

Leeds University Union
Annual Report and Accounts for the year ended 31 July 2023

Leeds University Union

A company limited by guarantee

Trustees' report and financial statements

31 July 2023

Company registered number 07284768

Charity registration number 1136742

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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:

Student Executive Officers and Trustees	To 30.06.23	From 01.07.23
Union Affairs & Communications Officer (Chair)	Maria Papageorgiou	
Activities & Opportunities Officer	Ella Williams	
Education Officer	Bethan Corner	
Equality & Liberation Officer	Haryati Mohammed	
International & Postgraduate Officer	Vicky Zhou	
Wellbeing Officer	Emily Tabern	
Union Affairs & Communications Officer (Chair)		Emily Tabern
Activities & Opportunities Officer		Ella Williams
Education Officer		Bethan Corner
Equality & Liberation Officer		Haryati Mohammed
International & Postgraduate Officer		Rimsha Khan
Wellbeing Officer		Hannah Catterall

Student Trustees

Nicolas Padula Pinho (from 23.03.23)
Michael Mberi
Penelope Milner (to 07.07.23)
Natalja Nassonova (to 06.07.23)
Rani Alami (to 31.12.22)
Elizabeth Wright (from 07.07.23)
Shmuel Von Weisl (from 07.07.23)

External Trustees

Josh Smith
Neil Clephan
Annabel Tonge
Damola Timeyin

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Auditor	Bank
Saffery 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) until 06.01.23
- Sue Stones (Deputy Chief Executive Operations)
- Rachel Emmott (Director of Finance & Risk) with effect from 03.10.22
- Jasper Hegarty-Ditton (Director of Digital and Data)
- Rori Raquib (Director of Communications) with effect from 22.08.22 (new post)
- Antonia Frezza (Director of People and Quality) who, after taking up a one-year sabbatical from 26.08.22 did not return to post
- Harpreet Singh (Director of People and Quality) with effect from 29.08.22 until 30.08.23
- Douglas Muzawazi (Director of Student Communities, new post) with effect from 01.07.23

In response to changing student needs and the challenging environment, over the course of the year LUU made some structural changes to the make-up of the Senior Leadership Team. The updated structure is designed to align with the 2022-26 Strategy and, following the departure of the Deputy Chief Executive Student Engagement, includes a newly created post: Director of Student Communities.

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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 2023 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).

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 - within the year, a Tripartite Board Effectiveness Review was undertaken in collaboration with Kent Students' Union and Birmingham Guild of Students.

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. This year, four of the Student Executive Officers were re-elected to a position in the team, which impacted the training design for the team overall.

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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 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.

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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 26,757 this year, compared to 22,517 enquiries in the previous year.
- The team employ a service model using the LUU foyer, with an integrated information and advisory service, which helps to manage the Advice Team's capacity as enquiries can be resolved on-the-day. The full range of services can be provided remotely, including one-to-one support for complex cases.
- Activities – a choice of over 380 clubs and societies offer a diversity of opportunities for social and skills development. There were 33,994 club and society memberships sold during

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the year, down from 38,586 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 £1,614k in wages to students through our JobLink agency, up on the previous year (£1,569k).
- 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 training initiatives and undertook 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 3,865, a reduction of 26% compared to the previous year, but equivalent to 11% of the total student population. There were 36 candidates in total. We are conducting a study of nationwide democratic engagement to understand how we can improve democratic participation and raise the profile of democratic engagement at LUU, including guidance from our subcommittees.
- 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. Balcony Café was closed in December 2023 and options are being considered for use of the space. 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 & Welcome events and Leeds Ball on the site of the University campus, which attracts around 3,700 students.
- Shops – operated by LUU are Co-op (convenience store operated under a franchise agreement with Co-op), Gear (University branded clothing) and Union Shop (stationery and cards). Operated through a tenancy arrangement are Waki Maki (hot take away food), Humpit (healthy takeaway food), Cooplands (take away food) and Pearls Bubble Tea. In 2022-23, LUU entered a tenancy agreement with Cantina (Vegan junk food) and the tenancy agreement for Bayfields' Opticians ended on 31st July 2023 (the Unit had ceased trading from 6th May 2022). A new outlet, Tantino (Italian take-away food) opened in September 2023 under a tenancy agreement.
- 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

In 2022 LUU launched a new Strategic Plan for 2022-26 informed by a period of consultation with students and other key stakeholders, including the University of Leeds. 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:

- Fuelling your passions
- Inspiring you to be your best self
- Creating a celebrated, fun and lively community you can be proud to be a part of

In order to achieve these Impacts, a series of key strategic Outcomes were identified for students and forming the key focus of project work, these being:

- Gaining new skills and being more employable;
- Being more educated and informed;
- Being productive and saving time and money;
- Having less stress and improved mental health;
- Being in a good, or better mood;
- Being fitter and healthier;
- Feeling safe and supported;
- More friends and a wider social network, feeling like you belong;
- Being more confident and feeling empowered.

