projects and other shared initiatives through the University and Alumni funds.

The year ended 2021 was an exceptional period, dominated by the Covid-19 pandemic with its dramatic impact on the trading operations of the Union and the partial offset by Government support schemes and other grants and insurance recoveries. It also co-incided with an improved funding arrangement with the University which involved additional grant income alongside a 'buy-out' of the Union's retail and catering operations at a value of historic contribution to Net Income, with additional contribution to compensate for losses in the period up to transfer of 30 June 2021, effectively sheltering the Union from the impact of the pandemic in these areas.

The resulting Net Expenditure on unrestricted funds of £(7,000) (2020 - £(546,000)) is stated after:-

- Furlough scheme, insurance payments and other Covid-19 related grants £1,546,000 (offset by furlough payments to casual staff unable to work of £676,000)
- Improved Funding arrangement £350,000
- Buy-out of retail and catering including losses £597,000

During the year, the Union drew a further £350,000 bank debt under the covid support CBIL scheme (repaying £100,000 of previously drawn 'Bounce back loans' at the same time) and converted unpaid rent payable of £394,000 to the University into long-term debt, with a further loan of £265,000 of loans from the University drawn down after the year end date. The bank loans are repayable over 6 years and the University loans only when the reserves position allows or in 10 years. These have the effect of underwriting the short term solvency position of the Union over an uncertain planning period as the economy emerges from the impact of lock-down.

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Going Concern and the impact of Covid-19

The charity has cash resources that exceed its reserves. The trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

The Charity has emerged from the Covid crisis with a considerable increase in long-term debt which will have relatively modest repayment requirements in the next 5 years. In combination with its improved funding arrangement with the University this underpins the annual budget.

As the economy re-opens the trustees have anticipated uncertainties around cost inflation, supply issues of material and labour and the possible implementation of additional covid-related measures in the venues and sensitised the financial forecast accordingly. There remain reasonable grounds for confidence that the Charity will remain solvent and meet all financial obligations as they fall due.

Having regard to the above, the trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Reserves policy

The Union's reserves policy was adopted by the Trustee Board to ensure the level held is consistent with good practice and appropriate for the Union's size and range of activities.

The reserves policy previously recognised that a substantial amount of cash is locked up by the favourable consolidated working capital position, effectively guaranteeing trading liabilities. This has the consequence of restricting funds available for capital investment in those trading activities that generate the substantial share of funding for the Union's charitable purpose. The policy therefore excluded direct trading liabilities. The experience of the pandemic has been to limit this exclusion to the proceeds of advanced ticket sales which proved to be robust whilst other liabilities required settlement. The value of these liabilities at 31 July 2021 is unusually high due to postponement of events and the value has been capped at a historically normalised level of £400,000. Long-term liabilities such as the pension liability and loans repayable after one year are also excluded as these are in practice funded from future income rather than current funds.

The reserves policy of the Union of UEA Students group is to maintain a level of unrestricted funds, not committed or invested in tangible assets, which will enable the Union to

1. Ensure the SU has sufficient cash during periods of non-trade;
2. Provide a buffer to weather short term dips in commercial performance;
3. Enable the Charity to maintain a current net asset position to discharge its current liabilities at all times

This remainder should be focused on improving the Union's student-facing facilities, information technology and maintaining and developing the asset base of the Social Enterprises in support of improved profit contributions, which remains a key constituent of the funding of the Union.

Free reserves are calculated as follows:-

	£'000	£'000
Unrestricted reserves		(2,775)
Add back		
long term pension liabilities		3,209
Long term loans		686
liability for advanced tickets (normalised)		400
Less		
NBV of tangible fixed assets	(5,144)	
excluding assets from restricted funds	3,946	
Free Reserves		<u>(1,198)</u> 322

The target level of free reserves has been calculated as three months salary and pensions costs for career staff, which is £480,000 at July 2021. This gives rise to a deficit of £158,000, which has been improved by the conversion of £394,000 of trading liabilities into a long term loan.

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During the pandemic, the overriding financial priority has been to preserve cash and maximize the use of Government backed support schemes, including the furlough scheme, loans and grants. The Trustees have set a budget for the year ended July 2022 which allows for the rebuilding of reserves by £100,000 but anticipate that ongoing uncertainty surrounding the emergence of the economy from the pandemic alongside inflationary pressures from global supply issues and Brexit will require a further appraisal of the reserves position at the end of the 2021/22 year. The Trustees will then seek to restore reserves to the target level over a period of time within the budgeting process.

Principle risks and uncertainties

The Union's Trustee Board is responsible for the management of the risks faced by the Union. The board has established a Risk and Oversight sub-committee and approved a new Risk management policy. The CEO undertook training in risk management provided by the Institute of Risk Management.

Detailed considerations of risk are delegated to the heads of each department. Risks are identified, assessed and controls established throughout the year, with the risk register considered at each meeting. The key controls used by the charity include:

- Formal agendas for all Committee and Board activity;
- Terms of reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear accountability and budgetary control over expenditure.
- Risk Management Policy
- Health and Safety Policy
- Established a new Risk and Oversight Committee

Through the risk management processes established for the Union, the Union's Trustee Board is satisfied that the major risks identified and reported by the Chief Executive Officer have been adequately mitigated where necessary. It is recognized that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The major risks identified are as follows:-

Global pandemic

- Financial – inability to raise revenues due to government restrictions
- Reputation – inability to meet the needs of members through remoteness and loss of staff capacity
- Staffing – loss of working capacity due to furlough and staff illness and staff burnout

Financial – Sustainable Financial Model

- Developed 5 year forecast model that demonstrates that the existing financial arrangements are unsustainable
- Secured new financial settlement with University effectively tripling cash grant income
- Transferred retail and catering business to University
- Close management of cash-flow
- Short term forecasting
- Use of external financial support during the pandemic including insurance claims, grants, loans and furlough scheme

Legislative - Governmental changes in funding for higher education and the role of Students Unions.

- In addition, strong relationships are nurtured within the University with a view to reinforcing the role of the SU and its activities. Officers and staff attend committees and meetings with key University staff to lobby for students and influence decision making
- The Officers and CEO meet frequently with the Vice Chancellor and other senior university staff raising key concerns for students.
- Key Union personnel maintain relationships with senior managers in other Unions attend conferences and events to remain abreast of sector changes and the Union plays a lead role in Southern SU's

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- Subscribed to WONKSU, a HE policy advice and training service for staff and officers
- CEO attends regular nus and Southern SU CEO Zoom events
- CEO attending UEA emergency Silver and Operational Management groups

Governance – engaging the board and supporting trustees. Student Union board have a high turnover and a low average age.

- Ensure that newly recruited external trustee meet the skills gap required by the board
- Reviewed and improved agenda structure to engage board on key issues
- Trustee training available to all new trustees
- Chair training for chair of the board and sub-committees
- Chair of board has regular updates with lay student trustees and external trustees
- Developed a legal compliance checklist to ensure all legislation considered and identify skills gaps

Operations - Licensing issues if bars and venues fail to hold or comply with appropriate licensing arrangements.

