



# ANNUAL REPORT & FINANCIAL STATEMENTS

1ST AUGUST 2018 - 31ST JULY 2019

**LANCASTER UNIVERSITY  
STUDENTS' UNION**

Charity number : 1172269 | Company number : 10464111

the

# LANCASTER UNIVERSITY STUDENTS' UNION *journey*

Welcoming you from day one

1

I feel like I belong



Helping you find your community

2

I'm actively involved in university life at Lancaster



Nothing is holding me back from succeeding at university

3

Helping you tackle any problem



I know that I can go to our Union for help and support

4

Advice and guidance if you need it

Standing up for your interests

5

I feel I can make my voice heard and the union is a collective force for positive change



My university experience is preparing me for my future

6

Ensuring you develop new skills



FIND OUT MORE ABOUT YOUR STUDENTS' UNION JOURNEY

[LANCASTERSU.CO.UK/OUR-VISION](http://LANCASTERSU.CO.UK/OUR-VISION)

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## REFERENCE & ADMINISTRATIVE DETAILS

Board Of Trustees at 31st July 2019		
Laura Davies	External Trustee / Vice Chair	Appointed 28/08/2015
Graeme Osborn	External Trustee	Appointed 30/05/2014
Mark Alexander	External Trustee	Appointed 20/01/2018
Jane Riley	External Trustee	Appointed 07/04/2018
George Nuttall	Officer Trustee / Chair	Appointed 29/06/2019
Bee Morgan	Officer Trustee	Appointed 29/06/2019
Grishma Bijukumar	Officer Trustee	Appointed 29/06/2019
Lewis Marriott	Officer Trustee	Appointed 29/06/2019
Hannah Prydderch	Officer Trustee	Appointed 29/06/2019
Ben Evans	Officer Trustee	Appointed 29/06/2019
Kathlyne New	Student Trustee	Appointed 30/06/2018
Jenna Higham	Student Trustee	Appointed 02/01/2019
In addition, the following individuals served as trustees during the year:		
Rhiannon Llystyn Jones	Officer Trustee / Chair	Resigned 28/06/2019
Ian Meeks	Officer Trustee	Resigned 28/06/2019
Emily Delaney	Officer Trustee	Resigned 28/06/2019
Islay Grant	Officer Trustee	Resigned 28/06/2019
Matty Robinson	Officer Trustee	Resigned 28/06/2019
Toby Wilkinson	Officer Trustee	Resigned 28/06/2019
Jo Shephard	External Trustee	Resigned 16/01/2019
Laura Patterson	Student Trustee	Resigned 01/12/2018
Abiola Adelabu	Student Trustee	Resigned 02/07/2019
The following individuals were appointed / resigned since 31st July 2019		
Laura Davies	Officer Trustee / Vice Chair	Resigned 12/09/2019
Jane Riley	External Trustee	Resigned 13/09/2019
Amanda Chetwynd	External Trustee	Appointed 07/09/2019

### Principal Office

Bowland College  
Lancaster University  
Bailrigg  
Lancaster  
LA1 4YT

### Bankers

NatWest Bank PLC  
PO Box 94  
Church Street  
Lancaster  
LA1 1LB

### Auditor & Tax Advisers

Crowe U.K. LLP  
3rd Floor  
The Lexicon  
Mount Street  
M2 5NT

### Solicitors

Oglethorpe Sturton &  
Gillibrand  
16 Castle Park  
Lancaster  
LA1 1YG

Further details about the Union can be found at [lancastersu.co.uk](http://lancastersu.co.uk)

**The trustees of Lancaster University Students' Union (LUSU) present their report together with the audited financial statements for the year ended 31 July 2019.**

## Structure, Governance And Management

Lancaster University Students' Union is a student-led educational charity. It is legally a company limited by guarantee (Registered No. 10464111) with the Trustees as company law members, and a registered charity (Registered No. 1172269). The Students' Union is 'separate but part of' Lancaster University and subject to the University's Charter and Statutes. It also owns two trading subsidiaries: LUSU Services Company Limited and LUSU Housing Limited which help to provide services for our members and raise income.

As a charity we have a Trustee Board which oversees administration, governance and legal compliance. The Trustee Board consists of six elected student officers and three appointed student members, as well as five external trustees who offer other experience, knowledge and expertise. The Trustee Board is assisted by its sub-committees (in particular the Finance and Risk, Governance, and Executive Committees) and has delegated the day-to-day running of services and provisions to the Chief Executive through an agreed schedule of delegations. The Trustees receive regular reports from the Chief Executive and Management Team about performance against agreed targets.

The Chief Executive coordinates the Management Team and staff of the Students' Union who work closely with the elected student officers to provide services and provisions to benefit our student members. Staff ensure that the Students' Union's strategy and operating plans are carried out in line with agreed budgets.

The Students' Union's governing document is its Articles of Association (adopted 1st August 2017) and related bye laws. The Students' Union operates on democratic principles. For the financial period the Students' Union Executive constituted the political leadership of the Students' Union and, excepting for a directive from a quorate Union Referendum/Preferendum, General Meeting or Student Jury was judged to represent the membership in all matters. The Students' Executive comprises the Full Time Elected Officer team, together with representatives of liberation groups, under-represented student demographics, our College Presidents and Faculties.

The Full Time Executive Officers are elected by cross campus ballots annually in accordance with the Education Act 1994. Each officer has a specific political remit as well as being jointly responsible for an effective and clear student voice to the University on issues which matter

to students. Officers are accountable to our members through the Union's Executive, All Student Meetings and Referendum/Preferendum.

## Governing Bodies

The Trustee Board shall have responsibility for overseeing the administration and management of the Union. They are responsible collectively for the overall well-being and strategic direction, efficient operation and good governance of the Union, including compliance with legal and financial requirements.

The relationship between the Board and the Chief Executive is fundamental to effective governance and management of the Union. One element of this is to ensure that the Chief Executive is appropriately performance managed and remunerated. It is the responsibility of the Board to ensure that the Chief Executive has clear objectives, to review performance and consider the development of their employee alongside that of the charity. The Board uses the University's Senior Role Pay Framework for remuneration, which was specifically benchmarked against the salaries and benefits paid to Chief Executives in students' unions and the third sector in order to establish a suitable level of remuneration.

The Students' Union employs (on joint contracts with the University) 44 full and part-time staff to ensure the effective management and operations of its wide range of activities. Those employees are accountable to the Chief Executive for the performance of their duties. The Management Team (in addition to the Chief Executive) consists of the Financial Controller, Head of Marketing and Organisational Development, Engagement Manager, Education and Support Manager and Students' Union Housing Manager. These staff members are accountable to the Chief Executive for operations in their areas of responsibility, acting on operating plans produced annually. These plans must be in line with the strategic plans and budgets, as agreed by the Trustees, the relevant democratic bodies and the University.

## Recruitment and Training of Trustees

All new trustees are recruited according to good practice and inducted into the Students' Union through a bespoke training programme specially organised for them and supported by nationally recognised organisations such as National Council for Voluntary Organisations and the NUS. September 2019 will see the appointment of a new External Trustee, Emeritus Professor Amanda Chetwynd. She will bring extensive higher education sector knowledge and in-depth understanding of the University.

## Group Structure and Relationships

As previously stated, the Students' Union has two wholly owned trading subsidiaries. The Directors of both companies are the Students' Union President, Vice- President Union Development, Chief Executive and Financial Controller.

## Risk Management

The Union's risk management strategy includes the annual review of the risk policy and a twice-yearly detailed review of the risk registers. The process seeks to identify major risks and assess them with regard to impact, likelihood of occurrence and proximity. A risk score is then formulated for each risk, so they can be prioritised into low, medium and high. The risk register identifies the mitigating controls in place and a residual risk score after these controls are taken into consideration. Any further actions that are deemed necessary are included in the risk register and monitored on a quarterly basis.

