

Registered number: 07329036  
Charity number: 1143764

**Edge Hill Students' Union Limited**

Trustees' Report and Financial Statements

For the Year Ended 31 July 2022



**Contents**

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	Page
<b>Reference and Administrative Details of the Charity, its Trustees and Advisers</b>	1
<b>Trustees' Report</b>	2 - 15
<b>Trustees' Responsibilities Statement</b>	16
<b>Independent Auditors' Report on the Financial Statements</b>	17 - 20
<b>Statement of Financial Activities</b>	21
<b>Balance Sheet</b>	22
<b>Statement of Cash Flows</b>	23
<b>Notes to the Financial Statements</b>	24 - 47

**Edge Hill Students' Union Limited**  
**(A Company Limited by Guarantee)**

**Reference and Administrative Details of the Charity, its Trustees and Advisers**  
**For the Year Ended 31 July 2022**

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<b>Trustees</b>	Sarah Ellis Colin Dyas Bill Hancox Eri Mountbatten-O'Malley Alex McCann (resigned 9 November 2021) Alykhan Kassam (resigned 28 February 2022) Kathryn Murphy (appointed 1 July 2021, resigned 20 August 2021) Rhiannon Muise (appointed 1 July 2021, resigned 27 May 2022) Georgia Whalley-Smith (appointed 1 July 2021, resigned 6 December 2021) Ben Broadhurst (appointed 1 July 2022) Jack Richardson (appointed 1 July 2022) Doreen Morrin (appointed 25 July 2022) Orna Murphy-Horton (appointed 4 July 2022) Elisha Tax (appointed 28 February 2022) Georgia Ward (appointed 28 February 2022)
<b>Company registered number</b>	07329036
<b>Charity registered number</b>	1143764
<b>Registered office</b>	Edge Hill Students' Union The Hub St Helens Road Ormskirk Lancashire L39 4QP
<b>Independent auditors</b>	Dains Audit Limited Statutory Auditor Suite 2, Albion House 2 Etruria Office Village Forge Lane Stoke on Trent Staffordshire ST1 5RQ
<b>Solicitors</b>	Weightmans LLP 100 Old Hall Street Liverpool L3 9QJ

**Trustees' Report**  
**For the Year Ended 31 July 2022**

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The Trustees present their annual report together with the audited financial statements of the charity for the year 1 August 2021 to 31 July 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Structure, Governance and Management**

Edge Hill Students' Union is a student-led educational charity. It is legally a company limited by guarantee (Registered No. 07329036) with the Trustees as company law members, and a registered charity (Registered No. 1143764). The Students' Union is 'separate but part of' Edge Hill University and subject to the University's Charter and Statutes. It also owns a trading subsidiary, Edge Hill Students' Union Trading Limited.

As a charity we have a Trustee Board which oversees administration, governance and legal compliance. The Trustee Board consists of up to four elected Student Sabbatical Trustees, up to four appointed Student Trustees, in addition to up to four appointed Independent Trustees who offer professional experience, knowledge and expertise. The Trustee Board has delegated the day-to-day running of services and provisions to the Chief Executive, Paul Malone, through an agreed schedule of delegations. The Trustees receive regular reports from the Chief Executive and the Finance Manager.

The Chief Executive coordinates the staff team 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 strategy and operating plans are carried out in line with agreed budgets.

The Students' Union's governing document is its Memorandum and Articles of Association and related bye laws. The Students' Union operates on democratic principles. The Full Time Sabbatical Officers are elected by cross campus ballots annually in accordance with the Education Act 1994. Each officer has a specific portfolio remit as well as being jointly responsible for an effective and clear student voice to the University on issues which matter to students.

**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 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 benchmarked salaries and benefits paid to Chief Executives in students' unions and the voluntary sector to establish a suitable level of remuneration. The Students' Union employs 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.

Whilst there is no policy in place for induction and training of trustees, the Union ensures that all trustees are taken through a specifically organised training programme.

**Trustees' Report (continued)**  
**For the Year Ended 31 July 2022**

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**Relationship with Edge Hill University**

The relationship between Edge Hill University and the Students' Union is established in the Code of Practice approved by both organisations. The Students' Union receives a 'Block Grant' from the University based on a percentage of the University's turnover, and in addition to this, receives a 'Rent Grant' to cover space occupied by the Union which is owned by the University.

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

**Relationship with Edge Hill Students' Union Trading Limited**

As previously stated, the Students' Union has one wholly owned trading subsidiary, Edge Hill Students' Union Trading Limited. Since 1 August 2017 there has not been any activity in this company. Edge Hill Students' Union Trading Limited will continue to exist in the event that the Students' Union carries out any significant non-primary purpose trading in the future.