- New Assistant Director of Venues appointed responsible for general operational management
- Events Safety training undertaken by all events staff and senior bar staff.
- Undertook unconscious bias training for the security team
- Regular meetings are held with local police, licensing authorities and University personal to maintain licensing objectives and improve campus safety
- Licensing police train security and student bar staff
- All staff undertake licensing and Good Night Out training

Impact of Covid-19

The exceptional circumstances of the Covid-19 pandemic and associated lock-down measures have had a significant impact on all Union activities, including income generation.

The Board has monitored the financial position and taken a range of measures to preserve cash,;

- Secured £615k of loans
- Negotiated a new financial model with UEA. Increased grant by circa £1mn (with a handover of retail and catering services).
- Implemented a CEO pay cut of 15%.
- Implemented a pay freeze for all staff saving £70k.
- Used the Job Retention Scheme as necessary
- Reduced departmental expenditure – charity budget cut by £113k for first 6 months of year including one compulsory redundancy
- Secured £315k in grants, with additional applications pending
- Claimed £150k with insurers under business interruption policies

Key Management Personnel

These are persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director.

In this year the management committee of the Union consisted of the five elected sabbatical officers and the Senior Management team. The elected officers are remunerated at a level that allows them to meet costs of living during their sabbatical year and as such are on a fixed salary point, which is uprated for inflation each year. The Senior Managers are defined as Senior Post-holders in a dedicated policy approved by the Board.

The Senior Management team consisted of Chief Executive, Director of HR and Support Services, and Assistant Directors of Venues, Retail and Catering, Charity Services and Finance. The Assistant Director of retail and Catering transferred to the University in a TUPE arrangements and the appointment of an Assistant Director of Venues was delayed until June.

Future Plans

We have developed a 5-year financial forecast, to negotiate with the University a long-term funding plan for the Union. This will be revisited to take account of the impact of the pandemic and the need to repay debt and rebuild reserves.

In addition, the Union continues to engage with the University to clarify responsibilities in respect of future capital and maintenance requirements in respect of Union House and to review means by which costs can be further be reduced through shared services and procurement.

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We have Commissioned Alterline, an external specialist marketing company that work with several other Students' Unions to undertake a major student insight project to determine the Union's future priorities that will form the basis of the next strategic plan 2022-2025. In the interim the board agreed the following:

Our strategic priorities have been agreed as;

Our Values (the "why" behind the things we do and the "how" we go about doing them)

We are students transforming:

Our key message is that we transform. We transform the people who get involved with us – giving them the tools to change their communities, their course, their campus, their world. We transform the University and wider world through campaigning and challenging others to be better. We transform as an organisation by giving away power to our members and being happy to adapt to what our members need.

We are a true union:

We believe that together our voice is stronger and that being a union of students who stand together to protect and champion change is not just important but core to what we do - we want you to feel safer and more powerful because you're in uea(su).

We are listening and changing:

We never want to be a closed community and want to hear from all of our members about what we should be doing. The ways that we do this aren't fixed and we'll change when we need to so that we're always an organisation that fits with what our members want.

We are inclusive:

We want everyone to feel like they can be involved in what uea(su) does and can see other people like themselves in all sorts of activity we undertake from elected Student Officers to sports teams. We'll challenge and remove barriers to you getting involved and make sure we are an accessible organisation to all of those who want to be a part of it, because we believe our experience is enhanced by the diversity of the people we meet.

We are quality:

We employ professional people who do their job well to make sure students who interact with uea(su) receive the best experience possible. We'll make sure we're properly run and providing excellent services and innovative ways of doing things as well as enabling students to be involved with us.

We are fun and friendly:

University life is about so much more than traditional education – we are an organisation that is friendly, open and importantly fun to be around. We'll always work to make sure our members have people around them, make some great friends and memories whilst they're with us at UEA.

We are socially responsible

We are an organisation with a place in the world – one that wants to make it better and one which is mindful of the effect it has on others. We'll equip our members with the skills and beliefs to see themselves as global citizens who know their role in society at large. We want to make decisions with sustainability in mind. That means not just caring for our environment but also making choices to keep the organisation we love going.

Annual Report and Accounts for the year ended 31st July 2021

Summary of Board Level KPI's 2020/21 for Chief Executive

Strategic Priority	Department	Theme	Action	Responsible	Impact	Deadline	Weighting	Notes
Building a Sustainable Union	CEO	Risk Management	Review and re-write Risk Register based on Crowe Report, support the Board sub-committee to mitigate risk and compliance	Regular Board updates on changes in the RR and changes to risk and their mitigation, update Risk Management policy for board chairing with Crowe Report	New risk management process that demonstrates effective risk management by Board	Dec 20	10%	Risk Register rewritten, reviewed by managers, compared against Kent Union. CEO awaiting training (delayed due to COVID). Risk Summary in operation
			Complete tasks on Crowe report	Report to Board - demonstrating tasks completed	Demonstrate management and control of risks	Dec 20	10%	Report updated for Board - good progress is being made in all outstanding areas, all tasks completed except for Security statement delayed due to COVID
			Create legal compliance check list	Legal compliance checklist forms part of the Risk Management Process, with regular updates to Board. Gaps in expertise and compliance are identified and action taken	Demonstrate management and control of legal risks	Mar 21	10%	Legal compliance check list completed. Biggest gap and cause for concern GDPR - we are looking to get external support in this area due to staff shortages in staff
		Health & Safety	Re-establish effective H&S committee in line with policy	Minutes of meeting to SMT, includes reports from H&S committee and actions of SMT in this area	Compliance in good H&S practice, reduce risk	Apr 20	10%	H&S policy written, roll out with staff beginning, training in place for groups of staff (see Crowe report action 1) committee up and running
			Commission external health and safety review	Report to board with improvement plan	Demonstrate to board effective management and control of health and safety	Jun 21	10%	External companies in tender process in brief being written - delayed due to COVID
	Finance	Managing the budget	Managing the budget	65.5% (17.2%)	Realise expected position for members, demonstrates good financial management	Sep 20	10%	We will not perform to budget in year 1
			Negotiating new settlement/develop long term sustainable financial model	Paper to Board on new funding and long term financial plan	Build a healthy financial model for long term	Mar 21	10%	Reached an agreement with UEA on funding model
		Memorandum of Understanding	Settlement to feed into completed Model	Transparency in relationship with University		Jun 21	10%	Delayed by UEA due to funding model and COVID
	Organisational Culture	Internal Gateway Plan	Introduce snapshot staff survey - regular CEO email - M&A, presentation to review as key strategic value and objectives	Improve staff satisfaction in working at UEA		Apr 21	10%	Snapshot survey rolled out in March. Staff week in June being planned with managers, see M&A CEO email
			Review Appraisal process effectiveness - review staff development in dept action plans and individual action plans - review of reward and recognition	Improve staff satisfaction and morale		Dec 20	10%	Not yet started
		Strategy	Roll out of communications to raise awareness of values and objectives and visual assets and M&A presentations, presentation and rollouts for staff	Members and staff know the strategy and see it happening		Dec 20	10%	Now we as Head of Venues in post he has been tasked to review and develop visual assets. M&A now tasked to strategy and manager now given a big task in thinking staff
			Strategy	Developing strategic outcomes	90% of organisational plan completed	Jun 21	10%	Plan updated for board - mostly on target but staff absences have delayed some actions delayed
	External reputation	Organise another conference event	Organise another conference event	Improve reputation of union in sector		Jun 20	10%	Organising an event has proved difficult in March seen as geographically remote but we have postponed and F&S RUC Leadership programme days and we are holding a regional M&A managers event. We are presenting at the M&A conference in London and will be submitting proposals to Summer SU and M&A SU conferences
			Submit reports to conference	Three sessions delivered per year at various conference events	Improve reputation of union in sector	Jun 20	10%	

This Annual Report, under the Charities Act 2011, and the Companies Act 2006, was approved by the Board of Trustees; including in their capacity as company directors approving the strategic report contained therein, and is signed as authorised on its behalf by

Ayane Hida – Chair

Ayane Hida

dated

15/03/2022.