The Union's highest strategic risks include:

- Lack of understanding within the Lancaster student membership of the Students' Union
- Inability to positively manage change
- Lack of engagement by a diverse demographic of students

Mitigations include:

- Our strategic plan and its implementation projects supported by robust student insight delivered by credible third party experts.
- We have a realigned Communications strategy which considers both internal and external communications, marketing and our digital presence.
- Investment in student and staff skills development.
- Diversity monitoring and equality impact assessments of our engagement with our members.
- Use of reserves to support key projects which address these risks.

## Public Benefit

The Trustees have reviewed the Charity Commission's published guidance on public benefit requirements and are satisfied it meets this definition.

The Students' Union is 'devoted to the educational interests and welfare of its members' and exists for the advancement of education of students at the University of

Lancaster for the public benefit.' This is through:

- 1 Promoting the interests and welfare of students during their course of study and representing, supporting and advising students
- 2 Being the recognised representative channel between students and the University of Lancaster and any other external bodies
- 3 Providing social, cultural, sporting and recreational activities and forums for discussion and debate for the personal development of its students.

It operates within the requirements of the University to satisfy the 1994 Education Act. The Articles state that the Students' Union will seek 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

## Charity Governance Code

The Students' Union continues to work towards achieving good governance and benchmarks itself against the Students' Union Governance Code (adapted version of the Governance Code released in July 2017). The Code has been used as a tool by the Governance Sub Committee to measure and develop Trustee Board governance and leadership. The two key areas where the Board is particularly seeking to strengthen its performance are regarding leadership and diversity. It continues to be the Board's intention to fully apply this Code.

In the majority of areas, the Board's performance continues to be 'good' as it is putting plans into action and improving the way the Board works. It is achieving competence and establishing new practices. The Board approved a new strategic plan in October 2018, and this has given a renewed focus to organisational purpose and what the purpose of a Students' Union at Lancaster is. Three priorities were identified for the year namely students feeling: 'I belong', 'I know I can go to our Union for help and support' and 'I feel I can make my voice heard through our students' union and we're a collective force for positive change'.

Within 2018-19, safeguarding has been a key governance issue after Charity Commission sector alerts and changes in guidance with a broader responsibility upon charities

to protect all their people from harm. The organisation has developed new policies, practices and procedures to meet these responsibilities and invested substantially in increasing knowledge and competence amongst all of its staff. This learning is now being shared with student leaders, volunteers and trustees.

In November, a serious incident was reported to the Charity Commission on the basis that it had the potential to cause the Students' Union serious reputational damage. No further action was taken by the Commission. The Students' Union followed all its relevant policies and incident management protocols and worked closely with the University.

The Students' Union continues to work in a context (both locally and nationally) which is dynamic and challenging. The challenge of Brexit remains unresolved. In terms of the Higher Education Sector, the long-awaited student funding review, the Augar Report was only released at the end of May. Since then other national political issues have taken precedence. Universities remain in a demographic dip in terms of home student numbers, and the climate in general appears to have become more frugal/risk adverse. In terms of leadership, this requires embracing uncertainty and, balancing the needs of current

students with what future students are likely to need and expect. The Union has to be mindful of this and any ripple effect on the Union funding, although we are pleased to be able to report an agreed 3yr static block grant and designate funding position for 2019 onwards (subject to any exceptional events). The impacts of Brexit (as yet unquantified) will also be experienced. It is also likely that the Board will have significant investment decisions to make in the next period, in particular around opportunities for any new facilities on campus, currently just outside the University's 5yr capital investment programme.

Due to the unique nature of Students' Unions' Trustee Boards, Board diversity is a moving target with Trustees annually changing with Officer elections. This also means a constant need to reinforce the foundation principle – the role and responsibilities of Trustees and how this works within a Students' Union, which is student led and democratic. The Board has strengthened its commitment to gender diversity and has maintained over 50% women. Many of our Trustees have multi-dimensional liberation experiences. However, the Board will be setting itself clear targets for both Board and organisational diversity which better reflect the student members we are serving.

## EXTERNAL AFFILIATIONS

Name	Amount (£)
Advice UK	£1,575
British Universities & Colleges Sport (BUCS) - (fee for league entry)	£9,733
BUCS - Volleyball England	£92
British Universities Sailing Association (BUSA)	£200
Basketball England	£471
English Lacrosse Association	£175
Lancaster & District Chamber of Commerce	£432
Manchester & District RU Referees	£735
National Nightline	£59
National Student Television Association (NaSTA)	£60
National Union of Students (NUS)	£34,870
National Homelessness Advice Service (NHAS)	Free
Rugby Football League	£200
UK Hospitality	£125

# STUDENT SUPPORT & ACTIVITY



**FTO** 26%  
**College** 17%



**Sports Clubs and Societies**  
1200+ exec members appointed



**415 Course Reps**  
96% of reps completed training  
**Target** 95%



**Average Facebook Post reach:** 3,099  
**Average monthly Twitter impressions:** 105,350

## the sugarhouse

**Best Bar None GOLD AWARD**

3rd Place Nationally & entered prestigious 100% club

**NUS Alcohol Impact Award Accredited**



**WITHIN LANCASTER UNIVERSITY COMMUNITY**

182,564 hours



43rd (855.5 points) 2017-18  
44th (817.5 points) 2018-19



**Advice Cases 2017/18:** 327 cases  
**Advice Cases 2018/19:** 519 cases  
**▲ 59% increase 17/18 to 18/19**

## NSS Q26

"The students' union effectively represents students' academic interests"  
NSS question for 2019

**Q26** 44.04%  
**National Average** 54.65%

**▼ 2.52% variance 17/18 to 18/19**

## SUSTAINABILITY

### NET FREE RESERVES

**18-19** £1,095,229  
**17-18** £1,158,088

### GREEN IMPACT / BEHAVIOUR CHANGE

**VERY GOOD**  
Improved from 'Good' in 2018

# STUDENT VOICE

YE = as at 31 July 2019

### I feel I belong



"I know exactly who the Students' Union are and what they do"	<b>YE 35%</b>
"The SU has had a positive impact on my sense of belonging to the Uni or college"	<b>29%</b>
"I feel part of a community of staff and students"	<b>63%</b>

### I'm actively involved in student life at Lancaster



"The Students' Union helps me make the most of my time as a student"	<b>27%</b>
"The SU has a positive impact on my social life"	<b>YE 34%</b>
"The SU offers a wide range of sports clubs and societies that I can get involved in"	<b>YE 81%</b>
"The SU provides a wide range of activities and events that I can get involved in"	<b>YE 71%</b>

### Nothing holds me back from succeeding at University



"The SU has a positive impact on my wellbeing"	<b>27%</b>
"The SU is welcoming and inclusive to all types of students"	<b>64%</b>

### I know I can go to our Union for help and support



"The SU provides useful advice to students"	<b>YE 44%</b>
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### I feel I can make my voice heard through my SU and we're a collective force for positive change



"I can influence decisions made by the SU"	<b>23%</b>
"The SU represents the views of students effectively"	<b>35%</b>
"I know what the SU is doing to represent my academic interests NSS Qu 26"	<b>44%</b>

### My uni experience is preparing me for my future



"The SU has helped me develop useful life skills"	<b>18%</b>
"The SU is making me more employable"	<b>13%</b>

## Union Impact 2018-19

During 2018-19 the union amassed a wide range of activities that contribute to helping students achieve the outcomes outlined in our strategy. They include:



