



ANNUAL REPORT & FINANCIAL STATEMENTS

1ST AUGUST 2019 - 31ST JULY 2020

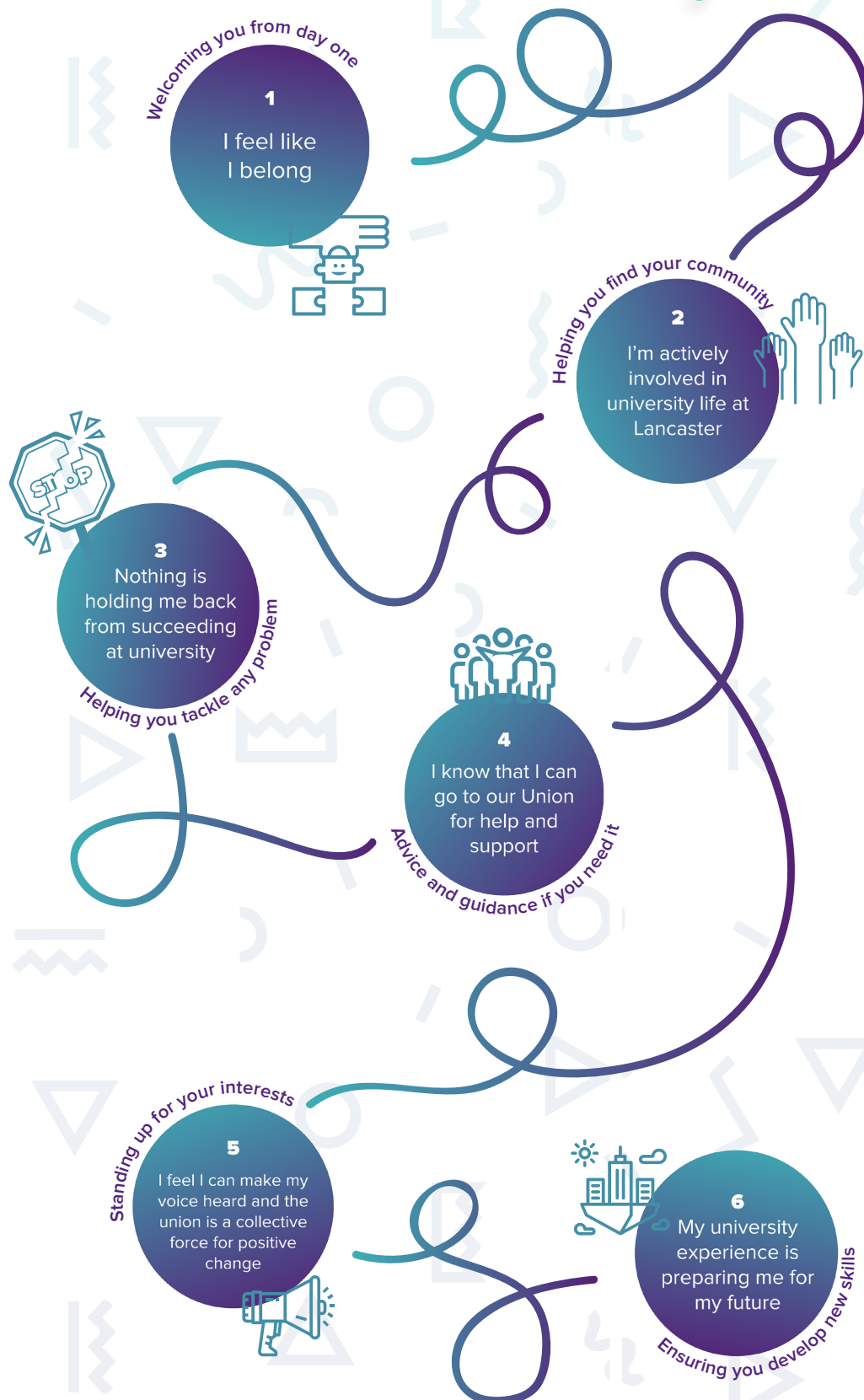
LANCASTER
UNIVERSITY
STUDENTS'
UNION

LANCASTER UNIVERSITY
STUDENTS' UNION

Charity number : 1172269 | Company number : 10464111

the

LANCASTER UNIVERSITY STUDENTS' UNION *journey*



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REFERENCE & ADMINISTRATIVE DETAILS

Board Of Trustees at 31st July 2020		
Graeme Osborn	External Trustee & Vice Chair	Appointed 30/05/2014
Mark Alexander	External Trustee	Appointed 20/01/2018
Amanda Chetwynd	External Trustee	Appointed 07/09/2019
Oliver Robinson	Officer Trustee / Chair	Appointed 27/06/2020
Bethan Morgan	Officer Trustee	Reappointed 27/06/2019
Paul McCarthy	Officer Trustee	Appointed 27/06/2020
Atree Ghosh	Officer Trustee	Appointed 27/06/2020
Shannon McCaul	Officer Trustee	Appointed 27/06/2020
Amy Merchant	Officer Trustee	Appointed 27/06/2020
Callum Slater	Student Trustee	Appointed 13/07/2020
Eloise Frost	Student Trustee	Appointed 01/03/2020
Sam Maesschalck	Student Trustee	Appointed 01/03/2020
In addition, the following individuals served as trustees during the year:		
George Nuttall	Officer Trustee / Chair	Dismissed 01/05/2020
Victoria Hatch	Officer Trustee / Acting Chair	Appointed 14/01/2020 Resigned 26/06/2020
Grishma Bijukumar	Officer Trustee	Resigned 01/05/2020
Lewis Marriott	Officer Trustee	Resigned 26/06/2020
Hannah Prydderch	Officer Trustee	Resigned 06/03/2020
Ben Evans	Officer Trustee	Resigned 06/11/2019
Kathlyne New	Student Trustee	Resigned 30/06/2020
Jenna Higham	Student Trustee	Resigned 01/01/2020
The following individuals resigned since 31st July 2019		
Laura Davies	External Trustee	Resigned 12/09/2019
Jane Riley	External Trustee	Resigned 13/09/2019

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

The trustees of Lancaster University Students' Union (SU) present their report together with the audited financial statements for the year ended 31 July 2020.

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). Whilst being an independent charity in its own right, the Students' Union is also 'separate but part of' Lancaster University and subject to the University's Charter and Statutes. It 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 that is responsible for the management and administration of the Students' Union. In particular, they are responsible for governance, finances, strategy and regulatory compliance. The Trustee Board consists of the six elected Full Time Officers, three Student Trustees and five External Trustees. The Trustee Board is assisted by its sub-committees (in particular the Finance and Risk, Governance, and the Executive Committee). The Students' Union's principal governing document is its Articles of Association (adopted 1st August 2017). Further detail is set out in the Bye-Laws.

The Trustee Board delegates the day-to-day management of organisation 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 opportunities to benefit our student members. Staff ensure that the Students' Union's strategy and operating plans are carried out in line with the agreed budgets.

Democracy is at the heart of the Students' Union. Student members elect representatives at all levels of the organisations. Policy is set by those representatives at the Executive Committee, by members directly through referenda and student members' meetings, and by student juries.

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 effective and clear student representation to the University. Officers are accountable to our members through the Executive Committee, student members' meetings and referenda.