These strategic outcomes, which were articulated using analysis of large-scale student feedback, are the targeted outcomes of the services LUU offers to students. These services can be defined as LUU's organisational Outputs: Clubs and Societies; Building Operations; Help & Support; Representation & Campaigning; Student Jobs; and Events. Strategic projects to improve LUU's Outcomes are therefore linked with the corresponding Outputs to aid the focus of targeted service developments. These projects must also account to LUU's strategic Design Principles, which state that they must be Inclusive, Student-Led, Data Driven, and Climate Friendly.

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LUU's "Strategy Map" outlining our 2022-26 Strategy:



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The Strategic Impacts and key successes during the year, assessed against the 2022-26 plan, were as follows:

Strategic Impact	Successes
<p><i>Fuelling your passions</i> Measures: <u>Student Feedback</u></p> <ul style="list-style-type: none"> ● Gaining new skills and being more employable ● Being more educated and informed ● Being productive and saving time and money 	<ul style="list-style-type: none"> ● Employment of over 3,800 students through the year, primarily through the Joblink service. ● Continued successful rollout of the Love to Learn system, delivering bespoke training modules for both staff and volunteers.
<p><i>Inspiring you to be your best self</i> Measures: <u>Student Feedback</u></p> <ul style="list-style-type: none"> ● Having less stress and improved mental health ● Being in a good, or better mood ● Being fitter and healthier 	<ul style="list-style-type: none"> ● Successful delivery of a Varsity programme in collaboration with Leeds Beckett SU. ● Delivery of an in-person award show programme show in term three, with hundreds of members able to participate in the celebration both online and in person.
<p><i>Creating a celebrated community</i> Measures: <u>Student Feedback</u></p> <ul style="list-style-type: none"> ● Feeling safe and supported ● More friends and a wider social network, feeling like you belong ● Being more confident and feeling empowered 	<ul style="list-style-type: none"> ● Positive feedback on Customer Experience throughout LUU outlets. ● Continued strong membership sales for Clubs & Societies. ● Development of a new Membership system enabling students to use a dedicated system, Engage, to run and track elections and events. ● Organisational attainment of the Leaders in Diversity Award.

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 2023, LUU was 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 SOS-UK Green Impact Award and the national Best Bar None scheme, in which LUU were the National Winners for 2022. In August 2023 LUU was accredited as a *Leader In Diversity* with the National Centre for Diversity.

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Financial Review

This year LUU has reported an overall deficit of £19k. This comprises a deficit in unrestricted funds of £72k and a surplus on restricted funds of £53k. It compares to a surplus of £53k in the previous year, which was all in unrestricted funds. 2022-23 proved to be a very challenging year across LUU, with many factors outside of our control having significant financial impact.

The main challenges included:

- Utilities costs (electricity, steam and water) increasing by more than double, from £128k in 2021-22 to £325k in 2022-23. These costs are charged to LUU by the University of Leeds and absorbed into our operating costs.
- The increase in the National Minimum Wage (NMW) by 9.6% in April 2023, which was 4.6% higher than the value included in budget and which had an estimated £26k impact over the last 4 months of the year. Over the period from April 2022 to April 2024, we estimate that the NLW increases will have added £398k to LUU's cost base.
- The knock-on impact of the increase in the NMW on some of our pay-grades and their associated rates of pay, in order to maintain adequate levels of seniority and segregation amongst the team.
- The impact of high inflation and the cost of living crisis, putting pressure on our entire cost base. In an attempt to assist our monthly-paid staff through this period, we made a 3% award in December 2022 and a one-off, non-consolidated award of £400 to each eligible monthly-paid staff member in January 2023. The cost of these awards to LUU was £155k.
- All other costs, including direct costs and support costs, were under inflationary pressure. Our business model is such that we absorb these increases on support costs and are limited in passing on direct costs to students because our priority is to ensure our services are affordable. We sought to maintain margins where possible, without compromising quality.
- The cost of living crisis meant that our customers (the majority of which are students) had less money to spend in our outlets. Over recent years there has been a marked shift in student spending habits, and in campus dynamics. During 2022-23 the majority of exams were held remotely, as they had in the previous 2-3 years. That meant that many students returned home to study and complete their exams, negatively affecting footfall on campus and therefore the turnover in our commercial outlets.
- Our Events and Venues business suffered from multiple cancellations during the year. 2021-22 was deemed to be a Covid-19 'recovery' year for this income stream, so we had budgeted an increase for 2022-23. However, income actually fell from £1.7m to £1.3m.