Annual Report and Accounts for the year ended 31st July 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE UNION OF UEA STUDENTS LIMITED

Opinion

We have audited the financial statements of The Union of UEA Students Limited for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 July 2021 and of the group's deficit 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Annual Report and Accounts for the year ended 31st July 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UNION OF UEA STUDENTS LIMITED (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report and Strategic 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 the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Trustees' Annual Report.

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 24, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Annual Report and Accounts for the year ended 31st July 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UNION OF UEA STUDENTS LIMITED (CONTINUED)

Responsibilities of the Trustees (continued)

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the charity were Health and Safety, Safeguarding, Charity Commission regulations and General Data Protection Regulation (GDPR). Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on non-grant income, proof in total work on grant income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance. Our audit procedures to respond to revenue recognition risks include

Annual Report and Accounts for the year ended 31st July 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UNION OF UEA STUDENTS LIMITED (CONTINUED)

testing a sample of income across the year to supporting documentation, and reviewing income received either side of the year end to ensure this has been recognised correctly.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations. These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

Use of our report

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



Janette Joyce

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

Date: 18.3.22

Annual Report and Accounts for the year ended 31st July 2021

Consolidated Statement of Financial Activities for the year ended 31 July 2021

	Notes	Unrestricted Funds	2021 Restricted Building projects	Restricted Funds Other	Total Funds	2020 Year ended 31 July
		£'000	£'000	£'000	£'000	£'000
Income and Endowments from:						
<i>Donations</i>						
University Grants		530	-	-	530	521
Provision of accommodation		788	-	-	788	788
Compensation for transferred businesses	4	597	-	-	597	-
Other funding from University		214	-	-	214	68
<i>Charitable activities for students</i>						
Contributions from Club & society members	4/5			217	217	647
Commercial trading operations		2,258	-	-	2,258	6,475
Income from Govt. support schemes and Insurance claims	6	1,546	-	-	1,546	714
Other operating income		26	-	-	26	44
Total Income		5,959	-	217	6,176	9,257
Expenditure on Resources						
<i>Charitable activities for students</i>	8	(1,204)	-	-	(1,204)	(1,674)
Club & society expenses		-	-	(165)	(165)	(568)
Expenditure against grants			(335)	-	(335)	(639)
Commercial Trading Operations	4/5	(4,804)	-	-	(4,804)	(7,482)
Total Expenditure		(6,008)	(335)	(165)	(6,508)	(10,363)
(Increase) / decrease in Pension deficit		42	-	-	42	(1,177)
Net income / (Expenditure)		(7)	(335)	52	(290)	(2,283)
Funds brought forward at 31 July 2020/ (2019)		(2,768)	4,340	337	1,909	4,192
Fund balances at 31 July 2021 / 2020		(2,775)	4,005	389	1,620	1,909

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities

Annual Report and Accounts for the year ended 31st July 2021

Union and Consolidated Balance Sheet as at 31 July 2021
Company No. 09664303


		2021	Group 2020	Union 2021	2020
	Note	£'000	£'000	£'000	£'000
FIXED ASSETS:					
Tangible assets	16	5,144	5,614	3,997	4,361
Investments	12	-	-	750	1,850
		<u>5,144</u>	<u>5,614</u>	<u>4,747</u>	<u>6,211</u>
CURRENT ASSETS					
Stocks	17	54	114	-	7
Debtors	18	492	139	404	80
Cash at bank and in hand		1,335	802	457	277
		<u>1,881</u>	<u>1,055</u>	<u>861</u>	<u>364</u>
CURRENT LIABILITIES					
Amounts falling due within one year	19	(1,510)	(1,201)	(476)	(1,433)
NET CURRENT ASSETS / LIABILITIES					
		<u>371</u>	<u>(146)</u>	<u>385</u>	<u>(1,069)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>5,515</u>	<u>5,468</u>	<u>5,132</u>	<u>5,142</u>
LIABILITIES FALLING DUE AFTER MORE THAN ONE YEAR					
Bank Loans	20	(292)	(98)	(292)	-
Loans from University	20	(394)	-	(394)	-
UUEAS Pension deficit	20	(30)	(41)	(30)	(41)
SUSS Pension deficit	20	(3,179)	(3,420)	(3,179)	(3,420)
		<u></u>	<u></u>	<u></u>	<u></u>
TOTAL NET ASSETS					
		<u>1,620</u>	<u>1,909</u>	<u>1,237</u>	<u>1,681</u>
RESTRICTED FUNDS					
Club and Society Funds	21	362	310	362	310
Other Grant funding		27	27	27	27
Capital Projects funded by Grant		4,006	4,340	4,006	4,340
UNRESTRICTED FUNDS					
Accumulated Funds		(2,775)	(2,768)	(3,158)	(2,996)
		<u>1,620</u>	<u>1,909</u>	<u>1,237</u>	<u>1,681</u>

The deficit for the financial year dealt with in the accounts of the parent company was £444,000 (2020: £2,350,000).

Approved by the Trustee Board on behalf of the Union of UEA Students on 15/03/2022
and signed on their behalf by

 Ayane Hida

Officer and Chair of Trustee Board

 Elizabeth Payne

Officer and Chair of Finance Committee

Annual Report and Accounts for the year ended 31st July 2021

Consolidated Cash Flow Statement

		Year ended 31.7.21	Year ended 31.7.20
	Notes	£'000	£'000
Net Cash Flow from operating activities	A	(15)	(446)
Returns on investments and servicing of finance	B	639	100
Capital Expenditure	B	(91)	(141)
Increase / (Decrease) in cash in the period		533	(487)
Reconciliation of net cash flow to movement in net funds			
Increase / (Decrease) in cash in the period	C	533	(487)
(Increase in Bank Loans in period		(245)	(100)
Net funds at 31 July 2020/ (31 July 2019)		702	1,289
Net Funds at 31 July 2021 / (31 July 2020)		990	702

Annual Report and Accounts for the year ended 31st July 2021

Notes to the consolidated cash flow statement

	Year ended 31.7.21	Year ended 31.7.20
Note A		
Reconciliation of operating profit to net cash inflow from operating activities		
	£'000	£'000
Total net income / (expenditure) on ordinary activities	(290)	(2,283)
Interest received	(-)	(-)
Net Expenditure	(290)	(2,283)
Add back depreciation charges	553	624
Loss on disposal of Fixed assets	8	253
Decrease in stocks	60	44
(Increase) / Decrease in debtors	(353)	162
Increase / (Decrease) in creditors	259	(239)
(Decrease) in long term liabilities	(252)	(992)
Net cash inflow / (outflow) from unrestricted activities	15	(446)