Governing Bodies

The Trustee Board has 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, and the salary was specifically benchmarked against the salaries and benefits paid to Chief Executives in students' union and the third sector in order to establish a suitable level of remuneration.

The Students' Union employs (on joint contracts with the University) 39 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. This year the Trustee Board has collectively received bespoke external training and development. This has been delivered by an external specialist.

There has been a significant change in the membership of the Trustee Board during the year. Two Student Trustees reached the end of their final terms in office. One Student Trustee, two External Trustees (including the Vice Chair) and three Full Time Officer Trustees resigned their roles before the end of their terms in office, for a variety of reasons. One Full Time Officer Trustee, who was the Chair

of the Trustee Board, was dismissed from their role.

Three new Student Trustees were recruited through a well-publicised application and interview process. A new Vice Chair was appointed from the remaining External Trustees. The Vice President Activities was appointed Interim President and Chair of the Trustee Board to fill the role during May and June.

Unfortunately, the Union has been unable to fill the two External Trustee vacancies that arose in September 2019. The first attempt, through a collective recruitment exercise with several other students' unions was not successful. A subsequent recruitment round using an executive search agency resulted in two successful candidates being identified. Unfortunately, both withdrew themselves due to concerns over changes to the terms of office made by the Executive Committee at ratification. As a result, there are currently two unfilled vacancies for External Trustees.

There were two by-elections to fill positions for Full Time Officer Trustees. One for the Vice President Activities, conducted in late 2019, with the successful candidate starting in January 2020. The other, in June 2020, for the role of Union President and Chair of the Trustee Board for 2020 / 21, following the dismissal of the re-elected President.

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:

- Students' Union becomes unable to meet our current activity (JCRs, societies, sports, rec sport, academic reps) within the income funding we have
- Vulnerability of impacts/actions of University decisions

on the students' union membership

- Inability to manage student expectations

Mitigations include:

- Implementation of the Governance & Democracy Review
- Implementation of the Student Consultation Framework
- Managing student expectations through communications.
- Regular review of funding streams with Lancaster University.
- Prioritising a strategic plan which is realistic, membership led and focuses our work.

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

Governance

Several motions relating to the governance of the Students' Union were passed at the Annual General Meeting in October 2019. These included a call for the cyclical review of the governing documents to be brought forward by one year, into 2019 / 20. The Trustee Board commissioned a governance and democracy review to examine the governing documents, policies passed at the Annual General Meeting and at referenda, and the governance and democratic structures of the organisation. The review was originally scheduled to conclude around the end of the academic year, but was delayed due to the impact of the COVID-19 pandemic and restrictions. It will now report towards the end of the 2020, and the Trustee Board hope to implement the outcomes in early 2021. The Trustee Board have also approved two years of funding for a full time Democracy and Governance Co-ordinator to further strengthen the Students' Union's governance.

Several Serious Incident Reports were submitted to the Charity Commission during the year. These were on the basis of breaches of the Articles of Association, significant HR issues, or incidents that had the potential to cause significant reputational damage to the Students' Union. No further action was taken by the Commission. There was a data protection breach in LUSU Housing Company. This was reported to the Information Commissioner's Office, who took no further action. The Students' Union followed

all its relevant policies and incident management protocols and worked closely with the University. It also reviewed its policies with external professional support.

Impact of COVID-19

The COVID-19 pandemic has profoundly changed the lives of university students across the UK. It has had an unprecedented impact on the student community, and the period since the introduction of "lockdown" restrictions has been an unsettling time for many. In this time of uncertainty and fear, the Students' Union has been needed more than ever. Supporting students' mental health and wellbeing during the pandemic has been our number one priority. The Students' Union adapted to provide a number of essential services digitally. The Students' Union Advice Service has continued to provide essential independent and confidential advice to students throughout this challenging period. The Full Time Officer Team, along with the Communications Team, have worked tirelessly to keep students informed and ensure that the University does the same.

The restrictions put in place during the pandemic have had a serious impact on some of our commercial services. The full impact of this is not yet known, but we are already facing a significant financial challenge in these areas. We are committed to reducing the resulting deficit that we face during the coming year, and to continuing to provide core services to our membership.

EXTERNAL AFFILIATIONS

Name	Amount (£)
Advice UK	£1,575
British Universities & Colleges Sport (BUCS) - (fee for league entry)	£9,285
BUCS - Volleyball England	£95
British Universities Sailing Association (BUSA)	£215
Basketball England	£480
England Korfbal	£160
English Lacrosse Association	£185
Lancashire FA	£318
Lancaster & District Chamber of Commerce	£479
Nightline Association	£67
National Student Television Association (NaSTA)	£65
National Union of Students (NUS)	£36,614
National Homelessness Advice Service (NHAS)	Free
Rugby Football League	£200
UK Hospitality	£144

STUDENT SUPPORT & ACTIVITY



FTO 21%
College 18%



Sports Clubs and Societies
1200+
exec members appointed



427 Academic Reps
appointed and registered
92% of reps
completed training



Average Facebook Post reach: 3,727
Average monthly Twitter impressions: 136,183

the sugarhouse

Best Bar None GOLD AWARD
Entered prestigious 100% club

Top score nationally shared with other students' unions'



37,211 hours
Increasing jobs and helping students fund their studies



44th (817.5 points) 2018-19
41st (835 points) 2019-20



Advice Cases 2017/18: 327 cases
Advice Cases 2018/19: 519 cases
Advice Cases 2019/20: 666 cases

28% increase 18/19 to 19/20

NSS Q26

"The students' union effectively represents students' academic interests"
NSS question for 2020

Q26 37.68%
National Average 55.99%

SUSTAINABILITY

GROUP NET FREE RESERVES

19-20 £1,264,681
18-19 £1,095,229

GREEN IMPACT / BEHAVIOUR CHANGE

VERY GOOD Improved from 'Good' in 2018
VERY GOOD Maintained Green Impact for 2020

STUDENT VOICE

	I feel I belong	YE 2019	YE 2020
	"I know exactly who the Students' Union are and what they do"	35%	34%
	"The SU has had a positive impact on my sense of belonging to the Uni or college"	29%	27%
	"I feel part of a community of staff and students"	63%	61%
	I'm actively involved in student life at Lancaster		
	"The Students' Union helps me make the most of my time as a student"	27%	28%
	"The SU has a positive impact on my social life"	34%	37%
	"The SU offers a wide range of sports clubs and societies that I can get involved in"	81%	81%
	"The SU provides a wide range of activities and events that I can get involved in"	71%	70%
	Nothing holds me back from succeeding at University		
	"The SU has a positive impact on my wellbeing"	27%	23%
	"The SU is welcoming and inclusive to all types of students"	64%	61%
	I know I can go to our Union for help and support		
	"The SU provides useful advice to students"	44%	42%
	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"	23%	24%
	"The SU represents the views of students effectively"	35%	27%
	"I know what the SU is doing to represent my academic interests NSS Qu 26"	44%	27%
	My uni experience is preparing me for my future		
	"The SU has helped me develop useful life skills"	18%	15%
	"The SU is making me more employable"	13%	15%

Union Impact 2019-20

During 2019-20 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 union's Freshers Fair ensured more than 180 student groups had stalls and space to represent and showcase their activity, which was attended by over 5,000 students.
- The union supported 1,287 students who are leading 192 active societies. There are currently 9,374 memberships to our societies (that's 5,488 individual students)
- Further grew the Instagram community on the Students' Union main channel (4009 total followers August 2019 – 6187 to date) helping to build digital communities and inspire a sense of belonging
- The Sugarhouse has created an exciting and engaging offer for Freshers' week and Freshers Fair. We gave away over 2,000 'goodie bags' to new students and saw 10,678 visits across Freshers Week events at the nightclub.
- The Sugarhouse managed and maintained a club and society guestlist which enabled 3,249 numbers of free entries to students.
- The Sugarhouse social media accounts grew: Facebook to 20,961 fans and Instagram to 3619.
- All Living properties were accredited with LU Homes and Licensed with Lancaster City Council (where appropriate)
- More than 800 students chose to live independently off campus with Living the students' union owned lettings agency.
- The FTOs, PTOs and CEO have their own social media accounts to raise awareness and transparency with membership.



