

<b>Leeds University Union</b>
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A company limited by guarantee

<b>Trustees' report and financial statements</b>
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31 July 2022
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Company registered number 07284768

Charity registration number 1136742

Leeds University Union  
Annual Report and Accounts for the year ended 31 July 2022

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## Administrative Information

### Charitable Status

Leeds University Union ('LUU') is a company limited by guarantee registered in England and Wales (company number 07284768), which was incorporated on 15 June 2010. LUU was formally registered as a charity with the Charity Commission in July 2010 (registration number 1136742).

### Principal Address

The registered and principal office is Leeds University Union, Lifton Place, Leeds, LS2 9JZ.

### The Board of Trustees

The Directors of LUU are its Trustees for the purposes of Charity Law and throughout this report are collectively referred to as the Trustees. The Trustees serving during the year and since the year end are as follows:

<b>Student Executive Officers and Trustees</b>	<b>To 30.06.22</b>	<b>From 01.07.22</b>
Union Affairs & Communications Officer (Chair)	Aysha Burton	
Education Officer	Megan Hodgkinson	
Equality & Liberation Officer	Natasha Fowler-Ekar	
International & Postgraduate Officer	Nicole Jimenez Mogrovejo	
Wellbeing Officer	Bethany Eaton	
Union Affairs & Communications Officer (Chair)		Maria Papageorgiou
Activities & Opportunities Officer		Ella Williams
International & Postgraduate Officer		Vicky Zhou
Education Officer		Bethan Corner
Equality & Liberation Officer		Haryati Mohammed
Wellbeing Officer		Emily Tabern
<b>Student Trustees</b>	<b>External Trustees</b>	
Emily Webb (to 16.12.21)	Josh Smith (from 24.03.22)	
Michael Mberi (from 16.12.21)	Neil Clephan	
Penelope Milner	Annabel Tonge	
Natalja Nassonova	Oliver Laird (to 24.03.22)	
Rani Alami	Damola Timeyin	

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<b>Auditor</b>	<b>Bank</b>
Saffery Champness LLP	Lloyds TSB Bank PLC
Mitre House	6-7 Park Row
North Park Road	Leeds
Harrogate, HG1 5RX	LS1 5JD

LUU employs a Chief Executive, Aidan Grills, who works closely with the Student Executive Officers and Trustee Board to ensure effective governance and management of the organisation. The Chief Executive is head of a Senior Leadership Team made up of:

- Hannah Brian (Deputy Chief Executive Student Engagement)
- Sue Stones (Deputy Chief Executive Operations)
- Keith Ross (Director of Finance & Risk) who retired on 22.04.22
- Rachel Emmott (Director of Finance & Risk) with effect from 03.10.22
- Jasper Hegarty-Ditton (Director of Digital and Data) whose role has changed from Director of Digital and Communications
- Rori Raquib (Director of Communications) with effect from 22.08.22 (new post)
- Antonia Frezza (Director of People and Quality) who is on a one year sabbatical from 26.08.22
- Harpreet Singh (Director of People and Quality) with effect from 29.08.22.

## **Trustees' Report**

The Board of Trustees, who act as Directors for the purposes of Company Law, present their Annual Report for the year ended 31 July 2022 which includes the administrative information set out on page 2, the Strategic Report and Directors Report for Companies Act 2006 purposes, and the audited accounts for the year.

### **Structure, governance and management**

The primary aim of LUU is the advancement of education of students at The University of Leeds for the public benefit.

The governance of LUU is documented in its Articles of Association and its Bye-laws, which can be found on the LUU website ([www.luu.org.uk](http://www.luu.org.uk)).

The Board of Trustees is responsible for the strategic direction, governance and sustainability of LUU. The Board is made up of six Student Executive Officers, four Student Trustees and four External Trustees. The Student Executive Officers are elected through a secret ballot by the members each year, normally serving for one year in office but can serve a second term if re-elected. The four Student Trustees are recruited to the Board and are recommended to the Board by an appointments panel. The Student Trustees serve for a term of up to two years and a maximum of two terms as long as they remain registered students at the University of Leeds. The External Trustees are recruited to the Board to bring a wider perspective and skill set from outside of LUU. A term for External Trustees lasts for up to four years and they can also serve for two terms.

Upon appointment all trustees receive a variety of information through their induction. Trustees are briefed on their legal obligations and other trustee responsibilities. All trustees meet with the Chief Executive before their first meeting and receive an induction information pack which includes their role responsibilities, historical and current information about LUU and information on its Strategic Plan. The trustee induction is framed around the principles of the NCVO Charity Governance Code.

Every year the Board of Trustees completes a skills audit, and new trustees also do this during induction. Trustees also take part in Peer Assessments periodically, in line with their term of appointment.

The Student Executive Officers are new to the Board every year, so they undergo a more intensive training period. This training starts after they are elected, and before they start their term of office to ensure that they are fully aware of their roles and responsibilities and can perform their duties to the best of their abilities as soon as possible. They attend training sessions on the history of governance at LUU, their legal responsibilities as trustees, briefing sessions on key issues and decisions that have been made by the Board of Trustees and receive training on how to deal with potential conflicts of interest.

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One of the elected officers, the Activities & Opportunities Officer, did not take up the post for personal reasons following their election to the post. Due to the impact of this development on the Officer training timeline, it was decided that elements of the role would be split between the other Student Executive Officers.

The Board of Trustees is supported by five sub-committees, which meet three to four times a year and focus on certain key aspects of LUU's governance and management, which are:

**The Audit & Risk Committee** monitors LUU's risk profile, health & safety, risk management, compliance with relevant legislation and other matters which could impact on LUU's future health. The Committee reviews and commissions internal audit work and scrutinises the annual accounts at a joint meeting with the Finance Committee.

**The Finance Committee** monitors LUU's financial performance, appraises requests for capital expenditure and reviews our commercial strategy. The Committee also reviews the annual budget and scrutinizes the annual accounts in a joint meeting with the Audit & Risk Committee.

**The People and Values Committee** examines issues relating to LUU workforce including staff policies, changes to pay (and specifically that of the Chief Executive), training and development and volunteering.