Note B

Analysis of cash flows for headings netted in the cash flow statement

	£'000	£'000
Returns on investments and servicing of finance		
Bank Loans acquired	350	100
Bank Loans repaid	(105)	-
Loans from University	394	-
Interest received	-	-
Net Cash inflow on investments and servicing of finance	639	100
Capital expenditure		
Purchase of tangible fixed assets – unrestricted funds	(91)	(141)
Purchase of tangible fixed assets – restricted funds	-	-
Net cash outflow for capital expenditure	(91)	(141)

Note C

Analysis of changes in net funds

	1.8.20 £'000	Cash Flow £'000	31.7.21 £'000
Net Cash	802	533	1,335
Bank Loans	(100)	(245)	(345)
Total	702	288	990
Analysed in balance sheet			
Cash at bank and in hand	802		1,335
Creditors within 1 year	(2)		(53)
Creditors falling due after more than 1 year	(98)		(292)
	702		990

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts – Accounting policies

1. Charity Information

The principal activities of the Union are campaigning, representation, provision of social activities and the organisation of recreational activities and opportunities. It is a Public Benefit Entity. The Union of UEA Students Limited is an incorporated charity (limited by guarantee). The charity registration number is 11162866. It is incorporated and domiciled in the UK. The company registration number is 09664303. The address of the principal office is Union House, University of East Anglia, Norwich, Norfolk, NR4 7TJ.

2. Notes to the Accounts

Accounting Convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Union meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The company has elected to apply all amendments to FRS 102, as set out in the triennial review published in December 2017, prior to the mandatory adoption for accounting periods beginning on or after 1 January 2019

Recognition of Income

All income from Specific Donations, Grants, Contracts and Other Services Rendered is included in the SOFA on an accruals basis. All income from short-term deposits is credited to the Income and Expenditure Account on a receivable basis. During the year, a formal lease was put in place between the University and the Union of UEA Students governing the accommodation on campus. Additional grant funding was provided to match the lease cost. In previous years the University grant of free accommodation on the campus was accounted for as income and expenditure of the year at an estimated value to the Union by reference to the alternatives available on the commercial market.

Revenue in respect of ticket sales received on behalf of 3rd party promoters and then remitted to them is not recognised as Income or expenditure in the commercial trading operations. Income is recognised for charges made to the promoter for the use of the premises to stage the event.

Grants are accounted for under the performance model as permitted by the Charity SORP. CJRS grant income is therefore recognised on a straight-line basis over the furlough period for each relevant employee.

Resources Expended and Liabilities Incurred

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any irrecoverable VAT. Charitable expenditure comprises the direct and indirect costs of delivering public benefit. Governance costs are those incurred for compliance with constitutional and statutory requirements such as the annual audit, annual elections and training for sabbatical officers. Central overhead costs are apportioned to charitable and other activities pro rata to the full-time staff equivalents in each department.

Going concern

The charity has cash resources that exceed its reserves. The trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

The Charity has emerged from the Covid crisis with a considerable increase in long-term debt which will have relatively modest repayment requirements in the next 5 years. In combination with its improved funding arrangement with the University this underpins the annual budget.

As the economy re-opens the trustees have anticipated uncertainties around cost inflation, supply issues of material and labour and the possible implementation of additional covid-related measures in the venues and sensitised the financial forecast accordingly. There remain reasonable grounds for confidence that the Charity will remain solvent and meet all financial obligations as they fall due.

Having regard to the above, the trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts – Accounting policies, continued

Pension Schemes

The Union of UEA Students participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The latest triennial valuation was effective 30 June 2019. As a result of the increase in the Deficit the schedule of contributions was extended from June 2033 until September 2035. The Net Present Value of the Union's contributions as part of this scheme are reflected as a liability on the Balance Sheet, which will reduce as they are paid.

The Union also participates in the University of East Anglia Staff Superannuation Scheme (UEASSS). Benefits in respect of service accrue on a "final salary" basis. The valuation of the scheme dated 31 July 2018 provides an updated schedule of contributions over the period to May 2025. The liability is included on the Balance Sheet, and will reduce as contributions are paid.

Redundancy or Settlement Agreements

Cost arising from redundancy or settlement agreements are recognised and charged in the financial year at which the commitment was agreed with the Trustee Board and employee.

Improvements to Buildings

Improvements to buildings are stated at cost.

Leasehold Property

Waterfront Student Union Services Limited occupies premises leased from Norwich City Council. A new Lease was signed in March 2021 for a term of 6 years ending in August 2026

Leased Assets

Rentals payable under operating leases are charged as expenditure on a straight-line basis over the period of the lease.

Depreciation of Fixed Assets

The Union capitalises items with a useful life of more than one year. Capitalised equipment is stated at cost and depreciated over its expected useful life, as follows:

New Building	2% straight line
Property Improvements – Union House, SUS (EA) Ltd	5 - 10% straight line
Property Improvements – Waterfront SUS Ltd	20% straight line
Motor Vehicles	25% straight line
Fixtures, Fittings and Equipment	10 - 25% straight line
Computers and I.T.	25% straight line

The cost of new building works represents an extension to the floor area of Union House, which is occupied under an agreement with the University of East Anglia. The rate of 2% for the depreciation of the new building work is deemed appropriate by the trustees, in accordance with the anticipated period of tenure being at least 50 years. Assets under the course of construction are not depreciated until the asset is in use.

Investments

Investments are included in the Balance Sheet at their cost, less provision for impairment. In 2015, Student Union Services (East Anglia) Limited converted £2,650,000 of an original share capital of £3,750,000 into general reserves. In accordance with a policy of recognising any impairment in Investment value to reflect the Net assets of Student Union Services (East Anglia) Limited, there was a charge to the reserves of £1,100,000 in the year and the carrying value of the Investment in Student Union Services (East Anglia) Limited is therefore £750,000 at 31 July 2021.

Stocks and Work in Progress

The stocks are valued at the lower of cost and net realisable value.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at the transaction price.

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts – Accounting policies, continued

Maintenance of Premises & Equipment

The cost of routine corrective maintenance is charged to the income and expenditure account as it is incurred.

Taxation Status

No provision has been made in these accounts for corporation tax on the profits attributable to the Union, which is exempt from such taxes due to its charitable status.

Unrestricted Funds

Representing unspent income which may be used for any activity/purpose at the Trustees' own discretion.

Restricted Funds

Restricted funds have been analysed into two categories:-

- Funds made available in the forms of capital grants for the purpose of improvements to the Union House and the retail premises on the Norwich campus.
- The accumulated funds of Clubs & Societies and additional non-capital grants made for specific purposes.

The Club and Society Funds

The balance is the total of the balances on the subscriptions accounts of each of the individual clubs, societies and peer support groups. The Union acts as "banker" for the clubs, societies and peer support groups, who are required to pay all their income into the Union's bank account and request withdrawals, duly authorised by the elected committee members, if they wish to spend the money. The Union acquires control of the funds if the club, society or peer support group ceases to have members. The trustees do not consider that this is a purely custodial arrangement and hence the income and expenditure are included in the Union's Statement of Financial Activities.