### I FEEL LIKE I BELONG

- The **'Bite Club' campaign** was launched by Vice-President (Campaigns & Communications) Islay Grant with the goal **improving students' confidence in the kitchen and encouraging community through communal cooking and dining**. The project gave out meal packs to hundreds of students, had competitions with seasonal vegetables, and held live cooking demonstrations with the university's head chef.
- The **'All In' sports inclusivity initiative** was launched, gathering significant interest among student groups, and attracting financial backing from the Trustee Board to fund a project coordinator.
- The union won an **award** from Cumbria Diversity Awards **recognising our collaborative work with Kendal Unity Festival**
- Launched the **'Welcome Zone'**, a revamped **community space in the union building**, providing an additional space for students to socialise, study, hold meetings, and host events.
- Launched a new presence on the social media platform **WeChat**, aimed at **increasing reach among our community of Chinese students**
- **Roses promo** video, made in collaboration with MOB Film, **viewed more than 16,000 times** since its release in March
- Union contribution to university **Open Days** was **revamped**, with the **creation of a 'union village'** created to **showcase the full range of services and support** offered by the union
- Hosted a **wide-variety of events and activities** to mark **Black History Month** and **LGBTQ+ History Month**
- Encouraged **students to make new friends and spend time outdoors** by hosting a series of **on-campus 'Joy Walks'**



### I'M ACTIVELY INVOLVED IN UNIVERSITY LIFE

- **Women's Rugby Union Club** won **BUCS Club of the Year**, making them the first Lancaster club to win a BUCS award. The club has also been nominated for a Lancashire Club of the Year in the Lancashire Sport awards, which take place in November 2019.
- **Championed the Movember** campaign, with numerous student groups holding fund-raising drives - including Men's Rugby Union who raised an impressive £9,303.
- Adopted a **new sustainability policy** and strategy to ensure we continue our commitment towards improving our sustainable practices
- Held an **inaugural Sustainability Conference** which allowed members to democratically decide priorities for the year ahead
- **Inter-university dance** competition organised on campus by LuDanS.
- Provided **volunteers** for numerous **community events** including Lancaster's Highest Point Festival
- Funded and supported a **redesign** of the **website** for student newspaper **SCAN**
- Hosted a **Rugby 7s and Touch Rugby tournament** to **encourage recreational sport participation**
- Launched a **'Home Hub'** on campus to allow students unable to travel to York for Roses to enjoy the event atmosphere
- Facilitated numerous **volunteer opportunities** contributing to the **sustainability agenda** including the 'Do Good In The Wood' programme



### NOTHING IS HOLDING ME BACK FROM SUCCEEDING

- Hosted an **Education Conference** which allowed academic reps and **students to discuss the big topics affecting their studies**
- Worked to ensure that all partner community organisations for volunteer opportunities are 'ready for student volunteers', especially **improving the experience for international students**
- **Challenged the university on extending the teaching day** at the detriment of students' work-life balance, and **championed** expanded use of **lecture recording** as a partial solution
- Began working with the university to **ensure fair working conditions** for **postgraduate teaching assistants**
- Successfully **lobbied the university** to release grants in two installments to **assist students with budgeting**



### I KNOW I CAN GO TO OUR UNION FOR HELP & SUPPORT

- **Secured a community fund** of £3,000 per year for the next five years to support **low-income students** struggling to pay for **laundry** services
- **Improved the welfare provision** at the **Sugarhouse**, having a dedicated welfare stall outside the venue with welfare staff members and a trained welfare lead from our security contractors
- Managers, staff and officers received **Drink Aware training** to further **ensure student safety** at our Sugarhouse nightclub
- All JCRs given reference guides to ensure **consistency and accuracy when signposting students to advice and support services**
- Hosted networking events for **postgraduate students** in the Welcome Zone to further **understand the challenges they face in their work and studies**



### I FEEL I CAN MAKE MY VOICE HEARD THROUGH MY SU AND WE'RE A COLLECTIVE FORCE FOR POSITIVE CHANGE

- **Full-Time Officer voter turnout** increased from 18% in 2018 to 24.5% in 2019 following an **update to election communications** including segmented voter emails and new design materials
- **Changed election procedures** to hold Full-Time and Part-Time Officer elections at the same time and **bring periods in office into alignment**
- Launched the **Student Activist Programme** to support student-led campaigning, including the launch of the **Refugee Scholarship Fund** campaign
- **Engaged with hard-to-reach young people** from **Widening Participation** backgrounds on university campus, with the goal of **fostering open conversations about higher education** and their future plans
- Ensured that **young people in the region** are given the **chance to experience higher education** and participate in recreational activity - adding value to the community with projects **replacing funding that has been removed from local council services**
- Achieved **'Very Good'** in the **NUS Green Impact awards**, improving from 'Good' in 2018 and showing the improvements made to union operations
- Worked to **tackle 'period poverty' in a sustainable way** by ensuring all free sanitary products given out by the union are **environmentally-friendly**
- Launched a **plastic bag recycling scheme** and started **selling fruit and vegetables grown on campus** by our Edible campus volunteers in our Central supermarket
- Hosted a **'Tea and Talk'** session giving students chance to **give feedback** to representatives from **local NHS services**
- Signed up to a **collaboration** with the landlord review website Marks Out of Tenancy to **protect students from unscrupulous housing providers**



### MY UNIVERSITY EXPERIENCE IS PREPARING ME FOR MY FUTURE

- Held a **social media conference** which introduced a change to the traditional media conference. Brought in lots of guest speakers to discuss various topics from social media's impact on mental health, to employability and the algorithms of social media platforms.
- Provided numerous and varied training and **development opportunities** for our student staff and volunteers
- **Schools** team hosted a district-wide **summer programme on campus**, engaging almost 90 young people from disadvantaged backgrounds. Run activities including football tournaments, gaming days and an inclusion day where young people with special educational needs and disabilities got to experience a day on campus with fun activities.
- Embedding **environmental sustainability** across Lancaster University curriculum through providing 10 engaging workshops for 5 departments reaching 239 students

# FINANCIAL REVIEW & RESULTS FOR THE YEAR

## Financial Review and Results for the Year

There was a total net deficit for the year of £217,840 [2018: £196,846 deficit]. The key reason for this is the increase in the provision for the USS Pension Deficit Recovery Plan liability (£157,484 movement in the year). The Students' Union had budgeted to make a loss this financial year and this was covered in the Reserves policy.

Total income increased by £174,792 to £8,168,067. The majority of the income is from the turnover of the two trading subsidiaries which is shown as 'other trading activities' in the Statement of Financial Activities. Income from donations and legacies mainly consists of funding from Lancaster University.

The Gift Aid donation from LUSU Housing Limited was £268,327 [2018: £371,148]. The Gift Aid donation from LUSU Services Company Limited was £111,594 [2018: nil]. There was no gift aid donation last year due to the inclusion of a provision.

Cash increased slightly by £136,749 over the year to a closing balance of £2,030,201.

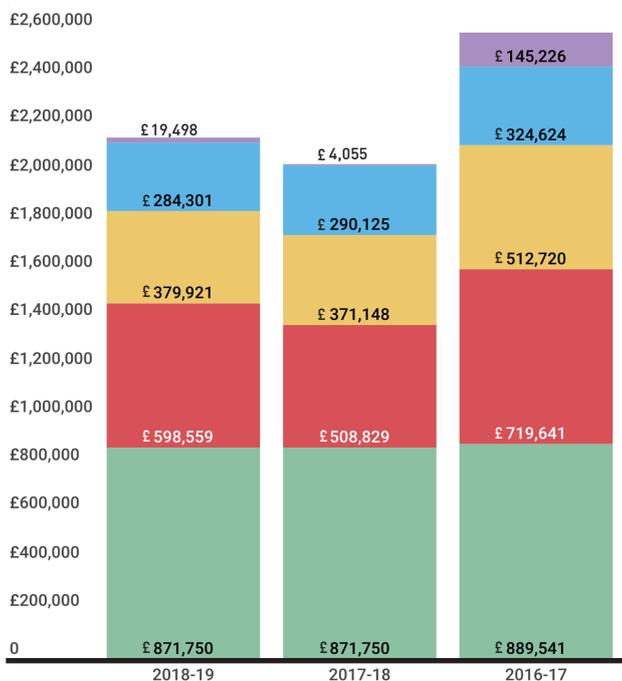
The Union's free reserves are those reserves contained within the Group's General Fund which are readily available for spending i.e. free reserves do not include those which could only be realised by disposing of fixed assets held for charitable purposes. At 31st July 2019, the level of free reserves is £1,095,229 [2018: £1,158,088].