I'M ACTIVELY INVOLVED IN UNIVERSITY LIFE

- We supported five student-led projects that attracted hundreds of students to events and activities to mark Black History Month
- New Societies Affiliated – 15 groups attended our 'New Society Workshop', 13 of these groups went on to apply and successfully establish themselves as official students' union societies.
- The union organised and hosted the annual fireworks celebration, attended by more than 4,000 people and featuring more than 100 student performers
- The union's societies team coordinated space bookings for more than 80 individual weekly on-campus activity sessions for our societies, and supported students to book spaces and deliver events throughout the year
- Secured a new funding pot for Academic Reps to access to support educational related student campaigns for the first time. Reps from the Economics department were the first to receive support to help gather feedback in their department.
- The union WeChat account, created to increase union engagement with Chinese students, reached nearly 550 followers in its first year
- Held a 'Virtual Roses' competition to encourage physical activity and maintain community spirit when the annual varsity was cancelled due to coronavirus restrictions
- Offered low-cost opportunities for students to try new sports and activities such as Touch rugby, Yoga and Zumba
- The Sugarhouse held and invested in events to celebrate Black History Month, International Women's Day and LGBTQ+ History Month.



NOTHING IS HOLDING ME BACK FROM SUCCEEDING

- International Student Induction – engaged over 200 international students in an interactive facilitated session in collaboration with the University.
- NUS delegates wrote and submitted a motion on Sustainable student number growth which was presented by VP Education to the NUS annual conference which successfully passed.
- VP Education passed a motion to Boycott University Open Days, calling for sustainable student number growth in future, a stop to 6-7pm teaching and space available to grow in line with students after Lancaster hit headlines when students sat on lecture theatre floors.
- The President and VP Education secured contextual undergraduate admissions, allowing future students from lower income areas a better chance of getting to Lancaster University.
- Launched a 'Top 10 University: Top 10 Demands' campaign, calling for consistency in the basic student experience at Lancaster, championed by the Vice President Education together with Academic Reps
- VP Education gave student feedback into the University's plagiarism framework review, where recommendations to give students better support in learning how to reference and have fairer and more consistent disciplinary procedures will now be formally actioned.
- Due to coronavirus, VP Education successfully lobbied the university against moving Summer exams forward and gave the students right to re-sit their exams should things go wrong. Students were then able to progress into their next year and have a say as to when their new resit period will be.



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

- The Societies team held daily drop-ins for students, and estimate that over 450 groups and volunteers attended the sessions across Michaelmas Term.
- Mediation and support for student leaders – the union adopted a new system for ensuring we can hold face to face meetings with groups, to discuss difficult or more complex issues. This includes conflict resolution and supporting groups where mediation is needed to prevent problems escalating to complaints.
- Ran a social media campaign as part of Mental Health Awareness Week, encouraging healthy conversations about mental health by anonymously sharing real student stories.
- 31 student groups helped to secure sponsorship.
- Set up the coronavirus hub webpage to ensure all essential information could be found in one place - including emergency foodboxes, volunteering opportunities, funding and more.
- Central Supermarket supported vulnerable and isolating students on and off campus by delivering almost 70 emergency/essentials food to students in need of support during the coronavirus lockdown.
- Central Supermarket remained open for trading 7 days a week to ensure students on campus could shop locally, in a safe environment throughout the current pandemic
- Supported UCU industrial action after students voted in favour at the AGM, supported students with group complaints, and stood with staff and postgraduates at the picket line. Hosted joint events, including VP Education speaking out on the marketisation of higher education. Acted as a key liaison between concerned students and University Staff to reduce impacts on students.
- The Sugarhouse has continued to provide a free bus service to students.
- VP Campaigns and Communications set up the Corona Community with the third term being online to allow students to stay connected with fellow Lancaster students.
- VP Campaigns & Communications successfully delivered his 'Don't

STUDENTS' UNION IMPACT

Lose Your Cool' campaign which has provided students with easy and practical ways to integrate creativity and mindfulness into their day-to-day life, in order to relieve stress and improve mental wellbeing.

- The Sugarhouse maintained a weekly welfare stall outside of Sugarhouse with dedicated welfare ambassadors.
- The Sugarhouse employ a dedicated Welfare Supervisor via FGH Security.
- VP Welfare established monthly sexual health drop ins in collaboration with the Renaissance Charity.
- VP Welfare & Community launched the sexual respect pledge.
- 1,417 students completed the Alterline Being Well Doing Well Survey.



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

- Central Supermarket continued to work with Edible Campus to improve the range of freshly grown produce available to buy at Central
- VP Education was invited to speak about the student experience as a governor as part of the opening plenary of the national Higher Education Strategic Planners annual conference 2020. She spoke about the difficulties student representatives can have on committees and helped university staff better understand how they can support students in those positions across institutions.
- Green Lancaster successfully secured £3,000 grant from SOS-UK Student Eats for installation of zero waste section at Central Supermarket.
- International, cultural and religious groups meetings – The internationalisation student staff team met with over half of our 38 International, cultural & religious groups to gather feedback and build relationships with our wonderful and diverse student communities. This feedback is used to drive change initiatives and provide better support for these students.
- Societies Committee & Federations – The societies committee & VP Activities have developed an initiative that will see all societies join one of 7 new Federations in the 2020-21 academic year. Each federation will have a leading representative that make up the societies committee and act as a voice for the 1,200 students that are leading societies.
- VP Education secured University Approval for a University Wide Student Feedback Committee specifically for student academic feedback which will give spotlight specifically to student issues and allow regular accountability.
- The Full Time Officers ran a general election vote and voter registration campaign, including hosting hustings chaired by VP Union Development with candidates for the area and offering a jargon buster to better inform students.
- Supported students and student interests through the coronavirus pandemic, offering regular Faculty Forums online and ensuring students were part of the conversation.
- Offered specific support for PGR students with 180 attending a virtual drop-in and over 300 responded to a student-led survey. Successes by the VP Education included securing all first years automatically progress to second year and giving part II students the choice as to whether to take exams or their current grades after summer exams were cancelled.
- The union funded the redesigns of the websites of SCAN, the student-run newspaper, and Bailrigg FM, the campus radio station
- The Trustee Board unanimously agreed to abandon proposals to sell its Sugarhouse Nightclub. Nearly 4,000 students voted to save the Sugarhouse, in the biggest referendum turn out ever, sighting an inclusive venue they feel like they belong in.
- Union officers and staff supported the Global Climate Strike in August 2019.
- The School's Team working in partnership with the university,

provided 2,200 stationery packs, 500 'Project in a Box' sets and sourced 500 computers and 350 internet connections for local children during school closures.