Capital Projects funded by specific grants

These are shown separately from operating assets. All Income is shown under a specific heading under restricted funds in the SOFA whilst the costs of these capital expenditures will be depreciated through the restricted fund expenditure account over their estimated useful lives.

Financial Instruments

The charity holds only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include debtors, cash and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. The pension liability is valued at fair value with the movement processed through the Statement of Financial Activities.

3. Judgments in applying accounting principles and key sources of estimation uncertainty.

Preparation of the financial statements requires management to make judgements and estimates. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are that of the SUSS pension scheme deficit. A discount rate of 2.5% has been used in line with industry standards. Other assumptions include inflation of 5%.

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

4. Financial performance of the Union

The consolidated statement of financial activities includes the results of the Union's wholly owned subsidiaries, Students' Union Services (East Anglia) Limited and Waterfront Student Union Services Limited. The Union has taken exemption from presenting its unconsolidated profit and loss account under section 408 of Companies Act 2006.

The summary financial performance of the Union alone is:

	Year ended 31.7.21 £'000	Year ended 31.7.20 £'000
Incoming resources		
University Block grant	363	357
Grant for repairs and utilities	167	164
Grant for / donation of accommodation	788	788
Payments in respect of transferred business	597	-
INTO and Easton College fees	-	15
Income from catering operations commercial trading	222	569
Income from Covid Support schemes	787	536
Other operating income	16	31
Gift aid payable from subsidiaries	-	-
Other UEA departmental grants	214	68
	<u>3,154</u>	<u>2,528</u>
Contributions from Club and Society members	217	647
Rent & service charges from subsidiary companies	712	1,221
	<u>4,083</u>	<u>4,396</u>
Expenditure on charitable activities	(1,308)	(1,674)
Expenditure from catering operations commercial trading	(324)	(619)
Expenditure recharged to subsidiary companies	(712)	(1,221)
Furloughed wages of casual staff	(626)	-
Club and Society expenses	(165)	(568)
Restricted fund expenditure against capital grants	(335)	(635)
(Increase) / Decrease in pension deficit (UEASSS)	42	(1,177)
Write down in value of Investment	(1,100)	(850)
	<u>(444)</u>	<u>(2,350)</u>
Net outgoing resources		
Total funds brought forward	1,681	4,031
Total funds carried forward	<u>1,237</u>	<u>1,681</u>
Represented by		
Restricted funds	4,395	4,677
Unrestricted funds	(3,158)	(2,996)
	<u>1,237</u>	<u>1,681</u>

As part of a new funding arrangement for 2020/21 and going forward, the University took over the operation of the Union's retail and catering operations in exchange for a grant equivalent to historic contributions to Net Income.

The transfer took full effect from 1 July 2021 but an additional grant payment was agreed to compensate for operating losses for the period from 1 August 2020 to 30 June 2021 in addition to the transfer of stocks of goods for resale.

The total value of £597,000 includes £474,000 as recurring grant and £123k as compensation for losses incurred in the year.

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

5. Incoming resources from activities to generate funds

The wholly owned subsidiary companies Students' Union Services (East Anglia) Limited, Company No. 01524381 (SUS) and Waterfront Student Union Services Limited, Company No. 02834353, (WF) are incorporated in the United Kingdom and pay all of their taxable profits to the Union under gift aid. The subsidiary companies operate the bars, shops, live entertainment, club nights and all commercial operations carried on by the Union. The registered office of both Subsidiaries is the same as for the Union of UEA Students Limited, which is Union House, University of East Anglia, Norwich, Norfolk, NR4 7TJ.

The summary financial performance of the subsidiary companies is:

	Year ended 31.7.2021		Year ended 31.7.2020	
	SUS £'000	WF £'000	SUS £'000	WF £'000
Turnover	1,901	135	4,703	1,235
Cost of Sales and Administrative Costs	(2,625)	(412)	(4,463)	(1,234)
Rent and Service Charges allocated from the Union	(667)	(45)	(1,100)	(70)
Interest receivable	-	-	-	-
Other income from Covid Support schemes	343	426	116	30
Profit for the year	(1,048)	104	(744)	(39)
Brought forward	1,757	221	2,501	260
Payments under gift-aid to the Union	-	-	-	-
Retained in subsidiary companies	709	325	1,757	221

The assets and liabilities of the companies were:

	31 July 2021		31 July 2020	
	SUS £'000	WF £'000	SUS £'000	WF £'000
Fixed Assets	949	197	1,082	172
Current Assets	611	835	1,166	550
Current Liabilities	(751)	(707)	(342)	(452)
Long term liabilities	-	-	(49)	(49)
	809	325	1,857	221
Aggregate share capital and reserves	809	325	1,857	221

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

6. Income from Govt. support schemes and Insurance claims – Covid-19

The Group received income in the form of grants, support payments and insurance recoveries in the year to compensate for the impact of Covid-19

	2020/21 £'000	2019/20 £'000
Furlough Scheme	1,009	689
Arts Council England grants (Venues)	264	-
Insurance recoveries	200	-
Local Authority grants	69	25
Other	4	-
Total	1,546	714

7. Investment Income

All of the group's investment income arises from money held in interest bearing deposit accounts.

8. Analysis of expenditure on charitable activities

	Year ended 31.7.21 £'000	Year ended 31.7.20 £'000
Representation & governance		
Employment costs	371	371
Internal democracy	4	13
Postgraduate activities	7	5
Volunteer Scheme	2	-
Conferences	-	2
NUS affiliation	12	18
Schools / teaching awards	-	1
Campaigns	2	12
Central overhead costs	223	444
	621	866
Student support services		
Employment costs	134	191
Miscellaneous expenses	1	18
Subscriptions	12	-
Stationery & telephone	-	1
Professional fees	-	-
Central overhead costs	57	114
	204	324
Sports Association, Clubs and Societies		
Employment costs	214	230
Individual clubs & societies	53	42
Postgraduate activities	6	-
Central overhead costs	106	212
	379	484
Total Expenditure on charitable activities	1,204	1,674

Communications costs support both the charitable activities and the trading Subsidiaries, and are therefore included within central overhead costs. Governance costs included within Representation & governance costs are £10,000 (2020: £12,000).

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

9. Central Overhead Costs

A fixed proportion of administration staff costs are allocated to the 2 subsidiary companies. A fixed proportion of premises staff and cleaning costs are allocated to Students Union Services (East Anglia) Ltd. This company shares the premises with the Union. The balance of central support costs have been allocated on the basis of staff employed in the relative areas.