**Risk management**

The Union's risk management strategy includes the annual review of the risk policy and a risk register summary update at each Board meeting. The process seeks to identify major risks and assesses them about impact and likelihood of occurrence. A risk score is then formulated for each risk so they can be prioritised as low, medium, or high. The risk register identifies the risk owner, mitigating controls in place, actions required to mitigate further, and the deadline for those actions.

The principal risks and uncertainties currently facing the Union are:

The possible reduction in funding by the University caused by:

- Their own financial health
- Their perception of the value of the role of the Union

The financial health of the University is itself dependent on funding, which in turn is susceptible to factors beyond the control of the Union, including:

- Government policy in relation to higher education specifically affecting the academic offer at Edge Hill University
- Popularity of the academic offering
- Popularity because of academic standards
- Popularity because of the attractiveness of the campus and its facilities
- Popularity driven by affordability and fee levels
- Other demographic challenges faced by the University
- Competition from other trading services both on campus and in the local proximity from food and beverage operators.
- Reputational damage in the unlikely event of a high-profile activity by a student
- Reputational damage in the unlikely event of a high-profile activity by a trustee.
- Our plans and strategies for managing risk include maintaining effective internal controls, a risk register, incident-reporting and monitoring systems and insurance cover wherever appropriate.

**Trustees' Report (continued)**  
**For the Year Ended 31 July 2022**

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**Statement of Public Benefit**

The Students' Union's vision is 'to create the best student experience we can for as many Edge Hill students as possible' and exists for the advancement of education of students at Edge Hill University 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 Edge Hill University and any other external bodies.
3. Providing social, cultural, sporting, and recreational activities and forums for discussion and debate for the personal development of students.

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

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

In pursuit of these aims for the public benefit, the Students' Union will ensure the diversity of its membership is recognised, valued, and supported and has established departments and services for use by its members and to support its work with the University and other organisations on behalf of students. These services include the advice centre, our representation and democracy work, our societies and activities programmes, the bar, retail, food, and launderette outlets. Sabbatical Officers of the Students' Union sit on all senior level committees of the University and meet regularly with the Local Authority, members of the Community Safety Partnership and other providers of public services affecting students. In setting our objectives and planning our activities, the trustees have considered the Charity Commission's general guidance on public benefit.

**Charity Governance Code**

Throughout the year, the Trustees and Chief Executive of the Students' Union have been working together to adopt the Students' Union Governance Code (this is a specifically adapted version of the Governance Code released in July 2017 which was endorsed by the Charity Commission in June 2018). The Code is a tool by which Trustee Boards can measure and develop their governance and leadership. It is the Board's intention to continue to work through the key Principles and associated action plans of this work.

**Affiliations**

National Union of Students (NUS)	£11,099
Advice UK	£263
Child Poverty Action Group	£157

Objectives and Activities

**WhatUni Student Choice Awards**

We were delighted to be ranked the best Students' Union in the North West and the **fifteenth best in the UK** in the recent WhatUni Student Choice Awards 2022.

The awards, ranked solely on student opinion, mark an ambitious year of successful student projects, campaigns, and community events.

**Trustees' Report (continued)**  
**For the Year Ended 31 July 2022**

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### **National Student Survey Result**

We scored **57.86%** in the 2022 NSS.

We are now the **3rd highest ranked Union in the North West**, an improvement of 4 places compared to 2021.

We are positioned **26th in the UK** out of over 120 Unions attached to Higher Education Providers. By comparison, we were ranked 90th in 2021.

Our score puts us **6% higher than the national average for Students' Unions**.

According to the University's own summary of data, we were **one of only three areas within Edge Hill University to show improvement** between 2021 and 2022 (The SU; Organisation and Management; Learning Community).

All three faculties performed similarly when ranking the work of the SU, reflecting our new approach and an increased parity of focus across the whole of Edge Hill University. Between the three faculties, Faculty of Education gave the SU the highest score (**58.8%**), followed by Faculty of Arts and Sciences (**57.8%**), and then Faculty of Health, Social Care & Medicine (**56.6%**).

### **Office for Students B3 Regulations – EHSU and EHU Collaboration**

We convened a B3 Working Group with meetings scheduled between February and May 2022. The content from those meetings was fed into the Union's strategy fortnight.

### **Student Voice Updates – Communities**

Our Head of Student Voice also attended the University's Student Outcomes Steering Groups on behalf the Students' Union, bringing feedback from the Students' Union's own B3 Working Group and May Strategy Fortnight sessions.

Early outputs from our May Strategy and Planning fortnight, which took place between May 02 – 13, were presented to the steering group in late May. This included an update on the research that will underpin all our projects and services next year: the Pearson report on Belonging; the Handshake Careers 2032 report and how it relates to student confidence; and how OFS' B3 regulations affect how we segment and target SU services.