The Union's revised reserve policy for 2019-20 is that the Union should have sufficient free reserves to cover:

- three months' 'operating' costs
- the planned budgeted deficit in 2019-20
- student 'activities' and events up to £50,000
- IT development up to £20,000
- and to build up future reserves to cover capital and future developments

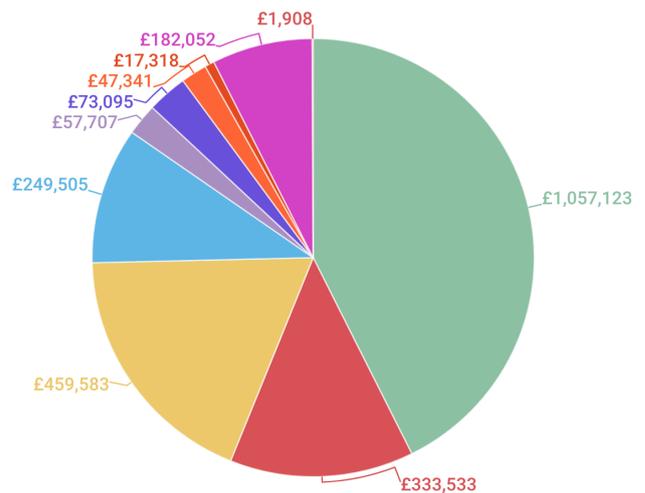
The group had no fundraising activities requiring disclosure under s162A of the Charities Act 2011.

## Union (Group) Income Analysis



- Funding from LU (unrestricted)
- LU Funding - Other (Sport / Volunteering)
- Trading : Deed of Covenant
- Other unrestricted income / funding
- Other Funding for Designated/ Restricted activities

## Expenditure Within the Union : Year-ended 31 July 2019



- Salary costs
- Volunteering Activities
- Student Activities
- Operating Expenses
- Officer & Committee
- Depreciation / Amortisation
- Education & Support (Advice Services)
- Audit / Trustee Board (Governance)
- JCR's / PG Board
- Other

## Ambition and Long-Term Strategies

This was the first year of the Students' Unions' adoption of a new six point strategy.

In 18-19, focus was upon 3 outcomes needed for a stronger union: activity which most resonates with what was heard from the strategic research and insight work. Namely:

- Outcome 1 'I feel I belong'
- Outcome 4 'I know that I can go to our Union for help and support'
- Outcome 5 'I feel I can make my voice heard through our SU and we're a collective force for positive change'

The Students' Union has been working with Alterline Research to take the Student Pulse throughout the year, measuring both Union-specific and national performance indicators. Every student is being asked to participate once a year and this will continue for the next 2 years giving a longitudinal view. Our progress and successes can be seen on pgs. 8-9.

We have restated our commitment to the advancement of education as "Helping everyone to have successful learning experiences by being a force for positive change, supporting wellbeing, and offering opportunities for a fulfilling student life". Our student members now come from over 180 countries worldwide and have wide ranging experiences and expectations. Progress against the strategy has been slower than intended and this was in part due to the impacts of managing a serious incident in term one, university timetabling pressures, in addition to delayed University projects (Sports Review and Thematic Review of Student Support) and staffing challenges. Our student

body also continues to reflect national and global politics with more polarisation on some key issues.

As recently reported to our students and the wider community the Trustees have been negotiating with a property developer regarding a potential sale of the Sugarhouse. This has been considered after the Trustees have evaluated a number of complex issues, risks and opportunities. This includes the continuing change in the neighbourhood around the club, expansion of residences in direct proximity and the trends in student behaviours.

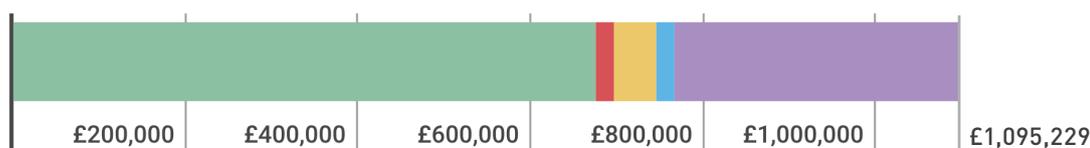
The Board's review of progress in June 2019 has identified that in the coming academic year, priorities are still the 3 outcomes identified above. These will be progressed by projects working on:

- Healthy student voice and democracy
- Development of our student leaders
- Inclusion and safeguarding
- Students Union Communications – who we are and what we do

These fit well with our new Officer Team's aim to '(Re)Connect with the membership'. Implementing our plans has to be flexible. We know that change is guaranteed and that both new opportunities and challenges will emerge. Student numbers are expected to grow. Agility will be needed by the Students' Union and its commercial services to respond to the impacts of Brexit, the outcomes from the Augar Review (Fees Review) and ongoing industrial disputes.

The work of our Officers and our plans can be viewed at [lancastersu.co.uk](http://lancastersu.co.uk)

## Our Reserves Policy for Net Free Reserves 2019-20



- 3 months 'operating costs'
- Budgeted deficit 2019-20
- Student 'activities'/events
- IT Development
- Capital / future developments

## Disclosure of Information to Auditor

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 Union'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 Union's auditor is aware of that information.

## Statement of responsibilities of the Trustees of Lancaster University Students Union in respect of the Trustees' annual report and the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of expenditure over income for that period. In preparing each of the group and charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

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 UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees of Lancaster University Students' Union on 11th October 2019 and signed on their behalf by:

**George Nuttall**

**Students' Union President 2019-20  
Chair of the Students' Union Trustee Board**

## Independent auditor's report to the members of Lancaster University Students' Union

### Opinion

We have audited the financial statements of Lancaster University Students' Union for the year ended 31 July 2019 which comprise Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 July 2019 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

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

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

We have nothing to report in this regard.

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

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

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

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

In light of the knowledge and understanding of the group and the charitable company and their environment

# INDEPENDENT AUDITOR'S REPORT

obtained in the course of the audit, we have not identified material misstatements in the [strategic report or the] directors' report included within the trustees' report.

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

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

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the 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.

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

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](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.

## Michael Jayson (Senior Statutory Auditor)

For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor  
The Lexicon  
Mount Street  
Manchester  
M2 5NT

Date : .....

# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2019

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
<b>Income and endowments from:</b>						
Donations and Legacies	2	931,267	-	617,946	1,549,213	1,453,681
Charitable Activities	3	220,986	-	3,003	223,989	220,882
Other trading activities:	4	6,393,959	-	-	6,393,959	6,318,516
Investments	5	906	-	-	906	196
<b>Total</b>		<b>7,547,118</b>	<b>-</b>	<b>620,949</b>	<b>8,168,067</b>	<b>7,993,275</b>
<b>Expenditure on:</b>						
Raising Funds	4	(5,939,710)	-	-	(5,939,710)	(5,687,583)
Charitable Activities	6	(1,835,806)	50	(620,180)	(2,455,936)	(2,229,276)
Other	7	(23,229)	-	-	(23,229)	(23,275)
Provisions	8	32,968	-	-	32,968	(249,987)
<b>Total</b>		<b>(7,765,777)</b>	<b>50</b>	<b>(620,180)</b>	<b>(8,385,907)</b>	<b>(8,190,121)</b>
<b>Net (Expenditure)/Income</b>		<b>(218,659)</b>	<b>50</b>	<b>769</b>	<b>(217,840)</b>	<b>(196,846)</b>
<b>Net movement in funds</b>		<b>(218,659)</b>	<b>50</b>	<b>769</b>	<b>(217,840)</b>	<b>(196,846)</b>
<b>Reconciliation of Funds:</b>						
Total Funds Brought Forward		2,049,577	148,866	26,969	2,225,412	2,422,258
<b>Total Funds Carried Forward</b>		<b>1,830,918</b>	<b>148,916</b>	<b>27,738</b>	<b>2,007,572</b>	<b>2,225,412</b>

All income and expenditure derive from continuing activities.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 18-34 form part of these financial statements.