- 650 trees, 1500 garlic bulbs and 500 bluebell bulbs were planted by students as part of the Forest of the Future project.
- The union supported student volunteers to collect more than 1,000 items for the local foodbank in the run-up to Christmas.
- Despite challenges presented by the coronavirus pandemic, the Environmental Sustainability team successfully operated the Don't Ditch it, Donate It project to reduce the amount of waste generated by students leaving accommodation at the end of the academic year.
- The President did focus groups with all the JCRs and student groups on the perception of the Union.
- The students' union cancelled it's sponsorship contract with Aparto after student concerns were raised.
- The Full Time Officer team lobbied the University on canceling campus rents.
- The students' union started the climate emergency working group as a result of a motion which was at the AGM.
- The students' union college sports petition received 1,326 signatures.
- 11 student motions were presented to the Annual General Meeting, which were all passed.
- VP Union Development attended parliamentary group and discussed student finance.
- 1,559 students filled in the Alterline Student Life Pulse survey.



MY UNIVERSITY EXPERIENCE IS PREPARING ME FOR MY FUTURE

- Student Leader Journey – Student leaders are supported through a variety of means to successfully and sustainably manage their respective clubs & societies. This includes support with budgeting & financial planning, scoping out and planning projects and events, writing funding applications, developing risk assessments, bystander awareness, safeguarding and much more.
- The School's Team organised and hosted a range of summer holiday activities designed to give teenagers an insight into university life those providing internship and valuable personal development opportunity and integration with local community.
- Employed a team of 'Digital Creators' allowing students to gain valuable experience in photography/videography and content production; an incredibly competitive industry where experience is paramount and not provided by academic courses at Lancaster
- Hosted an Academic Rep training day which had the highest turn out ever and was attended by over 300 students.
- Academic Reps were offered multiple additional new training opportunities, including sessions on using NSS data and Knowing Our Students for the first time.
- 120 Academic Reps achieved Gold and Silver standard which is also printed on the university end of year transcript.
- The Sugarhouse employed a member of student staff to manage social media accounts for the first time ever.
- VP Welfare & Community responded to the Office for Students consultation on sexual harassment
- The students' union employed 1,215 student staff in total of which 70 were part of the Sugarhouse.
- The students' union trained our student trustees with external Trustee Board development sessions.
- VP Welfare & Community responded to the Office for Students consultation on sexual harassment.
- We supported 172 students to volunteer with local organisations including events such as Light up Lancaster, the Food Bank, LUDUS Dance and our ever popular 'Volunteer Away Days'.

Case study one: Housing Support

Student approached the service at the end of their tenancy due to a dispute with their letting agency regarding their deposit. Two students had paid a total of £400 at the beginning of their tenancy as a deposit.

At the end of the tenancy the letting agency stated that £170 of the deposit was going to be withheld due to cleaning charges. The students believed they had cleaned their accommodation at the end of their tenancy and therefore that the charge for cleaning was unfair.

Upon investigation by one of our advisors it became clear that the deposit had not been protected within a registered scheme. Our advisor was able to make the students aware of their legal rights in relation to their tenancy deposit and supported them to write a letter to their letting agency.

The letter explained that the agency had not protected the deposit which is a legal requirement under UK law and stated that court action could be taken against the agency as a result.

Upon receipt of the letter the letting agency returned the £400 deposit in full.

Case study two: Academic Support

Student approached the service for support as they had been called before the Standing Academic Committee as a result of alleged academic malpractice within an exam.

This particular case was in relation to an act of self-plagiarism which occurred during an exam that took place at the student's home due to Covid-19 restrictions.

The student had become confused by the rules on undertaking exams at home and was also unsure of the rules regarding self-plagiarism. Further to this the student had extenuating circumstances at the time of the exam.

Our advisor was able to explain the relevant academic regulations to the student and prepare them appropriately for their upcoming hearing.

Our advisor supported the student during their hearing and assisted them to explain their circumstances to the panel.

The initial outcome was that the student had committed academic malpractice and as a result they would be required to re-sit the exam for a capped mark. The finding of academic malpractice would then be placed on their permanent student record.

Our advisor explained to the panel that due to the particular profession this student wished to undertake in the future a mark of malpractice could affect them being able to progress in their chosen field.

As a result the panel entered into further deliberation and the outcome was reduced to poor academic practice as opposed to malpractice. The student was still required to re-sit the exam at a capped mark.

Testimonials

"For the first time I feel heard, listened to and supported"

"Thank you for being so kind and understanding, it meant a lot"

"Thank you for creating an environment I felt comfortable enough to talk in"

"Thank you so much for helping me and supporting me and understanding me. You made me feel so comfortable and so confident and I cannot genuinely sing your praises enough."

"I don't think this would've got sorted without your help!"

"After feeling very alone with this issue I am thankful to have some support and I thank you for that"

"I was originally nervous to go to use the advice service as I have never used anything like it before, but I was immediately made to feel comfortable and listened to. I felt much better after just meeting once and I also felt like I could email or come back at any time, even if it was just for something small. I had a really positive experience and it really helped me and made me feel better. I got seen straight away and also replies to emails were really fast."



Here for you, no matter what life throws at you.

✉ advice@lancastersu.co.uk

☎ 01524 593765

🌐 lancastersu.co.uk/advice



VP Welfare Amy Merchant launches her 'Stop Housing Haste' campaign to end the trend of students feeling pressured to sign housing contracts within weeks of arriving to University.

Lancaster SU Environmental Sustainability

Highlights 2019-20:

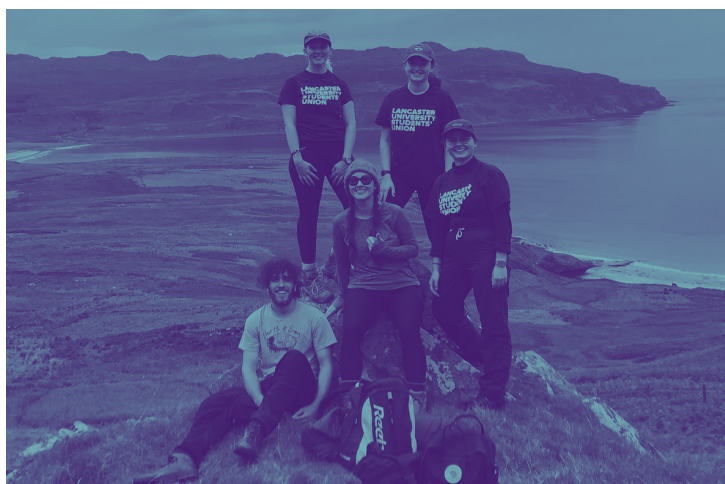
- The Green Lancaster team delivered 52 sustainability-themed events or campaigns with total attendance of 1,330. These included, among others, the Carbon Literacy training, the sewing and clothing repair café and seasonal and sustainable cooking promotions.
- The Lancaster SU Climate Emergency policy motion was endorsed at the 2019 Annual General Meeting with a record turnout and convincing endorsement across members for the Union to take significant action on addressing the climate and ecological emergency. The union has subsequently established the student-led Climate Emergency Working Group to prioritise action on this policy.
- Green Impact Very good retained in 2020.
- The EcoHub has been maintained throughout the challenges of the Covid-19 pandemic through establishing a covid-safe essential volunteer system. As a result of this, over £500 worth of fresh, campus-grown produce has been traded through Lancaster SU Central stores.
- The SU delivered a leading role on the Lancaster University Forest of the Future initiative during winter 2020-21, with over 1,500 trees and native woodland bulbs planted at the Forrest Hills site.
- The #DontDitchIt project is up and running in summer 2020, providing an opportunity for students departing campus to donate their household goods to the network of local and regional charities. Despite the challenges of Covid-19, over 7 tonnes of donations have been passed on to charities as of the end of July 2020.
- The Green Lancaster team worked with the SU Retail and Finance teams to bid for funding from SOS-UK for a grant towards installing a Zero Waste section in the SU Central Store. This bid was successful with the teams now working towards deploying the project during the autumn of 2020.