In response to the above, LUU took some difficult decisions during the year:

- Increased controls around recruitment, to slow down the process and make targeted savings.
- Put a stop on all but essential spend across LUU.
- A pause on planned capital expenditure for half of the year.
- A restructuring of the Senior Leadership Team to align with LUU's new strategy.
- Redesignation of restricted to unrestricted funding from the University of Leeds.

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Despite the challenges, we had successes:

- We have continued to receive the full block grant from the University of Leeds as per the ongoing funding arrangement with £4.04m received in the year (2022: £3.91m). The block grant is subject to a 4% annual inflationary increase.
- £560k was allocated from the University's strategic development fund for 4 years commencing 2022-23 (an increase on previous years which was £260k annually). The University restricted £380k of this funding for Impact Projects, which we expended on student education, agreed activity in postgraduate research, student representation, international student engagement and student attainment, opportunities and well-being. A balance of £53k was committed but unspent at the end of the year and is carried forward within restricted funds. The remaining funding was unrestricted in nature and has been used to meet some of the challenges outlined above. We have the agreement of the University to continue to apply this split of restricted/unrestricted funds to the end of 2025-26 and to condense the Impact Funding projects into three key areas: Students as Partners, Student Opportunities, and Wellbeing & Student Success.
- This year has seen an increase in Student Services income to £2.23m (2022: £2.06m), including Impact Funding, with £1.90m being generated by our Joblink agency.
- Student Activities income increased from £107k to £202k.
- The measures implemented in response to the financial challenges meant that we were able to return a deficit of just £72k, which is lower than the budgeted deficit (£335k) and lower than our forecast deficit (£399k at Q1, down to £146k by Q3).

Our Balance Sheet remains comparatively strong with total net assets of £3.5m (£3.5m in 2022), and a cash balance of £2.0m (£2.0m in 2022). The cash balance comprises £1.08m of LUU cash, £0.91m of cash held on behalf of student clubs and societies and £0.04m from ticket sales held on behalf of event promoters. Our unrestricted funds stood at £3.4m with a further £6k of restricted funds. Our general reserve is £1,015k 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. We revised our reserves policy in 2022-23, so that the target level for free reserves is calculated as the costs which the charity would be required to meet in the event that all of its operations ceased and there was no income to cover those costs. The minimum target level is calculated with reference to average salary, wages and other costs apportioned on the basis of liability risk. The calculated free reserves target level at the end of 2022-23 was £665k. Our free reserves are £1,015k (2022: £1,285k) and are therefore comfortably above the target level. This headroom is deemed appropriate given the volatility of the current economic climate. Additionally, over the next 2-5 years significant investment will be required into LUU's infrastructure and therefore it is deemed appropriate that reserves are held at above the minimum target level, so that they may be used to enable that investment in future years.

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The minimum target will be recalculated annually, in conjunction with budget setting, and reported to the Finance Committee to approve as the target reserves balance for the following year on behalf of the Board of Trustees. Any reserves in excess of this minimum target will be considered to be retained as contingency funds or may be designated for future strategic projects. The charity will not unduly hold reserves at an excess level. The fixed asset reserve is not included within free reserves. Where applicable, LUU will also hold restricted funds and these might include multi-year restricted project costs.

The authority to use funds which would take the level below the minimum target will continue to be managed through the existing Financial Procedures and Terms of Reference for the Finance and Audit & Risk Committees. Any request to use reserves will include an analysis and determination of the use of the funds and plans for replenishment.