**The Appointments and Governance Committee** is responsible for monitoring and continuous improvement in governance arrangements at LUU. The Committee ensures that new trustees are recruited, inducted and developed properly and it also has overall responsibility for recruiting the Chief Executive.

**The Engagement and Development Committee** examines our approach to member engagement, including through marketing and communications, external partnerships and through LUU member-focused activities.

LUU operates on democratic principles, with Policy being acted upon by the six elected officers who form the Student Executive. During the year members have the opportunity to bring forward ideas to one of three Union Forums to help form Policy on issues which contribute to "Better Leeds", "Better University" or "Better Union". Forums are based on the principles of deliberative and direct democracy with policy being voted for approval by a randomly selected Student Panel of 16 students, and issues that are contentious, or don't have a majority vote, are referred to Referendum. The Student Panel is demographically representative of the Leeds University student body as outlined in LUU's Bye-Laws.

#### **The Senior Leadership Team**

The Chief Executive is supported by six permanent senior executive officers that together form the Senior Leadership Team (SLT). This team provides the strategic management of LUU, managing its

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operations, giving leadership to its staff and ensuring that the board and its sub-committees are kept fully informed on all aspects of the organisation and are regarded as being the key management personnel of the charity outside of the trustees.

### **Relationship with the University of Leeds**

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

### **Aims, Objectives and Activities**

The primary aim of LUU is the advancement of education of students at The University of Leeds for the public benefit. LUU achieves this through:

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

At all times the trustees of LUU have had regard to the Charity Commission guidance on public benefit.

Whilst pursuing our aims and objectives and providing various activities for its members LUU seeks at all times to:

- ensure that the diversity of its membership is recognised and that equal access is available to all members of whatever origin or orientation;
- pursue its aims and objectives independent of any political party or religious group; and
- pursue equal opportunities by taking positive action within the law to facilitate participation of groups discriminated against by society.

LUU provides a variety of services and activities for students including:

- Advice Centre – we continue to provide a specialist service to our members in the areas of housing, money and academic issues. We have supported many students with complex needs such as domestic violence and mental ill-health with partners in the University and the city. The number of enquiries to our Advice service was 22,517 this year, compared to 21,500 enquiries in the previous year.
- The team employ a service model using the LUU foyer, with an integrated information and advisory service, which has resulted in a lower number of enquiries being escalated to

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casework level as more enquiries can be resolved on-the-day. This has recently included the full range of services being provided remotely, including one-to-one support for complex cases.

- Activities – a choice of 380 clubs and societies offer a diversity of opportunities for social and skills development. 38,586 students registered to join an LUU club or society during the year, up from 29,889 last year. We run a “Give it a Go” programme that provides taster sessions to give students an insight into the range of activities available to them, as well as trips to many locations in the UK. We also support student-led volunteering, facilitating a wide variety of community volunteering opportunities. The Student Activities team is made up of staff and students, and also provides support, advice and help with the safe running of activities especially around health and safety, recruitment, communication, delivery and finance including fundraising and development.
- Joblink – we continued to provide part-time work for students and delivered an employability programme that provided guidance to several thousand students. Over the year we paid £1,569K in wages to students through our Joblink agency, up on the previous year (£1,174k).
- Community Engagement – our team continue to manage and develop a range of community-based initiatives including housing fairs and litter picking. Partners in this work include other HE and FE institutions in Leeds, Unipol Student Homes and Leeds City Council.
- Campaigning and Representation - we continue to support students in campaigning for change on campus and in the city. We continued our support for school and course reps with new recruitment and training initiatives and undertake to help students partner with their University to innovate and improve their education experience. The number of students voting in the LeadLUU this year was 5,237, a reduction of 14% compared to the previous year, but equivalent to 13% of the total student population. There were 25 candidates in total.
- Bars and Venues – a choice of five bars/cafes are open during the day and evening: Terrace, Old Bar, Common Ground, Scream and Balcony Café all with catering and non-alcoholic beverages. Our night-time licensed venue, Stylus, provides popular late-night entertainment with regular live music.
- Events – this team provides the live music and DJs for our venues, working with external promoters to host events in our venues. We also stage the Fresher's events and Leeds Ball on the site of the University campus, which attracts over 4,000 students. The Leeds Ball did not take place in 2021 as the campus was still under a level of COVID-19 restrictions, but was able to go ahead in June 2022.
- Shops – operated by LUU are Co-op (convenience store operated under a franchise agreement with Co-op which replaced our own Essentials grocery store), Gear (University branded clothing) and Union Shop (stationery and cards). Operated through a tenancy arrangement are Bayfields (Opticians), Waki Maki (hot take away food), Humpit (healthy takeaway food), Cooplands (take away food) and Bubble Tea (Asian drinks).
- Fundraising - LUU does not undertake fundraising from the public and does not use professional fundraisers. As such no complaints procedures or further policies in this area are considered necessary. It does hold some events for its students that are designed to



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raise funds to support the student service activities undertaken by LUU, notably the Leeds Ball held in June each year.

## **Strategic Report**

### **Achievements and Performance**

Despite the significant ongoing impact of the COVID-19 pandemic, LUU is pleased to report significant achievement and continued progress against our high-level objectives. In September 2018 we launched a new 4-year Strategy, 2018-2022. This Strategy is focused on our organisation vision 'Together we'll make sure you love your time at Leeds', and is based around achieving three core, measurable Strategic Impacts for students:

- You are ready for your future
- You are happy, feeling good and having fun
- You are a valued member of LUU

Activity within the plan is distributed across nine operational Missions which encompass all areas of LUU activity. Year three of the Strategy has seen some significant adaptation of activity in light of the impact of the pandemic on LUU operations, which has accelerated the progress of digital delivery of both commercial and engagement activities.

A new strategic plan will be launched in the autumn of 2022.