# CONSOLIDATED AND UNION BALANCE SHEETS AT 31 JULY 2019

	Notes	2019 Group £	2019 Union £	2018 Group £	2018 Union £
<b>Fixed Assets</b>					
Tangible Assets	14	650,489	650,489	784,989	784,989
Intangible Assets	15	85,200	85,200	106,500	106,500
Investments	16	-	6,954	-	6,954
		735,689	742,643	891,489	898,443
<b>Current Assets</b>					
Stock	17	57,680	-	62,906	-
Debtors	18	283,182	738,948	303,326	733,122
Cash at Bank and In Hand		2,030,201	1,153,047	1,893,452	1,003,911
		2,371,063	1,891,995	2,259,684	1,737,033
<b>Liabilities</b>					
Creditors Falling Due Within 1 Year	19	(635,364)	(387,377)	(586,461)	(291,126)
		(635,364)	(387,377)	(586,461)	(291,126)
<b>Net Current Assets</b>					
		1,735,699	1,504,618	1,673,223	1,445,907
<b>Total Assets Less Liabilities</b>					
		2,471,388	2,247,261	2,564,712	2,344,350
Creditors Falling Due After More Than 1 Year	20	(246,797)	(246,797)	(89,313)	(89,313)
Provision For Liabilities	21	(217,019)	-	(249,987)	-
<b>Net Assets</b>					
		2,007,572	2,000,464	2,225,412	2,255,037
<b>Funds</b>					
General Funds	22	1,830,918	1,823,810	2,049,577	2,079,202
Designated Funds	22	915	915	865	865
Total Unrestricted Funds		1,831,833	1,824,725	2,050,442	2,080,067
Restricted Funds	22	175,739	175,739	174,970	174,970
Total funds		2,007,572	2,000,464	2,225,412	2,255,037

The notes on pages 18-34 form part of these financial statements.

An income and expenditure account has been omitted for the Union due to the exemption available under s408 of the Companies Act 2006.

Approved by the Trustees of Lancaster University Students' Union on 11 October 2019 and signed on their behalf by:

.....  
**George Nuttall**

President

.....  
**Hannah Prydderch**

VP : Union Development

.....  
**Claire Geddes**

Chief Executive

## RECONCILIATION OF GROUP NET INCOME RESOURCES TO NET CASHFLOW FROM OPERATING ACTIVITIES

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net expenditure/income for the reporting period	(217,840)	(196,846)
Adjustments for:		
Interest Receivable	(906)	(196)
Depreciation	175,566	142,352
Amortisation	21,300	21,300
(Increase)/Decrease in Debtors	20,144	(59,217)
(Increase)/Decrease in Stock	5,226	(11,062)
(Increase)/Decrease in Creditors within 1 year	48,903	(64,059)
Increase/(Decrease) in Provisions for liabilities	(32,968)	249,987
Decrease in Pension Liability	157,484	(17,469)
Net Cash provided by operating activities	176,909	64,790
<b>Cash flows from operating activities:</b>		
Net Cash provided by Operating Activities	176,909	64,790
<b>Cash flows from investing activities:</b>		
Interest Receivable	906	196
Purchase of property, plant and equipment	(41,066)	(39,759)
<b>Net cash used in investing activities</b>	(40,160)	(39,563)
Change in cash and cash equivalents in the recording period	136,749	25,227
Cash and cash equivalents at the beginning of the reporting period	1,893,452	1,868,225
Cash and cash equivalents at the end of the reporting period	2,030,201	1,893,452

The notes on pages 18-34 form part of these financial statements.

## (1) PRINCIPAL ACCOUNTING POLICIES

### Basis of Preparation

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

A private company limited by guarantee was incorporated in England on 4th November 2016 under the name "Lancaster University Students' Union". On 1st August 2017 Lancaster University Students' Union registered as a charity (no.1172269). On 1st August 2017 the entirety of the trade and assets/liabilities from Lancaster University Students' Union (no. 1138622) were transferred to the new entity.

The Union is a public benefit entity.

### Consolidation

These financial statements consolidate the financial statements of the Union and its two wholly owned subsidiary companies (LUSU Services Company Limited and LUSU Housing Limited) on a line by line basis. In accordance with FRS 102, no separate Statement of Financial Activities or statement of cash flows has been presented for the Union alone. The Union had gross income of £2,342,564 (2018: £2,221,144) and net movement of funds of £255,342 outflow (2018: £144,891 outflow).

### Fund Accounting

Unrestricted funds are those funds which are available for use at the discretion of the trustees in pursuing the objectives of the Union, and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes, these being Volunteering and the Joint Media Membership Fund. Allocations to these funds are by way of the surpluses generated by the activities. Funds received for which the wishes of the donor are legally binding on the trustees are taken to restricted funds. The aim and use of each restricted fund is set out in the notes to the financial statements.

### Pension Schemes

The Students' Union participates in two defined benefit pension schemes, a University Superannuation Scheme (USS) and a Lancashire County Pension Fund (LCPF), via Lancaster University. In the case of each multi-employer scheme, the Students' Union is unable to identify its share of the underlying assets and liabilities of the schemes on a consistent and reasonable basis and therefore, as required by FRS 102, section 28.11, accounts for the schemes as if they were defined contribution schemes.

For the LCPF scheme the amount charged to the statement of financial activities, for both the group and the parent company, represent the contributions payable to the schemes in respect of the accounting period. For the USS scheme, the deficit recovery element is captured within the headline employers contribution rate. These contributions are paid over to the University through a recharge invoice. The USS deficit recovery plan has been recognised on the balance sheet, the value being £246,797 (2018: £89,313). The Students' Union also participates in a defined contribution pension scheme (Nest).

### Investments

Investments are valued at cost.

### Expenditure

The accounts are prepared on an accruals basis and expenditure is recognised when committed. Governance costs represent the costs incurred for compliance with constitutional and statutory requirements.

## Income

All incoming resources are recognised once the Union has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

## Tangible Fixed Assets and Depreciation

Capital purchase items amounting to £1,000 or more are recorded in tangible fixed assets. Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged so as to write off the cost less the estimated residual value of each asset over the estimated useful life of that asset, subject to annual review. The depreciation rates applied are as follows:

Freehold Property & Leasehold Improvements	2-10%	Office and Sundry Equipment	15-33%
Entertainment Equipment	15-33%	Radio and Film Equipment	10-15%
Sugarhouse Furniture and Fittings	25%	Boats	25%
Shops and Bar Fittings and Equipment	10-25%	Housing Office Equipment	10%

## Intangible Fixed Assets and Amortisation

Intangible fixed assets are stated at cost less accumulated amortisation. Amortisation is charged so as to write off the cost over a ten year period on a straight-line basis. The asset relates to a contribution paid to the University for the space occupied in Bowland by the Students' Union.

## Stock

Stock is stated at the lower of cost and estimated selling price less costs to sell.

## Taxation Status

The Union, as a registered charity, is exempt from taxation on its income and gains falling within Sections 478-488 of the Corporation Tax Act 2010 (CTA 2010) or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year.

The subsidiaries are trading companies and are liable to pay corporation tax on profits.

## Going Concern

The Trustees have reviewed the future income and expenditure and cashflow forecasts and have assessed that the Group will have sufficient available funds to meet all liabilities as they fall due. The Union has agreed a 3 year static block grant funding position with the University for 2019 onwards (subject to exceptional events). On this basis the trustees continue to adopt the going concern basis in the preparation of the accounts.

## Key Sources of Estimation Uncertainty

The Group has recognised a provision (Note 8) in relation to amounts that may be payable in relation to certain fundraising events. The amount recognised represents managements' best estimates of the potential liability inclusive of interest and additional charges.

Creditors Due after more than 1 year (Note 20) represents the USS deficit recovery plan liability. The calculation is based on assumptions on salary inflation, discount rates and pensionable payroll growth.