2021	%	Staff costs £'000	Premises costs £'000	Other costs £'000	Total £'000
Representation	50.7	130	40	54	224
Student Support Services	13.0	33	10	14	57
Sports Association, Clubs & Societies	24.1	62	19	26	106
Catering operations	12.2	31	10	13	54
Recharged to subsidiary companies		220	430	67	719
		<u>476</u>	<u>509</u>	<u>174</u>	<u>1,159</u>
2020	%	Staff costs £'000	Premises costs £'000	Other costs £'000	Total £'000
Representation	50.7	168	229	47	444
Student Support Services	13.0	43	59	12	114
Sports Association, Clubs & Societies	24.1	80	109	22	211
Catering operations	12.2	41	55	11	107
Recharged to subsidiary companies		649	438	108	1,195
		<u>981</u>	<u>890</u>	<u>200</u>	<u>2,071</u>

10. Total resources expended

The total resources expended includes the following expenses

	Year ended 31.7.21 £'000	Year ended 31.7.20 £'000
Depreciation	553	624
Auditors Remuneration – Consolidated accounts	7	7
Subsidiary companies accounts	10	10
Tax and other services	6	6

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

11. Analysis of Staff Costs

	Year ended 31.7.21 £'000	Year ended 31.7.20 £'000
Group		
Salaries and Wages	2,977	3,589
Social Security Costs	171	202
Pension Costs	210	194
Union		
Salaries and Wages	1,745	1,736
Social Security Costs	91	94
Pension Costs	117	106

Included in the above are redundancy settlement costs' including payment in lieu of notice and accrued holiday of £0 (2020 - £9,776)

The average number of employees in the year was 524 (2020 - 705). This splits between salaried staff and staff on short term contracts, the majority of whom are students who work varying hours according to demand and availability and are generally limited to 15 hours per week. The majority of staff, including casual staff were supported by the Government furlough scheme and were paid according to the hours normally worked, according to scheme rules. The average numbers employed across the year in each category were as follows:-

	Group		Union	
	2021	2020	2021	2020
Career Staff	81	87	44	48
Staff on short-term contracts	443	618	66	113
Total	524	705	110	161

The Union has identified as key management personnel the 5 full time sabbatical officers and the senior management team, comprising the Chief of Staff, Director of HR and Shared Services, and Assistant Directors of Social Enterprise, Advocacy and Finance.

The combined remuneration, including payments in lieu of notice, employer's N.I. and pension costs, accrued holiday and severance of these key management personnel was £385,000 in the year to July 2021 (2020: £383,000)

	2021 No.	2020 No.
The number of higher paid employees in the Union and the group at the end of the period under review was:		
Total emoluments band		
£50,001-£60,000	1	-
£60,001- £70,000	-	1
£70,001-£80,000	-	-
£80,001-£90,000	-	-
£90,001-£100,000	-	-
£100,001-£110,000	-	-

The above employees were members of a defined contributions pension scheme and group contributions during the period were £8,492. (2020: £9,620)

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

12. Trustees' Remuneration and Expenses

The full time officers elected in March 2020 took office from 1st July 2020. Each of the 5 full-time officers in office for the period 1st July 2020 to 31st June 2021 received a basic salary of £20,130 p.a. (2020: £19,902) and participated in the Union's salary sacrifice defined contribution scheme.

Their salaries are for the representation, campaigning and support work they undertake, as authorised by the Union's Constitution. The total salary costs for the full-time officers was £107,000 (2020: £113,000), plus cost of pension contributions £6,000 (2020, £1,102) which includes a period of overlap between ingoing and outgoing officers. Expenses were reimbursed to 1 Trustee (2020, 5) in relation to visa and NHS surcharges. As quarterly Trustee meetings were conducted on-line there were no expenses relating to quarterly board meetings (2020, £1,257)

13. Investments

	2021 £	2020 £
Students' Union Services (East Anglia) Limited	750,000	1,850,000
Waterfront Student Union Services Limited	4	4

14. Control

The Board of Trustees is responsible for the management and administration of the Union (as described in section 57 of the Constitution). The Trustees are appointed and may be removed by Union Council, which consists of representatives elected by the membership.

15. Pensions

SUSS Pension

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

The most recent valuation of the scheme was carried out as at 30 June 2019 and showed that the market value of the scheme's assets was £119,103,000 with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £140,907,000.

The assumptions which have the most significant effect upon the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumptions applied at 30 June 2019:-

The investment return would be 4.0% per annum before retirement and 2.0% per annum after retirement.

Pensions accruing on the CARE basis would revalue at 3.7% per annum.

Present and future pensions would increase at rates specified by scheme rules with appropriate assumptions where these are dependent on inflation.

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

The 2019 Valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 13 years and 10 months and will increase by at least 5% each year, with an additional increase on a specific employer by employer basis at October 2021. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates applied with effect from 1 October 2020 and will be formally reviewed following completion of the next valuation due with an effective date of 1 July 2022. Surpluses or deficits which arise at future valuations will also impact on Union of UEA Students' future contribution commitment. In addition to the above contributions, Union of UEA Students also pays its share of the Scheme's levy to the Pension Protection Fund.

The decrease in the liability in the year relates to the annual review of the discount factor used to value the future contributions. The discount factor used at 31 July 2021 was 1.8% (2020 – 1.45%)

Contributions under the 2019 Valuation apply with effect from October 2020 at a rate of £179,664 p.a., increasing by 5% p.a, with an additional increase of 5.6% for the year commencing October 2022.

UEASSS Pension

The Union also participates in the University of East Anglia Staff Superannuation Scheme, (UEASSS). Benefits in respect of service accrue on a "final salary" basis.

Under the latest triennial valuation, dated 31 July 2018, contributions continued at the previous rate for the year ended 31 July 2019 with a revised schedule of contributions to be put into effect from August 2019 until 31 December 2022.

At 31 July 2021, the value of the deficit was £41,000 (2020 - £52,000). The value of the deficit has not been discounted over the period of repayment.

The Union now has one active member of the scheme. The contribution rate during the period ended 31 July 2021 applicable to this Union remained at 8.0% of Earnings for the employee and 27.4% of Earnings for the Union (35.4% in aggregate). In future, employer contributions will increase to 35.7% of salary.

The contributions excluding deficit paid into the scheme in respect of eligible employees for the period ended 31 July 2021 amounted to £5,501 (2020 - £5,501).

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

16. Tangible Fixed Assets

Group	New Property £'000	Property Improvements £'000	Fittings, Equipment & I.T. £'000	Motor Vehicles £'000	Totals £'000
Cost					
At 1 August 2020	1,000	8,331	2,046	-	11,377
Additions	-	19	72	-	91
Transfer	-	(393)	393	-	-
Disposals	-	-	(37)	-	(37)
At 31 July 2021	1,000	7,957	2,474	-	11,431
Depreciation					
At 1 August 2020	320	3,554	1,889	-	5,763
Charge for the year	20	404	129	-	553
Transfer	-	(134)	134	-	-
Eliminated on disposal	-	-	(29)	-	(29)
At 31 July 2021	340	3,824	2,123	-	6,287
Net Book Value					
At 31 July 2021	660	4,133	351	-	5,144
At 31 July 2020	680	4,777	157	-	5,614

Union	Property Improvements £'000	Fittings, Equipment & I.T. £'000	Motor Vehicles £'000	Totals £'000
Cost				
At 1 August 2020	5,854	516	-	6,370
Additions	-	5	-	5
Transfer	(392)	392	-	-
Disposals	-	(37)	-	(37)
At 31 July 2021	5,462	876	-	6,338
Depreciation				
At 1 August 2020	1,546	463	-	2,009
Charge for the year	281	81	-	362
Transfer	(134)	134	-	-
Eliminated on disposal	-	(30)	-	(30)
At 31 July 2021	1,693	648	-	2,341
Net Book Value				
At 31 July 2021	3,769	228	-	3,997
At 31 July 2020	4,308	53	-	4,361

Transfers amend historical classification of refurbishment between property improvements and fixtures and fittings.