The Strategic Impacts and key successes during the year, assessed against the 2018-22 plan, were as follows (see table on following page):

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Strategic Impact	Successes
<p><b><i>You are ready for your future</i></b> Measures: -</p> <ul style="list-style-type: none"> <li>• Student staff and volunteer insight: <i>I am learning and developing in LUU</i></li> <li>• Student insight: <i>LUU is effectively representing my academic interests</i></li> <li>• Take up of learning &amp; volunteering opportunities</li> <li>• Number of student jobs created by LUU</li> </ul>	<ul style="list-style-type: none"> <li>• Employment of over 3,800 students through the year, primarily through the Joblink service.</li> <li>• Continued successful rollout of the Love to Learn system, delivering bespoke training modules for both staff and volunteers.</li> </ul>
<p><b><i>You are happy, feeling good and having fun</i></b> Measures: -</p> <ul style="list-style-type: none"> <li>• Positive wellbeing indicator</li> <li>• Club and society membership</li> <li>• Attendances/ tickets for student programmes</li> <li>• Attendances/ tickets for general events</li> </ul>	<ul style="list-style-type: none"> <li>• Continued strong membership sales for Clubs &amp; Societies despite ongoing pandemic restrictions in the year.</li> <li>• Adoption of a new Membership system enabling students to use a dedicated system, Engage, to run and track elections and events.</li> <li>• Return to in person award show programme show in term three, with hundreds of members able to participate in the celebration both online and in person.</li> </ul>
<p><b><i>You are a valued member of LUU</i></b> Measures: -</p> <ul style="list-style-type: none"> <li>• Active digital member engagement</li> <li>• Student satisfaction with services</li> <li>• Transactions across LUU services</li> <li>• Footfall into LUU building (daily average)</li> </ul>	<ul style="list-style-type: none"> <li>• Positive feedback on service provision throughout LUU outlets.</li> <li>• Continued to increase transactions and footfall despite ongoing Covid-19 restrictions in the first half of the year, reinstating LUU as a key hub for students on campus.</li> </ul>

### Quality Management

LUU uses a number of external tools for quality assurance which link to the priorities and risks laid out in our strategic plan. In 2018, LUU was the first students' union to be re-accredited under the Quality Students' Unions (QSU) standard and was proud to have achieved the "Excellent" level in each of the 12 areas of organisational performance. This year LUU continues to hold accreditation under the Alcohol Impact scheme under the expanded Drug & Alcohol Impact pilot and has once again been accredited at the highest possible level under both the NUS Green Impact Award and the national Best Bar None scheme, in which LUU were the National Winners for 2022.

### Financial Review

This year LUU has reported a surplus of £53k, compared to a deficit of £187k in the previous year. This is a positive result after a very challenging period in the previous financial year, where the most severe impact from the Covid-19 pandemic was felt. This year, we were able to provide a full service

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across student services and commercial activities; however, footfall across campus, particularly during the daytime, was affected by hybrid teaching styles by the University and some ongoing Covid-19 restrictions in late 2021. These external factors continued to have an adverse effect on our commercial income compared to pre-pandemic levels.

To mitigate against that reduced income we continued to maintain careful control of costs and made use of the Coronavirus Job Retention Scheme where we could, claiming £9.9k in 2022 (2021: £668.5k).

We have continued to receive the full block grant from the University of Leeds as per the ongoing funding arrangement with £3.65m received in the year. The University of Leeds also provided an additional grant of £250k to protect the reserves of LUU due to the continued disruptions of the Covid-19 pandemic during the year and to ensure the continued financial sustainability of LUU into the longer term. A further £260k was allocated from the University's strategic development fund for student education, used to support agreed activity in postgraduate research, student representation, international student engagement and student attainment, opportunities and well-being. This funding is being recognised as it is spent with £68k (2021: £66k) being carried forward. This year has seen an increase in Student Services income to £2.063m (2021: £1.738m) with continued strong growth from our Joblink agency.

Our Balance Sheet remains comparatively strong with total net assets of £3.5m (£3.4m in 2021), and a cash balance of £2.0m (£2.2m in 2021). The cash balance comprises £1.0m of LUU cash, £0.8m of cash held on behalf of student clubs and societies and £0.09m from ticket sales held on behalf of event promoters. Our unrestricted funds stood at £3.5m with a further £6k of restricted funds. Our general reserve is £1,285k at the year end.

The free reserves of the charity are the unrestricted reserves less those funds designated for future projects and the fixed asset reserve. Our target for free reserves is a range with the low point based on the lowest cash balance over the year and the high point equivalent to one year's variable income. This year the range is between £400k and £887k (2021: between £333k and £697k). Our free reserves of £1,285k (2020: £1,046k) are therefore comfortably above the high end of the target range as they were last year, in part bolstered by the additional grant funding from the University of Leeds. We consider that it is prudent to maintain this level of free reserves in light of the continuing uncertainty surrounding the aftermath of the Covid-19 pandemic and current economic climate. Inflationary pressures on costs will be a significant challenge for LUU in 2022-23, and the UK-wide cost of living crisis will impact on student spending habits. As a result, we would expect that the free reserves will reduce in 2022-23, although they will still remain above the top of the target range.

The ongoing financial support from the University of Leeds enables LUU to sustain its activities and provide for the student experience. Significant additional cash was provided during the Covid-19 pandemic. The University has pledged to continue to support LUU into the future and from 2022-23 the strategic development fund has been increased from £260k/year to £560k/year. LUU is grateful to the University of Leeds for this support, which, when considered alongside a strong cash position

and free reserves levels, provides comfort to the Trustees over going concern. Although the external factors referenced above mean there are uncertainties around the ability to generate commercial income and pressures on costs, LUU will continue to endeavour to mitigate the impact of these through agile financial management and by continuing to work closely with the University of Leeds.

### **Risk Management and Control**

The strategic risk register of LUU receives regular updates which are considered by the Audit and Risk Committee at each meeting with a review by the board on an annual basis. Operational risks are managed at a team level with mitigations controlled through operational planning. The key risks faced by the charity revolve around its reputation with both the University of Leeds and our student members. The University is a significant funder of the charity and we work in partnership with the University to deliver ever improving services for the students. The relationship is maintained by developing close working relationships with senior members of the University team by our trustees, particularly the elected student executive, and by the Senior Leadership Team. To meet our aims, the students need to be well represented and supported by LUU. We invest in representation and democracy teams to ensure that engagement with students is effective and any potential risk in this area is mitigated.