Going Concern

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, of which £380k is restricted and £180k is unrestricted. LUU is grateful to the University of Leeds for this support, for which it is reliant to enable it to meet its objects. When considered alongside a strong cash position and free reserves levels, this relationship 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, including regular cashflow forecast updates 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. The Strategic Risk Register was reviewed in line with the new Strategic Plan during the year.

LUU appoints internal auditors, RSM, who undertook follow-up audits of commercial income and external speaker policy during the year, as well as conducting continuous assurance work on key

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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 second year of the 2022-2026 Strategy we plan to continue work on some core strategic projects to align work with this new strategic mandate. A series of Supporting Strategies have been developed which help to frame strategic project work making targeted developments to achieve LUU's identified Social Outcomes. These Supporting Strategies are split into eight areas for the Strategic Impacts and five operational areas:

- Strategic Impact - Fuelling your passions
- Strategic Impact - Inspiring you to be your best self;
- Strategic Impact - Creating a celebrated, fun and lively community;
- People & EDI;
- Finance & Risk;
- Marketing & Communications;
- Data & Digital;
- Building & Sustainability.

Supporting Strategies are comprised of 6- and 12-month project sprints, which allows senior management and stakeholders to regularly review and adjust projects as necessary and direct resources to where they are most needed.

A key focus for strategic work in the next year will be partnership work. A series of Impact Funded Projects have been developed in areas of key partnership between LUU and the University of Leeds: Students as Partners, Student Opportunities, and Wellbeing & Student Success.

We will spend this second year of the strategy refining our strategic project work through the supporting strategies, working closely with the University on key areas of partnership, developing the measurements of our strategic performance, and identifying and prioritizing key issues impacting students.

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 £0.9m 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 £23k in the year and £30k was held at the end of the year.

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Trustees' statement

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 LLP as auditor of the company is to be proposed at the relevant Board of Trustees Meeting on an annual basis.

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

Emily Tabern
Chair



Annabel Tonge
Advisory Trustee


14 December 2023

Leeds University Union
University Square
Leeds
LS2 9JZ

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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 2023 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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the 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 16, 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
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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. 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 LLP
Statutory Auditors and Chartered Accountants, Mitre House, North Park Road, Harrogate, HG1 5RX

Date:

Saffery 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 2023

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
Note	£	£	£	£
Income				
<i>Donations:</i>				
University Grant	4,039,888	-	4,039,888	3,905,568
<i>Income from charitable activities:</i>				
Bars	2,339,090	-	2,339,090	2,199,318
Venues	1,359,574	-	1,359,574	1,765,664
Shops	3,321,348	-	3,321,348	2,656,882
Student Services	1,904,920	374,872	2,279,792	2,062,529
Student Advice funding	27,094	-	27,094	10,000
Student representation & affiliations	274	-	274	11,784
Student Activities/Volunteering funding	201,956	-	201,956	107,209
<i>Other trading activities:</i>				
Rental Income	76,887	-	76,887	42,020
Media Sales & Conferences	255,029	-	255,029	228,055
Investment income	13,974	-	13,974	298
Coronavirus Job Retention Scheme Grant	-	-	-	9,910
Other income	40,962	-	40,962	116,915
Total	13,580,996	374,872	13,955,868	13,116,152
Expenditure				
<i>Expenditure on charitable activities:</i>				
Bars	2,762,889	-	2,762,889	2,528,136
Venues	2,172,892	-	2,172,892	2,515,969
Shops	4,009,150	-	4,009,150	3,381,929
Student Services	2,313,887	322,057	2,635,944	2,383,053
Student Advice	626,129	-	626,129	594,331
Student representation & affiliations	772,346	-	772,346	771,628
Student Activities/Volunteering	936,123	-	936,123	826,455
Media Sales & Conferences	59,627	-	59,627	61,399
Total	13,653,043	322,057	13,975,100	13,062,900
Net (expenditure)/surplus	(72,047)	52,815	(19,232)	53,252
Reconciliation of funds:				
Total funds brought forward	3,484,950	6,092	3,491,042	3,437,790
Total funds carried forward	3,412,903	58,907	3,471,810	3,491,042

The notes on pages 25 to 38 form part of these financial statements.