green
Lancaster

 @Green_Lancaster

 @GreenLancaster

 @GreenLancaster



Sustainability at Central Supermarket

Central Supermarket has introduced a number of sustainability initiatives and partnerships whilst continuing with and improving existing schemes and product offerings.

- Two recycling schemes in store continue to be a success.
- Glass milk bottle sales now make up 20%+ of total dairy sales, with the scheme recycling upwards of 3,000 milk bottles. Oat milk is now being offered in glass bottles on the same scheme.
- The plastic bag recycling scheme has been successful after a promising start (cutting total plastic bag sales by 50% in its first 3 months).
- Stopping selling plastic bags.
- Weekly deliveries of organic fruit and veg from the EcoHub, grown and delivered by the Edible Campus team. This cuts huge amounts of plastic waste and carbon out of the delivery chain. In the last 3 months alone, Central has purchased nearly £700 of produce from Edible Campus, putting more money directly back into student activities.
- Working with Green Lancaster to help deliver a number of student-run activities throughout the last year (e.g. Plastic Free Periods, Green Lancaster Week, Veganuary etc).
- Central Supermarket continues to work to improve its plastic free offerings throughout its ranges.



Financial Review and Results for the Year

There was a total net surplus for the year of £111,724 [2019: £217,840 deficit]. The key reason for this is the decrease in the provision for the USS Pension Deficit Recovery Plan liability (£130,538 movement in the year).

Covid 19 has had a significant impact on the financials (income and expenditure). The majority of activity within the Union ceased from March and only essential expenditure was incurred. Trading was also impacted with the nightclub closing in March, Retail sales showing a significant drop due to a lower number of customers on campus and rent waivers in term 3 in Housing.

Total income decreased by £843,754 to £7,324,313. Trading turnover in LUSU Services Co. Ltd and LUSU Housing Ltd reduced by a combined total of £635,338. This income is shown as 'other trading activities' in the Statement of Financial Activities (SOFA). Income from donations and legacies reduced by £94,361; £138,609 related to Restricted funding for Volunteering and Sport. The majority of income within this category is funding from Lancaster University.

Consequently, total expenditure decreased by £1,173,318 to £7,212,589. Trading expenditure (which is shown as 'Raising Funds' in the SOFA) reduced by £571,956. Charitable activity expenditure reduced by £557,294. This is due to general cessation of activity across the Union, regardless of how funded, with only essential expenditure being undertaken.

The Gift Aid donation from LUSU Housing Limited was £196,554 [2019: £268,327]. The Gift Aid donation from LUSU Services Company Limited was £207,268 [2019: £111,594].

Cash decreased by £162,581 over the year to a closing balance of £1,867,620. The main reason is the impact Covid 19 has had on the two trading companies. The cash balance decreased in LUSU Services Company Ltd. by £94,084 and £60,496 in LUSU Housing Ltd.

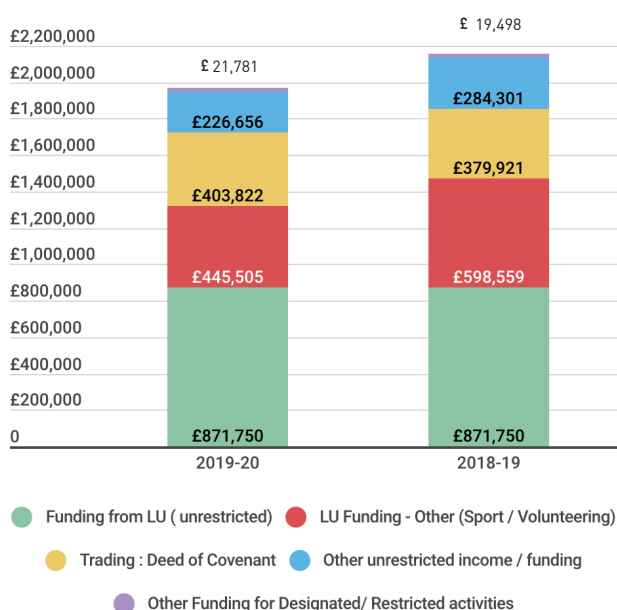
The Union (Group) has total Reserves at 31st July 2020 of £2,119,296 [2019: £2,007,572]. This consists of general unrestricted funds (£1,948,150), a designated fund (£115) and Restricted funds of £171,031. Further details of the Designated and Restricted Funds are shown in note 22.

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 2020, the level of the Group's free reserves is £1,264,681 [2019: £1,095,229].

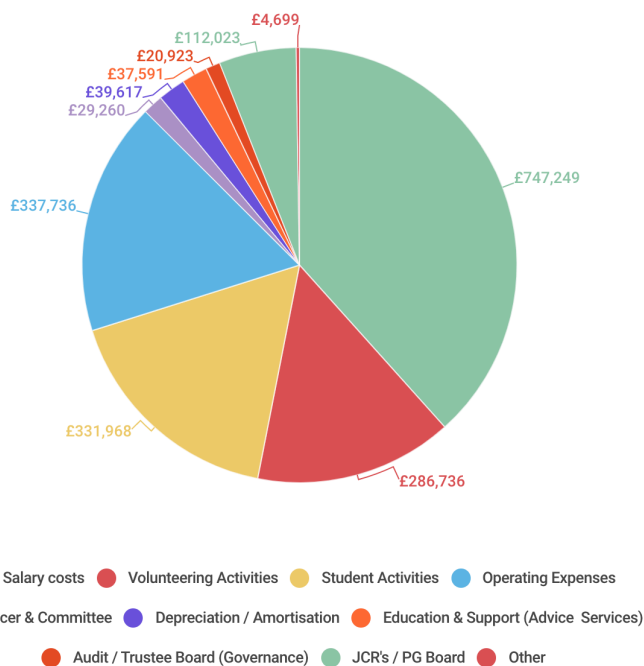
The Union's reserve policy for 2020-21 is that the Union should have sufficient free reserves to cover;

- the future expected budget deficit for 2020-21
- anticipated Voluntary Severance Scheme Payments
- and to build up future reserves to cover capital and future development for a students' union building.

Union (Group) Income Analysis



Expenditure Within the Union : Year-ended 31 July 2020



*Expenditure excludes trading costs and provision release

FINANCIAL REVIEW & RESULTS FOR THE YEAR

The target level of free reserves for the end of 2020-21 is to be within the range of £900k - £945k.