LUU appoints internal auditors, RSM, who undertook audits of commercial income and external speaker policy during the year, as well as conducting continuous assurance work on key risk areas such as stock and cash. A follow up audit was also carried out which reviewed progress on the actions resulting from previous audits. Our Internal Audit Working Group continues to oversee the implementation of the key recommendations from the audit activity, reporting to the LUU Audit & Risk Subcommittee.

The Union also faces on-going financial and control risks which are mitigated through a robust budget management process and comprehensive data protection policies supported by training. LUU also invests in internal audit services supported by thorough follow-up on proposed actions by senior managers and monitored via the Audit and Risk Committee.

### **Future Plans**

Going into the first year of the 2022-2026 Strategy we plan to start work on some core strategic projects to align work with this new strategic mandate. A new series of three Impacts, each with three Social Outcomes for our members, have been created following extensive consultation with our members:

- Fueling Your Passions – to be achieved through the Outcomes: gaining new skills and experiences; being more educated and informed; and being productive, saving time and money.
- Inspiring you to be your best self – to be achieved through the Outcomes: having less stress and improved mental health; being fitter and healthier; and being in a good, or better, mood.

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- Creating a celebrated, fun and lively community you can be proud to be part of - to be achieved through the Outcomes: feeling safe and supported; being more confident and feeling empowered; and having more friends and a wider social network, feeling that I belong.

We will spend this first year developing the underpinning structures to enact and report upon this strategy.

**Custodian Activities – Clubs and Societies and RAG**

LUU acts as custodian for funds raised by the students' many clubs and societies and these funds are separately identified in the accounts. £2.4m was handled by LUU during the year with a balance of £0.8m remaining at the end of the year. This includes the annual RAG proceeds from fundraising events that are distributed to its intended charities. The RAG proceeds came to £27k in the year and £22k was held at the end of the year.

**Trustees' statement**

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the charitable company's auditor is unaware; and each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

We wish to thank all staff at LUU for their continued commitment and hard work to make this another successful year at LUU.

**Auditor**

In accordance with section 487 of the Companies Act 2006, a resolution for the reappointment of Saffery Champness LLP as auditor of the company is to be proposed at the forthcoming Annual General Meeting.

This Trustees' report (comprising the Strategic Report and the Directors Report) was approved by the Trustees and signed on their behalf.



**Maria Papageorgiou**  
**Chair**



**Annabel Tonge**  
**Advisory Trustee**

15 December 2022

Leeds University Union  
University Square  
Leeds  
LS2 9JZ

### **Statement of trustees' responsibilities**

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

Company law requires the trustees to prepare financial statements for each financial year which 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 (FRS 102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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**Independent auditor's report to the members**

**Opinion**

We have audited the financial statements of Leeds University Union for the year ended 31 July 2022 which comprise the statement of financial activities, balance sheet and cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 July 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's

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report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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In preparing the financial statements, the trustees are responsible for assessing 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 to do so.

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

**Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

**Audit response to risks identified:**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

Leeds University Union  
Annual Report and Accounts for the year ended 31 July 2022

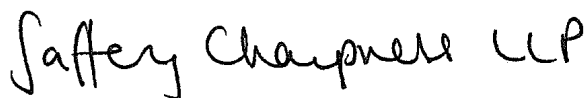
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sally Appleton (Senior Statutory Auditor)

For and on behalf of Saffery Champness LLP

Statutory Auditors and Chartered Accountants, Mitre House, North Park Road, Harrogate, HG1 5RX

Date: 14 February 2023

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

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**Leeds University Union**

**Statement of financial activities for the year ending 31 July 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Income</b>					
<i>Donations:</i>					
University Grant		3,905,568	-	3,905,568	4,090,568
<i>Income from charitable activities:</i>					
Bars		2,199,318	-	2,199,318	579,286
Venues		1,765,664	-	1,765,664	149,679
Shops		2,656,882	-	2,656,882	985,405
Student Services		2,062,529	-	2,062,529	1,737,673
Student Advice funding		10,000	-	10,000	12,231
Student representation & affiliations		11,784	-	11,784	1,860
Student Activities/Volunteering funding		107,209	-	107,209	-
<i>Other trading activities:</i>					
Rental Income		42,020	-	42,020	71,623
Media Sales & Conferences		228,055	-	228,055	88,850
Investment income		300	-	300	248
Coronavirus Job Retention Scheme Grant		9,910	-	9,910	668,526
Other income		116,913	-	116,913	28,500
<b>Total</b>		<b>13,116,152</b>	<b>-</b>	<b>13,116,152</b>	<b>8,414,449</b>
<b>Expenditure</b>					
<i>Expenditure on charitable activities:</i>					
Bars		2,528,136	-	2,528,136	1,582,692
Venues		2,515,969	-	2,515,969	952,964
Shops		3,381,929	-	3,381,929	2,029,741
Student Services		2,383,053	-	2,383,053	1,934,037
Student Advice		594,331	-	594,331	570,036
Student representation & affiliations		771,628	-	771,628	707,491
Student Activities/Volunteering		826,455	-	826,455	766,804
Media Sales & Conferences		61,399	-	61,399	58,111
<b>Total</b>		<b>13,062,900</b>	<b>-</b>	<b>13,062,900</b>	<b>8,601,876</b>
<b>Net surplus/(expenditure)</b>	2-8	<b>53,252</b>	<b>-</b>	<b>53,252</b>	<b>(187,427)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		3,431,698	6,092	3,437,790	3,625,217
<b>Total funds carried forward</b>		<b>3,484,950</b>	<b>6,092</b>	<b>3,491,042</b>	<b>3,437,790</b>

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The notes on pages 22 to 35 form part of these financial statements.

The charitable company has no recognised gains or losses other than the net incoming resources for the year.