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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 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	9	2,335,312	2,137,266
Intangible assets	10	62,372	63,184
Total fixed assets		2,397,684	2,200,450
Current assets			
Stock in hand		301,372	274,804
Debtors and prepayments	11	1,519,955	1,539,636
Cash at bank and in hand	12	2,031,582	1,979,731
NUSSL deposit	13	6,090	6,090
Total current assets		3,859,999	3,800,261
Liabilities			
Creditors: amounts falling due within one year	14	(2,784,873)	(2,509,669)
Net current assets		1,074,126	1,290,592
Total assets less current liabilities		3,471,810	3,491,042
Total net assets		3,471,810	3,491,042
The funds of the charity			
Restricted Funds	16	58,907	6,092
<i>Unrestricted Funds:</i>			
Fixed Assets Reserve	16	2,397,684	2,200,450
General Reserve	16	1,015,219	1,284,500
Total unrestricted funds		3,412,903	3,484,950
Total charity funds		3,471,810	3,491,042

The notes on pages 25 to 38 form part of these financial statements.

Approved on behalf of Leeds University Union on the 14 December 2023 by:

Emily Tabern  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 2023

	Note	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by operating activities	19	728,417	31,061
Cash flows from investing activities:			
Interest income		13,974	298
Purchase of tangible fixed assets		(666,382)	(190,194)
Purchase of intangible fixed assets		(24,158)	(50,758)
Net cash used in investing activities		(676,566)	(240,654)
Cash flows from financing activities:			
Repayment of borrowing		-	-
Net cash used in financing activities		-	-
Increase/(decrease) in cash and cash equivalents in the year		51,851	(209,593)
Cash and cash equivalents at the beginning of the year		1,979,731	2,189,324
Cash and cash equivalents at the end of the year		2,031,582	1,979,731

The notes on pages 25 to 38 form part of these financial statements.

Leeds University Union
Annual Report and Accounts for the year ended 31 July 2023

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 current 15-year lease, which commenced 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 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
- The agreement with the University of Leeds in 2021-22 to increase their strategic Impact Funding to £560k per year (from £260k under the previous agreement) for 4 years from 2022-23, and their subsequent agreement in 2022-23 for that funding to be split between restricted and unrestricted funds. This disaggregation enables LUU to retain a focus on strategic impact projects by ring-fencing £380k per year, whilst using the remaining grant to help address current pressures on its finances
- LUU's continued efforts to address the impact of the Covid-19 pandemic, the cost of living crisis and changes in student dynamic and spending habits 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 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.

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(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:

- | |
|---|
| <ul style="list-style-type: none">• 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:

	2023	2022
	£	£
Auditor's remuneration - audit of these financial statements	16,500	14,200
Depreciation and amortisation on owned assets	493,306	426,275
Operating lease rentals	373,526	369,155

3 Charitable and Other Activity Costs

	Purchases	Staff	Depreciation	Support Costs	Total 2023
	£	£	£	£	£
Bars	939,043	873,032	38,529	912,285	2,762,889
Venues	732,535	658,649	-	781,708	2,172,892
Shops	2,494,620	513,641	-	1,000,889	4,009,150
Student Services	157,516	1,871,918	-	606,510	2,635,944
Student Advice	24,636	314,285	-	287,208	626,129
Student representation	28,175	387,020	-	357,151	772,346
Student Activities/Volunteering	355,074	288,438	-	292,611	936,123
Media Sales & Conferences	3,062	40,009	-	16,556	59,627
Total Costs	4,734,661	4,946,992	38,529	4,254,918	13,975,100

Leeds University Union
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Comparative Charitable and Other Activity costs:

	Purchases	Staff	Depreciation	Support Costs	Total 2022
£	£	£	£	£	£
Bars	811,919	819,044	-	897,170	2,528,133
Venues	1,033,530	685,413	-	797,026	2,515,969
Shops	2,004,093	478,504	-	899,331	3,381,928
Student Services	86,465	1,794,640	-	501,950	2,383,055
Student Advice	12,804	297,729	-	283,798	594,331
Student representation	43,563	396,299	-	331,767	771,629
Student	241,949	250,714	-	333,793	826,456
Activities/Volunteering					
Media Sales & Conferences	392	48,778	-	12,229	61,399
Total Costs	4,234,715	4,771,121	-	4,057,064	13,062,900