The Head of Student Voice also presented to the steering group on how the Students' Union intends to address student belonging and confidence, and how the Students' Union can integrate with the University's own graduate attributes framework and reforms to the personal tutor system.

### **Student Engagement Team (Societies)**

In 2021/22, there was a marked growth of societies with **3,081 memberships** and **1613 unique students** registered in June 2022.

The overall number of active societies in June 2022 stood at seventy and the Union will now be trialling new processes to improve society "churn" over summer (or, smaller societies not electing a new committee and therefore ceasing to exist).

In 2021/22, we introduced a new grant system for societies to allow society committees to become more autonomous and to allow them to develop their members. **Twenty-Three Fifty Members Grants and six Development Grants were allocated** with confirmed spend and impact in 21/22.

32 societies attended our Welcome Fair in person on Wednesday 29 September, with societies who couldn't attend available via the Welcome Fair Web-App.

**Trustees' Report (continued)**  
**For the Year Ended 31 July 2022**

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There were over **2400 instances of students registering their interest for our societies** across registration forms and our Welcome Fair Web-App.

The Engagement Team devised a brand-new programme of society training focusing on running safe events, identifying opportunities that will enhance career prospects, and how to utilise fundraising to meet society objectives. This has been further developed into a large in person training provision for 22/23.

The newly affiliated Edge Hill Uni Boob Team become the first society to trial Just Giving as part of the new "Fundraising @ EHSU" resource for student societies. In their first year, **they raised £2,238.12 for Coppafeel**, and were shortlisted for a national volunteering award in the process.

***Student Engagement Team (Course Representatives)***

By the end of the 21/22 academic year, **we recruited a total of 558 course representatives** across Edge Hill's three faculties.

As part of our end of year strategic review, we decided to overhaul our course representative strategy to enact feedback that told us that course reps feel isolated and unsupported during their time within the Union. The new Engagement Strategy has a more structured approach training, and provides the representatives with a digital mechanism to report feedback from their course.

***Student Engagement Team - Student Networks***

At the start of the 21/22 academic year, we integrated our student networks within the Union's account activation process.

Networks will be used to inform key decisions and stances within the Students' Union. The growth of the networks over summer demonstrates the popularity of digital, convenient consultation methods above previously used antiquated systems.

<b>Name of Network</b>	<b>Number of Students at end of 21/22 (Recorded 01/06/2022)</b>
Non-Drinking Student	976
Women Students	821
Mature student	780
Off Campus student	454
LGBQ+	423
Student Parent	330
Disabled Students	176
BAME	144
Student Carer	142
Manchester student	122
Trans and Non-Binary	93

### ***Nursing Mental Health Consultation***

Following NSS feedback and feedback from academics in Nursing, we conducted a consultation on mental health in that department. 116 nursing students took part in a combination of online consultations and in-depth focus groups.

The consultation report for nursing has now been finalised and shared with the Wellbeing team and Head of Nursing. The finalised report is currently being designed for wider publication.

### ***Faculty of Education – Map of Support Consultation***

Part-Time Officer for Faculty of Education, Amy Fox, worked closely with EHU staff to develop a map of support available to students.

### ***Student Engagement and Campaigning – Sexual Violence Campaign Follow-ups and Staff Student Relationship Policy***

We held focus groups to determine student views on Edge Hill University's Sexual Misconduct Policy. Focus Group findings and future recommendations were shared through Edge Hill University's board structure.

We also sought student feedback on Edge Hill University's new Staff-Student Relationship Policy, following a UUK report which itself was criticised by 1752 Research group for perceived weak recommendations and a reluctance to state such relationships reflect behaviour that should be considered as misconduct.

### ***Student Engagement Team (Activities and Celebration Events)***

#### ***Student Belonging – Queer Prom***

Our Trans and Non-Binary Officer, Kai Lambert, successfully hosted and sold out a "Queer Prom" event in SU Bar and Venue. The event was aimed at students who may have missed out on the opportunity to express their identities at high school prom / leaving ball events.

Feedback from attendees showed that the event opened up the SU Bar and Venue space to those who may not feel comfortable in those spaces. We are now looking to programme regular LGBTQ+ inclusive events in SU Bar and Venue throughout our 22-23 calendar.

The event sold out its ticket allotment and was picked up by the Liverpool Echo as a good news story regarding inclusivity at Edge Hill University.

#### ***Student Led Staff Awards***

In 2021/22 we successfully delivered one of our long-standing projects, the Student Led Staff Awards. The project was again delivered via a virtual ceremony, premiered live on YouTube to invited staff and students.

Overall, **203 students nominated a staff member for a Student Led Staff Award.**

The ceremony itself received over 500 views.

The Union team then conducted a qualitative analysis on all nominations alongside a quantitative analysis which helped to heatmap where votes came from. Subsequent research was presented at Edge Hill University's SOLSTICE conference.