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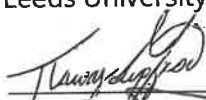
**Leeds University Union**  
**Balance Sheet at 31 July 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	9	2,137,266	2,362,904
Intangible assets	10	63,184	22,869
<b>Total fixed assets</b>		<b>2,200,450</b>	<b>2,385,773</b>
<b>Current assets</b>			
Stock in hand		274,804	233,699
Debtors and prepayments	11	1,539,636	1,109,111
Cash at bank and in hand	12	1,979,731	2,189,322
NUSSL deposit	13	6,090	6,090
<b>Total current assets</b>		<b>3,800,261</b>	<b>3,538,222</b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	14	(2,509,669)	(2,486,205)
<b>Net current assets</b>		<b>1,290,592</b>	<b>1,052,017</b>
<b>Total assets less current liabilities</b>		<b>3,491,042</b>	<b>3,437,790</b>
<b>Total net assets</b>		<b>3,491,042</b>	<b>3,437,790</b>
<b>The funds of the charity</b>			
Restricted Funds	16	6,092	6,092
<i>Unrestricted Funds:</i>			
Fixed Assets Reserve	16	2,200,450	2,385,773
General Reserve	16	1,284,500	1,045,925
<b>Total unrestricted funds</b>		<b>3,484,950</b>	<b>3,431,698</b>
<b>Total charity funds</b>		<b>3,491,042</b>	<b>3,437,790</b>

The notes on pages 22 to 35 form part of these financial statements.

Approved on behalf of Leeds University Union on the 15 December 2022 by:

Maria Papageorgiou



Chair

Annabel Tonge



Advisory Trustee

Company registration: 07284768

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**Leeds University Union**

**Statement of cash flows for the year ending 31 July 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	19	<b>31,061</b>	<b>352,466</b>
<b>Cash flows from investing activities:</b>			
Interest income		300	248
Purchase of tangible fixed assets		(190,194)	(36,962)
Purchase of intangible fixed assets		(50,758)	(938)
<b>Net cash used in investing activities</b>		<b>(240,652)</b>	<b>(37,652)</b>
<b>Cash flows from financing activities:</b>			
Repayment of borrowing		-	-
<b>Net cash used in financing activities</b>		<b>-</b>	<b>-</b>
<b>(Decrease)/increase in cash and cash equivalents in the year</b>		<b>(209,591)</b>	<b>314,814</b>
Cash and cash equivalents at the beginning of the year		2,189,322	1,874,508
<b>Cash and cash equivalents at the end of the year</b>		<b>1,979,731</b>	<b>2,189,322</b>

The notes on pages 22 to 35 form part of these financial statements.

## **Notes to the Accounts**

### **1 Accounting Policies**

The Union's Articles of governance require the Trustees to prepare accounts for each financial year. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial information.

#### **(a) Accounting Convention**

The company is limited by guarantee and has no share capital. It is registered as a charity under the Charities Act 2011 (registered charity number 1136742).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2015) – (charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### **Going concern**

In considering whether or not there are any material uncertainties about the company's ability to continue as a going concern, the Trustees have taken account of several key points:

- The signing of a new 15-year lease, commencing on 16 September 2016, with the University of Leeds, which ensures continuing occupation of the LUU building at the heart of the campus over the long term
- The upgraded spaces in the LUU building as a result of the extensive building refurbishment that was completed in 2017 and the planned refurbishment of the Terrace in 2022/23
- The level of free reserves at the end of the year, which remain at a satisfactory level that is in excess of the reserves policy
- The agreement with the University of Leeds for them to provide an annual block grant on a continued ongoing basis which protects the Union's main source of income into the future
- LUU's continued efforts to address the impact of the Covid-19 pandemic on its financial sustainability, which include use of the additional support grants from the University of Leeds and mitigating actions taken by the Senior Leadership Team to reduce costs and focus efforts on income generation and diversification and margin control
- The University of Leeds has agreed an increase in Impact funding from £260k per year to £560k with effect from 2022-23
- The outcome of several financial forecasts and scenarios that have been prepared for the trustees, which demonstrate that LUU can remain within a comfortable range within its free reserves over the next 2-5 years

After careful consideration of the above, the Trustees have concluded that there are no material uncertainties about the company's ability to continue as a going concern.

(b) Incoming Resources

All income and capital resources are recognised in the accounts when it is probable that they will be received. Income is deferred only when the company has to fulfill conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period. Grant income is recognised in the year for which the award is made against the activity it is attributable to. The element of grant that has been received in advance has been treated as deferred income in line with the above policy. Rental income is recognised on a receivable basis. Investment income comprises interest received on cash balances. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the Goods have passed to the buyer, usually upon cash receipt at the point of sale. Revenue is measured at the fair value of the consideration received, excluding discounts and VAT.

(c) Resources Expended

Charitable expenditure comprises the direct and indirect costs of delivering the public benefit. It is accounted for on an accruals basis and is recognised when the liability is incurred. Overhead costs are apportioned to activities on a basis consistent with the use of the resources. Expenditure includes irrecoverable VAT. Governance costs include those costs incurred in defining the strategic direction of the charity in particular constitutional and statutory requirements. General support costs associated with the central functions of finance, IT and human resources have been allocated across the departments on a basis consistent with the use of those resources.

(d) Cash on hand and cash equivalents

Cash, for the purposes of the cash flow statement, comprises cash in hand and deposits repayable less overdrafts payable on demand. This includes cash held on behalf of LUU's clubs and societies and the RAG society.

(e) Fixed Assets and Depreciation

Expenditure on individual capital items or groups of related items costing less than £1,000 are written off to the income and expenditure account in the year in which they occurred. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal installments over their estimated useful economic lives as follows:

Leasehold buildings	15 years
Leasehold Improvements	10 years
Fixtures, Fittings and other equipment	5 years
Computers and other IT equipment	4 years

Expenditure directly related to the build of new web sites is capitalised as an intangible asset. Amortisation is charged to the profit and loss on a straight-line basis over the useful lives of the intangible assets. Intangible assets are amortised from the date they are available for use. These assets are amortised over four years.