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

17. Stocks

	Group		Union	
	31.7.21 £'000	31.7.20 £'000	31.7.21 £'000	31.7.20 £'000
Goods for resale	54	114	-	7

18. Debtors: Amounts falling due within one year

	Group		Union	
	31.7.21 £'000	31.7.20 £'000	31.7.21 £'000	31.7.20 £'000
Trade debtors	43	10	29	6
Amounts due from group undertakings	-	-	-	-
Prepayments and Accrued Income	449	129	375	74
	<u>492</u>	<u>139</u>	<u>404</u>	<u>80</u>

19. Creditors: Amounts falling due within one year

	Group		Union	
	31.7.21 £'000	31.7.20 £'000	31.7.21 £'000	31.7.20 £'000
Trade Creditors	116	456	28	422
VAT	64	88	64	88
Taxes and Social Security Costs	12	17	12	17
Bank Loans	53	2	53	-
Accruals and Deferred Income	1,058	453	70	28
Pension Deficit contributions	206	185	206	185
Amounts owed to group undertakings	-	-	43	693
	<u>1,509</u>	<u>1,201</u>	<u>476</u>	<u>1,433</u>

Deferred Income represents ticket sales for events in the nightclubs and venues paid for in advance prior to the year end and income received in advance from stallholders and sponsors in respect of Welcome Week.

Group	31.7.20	Released in year	Additions in year	31.7.21
	£'000	£'000	£'000	£'000
Net advanced tickets sales for future events	292	(107)	577	762
Income and outlet vouchers for Welcome week	10	(1)	1	10
	<u>302</u>	<u>(108)</u>	<u>578</u>	<u>772</u>

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

Deferred Income

Union	31.7.20	Released in year	Additions in year	31.7.21
	£'000	£'000	£'000	£'000
Income for Welcome week	10	(1)	-	9

20. Creditors: Amounts falling due after one year

	Group		Union	
	31.7.21 £'000	31.7.20 £'000	31.7.21 £'000	31.7.20 £'000
Bank Loans	292	98	292	-
Loans from university	394	-	394	-
SUSS Pension Deficit	3,179	3,420	3,179	3,420
UEASSS Pension Deficit	30	41	30	41
	<u>3,895</u>	<u>3,559</u>	<u>3,895</u>	<u>3,461</u>

During the year, new bank loans were taken out under the CBILs scheme, replacing 'Bounce back' loans drawn in the previous year. The CBIL loans are payable over 6 years and interest charges are met by the Government for the first 12 months.

	Group		Union	
	31.7.21 £'000	31.7.20 £'000	31.7.21 £'000	31.7.20 £'000
Bank Loan ageing				
Due within one year	53	20	53	-
Within two to five years inclusive	234	60	234	-
Greater than five years	58	18	58	-
	<u>345</u>	<u>98</u>	<u>345</u>	<u>-</u>

Bank Loans relate to Covid-19 support schemes and are repayable over a 6 year period. Interest is charged at 2.5% p.a. after the first year. No capital is repayable in the first 12 months.

During the year, amounts owed to the University in respect of unpaid rent, previously shown as trade creditors, were re-classified as long-term loans in recognition of the impact of Covid-19. These loans are interest free and will be repaid when the reserves position of the Union allows.

The liability for SUSS is payable in equal instalments over 14 years. The liability is discounted at a factor of 1.8% p.a. (2020: 1.4%)

The liability for UEASSS is payable in equal instalments over 4 years. The liability is not discounted

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

21. Analysis of charitable funds

Analysis of movements in unrestricted funds of the Union

UNION	Balance 1.8.20 £'000	Incoming resources £'000	Resources expended £'000	Funds at 31.7.21 £'000
Current year movements on ordinary activities	(2,996)	3,866	(4,071)	(3,201)
Movement on long term pensions deficit	-	42	-	42
Current year movement on Fund	(2,996)	3,908	(4,071)	(3,159)

Analysis of movements in unrestricted funds of the Group

GROUP	Balance 1.8.20 £'000	Incoming resources £'000	Resources expended £'000	Funds at 31.7.21 £'000
Current year movements on ordinary activities	(2,768)	5,959	(6,008)	(2,817)
Movement on long term pensions deficit	-	42	-	42
Current year movement on Fund	(2,768)	6,001	(6,008)	(2,775)

Analysis of movements in restricted funds of Group – current year

	Balance 1.8.20 £'000	Incoming resources £'000	Resources expended £'000	Funds 31.7.21 £'000
Clubs and Societies Funds	310	217	(165)	362
Capital assets funded by specific grants				
Union House refurbishment	4,340	-	(334)	4,006
Other assets funded by specific grants	27		-	27
	<u>4,677</u>	<u>217</u>	<u>(499)</u>	<u>4,395</u>

Analysis of movements in restricted funds of Group – prior year

	Balance 1.8.19 £'000	Incoming resources £'000	Resources expended £'000	Funds 31.7.20 £'000
Clubs and Societies Funds	231	647	(568)	310
Capital assets funded by specific grants				
Union House refurbishment	4,674	-	(334)	4,340
Shop refurbishment	301		(301)	-
Other assets funded by specific grants	30		(3)	27
	<u>5,236</u>	<u>647</u>	<u>(1,206)</u>	<u>4,677</u>

Annual Report and Accounts for the year ended 31st July 2021

The Clubs and Society funds can only be expended by the elected committee of the club or society for the benefit of the members of that club or society in accordance with the club or society aims.

Assets funded by capital grants are matched against specific non-discretionary funding and not available for general expenditure. As these assets are for long-term use, they are recorded as fixed assets in the balance sheet and the resources expended represents the depreciation charge to the SOFA in the period.

22 Net Assets of the Funds

The Net assets of the **UNION at 31.7.21** belong to the various funds as follows

	Fixed Assets £'000	Investments £'000	Net Current Assets £'000	Long Term Liabilities £'000	Funds Balance £'000
<u>Restricted Funds</u>					
Club and Society Funds	-	-	362	-	362
Capital Assets Funded by specific grants	3,946	-	60	-	4,006
Other assets funded by specific grants	-	-	27	-	27
<u>Unrestricted funds</u>					
General funds	51	750	(64)	(3,895)	(3,158)
Union	3,997	750	385	(3,895)	1,237

The Net assets of the **GROUP at 31.7.2021** belong to the various funds as follows

	Fixed Assets £'000	Investments £'000	Net Current Assets £'000	Long Term Liabilities £'000	Funds Balance £'000
<u>Restricted Funds</u>					
Club and Society Funds	-	-	362	-	362
Capital Assets Funded by specific grants	3,946	-	60	-	4,006
Other assets funded by specific grants	-	-	27	-	27
<u>Unrestricted funds</u>					
General funds	1,198	-	(77)	(3,895)	(2,774)
Group	5,144	-	372	(3,895)	1,621

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

The Clubs and Society funds can only be expended by the elected committee of the club or society for the benefit of the members of that club or society in accordance with the club or society aims.

Assets funded by capital grants are matched against specific non-discretionary funding and not available for general expenditure. As these assets are for long-term use, they are recorded as fixed assets in the balance sheet and the resources expended represents the depreciation charge to the SOFA in the period.