**Trustees' Report (continued)**  
**For the Year Ended 31 July 2022**

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### **Society Awards**

Following two years of COVID-19 related cancellations, we delivered the Society Awards in SU Bar and Venue, celebrating the achievements of our student communities and rounding up a year of growth within societies.

During the ceremony, three societies performed and showcased their work. Six awards were given out in categories including Best New Society, Most Improved Society, Society of the Year, and Outstanding Contribution to Societies.

The full committees of 14 societies attended (primarily made up of those on the shortlist) alongside society members from the wider EHSU community. Overall, over 100 attendees came to the event.

Following Uni Boob Team's National Student Volunteering Award Longlist in 21-22, the Union has now committed to nominating all society awards winners across the various categories.

### **Student Engagement Team (Elections and Democracy)**

#### **Autumn Elections**

607 students voted in the Autumn elections meaning we started 21/22 with a full Voluntary Officer team for the first time since the COVID-19 pandemic.

#### **EHSU President Elections**

Prior to the election, we added a new paid, part-time Student Engagement Officer role for Manchester students. This role will work through 2022-23 to deliver a new suite of engagement services for satellite campus students, including a new EHSU Manchester subsite, and a trial of academic societies.

We elected a student officer within every paid and voluntary role available within the Union. Overall 41 candidates ran across 14 standings, with the most popular standings being Paid Student Engagement Officer in Faculty of Arts and Sciences, the voluntary Disabled Students' Officer, the voluntary Mature and Part-Time Officer, and the voluntary Student Parent and Carer Officer.

During our election day, **11,157 votes were placed by 1169 voters**. In terms of turnout, postgraduate students were the most highly engaged group, with a **16.67%** turnout among eligible voters.

Other key findings from our candidate report included: 64.7% of candidates had been a member of a society and 41.2% had been on a society committee making society engagement the most reliable indicator of future candidates; over a quarter (26.5%) of candidates selected that they were a student parent or had caring responsibilities; over a third (35.3%) of candidates selected that they considered themselves to have a disability.

### **Student Engagement Team (Campaigns)**

#### ***Student Engagement and Campaigning – Menstruation Stations***

The Union's flagship campaign for 21/22, led by FAS Engagement Officer Rhiannon Muise and supported by the Student Voice staff team, was our Period Poverty Campaign. Between October 2021 and May 2022, the Union stocked Menstruation Stations across branding, delivery statistics on usage and feedback through the Union's board structure and via social media.

In February 2022, Rhiannon presented research to EHU Directorate arguing that the Menstruation Stations should be expanded across campus and funded centrally by the University. This proposal was accepted and, as of 22/23, menstruation stations will be stocked and paid for by the University across campus.

Over the course of 21/22, over 6,000 period products were donated as part of the campaign. We also published our findings in a research report.

**Trustees' Report (continued)**  
**For the Year Ended 31 July 2022**

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### **Stop Spiking**

Following national headlines regarding the prevalence of drink spiking in clubs and venues, we responded to student queries and a local 'Girls Night In' chapter by publishing a strong and clear stance. We emphasised that narratives can no longer focus on teaching people how to avoid spiking and must begin to teach behaviours that stop it happening in the first place. We were clear venues' responsibility in meeting a benchmark of safety and further set out the work we are doing to further improve our already robust procedures in SU Bar and Venue.

Our SU Bar was also quick to respond. Further improvements to our robust safety procedures take place on an ongoing basis. In October, included increased security presence on the door, unadvertised use of drug detection dogs, the purchasing of drink toppers for both bottles and cups, and further staff training on vulnerability awareness.

### **Sexual Violence, Safety, and Spiking Campaign Work**

Following national media coverage of University disciplinary teams using NDAs, we quickly reached out to Edge Hill for clarity. The University gave us an official statement and announced they would also be signing the petition within 24 hours.

We attended new Sexual Violence Working groups and shared initial feedback from Survivors Society on the University's Sexual Violence Policy.

We attended a meeting with Lancashire Police to discuss the Spike Aware Campaign which we are now collaborating on going forwards. We also collaborated with Lancashire police on a survey, on the subject of drink spiking and effective messaging. A further survey with a smaller sample size (16 students) delivered recommendations to FM for how to improve campus safety.

The Student Voice team attended Sexual Violence Reporting training by RASA .

### ***Student Engagement and Campaigning – Real Cost of Studying***

At the start of the 21/22 academic year, we informed the University we would be looking into Hidden Costs at Edge Hill. Following subsequent research and feedback from University teams, we altered that stance from hidden costs to real costs: that is, making it more transparent at a course level additional course costs incurred outside of course fees.

We were asked by Edge Hill University's Student Experience Sub-Committee (SESC) to present an update on our Real Costs (formerly Hidden Costs) campaign work.