Due to the inherent uncertainties relating to the Covid 19 pandemic the Reserves Policy will be reviewed regularly during the financial year.

The Trustees have previously agreed that the Restricted Volunteering fund should cover a contribution to Green Lancaster for 20-21 and for resource for PG research.

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

Ambition and Long-Term Strategies

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

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 year giving a longitudinal view. Our progress and successes can be seen on pgs. 8-10.

The Students' Union has also been working with Alterline Research on the 'Being Well Doing Well' survey. This survey

provides evidence into student mental health. This covers identifying institutional and personal factors, exploring the impact of mental health issues on students' lives (both personal and academic), understanding the support students are receiving and what is missing and informing preventative campaigns. We are now entering year two and with the coronavirus pandemic, student mental health and wellbeing remains a key priority for the students' union.

The Students' Union remain committed 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". Progress against the strategy has unfortunately halted due to the resignation of the CEO, the resignation of three Full Time Officers and two external Trustees, the dismissal of the Chair of the Trustee Board alongside incidents that the students' union was managing.

The work of our Full Time Officers, staff, student and volunteers can be viewed at lancastersu.co.uk

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 13 October 2020 and signed on their behalf by:



Oliver Robinson

Students' Union President 2020-21
Chair of the Students' Union Trustee Board

INDEPENDENT AUDITOR'S REPORT

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 2020 which comprise Consolidated Statement of Financial Activities, Consolidated and Union Balance Sheets, 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 2020 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 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 15, 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. 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 : 13 October 2020

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2020

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Income and endowments from:						
Donations and Legacies	2	975,515	-	479,337	1,454,852	1,549,213
Charitable Activities	3	107,333	-	2,563	109,896	223,989
Other trading activities:	4	5,758,621	-	-	5,758,621	6,393,959
Investments	5	944	-	-	944	906
Total		6,842,413	-	481,900	7,324,313	8,168,067
Expenditure on:						
Raising Funds	4	(5,367,754)	-	-	(5,367,754)	(5,939,710)
Charitable Activities	6	(1,411,234)	(800)	(486,608)	(1,898,642)	(2,455,936)
Other	7	(25,199)	-	-	(25,199)	(23,229)
Provisions	8	79,006	-	-	79,006	32,968
Total		(6,725,181)	(800)	(486,608)	(7,212,589)	(8,385,907)
Net (Expenditure)/Income		117,232	(800)	(4,708)	111,724	(217,840)
Net movement in funds		117,232	(800)	(4,708)	111,724	(217,840)
Reconciliation of Funds:						
Total Funds Brought Forward		1,830,918	915	175,739	2,007,572	2,225,412
Total Funds Carried Forward		1,948,150	115	171,031	2,119,296	2,007,572

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 21-35 form part of these financial statements.

CONSOLIDATED AND UNION BALANCE SHEETS AT 31 JULY 2020

	Notes	2020 Group £	2020 Union £	2019 Group £	2019 Union £
Fixed Assets					
Tangible Assets	14	619,569	619,569	650,489	650,489
Intangible Assets	15	63,900	63,900	85,200	85,200
Investments	16	-	6,954	-	6,954
		683,469	690,423	735,689	742,643
Current Assets					
Stock	17	55,871	-	57,680	-
Debtors	18	319,612	736,454	283,182	738,948
Cash at Bank and In Hand		1,867,620	1,145,046	2,030,201	1,153,047
		2,243,103	1,881,500	2,371,063	1,891,995
Liabilities					
Creditors Falling Due Within 1 Year	19	(553,004)	(352,213)	(635,364)	(387,377)
		(553,004)	(352,213)	(635,364)	(387,377)
Net Current Assets					
		1,690,099	1,529,287	1,735,699	1,504,618
Total Assets Less Liabilities					
		2,373,568	2,219,710	2,471,388	2,247,261
Creditors Falling Due After More Than 1 Year	20	(116,259)	(116,259)	(246,797)	(246,797)
Provision For Liabilities	21	(138,013)	-	(217,019)	-
Net Assets					
		2,119,296	2,103,451	2,007,572	2,000,464
Funds					
General Funds	22	1,948,150	1,932,305	1,830,918	1,823,810
Designated Funds	22	115	115	915	915
Total Unrestricted Funds		1,948,265	1,932,420	1,831,833	1,824,725
Restricted Funds	22	171,031	171,031	175,739	175,739
Total funds		2,119,296	2,103,451	2,007,572	2,000,464

In accordance with FRS 102, no separate Statement of Financial Activities or statement of cash flows has been presented for the Union alone.

The notes on pages 21-35 form part of these financial statements.

Approved by the Trustees of Lancaster University Students' Union on 13 October 2020 and signed on their behalf by:



Oliver Robinson
President



Atree Ghosh
VP : Union Development



Misbah Ashraf
Chief Executive

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2020

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

	2020 £	2019 £
Net expenditure/income for the reporting period	111,724	(217,840)
Adjustments for:		
Interest Receivable	(944)	(906)
Depreciation	123,614	175,566
Amortisation	21,300	21,300
(Increase)/Decrease in Debtors	(36,430)	20,144
Decrease in Stock	1,809	5,226
(Increase)/Decrease in Creditors within 1 year	(82,360)	48,903
(Decrease) in Provisions for liabilities	(79,006)	(32,968)
(Decrease)/ Increase in Pension Liability	(130,538)	157,484
Net Cash provided by operating activities	(70,831)	176,909
Cash flows from operating activities:		
Net Cash provided by Operating Activities	(70,831)	176,909
Cash flows from investing activities:		
Interest Receivable	944	906
Purchase of property, plant and equipment	(92,694)	(41,066)
Net cash used in investing activities	(91,750)	(40,160)
Change in cash and cash equivalents in the reporting period	(162,581)	136,749
Cash and cash equivalents at the beginning of the reporting period	2,030,201	1,893,452
Cash and cash equivalents at the end of the reporting period	1,867,620	2,030,201

Due to there being no borrowings, the above statement also reflects the net debt position.

The notes on pages 21-35 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 £2,126,703 (2019: £2,342,564) and net movement of funds of £102,666 inflow (2019: £255,342 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 £116,259 (2019: £246,797). 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	10-33%	Boats	25%
Shops 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 Union had agreed a 3 year static block grant funding position with the University for 2019 (subject to exceptional events). Unfortunately, Covid 19 has been an exceptional event and the grant funding for 20-21 has been provisionally agreed for the year and is being reviewed quarterly. Activity and hence costs are being closely monitored in line with this.

During the year in response to the onset of the pandemic, the Union took immediate and significant steps to reduce costs with cessation of all non-essential expenditure. Also, advantage was taken of the various government assistance packages that were available.

The Trustees have reviewed the future income and expenditure and cash flow forecasts and have assessed that the Charity and Group are considered to be a going concern based on the above.

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.

Financial Instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and investments in ordinary shares.