22 Net Assets of the Funds

The Net assets of the **UNION at 31.7.21** belong to the various funds as follows

	Fixed Assets £'000	Investments £'000	Net Current Assets £'000	Long Term Liabilities £'000	Funds Balance £'000
<u>Restricted Funds</u>					
Club and Society Funds	-	-	362	-	362
Capital Assets Funded by specific grants	3,946	-	60	-	4,006
Other assets funded by specific grants	-	-	27	-	27
<u>Unrestricted funds</u>					
General funds	51	750	(64)	(3,895)	(3,158)
Union	3,997	750	385	(3,895)	1,237

The Net assets of the **GROUP at 31.7.2021** belong to the various funds as follows

	Fixed Assets £'000	Investments £'000	Net Current Assets £'000	Long Term Liabilities £'000	Funds Balance £'000
<u>Restricted Funds</u>					
Club and Society Funds	-	-	362	-	362
Capital Assets Funded by specific grants	3,946	-	60	-	4,006
Other assets funded by specific grants	-	-	27	-	27
<u>Unrestricted funds</u>					
General funds	1,198	-	(77)	(3,895)	(2,774)
Group	5,144	-	372	(3,895)	1,621

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

23. Leasing Commitments

At 31 July 2021, the Union and its subsidiary companies had future minimum lease payments under non-cancellable operating leases as detailed below:-

	31.7.21 £'000	31.7.20 £'000
Other operating assets		
Due within one year	77	26
Within two to five years inclusive	293	88

Waterfront Student Union Services Limited occupies premises leased from Norwich City Council. A new Lease was signed in March 2021 for a term of 6 years ending in August 2026. Rent paid under the lease in the year was £65,000.

24. Capital Commitments

The service lift at the Waterfront Venue has been identified as requiring replacement and options for the work are being investigated. The capital commitment in relation to this for year to July 2021 is expected to be £30,000 - £40,000 (2020, £nil).

25. Related Party Transactions and Ultimate Controlling Party

The Union of UEA Students owns 100% of the issued share capital of Students Union Services (East Anglia) Limited, company no. 01524381 and Waterfront - Students Union Services Limited, company no. 02834353, which are companies incorporated in England & Wales. During the year, the Union entered into the following transactions:-

	Student Union Services		Waterfront	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Provision of staff	1,196	1,612	207	438
Management charges	342	710	44	120
Rent on Union House and retail unit	325	390	-	-
Covenanted payment in respect of taxable profits	-	-	-	57

The ultimate controlling party of the Union is its Trustee Board. The directors of the subsidiary companies are also directors of the Union and members of the Trustee Board.

The Union and its trading subsidiary, Student Union Services (East Anglia) Limited engages in a number of transactions with the University of East Anglia. In addition to the block grant of £431,000 with additional £100,000 for well-being projects (2020, £100,000) the University provided additional grants and funding for Joint initiatives and clubs & society grants of £196,000 (2020, £66,000).

Under a new funding arrangement an additional grant of £474,000 was paid in compensation for the transfer of the Union's retail and catering operations alongside £123,000 as compensation for losses incurred during the period in which the business was operated by the Union. A further £103,000 was paid for stocks of goods for resale and petty cash held within the operations. At the year end date £269,000 was owing to the Union in respect of these transfers.

The University also converted the amount of £394,000 owed in respect of historic rents on Union House into a long term loan and agreed a further loan of £265,000 which was completed after the year end date.

The Union paid rent on the use of Union House and the retail premises of £438,000 (2020, £788,000), which was funded by a corresponding grant payment. In addition the Union paid £79,000 for utilities (2020, £102,000), £17,000 for repairs and maintenance (2020, £19,000), £5,000 for IT equipment and licences (2020, £8,000), £7,000 in relation to capital expenditure (2020, £4,000) and £11,000 for use of other campus services and facilities (2020, £14,000). In addition, the Union made contributions into the UEASSS pension scheme of £16,000 (2020, £22,000).

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

The Union and its subsidiary, Students Unions Services (EA) limited, made sales relating to shops, bars and venues and security services of £89,000 to the University (2020, £35,000)

26. Affiliations

The Union, on behalf of the generality of the students, is currently affiliated to, and paid affiliation fees during the year to, the following external organisations:

	£'000s
Advice UK	1
National Union of Students	12
	<u>13</u>

27. Financial Instruments.

	31.7.21 £'000	31.7.20 £'000
Group		
Financial assets measured at amortised cost	1,378	812
Financial liabilities measured at amortised cost	(1,186)	(925)
Financial assets measured at fair value	-	-
Financial liabilities measured at fair value	(3,948)	(3,746)

The group's income, expense, gains and losses in respect of financial instruments are summarised below:

	31.7.21 £'000	31.7.20 £'000
Interest income and expense		
Total interest income for financial assets held at amortised cost	-	-

	31.7.21 £'000	31.7.20 £'000
Union		
Financial assets measured at amortised cost	486	283
Financial liabilities measured at amortised cost	(153)	(1,160)
Financial assets measured at fair value	750	1,850
Financial liabilities measured at fair value	(3,895)	(3,646)

The Union's income, expense, gains and losses in respect of financial instruments are summarised below:

	31.7.21 £'000	31.7.20 £'000
Interest income and expense		
Total interest income for financial assets held at amortised cost	-	-

Included within financial instruments held at amortised cost are trade debtors, intercompany balances, cash at bank and in hand, trade creditors, accruals, other creditors and social security and other taxes and bank loans.

Included within financial instruments held at fair value are investments and pension scheme liabilities.

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

28. Contingent liabilities

HMRC is currently challenging the application of the catering concession by Students Unions if they consider the establishment to be a pub or bar. Whilst the Union believes it has complied with the concession in good faith, the subjective nature of the interpretation of the concession could mean that HMRC take a different view. No contingent liability has been quantified.

Annual Report and Accounts for the year ended 31st July 2021

Notes to the Accounts, continued

29. Comparative 2020 Statement of Financial Activities

			2020			2019
	Notes	Unrestricted Funds	Restricted Building projects	Restricted Funds Other	Total Funds	Year ended 31 July
		£'000	£'000	£'000	£'000	£'000
Income and Endowments from:						
<i>Donations</i>						
University Grants		521	-	-	521	412
Provision of accommodation		788	-	-	788	788
Other funding from University		68	-	-	68	100
<i>Charitable activities for students</i>						
Contributions from Club & society members				647	647	672
Commercial trading operations	4/5	6,500	-	-	6,500	9,380
Income from Govt. Furlough		689	-	-	689	-
Other operating income		44	-	-	44	39
Total Income		8,610	-	647	9,257	11,391
Expenditure on Resources						
<i>Charitable activities for students</i>	7	(1,674)	-	-	(1,674)	(1,574)
Club & society expenses		-	-	(568)	(568)	(691)
Expenditure against grants			(635)	(4)	(639)	(410)
Commercial Trading Operations	4/5	(7,482)	-	-	(7,482)	(9,179)
Total Expenditure		(9,156)	(635)	(572)	(10,363)	(11,854)
(Increase) / decrease in Pension deficit		(1,177)	-	-	(1,177)	13
Net income / (Expenditure)		(1,723)	(635)	75	(2,283)	(450)
Funds balances at 31 July 2019 (2018)		(1,044)	4,975	261	4,192	4,642
Fund balances at 31 July 2020 (2019)		(2,768)	4,340	337	1,909	4,192