### **Communications Team**

Between September 2021 and June 2022, **66,000 users visited the EHSU website**. Of those visitors, 23,000 came through organic search, 8700 came through referral, and 7700 through organic social media marketing.

The most popular pages on the EHSU Website during that time (excluding the home page and log-in page) were the societies page, the E Shop, and the Welcome Week page.

Between September 2021 and June 2022, our Facebook reach was over 62,000 users and our Instagram reach was over 38,000 users. During that period, we also became one of the most followed TikTok channels out of all North-West England Unions and continue to grow our video provision in that area.

Our Communications Team has also collaborated with Edge Hill University's Recruitment team to integrate Union account activation into the enrolment process. When a student enrolls, they are now automatically prompted to activate their account and join a society.

**Trustees' Report (continued)**  
**For the Year Ended 31 July 2022**

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### **Advice Team**

Our Advice Centre has been involved in further consultations with University departments regarding significant changes to the Exceptional Mitigating Circumstances (EMC) procedure and the University's Sexual Misconduct Policy.

Due to the pressing nature of the latter, the Advice Centre has amended its casework software to include Sexual Misconduct as its own matter type, allowing the Centre to monitor overall numbers in addition to capturing more granular information including, for example, whether we are advising victims of sexual misconduct or alleged perpetrators. Current University sexual misconduct policies do not advise victims that Students' Union Advice is an option, whereas all alleged perpetrators are referred to the Advice Centre via the disciplinary procedure. As part of its participation in the above consultations, the Advice Centre will be asserting that it can offer valuable, independent assistance to victims in terms of presenting a case against a perpetrator.

### **Commercial Team**

The commercial team experienced an incredibly positive year of growth and innovation, particularly around improving already robust safety procedures.

Highlights included:

- 26,000 student staff hours paid and logged across our commercial outlets.
- 4248 shift worked by student staff across our commercial outlets.
- 51% of hours worked were by women.
- 55% of pay received by all team members was received by women.

SU Bar and Venue once again retained its Best Bar None Award status for 2022/23, with an overall score of 92%.

We have also continued our commitment to sustainable and ethical supplies through our membership of NUS Purchasing Consortium. This means all our suppliers and products are vetted to ensure they meet the requirements set out by NUS.

### **SU Bar & Venue, Stone Willy's Kitchen, Subway**

SU Bar and venue enjoyed one of its most successful years to date. There were over **27,000 visits to SU Bar and Venue events** over the course of the year, with the most popular event being the Varsity Afterparty, which achieved an attendance over 1089 students.

280,000 drinks were sold in SU Bar & Venue this year, with over **14,000 orders** placed in Stone Willy's Kitchen.

Overall, **54,000 subs** were sold in our campus Subway.

We recruited three Alcohol Impact Team Members in January with new staff undergoing training set for completion by the launch the Spike Aware campaign.

As part of our wider move to utilise digital services to improve our accessibility and level of student engagement, a new Electronic Point of Sale system was installed over the course of 2021/22, allowing for integrated technology supplied by Just Eat, Mobile Order, and a range of pay channels.

To further improve student experience, we have also invested in new mobile phone signal boosters across the SU Bar. We have also installed new TVs and media systems, and cashless pool tables.

New vegan menu items have been added to further strengthen the Stone Willy's Kitchen menu, which enjoyed its most popular year to date in 2021/22.

**Trustees' Report (continued)**  
**For the Year Ended 31 July 2022**

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### **Future Plans**

In addition to running its core services (Advice, Representation, Societies, and Commercial Services), we are entering an exciting period of change and development as a Students' Union.

#### **Our new Strategic Plan**

We will be publishing our new Strategic Plan in term 1 of 2022.

The Plan has been developed from intelligence and consultations taken from our May Strategy Fortnight sessions, in addition to data gathering from primary and secondary research that took place over Summer 2022.

#### **Teaching Excellence Framework (TEF) Student Submission**

We have begun to cement our reputation as an organisation led by insight, consultation, and data. As such, we will use our expertise to feed into the University's TEF Student Submission. As per the values set out in our strategic plan, our submission will be collaborative, informed by data, and confident in setting out the authentic views of the student body.

#### **New Students' Union Building**

We hope that 2022/23 will bring clarity regarding the future development of a Students' Union building on Edge Hill University's Ormskirk campus. The new building will centralise our engagement with students and provide new opportunities for expanding our impact and reach.

### **Financial Review**

EHSU's gross income from all sources this year was £1,978,016. Total expenditure of £1,755,705 spent on the wide-ranging student benefits we provided, as well as the modest fundraising and other revenue-generating activities we undertook, created a surplus for the year of £222,311.

EHSU has continued to benefit from the recognition and support of the University this year with an annual block grant received of £526,201 (2021: £436,510).