## (2) INCOME FROM DONATIONS AND LEGACIES

<b>Unrestricted Funds</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Lancaster University Grant Funding	871,750	871,750
Lancaster University Funding Other	7,317	29,181
Students' Union contribution to JCRs / PG Board	52,200	52,200
External : Other	-	5,000
	<hr/>	<hr/>
	931,267	958,131

<b>Restricted Funds</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Volunteering Activities - Lancaster University Funding	314,832	306,657
Volunteering Activities - External Funding	15,698	5,024
Sport - Lancaster University Funding	276,410	169,188
Sport - External Funding	10,208	14,127
Nightline Donation Fund	798	554
	<hr/>	<hr/>
	617,946	495,550

## (3) INCOME FROM CHARITABLE ACTIVITIES

### Unrestricted Funds

Includes other income from the Union of £220,986 ( 2018: £218,602). This includes income from socials, summer balls and sporting activities.

<b>Designated Funds</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Joint Media Membership Fund	-	331
	<hr/>	<hr/>
	-	331

<b>Restricted Funds</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Volunteering Activities	3,003	1,949
	<hr/>	<hr/>
	3,003	1,949

## (4) INCOME FROM OTHER TRADING ACTIVITIES / EXPENDITURE ON RAISING FUNDS

Unrestricted income includes the turnover of the two trading subsidiaries detailed below.

	2019 £	2018 £
LUSU Services Company Limited - Turnover	2,749,407	2,810,951
LUSU Housing Limited - Turnover	3,644,552	3,507,565
	6,393,959	6,318,516

Unrestricted expenditure (expenditure on Raising Funds) represents the costs of the two trading subsidiaries below, less an intra-group management charge and the audit fees which are included within charitable activity expenditure.

The Union owns the whole of the called up share capital, consisting of 6,953 ordinary shares of £1 each, of LUSU Services Company Limited and 1 ordinary share of £1 of LUSU Housing Limited.

The two subsidiaries donate their taxable profits to the Union each year by Gift Aid.

The registered office for the trading subsidiaries is the same as the Union.

The results for the year, as extracted from the audited financial statements are summarised below:

<b>LUSU Services Company Ltd Profit and Loss Account</b>	2019 £	2018 £
Turnover	2,749,407	2,810,951
Cost of Sales	(1,337,961)	(1,351,588)
Gross Profit	1,411,446	1,459,363
Distribution Costs	(529,162)	(538,964)
Administrative Expenses	(761,464)	(722,421)
Profit pre other items	120,820	197,978
Provision	32,968	(249,987)
Profit/(Loss) before Taxation	153,788	(52,009)
Tax on profit	(5,596)	-
Profit/(Loss) for the Financial Year	148,192	(52,009)
Gift Aid payment	(111,594)	-
Profit/(Loss) for the Financial Year	36,598	(52,009)

## LUSU Services Company Ltd Balance Sheet

	2019	2018
	£	£
Tangible Fixed Assets	-	-
Current Assets		
Stock	57,680	62,906
Debtors	46,130	47,076
Cash at Bank and in Hand	538,102	415,791
	<u>641,912</u>	<u>525,773</u>
Creditors falling due within 1 year	(417,940)	(305,431)
Net Current Assets	<u>223,972</u>	<u>220,342</u>
Provisions	(217,019)	(249,987)
Net Assets/(Liabilities)	<u>6,953</u>	<u>(29,645)</u>
Share Capital	6,953	6,953
Profit and Loss Account	-	(36,598)
Shareholders' Fund	<u>6,953</u>	<u>(29,645)</u>

## LUSU Housing Ltd Profit and Loss Account

	2019	2018
	£	£
Turnover	3,644,552	3,507,565
Cost of Sales	(2,987,002)	(2,806,805)
Gross Profit	<u>657,550</u>	<u>700,760</u>
Distribution Costs	(355,820)	(298,133)
Administrative Expenses	(33,268)	(31,614)
Operating Profit	<u>268,462</u>	<u>371,013</u>
Tax on profit on ordinary activities	-	-
Profit for the Financial Year	<u>268,462</u>	<u>371,013</u>
Gift Aid payment	(268,327)	(371,148)
Profit/(Loss) for the Financial Year	<u>135</u>	<u>(135)</u>

**LUSU Housing Ltd Balance Sheet**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Tangible Fixed Assets	-	-
Current Assets		
Stock	-	-
Debtors	26,029	24,358
Cash at Bank and in Hand	339,052	473,750
	<hr/> 365,081	<hr/> 498,108
Creditors falling due within 1 year	(357,972)	(491,134)
	<hr/> 7,109	<hr/> 6,974
Net Current Assets		
	<hr/> 7,109	<hr/> 6,974
Net Assets		
Share Capital	1	1
Profit and Loss Account	7,108	6,973
Shareholders' Fund	<hr/> 7,109	<hr/> 6,974

## (5) INVESTMENT INCOME

Investment income totalling £906 (2018: £196) represents interest receivable on a cash deposit held.

## (6) ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	2019 £	2018 £
Staff and Full Time Officer Salaries*	1,057,123	840,083
Student Activities	446,918	494,756
Operating Expenses	209,204	220,137
Officer and Committee Expenses	57,707	58,125
NUS Affiliation Fees	34,870	35,582
Depreciation	51,795	19,591
Education and Support Costs	47,341	25,485
Non-Recoverable VAT	5,431	4,937
PA related costs	12,665	10,612
Audit fee	11,000	13,500
Trustee Board expenses	6,318	7,667
Funding for JCRs / PG Board	52,200	52,200
JCRs / PG Board expenditure	129,852	133,803
Volunteering Activities	333,533	311,648
Joint Media Membership Fund	(50)	785
Nightline Donation Fund	29	365
	2,455,936	2,229,276

\* The Union does not directly employ any person included in this category. There is a joint contract with Lancaster University and employees' costs are recharged from the University to the Union.

The salary costs include the USS pension deficit recovery plan liability movement of £155,555 (2018: £19,444 credit).

The above costs includes both direct and support costs.

## (7) ANALYSIS OF OTHER COSTS

	2019 £	2018 £
Bowland amortisation costs	21,300	21,300
Interest payable on USS pension deficit recovery plan	1,929	1,975
	23,229	23,275

## (8) PROVISIONS

A provision has been recognised in relation to certain amounts that may be payable in respect of fund raising events conducted by LUSU Services Company Ltd in previous periods. The provision is being released over 4 years.

## (9) ANALYSIS OF GOVERNANCE COSTS

Governance costs consist of the audit fee at £11,000 (2018: £13,500) and expenditure relating to the Trustee Board at £6,318 (2018: £7,667). These costs are included in 'Expenditure on Charitable Activities' - see note 6.

## (10) NET EXPENDITURE FOR THE YEAR

This is stated after charging:

	2019	2018
	£	£
Audit of Lancaster University Students' Union Annual Accounts	6,000	7,290
Audit of LUSU Services Company Limited Accounts	2,500	3,105
Audit of LUSU Housing Limited Accounts	2,500	3,105
Tax fees of LUSU Services Company Limited Accounts	1,000	1,625
Tax fees of LUSU Housing Limited Accounts	1,000	1,625

## (11) ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

GROUP COSTS

	2019	2018
	£	£
Salaries and wages	1,322,964	1,235,674*
Social security costs	109,085	101,232
Pension costs	152,789	145,492
USS Pension Deficit Recovery Plan Liability Movement	155,555	(19,444)
	1,740,393	1,462,954*

\* 2018 restated to split out casual wages in LUSU Services Company Limited.

In addition to these costs are casual wages in LUSU Services Company Limited which amount to £220,837 (2018: £223,074)

This is analysed across the Group as follows:

	2019	2018
	£	£
Union	1,243,871	1,021,080
LUSU Housing Limited	211,995	195,104
LUSU Services Company Limited	284,527	246,770*
	1,740,393	1,462,954*

The Union staff costs of £1,243,871 includes £1,057,123 for 'Unrestricted' and £186,748 for Volunteering. The latter is included within the £333,533 ; both are reported in note 6. \* 2018 restated to split out casual wages in LUSU Services Company Limited.