(2) INCOME FROM DONATIONS AND LEGACIES

Unrestricted Funds	2020 £	2019 £
Lancaster University Grant Funding	871,750	871,750
Lancaster University Funding Other	2,611	7,317
Students' Union contribution to JCRs / PG Board	34,803	52,200
Coronavirus Job Retention Scheme Grant	66,351	-
	<hr/> 975,515	<hr/> 931,267

Restricted Funds	2020 £	2019 £
Volunteering Activities - Lancaster University Funding	260,248	314,832
Volunteering Activities - External Funding	9,479	15,698
Sport - Lancaster University Funding	182,647	276,410
Sport - External Funding	17,225	10,208
Nightline Donation Fund	322	798
Coronavirus Job Retention Scheme Grant	9,416	-
	<hr/> 479,337	<hr/> 617,946

(3) INCOME FROM CHARITABLE ACTIVITIES

Unrestricted Funds

Includes other income from the Union of £107,333 (2019: £220,986). This includes income from socials and sporting activities.

Designated Funds	2020 £	2019 £
Joint Media Membership Fund	-	-
	<hr/> -	<hr/> -

Restricted Funds	2020 £	2019 £
Volunteering Activities	2,563	3,003
	<hr/> 2,563	<hr/> 3,003

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

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

	2020 £	2019 £
LUSU Services Company Limited - Turnover	2,313,851	2,749,407
LUSU Housing Limited - Turnover	3,373,230	3,644,552
	<hr/> 5,687,081	<hr/> 6,393,959

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

LUSU Services Company Ltd Profit and Loss Account Company number:03411073

	2020 £	2019 £
Turnover	2,313,851	2,749,407
Cost of Sales	(1,109,684)	(1,337,961)
Gross Profit	<hr/> 1,204,167	<hr/> 1,411,446
Distribution Costs	(473,840)	(529,162)
Administrative Expenses	(657,365)	(761,464)
Other Income	65,931	-
Profit pre other items	<hr/> 138,893	<hr/> 120,820
Provision	79,006	32,968
Profit before Taxation	<hr/> 217,899	<hr/> 153,788
Tax on profit		(5,596)
Profit for the Financial Year	<hr/> 217,899	<hr/> 148,192
Gift Aid payment	(207,268)	(111,594)
Profit for the Financial Year	<hr/> 10,631	<hr/> 36,598

LUSU Services Company Ltd Balance Sheet

	2020 £	2019 £
Tangible Fixed Assets	-	-
Current Assets		
Stock	55,871	57,680
Debtors	88,669	46,130
Cash at Bank and in Hand	444,018	538,102
	<hr/> 588,558	<hr/> 641,912
Creditors falling due within 1 year	(432,961)	(417,940)
Net Current Assets	<hr/> 155,597	<hr/> 223,972
Provisions	(138,013)	(217,019)
Net Assets/(Liabilities)	<hr/> 17,584	<hr/> 6,953
Share Capital	6,953	6,953
Profit and Loss Account	10,631	-
Shareholders' Fund	<hr/> 17,584	<hr/> 6,953

LUSU Housing Ltd Profit and Loss Account Company number:07358617

	2020 £	2019 £
Turnover	3,373,230	3,644,552
Cost of Sales	(2,764,801)	(2,987,002)
Gross Profit	<hr/> 608,429	<hr/> 657,550
Distribution Costs	(386,223)	(355,820)
Administrative Expenses	(33,155)	(33,268)
Other Income	5,609	-
Operating Profit	<hr/> 194,660	<hr/> 268,462
Tax on profit on ordinary activities	-	-
Profit for the Financial Year	<hr/> 194,660	<hr/> 268,462
Gift Aid payment	(196,554)	(268,327)
(Loss) / Profit for the Financial Year	<hr/> [1,894]	<hr/> 135

LUSU Housing Ltd Balance Sheet

	2020	2019
	£	£
Tangible Fixed Assets	-	-
Current Assets		
Stock	-	-
Debtors	30,252	26,029
Cash at Bank and in Hand	278,556	339,052
	308,808	365,081
Creditors falling due within 1 year	(303,593)	(357,972)
Net Current Assets	5,215	7,109
Net Assets	5,215	7,109
Share Capital	1	1
Profit and Loss Account	5,214	7,108
Shareholders' Fund	5,215	7,109

(5) INVESTMENT INCOME

Investment income totalling £944 (2019: £906) represents interest receivable on a cash deposit held.

(6) ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	2020 £	2019 £
Staff and Full Time Officer Salaries*	723,288	1,057,123
Student Activities	319,481	446,918
Operating Expenses	295,287	209,204
Officer and Committee Expenses	29,260	57,707
NUS Affiliation Fees	36,614	34,870
Depreciation	18,317	51,795
Education and Support Costs	37,591	47,341
Non-Recoverable VAT	5,835	5,431
PA related costs	12,487	12,665
Audit fee	11,300	11,000
Trustee Board expenses	9,623	6,318
Funding for JCRs / PG Board	34,803	52,200
JCRs / PG Board expenditure	77,220	129,852
Volunteering Activities	286,736	333,533
Joint Media Membership Fund	800	(50)
Nightline Donation Fund	-	29
	<hr/> 1,898,642	<hr/> 2,455,936

* 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 £134,437 credit (2019: £155,555 cost).

(7) ANALYSIS OF OTHER COSTS

	2020 £	2019 £
Bowland amortisation costs	21,300	21,300
Interest payable on USS pension deficit recovery plan	3,899	1,929
	<hr/> 25,199	<hr/> 23,229

(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 £11,300 (2019: £11,000) and expenditure relating to the Trustee Board at £9,623 (2019: £6,318). These costs are included in 'Expenditure on Charitable Activities' - see note 6.

(10) NET EXPENDITURE FOR THE YEAR

This is stated after charging:

	2020 £	2019 £
Audit of Lancaster University Students' Union Annual Accounts	6,200	6,000
Audit of LUSU Services Company Limited Accounts	2,550	2,500
Audit of LUSU Housing Limited Accounts	2,550	2,500
Tax fees of LUSU Services Company Limited Accounts	1,025	1,000
Tax fees of LUSU Housing Limited Accounts	1,025	1,000

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

GROUP COSTS

	2020 £	2019 £
Salaries and wages	1,275,558	1,322,964
Social security costs	117,121	109,085
Pension costs	168,414	152,789
USS Pension Deficit Recovery Plan Liability Movement	(134,438)	155,555
	<u>1,426,655</u>	<u>1,740,393</u>

In addition to these costs are casual wages in LUSU Services Company Limited which amount to £228,950 (2019: £220,837)

This is analysed across the Group as follows:

	2020 £	2019 £
Union	903,246	1,243,871
LUSU Housing Limited	217,054	211,995
LUSU Services Company Limited	306,355	284,527
	<u>1,426,655</u>	<u>1,740,393</u>

The Union staff costs of £903,246 includes £723,288 for 'Unrestricted' and £179,958 for Volunteering.

The latter is included within the £286,736; both are reported in note 6.