The operating budgets for 2021/22 were compiled by each department Manager in consultation with the Commercial Services Manager, the Head of Student Voice, the Finance Manager and the Chief Executive.

The key points considered in the budgets were:

- 2021/22 was used as the first solid financial year post Covid, and in focusing on maintaining another strong and stable year, this formed the basis of much of our budget
- Uplift to 21/22 Block Grant of 3% (approx. £14k) was confirmed by the University due to a reforecast of their income from £127m to £130.798m
- Any potential future impact of a new SU building was accounted for in the sensitivity report
- 3.5% increase in 22/23 Block Grant (approx £16.4k) due to forecast University income of £135.393m
- Excludes 10% contribution to EH Sport as this is deducted at source
- Presumed increase to Rent at current RPI of 9% (RPI May22)
- Cost of Living increases budgeted for at 7.8% (CPIH Apr22)
- Student Voice team has its largest team to date in order to continue facilitating faculty based support
- Focus continues on Staff Training/Development, Recognition and Wellbeing
- £32.8k block grant deficit to be met by Commercial on top of the £138.8k already covered for 50% of support staff costs
- SU Shop remains online with additional "pop-up" stalls every week

**Trustees' Report (continued)**  
**For the Year Ended 31 July 2022**

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**Term One**

We commenced 2021/22 with a forecast surplus of £74k and an optimistic outlook that the previous impact of Covid restrictions had now passed and that we could return to some semblance of normality. The University reported minimal restrictions and an almost full campus, allowing us to reopen Commercial and Student Voice services fully for the first time in 2021. Term one began with investment in new mobile IT equipment for an expanded Student Voice team. There was a slow start for Subway, with Stone Willy's Kitchen appearing to take favour with students with an increased student targeted offering this year. The Coronavirus Job Retention Scheme closed at the end of September. Final YTD CJRS grants for 2021/22 were £6.7k. October saw the majority of our Welcome Week events take place and all commercial departments had exceeded YTD budget by the end of the month. November continued to go from strength to strength. Rent and Block Grants were confirmed by the University, alongside an uplift to the 2020/21 Block Grant following a strong income performance by the University which in turn increased our funding. Term one closed mid-December allowing for a final two weeks of trading before Christmas. We began to see the increased favouritism of Stone Willy's Kitchen over Subway emerge even more and from an overall commercial turnover perspective we ended £82k ahead of budget. Further investments took place in new staff members and equipment and bottom line result for the first term was £76k ahead of budget.

**Term Two**

Subway and Retail had a slow start in term two and throughout, as opposed to the rest of commercial, and further equipment investment saw us make only a small surplus in January though February and March's results were much stronger, mainly due to the success of SU Bar & Events and Stone Willy's Kitchen.

By the close of March YTD, total commercial turnover was up on original budget by £99k, with combined net surplus also up by £69.7k. With the strong commercial results in mind, we began to reforecast for the final term at the same time as commencing the 2022/23 budget process. The original year end forecast surplus of £73.4k saw a fairly prudent increase to a surplus of £91.2k.

**Term Three**

April and May gave disappointing results against the reforecast. A last minute cancellation of the Graduation Ball due to poor ticket sales resulted in our poorest month results in May, with commercial ending in a monthly deficit for the first time in 2021/22. Lessons were learnt and changes have already been put in place for future graduation events so that this is not repeated. In June we were able to reduce the commercial forecast deficit by £15k, which allowed the combined bottom line to break even in the month. Thankfully July saw a positive variance to budget of £60.3k. A good portion of this related to an accrual for additional Block Grant income following increased performance by the University as again for the final month in term three, commercial failed to hit the reforecast targets regarding turnover. Certainly something to reflect on when creating future reforecasts.

At year end we closed £148k up on original budget and £131k up on the reforecast budget.

**Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**Trustees' Report (continued)**  
**For the Year Ended 31 July 2022**

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### **Reserves level**

A robust reserves policy explains to stakeholders, such as students and the University, why the Union is holding a particular amount of reserves. It gives confidence that the Union's finances are being properly managed, and provides an indicator of future income requirements and overall sustainability.

Developing a reserves policy assists in:

- strategic planning, by considering how new projects/activities will be funded
- informing the budget process, by considering whether reserves need to be drawn down or built up
- informing the risk register, by identifying uncertainty in future income streams

The Union's aim, in line with Charity Commission CC19 guidance, is to maintain a policy on reserves which establishes a level of reserves that is right for our charity, is used to manage uncertainty, and if reserves are to be held to fund future purchases/activities, explains how and when reserves will be spent.

A risk-based target reserves level is set through the reserves policy to ensure the Union is able to continue with its objectives, and this is the level which 'general funds' should not fall below. If there is a shortfall then Trustees need to be aware of why this has happened, whether it is short or long term and what actions will be taken to bring the reserves back into line with target.