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The company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date. Intangible assets are tested for impairment in accordance with FRS 102 Section 27 Impairment of assets where there is an indication that an intangible asset may be impaired.

The building is leased from the University over a 15 year period, commencing on 16 September 2016.

(f) Leases

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the period of the lease.

(g) Pension Costs

LUU participates in the University of Leeds Pensions and Assurance Scheme providing benefits based on final pensionable pay. The Union is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore accounts for the scheme as if it were a defined contribution scheme. LUU also participates in two defined contribution schemes. The amount charged to the income statement represents the contributions payable to the schemes in respect of the accounting year.

(h) Stock

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

(i) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amounts prepaid.

(j) Creditors

Creditors are recognised where the Company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors are recognised at their settlement amount.

(k) Financial instruments

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

(l) Fund Accounting

LUU administers and accounts for a number of charitable funds as follows:

- Unrestricted funds are those representing unspent income which may be used for any activity at the Trustees own discretion.

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- Designated funds are those set aside by the Trustees to be spent on some specific purpose but remain at the discretion of the Trustees. The designation has an administrative purpose only and does not legally restrict the Trustees' discretion to apply the fund.
- Restricted funds are those received from a donor to be used for activities prescribed by the donor.

(m) Tax

LUU is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge has arisen in the year.

(n) Clubs and Society funds

LUU acts as custodian for the student clubs and societies, processing payments, processing receipts and holding the balance of their funds on their behalf.

## 2 Surplus for the financial year

The surplus for the financial year as shown in the statement of financial activities is stated after charging:

	2022	2021
	£	£
Auditor's remuneration - audit of these financial statements	14,200	12,876
Depreciation and amortisation on owned assets	426,275	462,413
Operating lease rentals	369,155	369,155

## 3 Charitable and Other Activity Costs

	Purchases	Staff	Support Costs	Total 2022
	£	£	£	£
Bars	811,919	819,044	897,173	2,528,136
Venues	1,033,530	685,413	797,026	2,515,969
Shops	2,004,093	478,504	899,332	3,381,929
Student Services	86,465	1,794,640	501,948	2,383,053
Student Advice	12,804	297,729	283,798	594,331
Student representation	43,563	396,299	331,766	771,628
Student Activities/Volunteering	241,949	250,714	333,792	826,455
Media Sales & Conferences	392	48,778	12,229	61,399
<b>Total Costs</b>	<b>4,234,715</b>	<b>4,771,121</b>	<b>4,057,064</b>	<b>13,062,900</b>

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Comparative Charitable and Other Activity costs:

	<b>Purchases</b>	<b>Staff</b>	<b>Support Costs</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bars	262,031	537,380	783,281	<b>1,582,692</b>
Venues	147,453	307,903	497,608	<b>952,964</b>
Shops	839,306	385,316	805,119	<b>2,029,741</b>
Student Services	73,223	1,395,449	465,365	<b>1,934,037</b>
Student Advice	11,130	278,383	280,523	<b>570,036</b>
Student representation	20,648	362,205	324,638	<b>707,491</b>
Student Activities/Volunteering	117,710	240,008	409,086	<b>766,804</b>
Media Sales & Conferences	620	46,307	11,184	<b>58,111</b>
<b>Total Costs</b>	<b>1,472,121</b>	<b>3,552,951</b>	<b>3,576,804</b>	<b>8,601,876</b>

**4 Support Costs included in Note 3**

	<b>Use</b>	<b>Staff</b>	<b>Premises</b>	<b>Marketing</b>	<b>Governance</b>	<b>Other</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bars	22%	387,718	279,906	7,878	4,086	217,582	<b>897,170</b>
Venues	19%	392,222	140,196	7,800	6,946	249,862	<b>797,026</b>
Shops	22%	401,405	215,540	8,502	4,903	268,981	<b>899,331</b>
Student Services	12%	268,562	91,159	10,998	5,312	125,919	<b>501,950</b>
Student Advice	7%	168,847	23,377	5,616	4,086	81,872	<b>283,798</b>
Student representation	9%	216,381	24,281	19,812	3,269	68,024	<b>331,767</b>
Student Activities/Volunteering	8%	190,734	40,818	5,694	4,495	92,052	<b>333,793</b>
Media Sales & Conferences	1%	6,125	2,465	200	100	3,339	<b>12,229</b>
<b>Total Costs</b>	<b>100%</b>	<b>2,031,994</b>	<b>817,742</b>	<b>66,500</b>	<b>33,197</b>	<b>1,107,631</b>	<b>4,057,064</b>

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Comparative Support Costs included in Note 3:

	Use	Staff	Premises	Marketing	Governance	Other	Total
		£	£	£	£	£	£
Bars	22%	388,680	256,201	8,834	3,278	126,288	<b>783,281</b>
Venues	14%	282,516	103,201	8,747	4,006	99,118	<b>497,608</b>
Shops	23%	414,830	217,494	9,534	3,278	160,347	<b>805,119</b>
Student Services	13%	260,033	80,751	12,333	2,914	108,242	<b>465,365</b>
Student Advice	8%	179,478	21,838	6,297	4,006	69,632	<b>280,523</b>
Student representation	9%	211,361	23,646	22,216	3,278	64,501	<b>324,638</b>
Student Activities/	11%	256,424	42,218	6,385	2,914	99,324	<b>409,086</b>
Volunteering							
Media Sales & Conferences	0%	6,252	2,338	233	4,735	2,282	<b>11,184</b>
<b>Total Costs</b>	<b>100%</b>	<b>1,999,574</b>	<b>747,707</b>	<b>74,579</b>	<b>25,210</b>	<b>729,734</b>	<b>3,576,804</b>

**5 Unrestricted funds**

	At beginning of year £	Incoming resources £	Outgoing resources £	At end of year £
<b>General funds</b>				
Fixed assets and investments	2,385,773	240,952	(426,275)	2,200,450
Net current assets	1,045,925	12,875,200	(12,636,625)	1,284,500
	<b>3,431,698</b>	<b>13,116,152</b>	<b>(13,062,900)</b>	<b>3,484,950</b>

**6 Restricted funds**

	At beginning of year £	Incoming resources £	Outgoing resources £	At end of year £
Net current assets	6,092	-	-	6,092

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**7 Staff Costs**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	6,228,647	5,059,052
National Insurance	369,674	300,565
Pensions	204,794	192,908
<b>Total Costs</b>	<b>6,803,115</b>	<b>5,552,525</b>

The average staffing was as follows:

	<b>2022</b>	<b>2021</b>
Monthly salaried staff	161	145
Weekly paid student staff	406	254
	<b>567</b>	<b>399</b>

During our busiest week of the year, we employed 562 students on a weekly paid contract.