## (11) CONTINUED

One employee had employee benefits falling within £70,000 - £80,000 (2018 : 1 falling within £70,000 - £80,000).

The Trustees did not receive any remuneration in their role as Trustees, although reasonable expenses are reimbursed.

Officer Trustees as identified on pg. 4 are remunerated for their role as Officers of the Union

The employment benefits paid were as follows:

Rhiannon Llystyn Jones	£17,507
Ian Meeks	£17,359
Emily Delaney	£17,440
Islay Grant	£17,211
Matty Robinson	£17,443
Toby Wilkinson	£17,190

The current Officer Trustees each have had employment benefits paid of £3,600.

Three trustees were reimbursed a total of £1,715 for travel and subsistence expenses (2018: £784 to five trustees). The Students' Union has not entered into any related party transactions with trustees.

The key management of the personnel of the parent charity, the Union, comprise the trustees, the Chief Executive, the Financial Controller and the Head of Marketing and Organisational Development. The total employee benefits of the key personnel of the Union were £185,688 (2018: £181,211).

## (12) STAFF NUMBERS

The average monthly head count during the year were as follows:

	2019	2018
Union	28	27
LUSU Services Company Limited	9	8
LUSU Housing Limited	6	5
	<u>43</u>	<u>40</u>

The average monthly number of full-time equivalent employees during the year were as follows:

	2019	2018
Union	27	26
LUSU Services Company Ltd	9	7
LUSU Housing Limited	5	5
	<u>41</u>	<u>38</u>

## (13) PENSION SCHEMES

The Students' Union participates in two defined benefit pension schemes, a University Superannuation Scheme (USS) and a Lancashire County Pension Fund (LCPF), via Lancaster University. In the case of each multi-employer scheme, the Students' Union is unable to identify its share of the underlying assets and liabilities of the schemes on a consistent and reasonable basis and therefore, as required by "FRS102 28.11", accounts for the schemes as if they were a defined contribution schemes.

For the LCPF scheme the amount charged to the statement of financial activities, for both the group and the parent company, represent the contributions payable to the schemes in respect of the accounting period. For the USS scheme, the deficit recovery element is captured within the headline employers contribution rate. These contributions are paid over to the University through a recharge invoice. The USS deficit recovery plan liability has been recognised on the balance sheet, the value being £246,797 (2018: £89,313).

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. Management have assessed future employees within the scheme and salary payment over the period of the contracted obligation in assessing the value of this provision.

The latest actuarial valuation for the LCPF was 31 July 2016 (31 July 2019 currently underway). The net pension liabilities of this scheme were £53.7m as at 31 July 2019. The number of Students' Union members as at 31 July 2019 was 26 out of a total of 1,692 (includes LU members). The latest triennial actuarial valuation of the USS was 31 March 2017 (an additional valuation as at 31 March 2018 has been undertaken and a new schedule of contributions has been agreed) and indicated a shortfall of £7.5 billion, indicating the assets were sufficient to cover 89% of the benefits which had accrued to the members after allowing for expected future increases in earnings. The number of Students' Union members as at 31 July 2019 was 6 (the total number of active scheme members as at 31 March 2017 was 186,245).

## (14) TANGIBLE ASSETS - GROUP & UNION

	Freehold Buildings £	Furniture & Equipment £	Total £
<b>Cost</b>			
At 1st August 2018	861,990	1,180,558	2,042,548
Additions	-	41,066	41,066
Disposals	-	(108,243)	(108,243)
At 31st July 2019	861,990	1,113,381	1,975,371
<b>Depreciation</b>			
At 1st August 2018	393,772	863,787	1,257,559
Charge for the Year	18,846	156,720	175,566
Disposals	-	(108,243)	(108,243)
At 31st July 2019	412,618	912,264	1,324,882
<b>Net Book Value</b>			
At 1st August 2018	468,218	316,771	784,989
At 31st July 2019	449,372	201,117	650,489

**(15) INTANGIBLE ASSETS**

**Bowland Contribution**  
£

**Cost**

At 1st August 2018 and 31st July 2019 213,000

**Amortisation**

At 1st August 2018 106,500

Charge for the Year 21,300

At 31st July 2019 127,800

**Net Book Value**

At 1st August 2018 106,500

At 31st July 2019 85,200

**(16) INVESTMENTS**

	<b>2019</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>
	<b>Group</b>	<b>Union</b>	<b>Group</b>	<b>Union</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
LUSU Services Company Limited	-	6,953	-	6,953
LUSU Housing Limited	-	1	-	1
	-	6,954	-	6,954

LUSU Services Company Limited was formed in July 1997 and is a wholly owned subsidiary of the Union. LUSU Housing Limited commenced trading on 1 August 2011 and is a wholly owned subsidiary of the Union.

**(17) STOCK**

	<b>2019</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>
	<b>Group</b>	<b>Union</b>	<b>Group</b>	<b>Union</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Finished Goods and Goods for Resale</b>				
Bar Stock	17,046	-	13,004	-
Shop Stock	40,634	-	49,902	-
	57,680	-	62,906	-

**(18) DEBTORS**

	<b>2019</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>
	<b>Group</b>	<b>Union</b>	<b>Group</b>	<b>Union</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Amounts Falling Due Within 1 Year</b>				
Trade Debtors	67,747	45,796	99,937	66,403
Prepayments	214,878	173,661	201,589	165,218
Amounts Due From Subsidiaries	-	518,934	-	499,701
Social Security and Other Taxes	557	557	1,800	1,800
	<u>283,182</u>	<u>738,948</u>	<u>303,326</u>	<u>733,122</u>

**(19) CREDITORS**

	<b>2019</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>
	<b>Group</b>	<b>Union</b>	<b>Group</b>	<b>Union</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Amounts Falling Due Within 1 Year</b>				
Trade Creditors	350,166	247,138	141,672	55,774
Amounts Due To Subsidiaries	-	4,225	-	339
Accruals and Deferred Income	255,688	131,509	416,500	228,849
Social Security and Other Taxes	24,507	-	21,983	31
Other creditors	5,003	4,505	6,306	6,133
	<u>635,364</u>	<u>387,377</u>	<u>586,461</u>	<u>291,126</u>

**Deferred Income**

	<b>£</b>
Balance at 1st August 2018	-
Amount released in the year	-
Amount deferred in the year	<u>22,792</u>
Balance at 31st July 2019	<u>22,792</u>

The balance relates to deferred income of the RFU University Cluster programme.

## (20) CREDITORS DUE AFTER MORE THAN 1 YEAR

	2019 Group £	2019 Union £	2018 Group £	2018 Union £
USS Pension Deficit Recovery Plan Liability	246,797	246,797	89,313	89,313
	<u>246,797</u>	<u>246,797</u>	<u>89,313</u>	<u>89,313</u>

## (21) PROVISION FOR LIABILITIES

	£
Balance at 1st August 2018	249,987
Release of provision during the year	(32,968)
Balance at 31st July 2019	<u>217,019</u>

Further detail is provided in note 8.