Where there are general funds available in excess of the target reserves level, and where there is a strategic rationale, these funds can be ring-fenced for a particular purpose by Trustees to be spent over the next few years. These funds then become referred to as 'designated funds'. Funds may be moved between purposes or new ones created, but the overall amount the Trustees have designated will not increase throughout the year. The overall amount can decrease if the Trustees feel it is appropriate to release funds back into unrestricted reserves should they feel it is no longer necessary to have them designated, for example if there were a shortfall in the target reserves level.

When calculating the amount of reserves to be held, the Trustees must consider the amount of unrestricted funds that are readily available. This is because spending some of these funds may adversely impact on the Union's ability to deliver its aims. Items that the Trustees should exclude from reserves are:

- Tangible fixed assets (used to carry out the Union's activities, such as commercial equipment)
- Intangible fixed assets and investments (held solely to further the Union's purpose, such as the Subway franchise and the trading subsidiary)
- Designated funds (set aside to meet future essential spending, such as depreciation of future assets, a commitment to staff wellbeing, expanding the student engagement service we offer)

The Union receives grant income from the University to spend on its charitable aims – the objects for which it is registered as a charity with the Charity Commission. The Union also receives income from trading activities carried out specifically to fulfil its charitable objectives. This is known as 'primary purpose' trading. The Union's exemption from paying corporation tax on this income is based on the proviso that this income is applied to its charitable purposes. It is therefore a presumption that Union income will be spent rather than retained. This places a requirement on Trustees to use the funds the Union receives or have good reasons for keeping funds back and not spending them. This is where a reserves policy and continual review of where the Union's reserves are in comparison to its target reserves level is crucial.

We continue with our risk-based approach to reserves. We analysed the main financial risks to the organisation, which were deemed to be loss of block grant and loss of trading ('primary purpose') income. We scored each risk and identified the requirements to keep the risks to a minimum level. We determined that the main risk presented (in terms of risk assessment and requirement) is loss of trading income through a major incident, affecting Term 1 in particular. On this basis and with the intention of future sustainability and continued activities, the Union will continue to hold general reserves of £125k, in order to allow the Union time to take up opportunities to diversify income streams, buffer the cash flow requirements of essential expenditure and employee retention, and maintain sustainability.

**Trustees' Report (continued)**  
**For the Year Ended 31 July 2022**

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The last review of our level of reserves considered the effects on block grant, commercial contribution, breach of PCI DSS and HMRC retraction of catering VAT exemption on historical bar food income. There was increased uncertainty around the level of block grant we would receive and whether we would receive a block grant at all in 2020/21, as the University were, understandably, going through the same process as ourselves with regard to reforecasting. Loss of commercial income became a certainty but we were confident that our balance sheet and the measures we were putting into place in terms of minimal expenditure, would support us. The next policy/levels review will be at the November 2022 Board of Trustees meeting.

Both the block grant and commercial income were the focal point in our sensitivity analysis, where we analysed potential changes to income and expenditure to assess what the financial impact could be and whether we could continue with our strategic aims.

When considering sustainability we also looked at solvency and liquidity ratios, in order to determine our ability to meet our debt obligations. Acceptable solvency ratios vary from industry to industry, but as a general rule of thumb, a solvency ratio of greater than 20% is considered financially healthy. Our YTD results produced a primary solvency ratio of 305% which was positive news with regards to our long-term financial health.

Looking at short-term financial health we reviewed our liquidity ratio, using the working capital ratio of using cash/cash equivalents, marketable securities and accounts receivables to cover liabilities with a maturity rate of one year or less. Again a general rule of thumb was applied, with a liquidity ratio under 1 indicating that a company's short-term debts are greater than its assets. Our YTD results produced a liquidity ratio of 11.9 meaning that for every £1 of current debt we had, we also had £11.90 available to pay for the debt. What was also positive news was that 94% of our current assets at this stage were either already cash, or were accounts receivables, which could be collected more quickly than stock, confirming we were in a strong liquid and solvent position.

Free reserves at 31 July 2022 moved to:

• Unrestricted funds:	£749,969
• Less Designated reserves:	(£369,055)
• Less Investments (Franchise/Trading Co)	(£100)
• Less Tangible Fixed Assets	(£11,882)
• Less Reserves Target	(£125,000)
• Free Reserves	£243,932

The Union's free reserves show sufficient funds to cover the agreed reserves target of £125k as defined within the reserves policy. This also confirms that there are sufficient funds as required to maintain the financial stability of the Students' Union moving forward. The excess of free reserves will be reviewed to determine whether short or long term, and if long term, a recommendation will be put forward to Trustees to designate additional funds against future spend (2022/23 onwards) in line with strategic objectives.