(11) CONTINUED

One employee had employee benefits falling within £60,000 - £70,000 [2019 : 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:

	2020	2020		2019	2019
	Gross	Employers Pension		Gross	Employers Pension
George Nuttall	£15,882	£237	George Nuttall	£3,600	-
Bethan Morgan - reappointed	£19,548	£76	Bethan Morgan	£3,600	-
Grishma Bijukumar	£15,883	£235	Grishma Bijukumar	£3,600	-
Lewis Marriott	£17,434	£235	Lewis Marriott	£3,600	-
Hannah Prydderch	£12,826	£71	Hannah Prydderch	£3,600	-
Ben Evans	£5,113	-	Ben Evans	£3,600	-
Victoria Hatch	£9,972	£202	Rhiannon Llystyn Jones	£17,266	£241
Oliver Robinson	£2,617	-	Ian Meeks	£17,118	£241
Atree Ghosh	£2,617	£56	Emily Delaney	£17,199	£241
Paul McCarthy	£2,617	£56	Islay Grant	£16,970	£241
Amy Merchant	£2,617	-	Matty Robinson	£17,267	£176
Shannon McCaul	£2,617	£56	Toby Wilkinson	£16,970	£220

Three trustees were reimbursed a total of £680 for travel and subsistence expenses [2019: £1,715 to three 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 £141,179 [2019: £185,688].

The Chief Executive resigned in November 2019. The Head of Marketing and Organisational Development has been acting as Interim Chief Executive.

(12) STAFF NUMBERS

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

	2020	2019
Union	28	28
LUSU Services Company Limited	8	9
LUSU Housing Limited	6	6
	<u>42</u>	<u>43</u>

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

	2020	2019
Union	27	27
LUSU Services Company Ltd	8	9
LUSU Housing Limited	5	5
	<u>40</u>	<u>41</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 'FRS 102 28.11', accounts for the schemes as if they were a defined contribution scheme.

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 £116,259 [2019:£246,797].

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 2018 (31 July 2019 underway). The net pension liabilities of this scheme were £104 million as at 31 July 2020. The number of Students' Union members as at 31 July 2020 was 33 out of a total of 1,615 (includes LU members).

The latest triennial actuarial valuation of the USS was 31 March 2018 and indicated a shortfall of £3.6 billion, indicating the assets were sufficient to cover 95% 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 2020 was 5.

(14) TANGIBLE ASSETS

	Freehold Buildings £	Furniture & Equipment £	Total £
Cost			
At 1st August 2019	861,990	1,113,381	1,975,371
Additions	-	92,694	92,694
Disposals	-	(7,694)	(7,694)
At 31st July 2020	861,990	1,198,381	2,060,371
Depreciation			
At 1st August 2019	412,618	912,264	1,324,882
Charge for the Year	18,846	104,768	123,614
Disposals	-	(7,694)	(7,694)
At 31st July 2020	431,464	1,009,338	1,440,802
Net Book Value			
At 1st August 2019	449,372	201,117	650,489
At 31st July 2020	430,526	189,043	619,569

(15) INTANGIBLE ASSETS

Bowland Contribution £

Cost

At 1st August 2019 and 31st July 2020	213,000
---------------------------------------	---------

Amortisation

At 1st August 2019	127,800
Charge for the Year	21,300
Disposals	-
At 31st July 2020	149,100

Net Book Value

At 1st August 2019	85,200
At 31st July 2020	63,900

(16) INVESTMENTS

	2020 Group £	2020 Union £	2019 Group £	2019 Union £
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

	2020 Group £	2020 Union £	2019 Group £	2019 Union £
Finished Goods and Goods for Resale				
Bar Stock	21,093	-	17,046	-
Shop Stock	34,778	-	40,634	-
	55,871	-	57,680	-

Bar stock includes a provision of £5,290 for obsolete stock (2019:nil).

(18) DEBTORS

	2020 Group £	2020 Union £	2019 Group £	2019 Union £
Amounts Falling Due Within 1 Year				
Trade Debtors	30,660	1,587	67,747	45,796
Prepayments	275,296	187,064	214,878	173,661
Amounts Due From Subsidiaries	-	535,763	-	518,934
Social Security and Other Taxes	13,656	12,040	557	557
	<u>319,612</u>	<u>736,454</u>	<u>283,182</u>	<u>738,948</u>

(19) CREDITORS

	2020 Group £	2020 Union £	2019 Group £	2019 Union £
Amounts Falling Due Within 1 Year				
Trade Creditors	129,818	116,837	350,166	247,138
Amounts Due To Subsidiaries	-	-	-	4,225
Accruals and Deferred Income	382,217	234,715	255,688	131,509
Social Security and Other Taxes	18,726	-	24,507	-
Other creditors	22,243	661	5,003	4,505
	<u>553,004</u>	<u>352,213</u>	<u>635,364</u>	<u>387,377</u>

Deferred Income

	£
Balance at 1st August 2019	22,792
Amount released in the year	(15,140)
Amount deferred in the year	-
Balance at 31st July 2020	<u>7,652</u>

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

(20) CREDITORS DUE AFTER MORE THAN 1 YEAR

	2020 Group £	2020 Union £	2019 Group £	2019 Union £
USS Pension Deficit Recovery Plan Liability	116,259	116,259	246,797	246,797
	116,259	116,259	246,797	246,797

(21) PROVISION FOR LIABILITIES

	£
Balance at 1st August 2019	217,019
Release of provision during the year	(79,006)
Balance at 31st July 2020	138,013

Further detail is provided in note 8.

(22) ANALYSIS OF MOVEMENT GROUP FUNDS

	At 1st August 2019 £	Incoming Resources £	Outgoing Resources £	At 31st July 2020 £
General Funds				
Union Unrestricted Fund	1,823,810	1,083,792	(975,297)	1,932,305
Trading Subsidiaries P&L Account	7,108	5,758,621	(5,749,884)	15,845
Total	1,830,918	6,842,413	(6,725,181)	1,948,150
Designated Funds				
Joint Media Membership Fund	915	-	(800)	115
Total	915	-	(800)	115
Restricted Funds				
Volunteering Activities	148,001	281,708	(281,708)	148,001
Sport - Lancaster University	-	182,646	(182,646)	-
Sport - RFU	-	17,225	(17,225)	-
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 (overnight advice / support)	5,113	321	-	5,434
Women Against Violence	1,122	-	-	1,122
Rugby Development Fund	184	-	-	184
LUSU Gives Charity Account	608	-	-	608
Total	175,739	481,900	(486,608)	171,031
Total Funds	2,007,572	7,324,313	(7,212,589)	2,119,296

*volunteering; schools **volunteering; eco

(23) NET ASSETS OF THE GROUP'S FUNDS

	Fixed Assets	Investments	Current Assets	Liabilities	Fund Balances
	£	£	£	£	£
General Funds	683,469	-	2,071,957	(807,276)	1,948,150
Designated Funds					
Joint Media Membership Fund	-	-	115	-	115
Restricted Funds					
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	-	-	-	-	-
Nightline Donation Fund	-	-	5,434	-	5,434
Women Against Violence	-	-	1,122	-	1,122
Rugby Development Fund	-	-	184	-	184
LUSU Gives Charity Account	-	-	608	-	608
Total	683,469	-	2,243,103	(807,276)	2,119,296

(24) COMMITMENTS

Capital Commitments

At 31 July 2020 and 31 July 2019 the Union had no capital commitments contracted and approved.

(25) FINANCIAL INSTRUMENTS

	2020	2019
	£	£
Financial Assets		
Financial assets that are debt instruments measured at amortised cost	1,954,151	2,156,185
Financial Liabilities		
Financial liabilities measured at amortised cost	(526,626)	(588,065)

Financial assets measured at amortised cost comprise stock, trade debtors and cash

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.



LANCASTER UNIVERSITY STUDENTS' UNION



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