## (22) ANALYSIS OF MOVEMENT GROUP FUNDS

	At 1st August 2018 £	Incoming Resources £	Outgoing Resources £	At 31st July 2019 £
<b>General Funds</b>				
Union Unrestricted Fund	2,079,202	1,153,159	(1,408,551)	1,823,810
Trading Subsidiaries P&L Account	(29,625)	6,393,959	(6,357,226)	7,108
Total	<u>2,049,577</u>	<u>7,547,118</u>	<u>(7,765,777)</u>	<u>1,830,918</u>
<b>Designated Funds</b>				
Joint Media Membership Fund	865	-	50	915
Total	<u>865</u>	<u>-</u>	<u>50</u>	<u>915</u>
<b>Restricted Funds</b>				
Volunteering Activities	148,001	333,533	(333,533)	148,001
Sport - Lancaster University	-	276,410	(276,410)	-
Sport - RFU	-	10,208	(10,208)	-
Involve 'Voltage' Project Fund*	1,835	-	-	1,835
Involve Primary 'Voltage' Fund*	13,847	-	-	13,847
Green Lancaster Project Fund**	5,029	-	-	5,029
Nightline Donation Fund <small>(overnight advice / support)</small>	4,344	798	(29)	5,113
Women Against Violence	1,122	-	-	1,122
Rugby Development Fund	184	-	-	184
LUSU Gives Charity Account	608	-	-	608
Total	<u>174,970</u>	<u>620,949</u>	<u>(620,180)</u>	<u>175,739</u>
Total Funds	<u>2,225,412</u>	<u>8,168,067</u>	<u>(8,385,907)</u>	<u>2,007,572</u>

\*volunteering; schools \*\*volunteering; eco

**(23) NET ASSETS OF THE GROUP'S FUNDS**

	Fixed Assets	Investments	Current Assets	Liabilities	Fund Balances
	£	£	£	£	£
<b>General Funds</b>	735,689	-	2,194,409	(1,099,180)	1,830,918
<b>Designated Funds</b>					
Joint Media Membership Fund	-	-	915	-	915
<b>Restricted Funds</b>					
Volunteering Activities	-	-	148,001	-	148,001
Sport - Lancaster University	-	-	-	-	-
Sport - RFU	-	-	-	-	-
Involve 'Voltage' Project Fund	-	-	1,835	-	1,835
Involve Primary 'Voltage' Fund	-	-	13,847	-	13,847
Green Lancaster Project Fund	-	-	5,029	-	5,029
Nightline Donation Fund	-	-	5,113	-	5,113
Women Against Violence	-	-	1,122	-	1,122
Rugby Development Fund	-	-	184	-	184
LUSU Gives Charity Account	-	-	608	-	608
Total	735,689	-	2,371,063	(1,099,180)	2,007,572

**(24) COMMITMENTS**

**Capital Commitments**

At 31 July 2019 and 31 July 2018 the Union had no capital commitments contracted and approved.

## (25) CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2018 - RESTATED

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
<b>Income and endowments from:</b>					
Donations and Legacies	958,131	-	495,550	1,453,681	1,755,665
Charitable Activities	218,602	331	1,949	220,882	322,806
Other trading activities:	6,318,516	-	-	6,318,516	5,973,332
Investments	196	-	-	196	561
<b>Total</b>	<b>7,495,445</b>	<b>331</b>	<b>497,499</b>	<b>7,993,275</b>	<b>8,052,364</b>
<b>Expenditure on:</b>					
Raising Funds	(5,687,583)	-	-	(5,687,583)	(5,403,871)
Charitable Activities	(1,733,163)	(785)	(495,328)	(2,229,276)	(2,517,394)
Other	(23,275)	-	-	(23,275)	(25,176)
Provisions	(249,987)	-	-	(249,987)	-
<b>Total</b>	<b>(7,694,008)</b>	<b>(785)</b>	<b>(495,328)</b>	<b>(8,190,121)</b>	<b>(7,946,441)</b>
<b>Net (Expenditure)/Income</b>	<b>(198,563)</b>	<b>(454)</b>	<b>2,171</b>	<b>(196,846)</b>	<b>105,923</b>
<b>Net movement in funds</b>	<b>(198,563)</b>	<b>(454)</b>	<b>2,171</b>	<b>(196,846)</b>	<b>105,923</b>
<b>Reconciliation of Funds:</b>					
Total Funds Brought Forward	2,248,140	1,319	172,799	2,422,258	2,316,335
<b>Total Funds Carried Forward</b>	<b>2,049,577</b>	<b>865</b>	<b>174,970</b>	<b>2,225,412</b>	<b>2,422,258</b>

## (26) ANALYSIS OF MOVEMENT IN GROUP FUNDS FOR THE YEAR ENDED 31 JULY 2018 - RESTATED

	At 1st August 2017 £	Incoming Resources £	Outgoing Resources £	At 31st July 2018 £
<b>General Funds</b>				
Union Unrestricted Fund*	2,225,621	1,191,056	(1,337,475)	2,079,202
Trading Subsidiaries P&L Account	22,519	6,318,516	(6,370,660)	(29,625)
<b>Total</b>	<b>2,248,140</b>	<b>7,509,572</b>	<b>(7,708,135)</b>	<b>2,049,577</b>
<b>Designated Funds*</b>				
Joint Media Membership Fund	1,319	331	(785)	865
<b>Total</b>	<b>1,319</b>	<b>331</b>	<b>(785)</b>	<b>865</b>
<b>Restricted Funds*</b>				
Volunteering Activities*	146,019	313,630	(311,648)	148,001
Sport - Lancaster University*	-	169,188	(169,188)	-
Sport - RFU*	-	-	-	-
Involve 'Voltage' Project Fund	1,835	-	-	1,835
Involve Primary 'Voltage' Fund	13,847	-	-	13,847
Green Lancaster Project Fund	5,029	-	-	5,029
Nightline Donation Fund	4,155	554	(365)	4,344
Women Against Violence	1,122	-	-	1,122
Rugby Development Fund	184	-	-	184
LUSU Gives Charity Account	608	-	-	608
<b>Total</b>	<b>172,799</b>	<b>483,372</b>	<b>(481,201)</b>	<b>174,970</b>
<b>Total Funds</b>	<b>2,422,258</b>	<b>7,993,275</b>	<b>(8,190,121)</b>	<b>2,225,412</b>

\* Volunteering activities have been reclassified from Designated Funds to Restricted Funds , hence opening balance of funds has been adjusted.

Also, Sport funding is now shown as Restricted (previously Unrestricted).

## (27) NET ASSETS OF THE GROUP'S FUNDS FOR THE YEAR ENDED 31 JULY 2018 - RESTATED

	Fixed Assets	Investments	Current Assets	Liabilities	Fund Balances
	£	£	£	£	£
<b>General Funds</b>	891,489	-	2,083,849	(925,761)	2,049,577
<b>Designated Funds</b>					
Joint Media Membership Fund	-	-	865	-	865
<b>Restricted Funds</b>					
Volunteering Activities*	-	-	148,001	-	148,001
Sport - Lancaster University*	-	-	-	-	-
Sport - RFU*	-	-	-	-	-
Involve 'Voltage' Project Fund	-	-	1,835	-	1,835
Involve Primary 'Voltage' Fund	-	-	13,847	-	13,847
Green Lancaster Project Fund	-	-	5,029	-	5,029
Nightline Donation Fund	-	-	4,344	-	4,344
Women Against Violence	-	-	1,122	-	1,122
Rugby Development Fund	-	-	184	-	184
LUSU Gives Charity Account	-	-	608	-	608
<b>Total</b>	<b>891,489</b>	<b>-</b>	<b>2,259,684</b>	<b>(925,761)</b>	<b>2,225,412</b>

\* Volunteering activities have been reclassified from Designated Funds to Restricted Funds , hence opening balance of funds has been adjusted.

Also, Sport funding is now shown as Restricted (previously Unrestricted).

the

# LANCASTER UNIVERSITY STUDENTS' UNION *journey*

Welcoming you from day one

1

I feel like I belong



Helping you find your community

2

I'm actively involved in university life at Lancaster



Nothing is holding me back from succeeding at university

3

Helping you tackle any problem



I know that I can go to our Union for help and support

4

Advice and guidance if you need it



Standing up for your interests

5

I feel I can make my voice heard and the union is a collective force for positive change



My university experience is preparing me for my future

6

Ensuring you develop new skills



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**LANCASTER UNIVERSITY  
STUDENTS' UNION**



**THE SU'S CORE PURPOSE**

Helping everyone to have successful learning experiences by being a force for positive change, supporting wellbeing, and offering opportunities for a fulfilling student life.



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