The total salary of the Senior Leadership Team (SLT) was £468,000 in the year (£485,000 in 2021). The salary of the Chief Executive is determined by the People and Values Committee with reference to market salary levels. The salaries of the remainder of SLT are determined by the Chief Executive again with reference to market salary levels.

Three employees were paid more than £60,000 in salary and one participates in the University of Leeds Pensions and Assurance Scheme.

<b>Salary</b>	<b>Employees</b>
£70,001 to £80,000	2
£90,001 to £100,000	1

During the year some LUU staff were furloughed and claims for the salaries, employer's pension contributions and employer's National Insurance contributions of these staff were made in accordance with rules of the Coronavirus Job Retention Scheme introduced by the UK Government. The income received in this regard was £9,910, which was spent in full in the year, and both grant income and the associated staff costs are included within unrestricted transactions within the statement of financial activities.

## 8 Trustees Remuneration and Expenses

As well as having a role as a Trustee of LUU, the Student Executive Officers perform a full time role for a year to be the voice of students. They listen to how students want things to be done, work with LUU staff, the Board of Trustees and partners to make it happen. They represent students to the University of Leeds, external organisations and the wider community.

Each of the Student Executive Officers was paid a salary of £19,702 during the year with a total cost to LUU of £116,032 (£147,731 in 2021) which includes national insurance and pension contributions. The level of salary is set out in their contract of employment.

No Trustees of the Board were reimbursed in 2022 (£148 in 2021) for personal travel and subsistence expenses in performing their role as a Trustee.

## 9 Tangible fixed assets

	Leasehold buildings £	Leasehold improvements £	Fixtures & fittings £	Equipment £	Total £
<b>Cost</b>					
Brought forward 1 Aug 21	3,535,056	1,795,563	1,166,349	1,118,980	7,615,948
Additions in the year	-	-	105,601	84,593	190,194
Disposals in the year	-	-	-	-	-
<b>As at 31 July 2022</b>	<b>3,535,056</b>	<b>1,795,563</b>	<b>1,271,950</b>	<b>1,203,573</b>	<b>7,806,142</b>
<b>Depreciation</b>					
Brought forward 1 Aug 21	1,856,184	1,601,029	894,470	901,361	5,253,044
Charge for the year	165,696	37,035	112,643	100,458	415,832
Disposals in the year	-	-	-	-	-
<b>As at 31 July 2022</b>	<b>2,021,880</b>	<b>1,638,064</b>	<b>1,007,113</b>	<b>1,001,819</b>	<b>5,668,876</b>
<b>Net book value</b>					
<b>As at 31 July 2022</b>	<b>1,513,176</b>	<b>157,499</b>	<b>264,837</b>	<b>201,754</b>	<b>2,137,266</b>
At 31 July 2021	1,678,872	194,534	271,879	217,619	2,362,904

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**10 Intangible fixed assets**

	£
<b>Cost</b>	
Brought forward 1 Aug 21	57,618
Additions in the year	50,758
Impairments in the year	-
<b>As at 31 July 2022</b>	<b>108,376</b>
<b>Depreciation</b>	
Brought forward 1 Aug 21	34,749
Charge for the year	10,443
Impairments in the year	-
<b>As at 31 July 2022</b>	<b>45,192</b>
<b>Net book value</b>	
<b>As at 31 July 2022</b>	<b>63,184</b>
At 31 July 2021	22,869

**11 Debtors and prepayments**

	2022 £	2021 £
Trade debtors	185,800	120,091
Sundry debtors and prepayments	388,260	210,163
The University of Leeds	965,576	778,857
	<b>1,539,636</b>	<b>1,109,111</b>

**12 Cash at bank and in hand**

	2022 £	2021 £
LUU cash	1,041,169	1,052,991
Cash held on behalf of student clubs and societies	848,920	1,081,610
Cash from ticket sales held on behalf of event promoters	89,642	54,721
	<b>1,979,731</b>	<b>2,189,322</b>

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**13 Deposits**

NUS Services Limited holds a deposit of £6,090 from LUU in respect of payment for monthly supplies of brewed and other products approximately equivalent to 0.2% of trading turnover.

**14 Creditors: amounts falling due within one year**

	2022 £	2021 £
Trade creditors	335,338	160,361
Sundry creditors, accruals and deferred income	1,305,225	1,231,422
Clubs and societies	848,920	1,081,610
The University of Leeds	20,186	12,812
	<b>2,509,669</b>	<b>2,486,205</b>

**15 Capital commitments**

LUU had the following commitments for capital works at 31 July:

	2022 £	2021 £
Authorised and contracted	<b>156,542</b>	<b>7,444</b>

**16 Analysis of Net Assets between Funds**

	Unrestricted Funds £	Restricted Funds £	Total £
Fixed Assets and Investments	2,200,450	-	2,200,450
Net Current Assets	1,284,500	6,092	1,290,592
	<b>3,484,950</b>	<b>6,092</b>	<b>3,491,042</b>

Unrestricted funds are made up of the Fixed Assets Reserve of £2,200,450 and the balance remaining is the General Reserve of £1,284,502.

The Fixed Assets Reserve represents the balance of our fixed assets. The residual unrestricted funds represent the General Reserve of the charity.

The restricted funds are various small grants received to undertake specific projects such as helping our work in the Leeds community.