4 Support Costs included in Note 3

	Use	Staff	Premises	Marketing	Governance	Other	Total
		£	£	£	£	£	£
Bars	22%	419,990	358,001	4,101	2,830	127,363	912,285
Venues	18%	429,769	174,640	4,061	6,065	167,173	781,708
Shops	24%	503,159	287,150	4,427	4,852	201,301	1,000,889
Student Services	14%	339,564	130,230	5,726	5,257	125,733	606,510
Student Advice	7%	179,099	32,806	2,924	3,235	69,144	287,208
Student representation	8%	235,845	37,921	10,315	3,235	69,835	357,151
Student	7%	171,855	51,323	2,965	2,830	63,638	292,611
Activities/ Volunteering							
Media Sales & Conferences	0%	8,903	4,188	135	111	3,219	16,556
Total Costs	100%	2,288,184	1,076,259	34,654	28,415	827,406	4,254,918

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Comparative Support Costs included in Note 3:

	Use	Staff	Premises	Marketing	Governance	Other	Total
		£	£	£	£	£	£
Bars	22%	387,718	279,906	7,878	4,086	217,582	897,170
Venues	20%	392,222	140,196	7,800	6,946	249,862	797,026
Shops	22%	401,405	215,540	8,502	4,903	268,981	899,331
Student Services	13%	268,562	91,159	10,998	5,312	125,919	501,950
Student Advice	7%	168,847	23,377	5,616	4,086	81,872	283,798
Student representation	8%	216,381	24,281	19,812	3,269	68,024	331,767
Student Activities/ Volunteering	8%	190,734	40,818	5,694	4,495	92,052	333,793
Media Sales & Conferences.	0%	6,125	2,465	200	100	3,339	12,229
Total Costs	100%	2,031,994	817,742	66,500	33,197	1,107,631	4,057,064

5 Unrestricted funds

	At beginning of year	Incoming resources	Outgoing resources	At end of year
	£	£	£	£
General funds				
Fixed assets	2,200,450	690,540	(493,306)	2,397,684
Net current assets	1,284,500	12,890,456	(13,159,737)	1,015,219
	3,484,950	13,580,996	(13,653,043)	3,412,903

6 Restricted funds

	At beginning of year	Incoming resources	Outgoing resources	At end of year
	£	£	£	£
Impact Funding	-	374,872	(322,057)	52,815
Other Restricted Funds (all < £2,000)	6,092	-	-	6,092
	6,092	374,872	(322,057)	58,907

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7 Staff Costs

	2023	2022
	£	£
Wages and salaries	6,445,329	6,228,647
National Insurance	593,239	369,674
Pensions	196,608	204,794
Total Costs	7,235,176	6,803,115

The average staffing was as follows:

	2023	2022
Monthly salaried staff	162	161
Weekly paid student staff	417	406
	579	567

During our busiest week of the year, we employed 682 (2022: 562) students on a weekly paid contract.

The total salary of the Senior Leadership Team (SLT) was £458,000 in the year (£468,000 in 2022). 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.

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

Salary	Employees
£60,001 to £70,000	2
£70,001 to £80,000	1
£90,001 to £100,000	1

Leeds University Union
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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 £21,645 during the year with a total cost to LUU of £143,380 (£116,032 in 2022) which includes national insurance and pension contributions. The level of salary is set out in their contract of employment.

Trustees of the Board were reimbursed £391 in 2023 (£nil in 2022) 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 £
Cost					
Brought forward 1 Aug 22	3,535,056	1,795,563	1,271,950	1,203,573	7,806,142
Additions in the year	-	-	490,678	175,703	666,382
Disposals in the year	-	-	-	-	-
As at 31 July 2023	3,535,056	1,795,563	1,762,629	1,379,276	8,472,524
Depreciation					
Brought forward 1 Aug 22	2,021,880	1,638,064	1,007,113	1,001,819	5,668,876
Charge for the year	165,696	32,724	162,459	107,457	468,336
Disposals in the year	-	-	-	-	-
As at 31 July 2023	2,187,576	1,670,788	1,169,572	1,109,276	6,137,212
Net book value					
As at 31 July 2023	1,347,480	124,775	593,057	270,000	2,335,312
At 31 July 2022	1,513,176	157,499	264,837	201,754	2,137,266

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10 Intangible fixed assets

	£
Cost	
Brought forward 1 Aug 22	108,376
Additions in the year	24,158
Impairments in the year	-
As at 31 July 2023	<u>132,534</u>
Depreciation	
Brought forward 1 Aug 22	45,192
Charge for the year	24,970
Impairments in the year	-
As at 31 July 2023	<u>70,162</u>
Net book value	
As at 31 July 2023	<u>62,372</u>
At 31 July 2022	<u>63,184</u>