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## 17 Leasing commitments

At 31<sup>st</sup> July, LUU had commitments under non-cancellable operating leases as follows:

		2022 £	2021 £
<b>Plant and Machinery</b>			
Operating leases payable within:			
	1 Year	1,899	3,585
	2 to 5 Years	-	1,899
		<u>1,899</u>	<u>5,484</u>
<b>Building</b>			
Operating leases payable within:			
	1 Year	418,001	418,001
	2 to 5 Years	1,672,004	1,672,004
	Over 5 years	1,723,538	2,141,539
		<u>3,813,543</u>	<u>4,231,544</u>
<b>Total lease commitments</b>		<u>3,815,442</u>	<u>4,237,028</u>

## 18 Lessors

LUU has several leases with tenants with terms varying between 5 and 14 years. Rents are fixed for 5 years and most leases include provision for five-yearly rent reviews according to prevailing market conditions. There are no options in place for either party to extend the lease terms.

At 31<sup>st</sup> July, LUU had contracts with tenants for the following minimum lease payments:

	2022 £	2021 £
1 Year	79,200	107,890
2 to 5 Years	192,414	384,012
Over 5 Years	-	180,016
	<u>271,614</u>	<u>671,918</u>

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**19 Reconciliation of net expenditure to net cash flow from operating activities**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Net income/(expenditure) for the year</b>	53,252	(187,427)
<b>Adjustments for:</b>		
Depreciation and amortisation	426,275	462,413
Interest receivable from investments	(298)	(248)
(Increase)/decrease in stock	(41,107)	8,494
(Increase) in debtors	(430,525)	(55,348)
Increase in creditors	23,464	124,582
<b>Net cash provided by operating activities</b>	<b>31,061</b>	<b>352,466</b>

<b>Net debt</b>	<b>At beginning of year</b>	<b>Cash Flows</b>	<b>Other non-cash movements</b>	<b>At end of year</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	2,189,322	(209,591)	-	1,979,731
Debt due within one year	-	-	-	-
Debt due after one year	-	-	-	-
<b>Net funds</b>	<b>2,189,322</b>	<b>(209,591)</b>	<b>-</b>	<b>1,979,731</b>

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## 20 Prior year Statement of Financial Activities

### Statement of financial activities for the year ending 31 July 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
<b>Income</b>					
<i>Donations:</i>					
University Grant		4,090,568	-	4,090,568	3,527,568
<i>Income from charitable activities:</i>					
Bars		579,286	-	579,286	1,478,423
Venues		149,679	-	149,679	930,517
Shops		985,405	-	985,405	2,651,778
Student Services		1,737,673	-	1,737,673	975,376
Student Advice funding		12,231	-	12,231	61,576
Student representation & affiliations		1,860	-	1,860	95,212
Student Activities/Volunteering funding		-	-	-	269,718
<i>Other trading activities:</i>					
Rental Income		71,623	-	71,623	120,469
Media Sales & Conferences		88,850	-	88,850	230,821
Investment income		248	-	248	3,797
Coronavirus Job Retention Scheme Grant		668,526	-	668,526	844,470
Other income		28,500	-	28,500	27,127
<b>Total</b>		<b>8,414,449</b>	<b>-</b>	<b>8,414,449</b>	<b>11,216,852</b>
<b>Expenditure</b>					
<i>Expenditure on charitable activities:</i>					
Bars		1,582,692	-	1,582,692	2,310,237
Venues		952,964	-	952,964	1,682,219
Shops		2,029,741	-	2,029,741	3,300,198
Student Services		1,934,037	-	1,934,037	2,009,789
Student Advice		570,036	-	570,036	583,445
Student representation & affiliations		707,491	-	707,491	796,991
Student Activities/Volunteering		766,804	-	766,804	754,284
Media Sales & Conferences		58,111	-	58,111	74,377
<b>Total</b>		<b>8,601,876</b>	<b>-</b>	<b>8,601,876</b>	<b>11,511,540</b>
<b>Net surplus</b>	2-8	<b>(187,427)</b>	<b>-</b>	<b>(187,427)</b>	<b>(294,688)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		3,619,125	6,092	3,625,217	3,919,905
<b>Total funds carried forward</b>		<b>3,431,698</b>	<b>6,092</b>	<b>3,437,790</b>	<b>3,625,217</b>

## 21 Pensions Costs

LUU has three separate pension arrangements. A defined benefit arrangement through the University of Leeds Pension and Assurance Scheme (PAS), which is closed to new entrants. The People's Pension Scheme which is a defined contribution scheme managed by B&CE and provides flexibility for staff to make contributions with LUU matching them to a maximum of 6% of salary. The arrangement also provides a three times salary death in service benefit through a registered group life policy through UNUM. A third scheme, Nest, also a defined contribution scheme, has been used to auto enroll those staff eligible under the new legislation starting in November 2013.

For the defined contribution schemes the cost charge for the year represents contributions payable by the company to the schemes and amounted to £133,648 (2021: £113,489). Contributions amounting to £22,036 (2021: £18,909) were payable to the schemes and are included in creditors.

Members of staff who were already contributing into the PAS scheme were able to continue to do so. The assets of the scheme are held in separate trustee administered funds. PAS is a defined benefit scheme externally funded and valued by an actuary every three years. The rates of contribution payable are decided by the pension trustees based on the advice of the actuaries.

The triennial valuation dated 31 March 2020 showed that there was a deficit of £66.2m, equivalent to a funding level of 87%. Given the unusual market conditions prevailing in March 2020, a further valuation was carried out as at 31 March 2021. This valuation showed that there was a surplus of £24.2m, equivalent to a funding level of 105%. During the year the employer contribution rate was 16%, with the employee contribution rate at 7.5%, both unchanged from the previous year. The University continues to pay the annual PPF levy and the cost of any ill health early retirement benefit enhancements.

The assets of the PAS scheme are not separable and therefore the proportion of any surplus or deficit arising in the scheme cannot be attributed to members employed by the Union (either past or present). The Union accounts for the scheme as if it were a defined contribution scheme.

Employer contributions to these schemes are charged to the Income and Expenditure Account in the year in which they are paid and are included within the disclosure of individual activities in these accounts.