11 Debtors and prepayments

	2023	2022
	£	£
Trade debtors	163,659	185,800
Sundry debtors and prepayments	280,911	388,260
The University of Leeds	1,075,385	965,576
	<u>1,519,955</u>	<u>1,539,636</u>

12 Cash at bank and in hand

	2023	2022
	£	£
LUU cash	1,079,157	1,041,169
Cash held on behalf of student clubs and societies	908,623	848,920
Cash from ticket sales held on behalf of event promoters	43,802	89,642
	<u>2,031,582</u>	<u>1,979,731</u>

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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 0.01% of trading turnover.

14 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	321,108	335,338
Sundry creditors, accruals and deferred income	1,188,064	1,305,225
Clubs and societies	908,623	848,920
The University of Leeds	367,078	20,186
	<u>2,784,873</u>	<u>2,509,669</u>

15 Capital commitments

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

	2023	2022
	£	£
Authorised and contracted	<u>38,571</u>	<u>156,542</u>

16 Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Fixed Assets	2,397,684	-	2,397,684
Net Current Assets	1,015,219	58,907	1,074,126
	<u>3,412,903</u>	<u>58,907</u>	<u>3,471,810</u>

Unrestricted funds are made up of the Fixed Assets Reserve of £2,397,684 and the balance remaining is the General Reserve of £1,015,219.

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

The restricted funds include Impact Funding from the University of Leeds, and 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 31st July, LUU had commitments under non-cancellable operating leases as follows:

		2023	2022
		£	£
Motor Vehicles			
Operating leases payable within:			
	1 Year	8,829	-
	2 to 5 Years	17,925	-
		26,754	-
Plant and Machinery			
Operating leases payable within:			
	1 Year	-	1,899
	2 to 5 Years	-	-
		-	1,899
Building			
Operating leases payable within:			
	1 Year	418,001	418,001
	2 to 5 Years	1,672,004	1,672,004
	Over 5 years	1,305,537	1,723,538
		3,395,542	3,813,543
Total lease commitments		3,422,296	3,815,442

18 Lessors

LUU has several leases with tenants with terms varying between 5 and 10 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 31st July, LUU had contracts with tenants for the following minimum lease payments:

	2023	2022
	£	£
1 Year	81,408	79,200
2 to 5 Years	248,805	192,414
Over 5 Years	-	-
	330,213	271,614

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

	2023	2022
	£	£
Net (expenditure)/income for the year	(19,232)	53,252
Adjustments for:		
Depreciation and amortisation	493,306	426,275
Interest receivable from investments	(13,974)	(298)
(Increase) in stock	(26,568)	(41,107)
Decrease/(Increase) in debtors	19,681	(430,525)
Increase in creditors	275,204	23,464
Net cash provided by operating activities	728,417	31,061

	At 1 August 2022	Cash Flows	Other non-cash movements	At 31 July 2023
	£	£	£	£
Cash at bank and in hand	1,979,731	51,851	-	2,031,582
Debt due within one year	-	-	-	-
Debt due after one year	-	-	-	-
Net funds	1,979,731	51,851	-	2,031,582

	At 1 August 2021	Cash Flows	Other non-cash movements	At 31 July 2022
	£	£	£	£
Cash at bank and in hand	2,189,322	(209,591)	-	1,979,731
Debt due within one year	-	-	-	-
Debt due after one year	-	-	-	-
Net funds	2,189,322	(209,591)	-	1,979,731

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20 Prior year Statement of Financial Activities

Statement of financial activities for the year ending 31 July 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income					
<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
Total		13,116,152	-	13,116,152	8,414,449
Expenditure					
<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
Total		13,062,900	-	13,062,900	8,601,876
Net surplus/(expenditure)	2-8	53,252	-	53,252	(187,427)
Reconciliation of funds:					
Total funds brought forward		3,431,698	6,092	3,437,790	3,625,217
Total funds carried forward		3,484,950	6,092	3,491,042	3,437,790

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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 £139,817 (2022: £133,648). Contributions amounting to £22,139 (2022: £22,036) 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 next valuation is expected to be completed in 2024.

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.