The reserves policy will be reviewed annually during the budget process, or sooner if deemed appropriate, in accordance with Charity Commission (CC19) guidance. The Union is committed to ensuring that the organisation is run in a financially sustainable way.

Proactively managing the reserves target will be a valued contribution to achieving the delivery of the Union's objectives and benefits for its students, therefore the target will be reviewed on a monthly basis as part of the management accounts process.

Designated funds will be administered where appropriate to comply with accounting standards and to give the clearest information to stakeholders.

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

**Sarah Ellis**  
Trustee  
Date:

**Statement of Trustees' responsibilities**  
**For the Year Ended 31 July 2022**

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

Company law requires the Trustees to prepare financial statements for each financial year. 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 charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

**Sarah Ellis**  
Trustee  
Date:

**Independent Auditors' Report to the Members of Edge Hill Students' Union Limited**

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**Opinion**

We have audited the financial statements of Edge Hill Students' Union Limited (the 'charitable company') for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 July 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Independent Auditors' Report to the Members of Edge Hill Students' Union Limited (continued)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, 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 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.

**Independent Auditors' Report to the Members of Edge Hill Students' Union Limited (continued)**

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**Auditors' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the financial reporting legislation, Companies Act 2006, Charities Act 2011, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charitable company's legal advisors.

**Independent Auditors' Report to the Members of Edge Hill Students' Union Limited (continued)**

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Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Simon Hawkins (Senior Statutory Auditor)**

for and on behalf of

**Dains Audit Limited**

Statutory Auditor  
Chartered Accountants

Suite 2, Albion House  
2 Etruria Office Village  
Forge Lane  
Stoke on Trent  
Staffordshire  
ST1 5RQ

Date:

**Statement of financial activities (incorporating income and expenditure account)**  
**For the Year Ended 31 July 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	4	532,955	238,779	771,734	942,525
Charitable activities	5	1,198,854	-	1,198,854	237,802
Other trading activities	6	5,420	-	5,420	270
Investments	7	2,008	-	2,008	355
<b>Total income</b>		<b>1,739,237</b>	<b>238,779</b>	<b>1,978,016</b>	<b>1,180,952</b>
<b>Expenditure on:</b>					
Raising funds	8	10,887	-	10,887	5,949
Charitable activities	9	1,506,039	238,779	1,744,818	1,183,615
<b>Total expenditure</b>		<b>1,516,926</b>	<b>238,779</b>	<b>1,755,705</b>	<b>1,189,564</b>
<b>Net movement in funds</b>		<b>222,311</b>	<b>-</b>	<b>222,311</b>	<b>(8,612)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		527,658	-	527,658	536,270
Net movement in funds		222,311	-	222,311	(8,612)
<b>Total funds carried forward</b>		<b>749,969</b>	<b>-</b>	<b>749,969</b>	<b>527,658</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 47 form part of these financial statements.

**Edge Hill Students' Union Limited**  
**(A Company Limited by Guarantee)**

**Registered Number: 07329036**

**Balance Sheet**  
**As at 31 July 2022**

	<b>Note</b>	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Fixed assets</b>			
Intangible assets	14	-	-
Tangible assets	15	<b>11,882</b>	3,463
Investments	16	<b>100</b>	100
		<u><b>11,982</b></u>	<u>3,563</u>
<b>Current assets</b>			
Stocks	17	<b>47,229</b>	36,856
Debtors	18	<b>60,495</b>	92,349
Cash at bank and in hand		<b>727,279</b>	471,285
		<u><b>835,003</b></u>	<u>600,490</u>
Creditors: amounts falling due within one year	19	<b>(97,016)</b>	(76,395)
		<u><b>737,987</b></u>	<u>524,095</u>
<b>Net current assets</b>		<u><b>737,987</b></u>	<u>524,095</u>
<b>Total net assets</b>		<u><u><b>749,969</b></u></u>	<u><u>527,658</u></u>
<b>Charity funds</b>			
Restricted funds	21	-	-
Unrestricted funds	21	<b>749,969</b>	527,658
		<u><b>749,969</b></u>	<u>527,658</u>
<b>Total funds</b>		<u><u><b>749,969</b></u></u>	<u><u>527,658</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

**Sarah Ellis**  
Trustee  
Date:

The notes on pages 24 to 47 form part of these financial statements.

**Statement of Cash Flows**  
**For the Year Ended 31 July 2022**

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	271,403	1,446
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	2,008	355
Purchase of tangible fixed assets	(17,417)	-
<b>Net cash (used in)/provided by investing activities</b>	<b>(15,409)</b>	<b>355</b>
<b>Cash flows from financing activities</b>		
<b>Change in cash and cash equivalents in the year</b>	<b>255,994</b>	<b>1,801</b>
Cash and cash equivalents at the beginning of the year	471,285	469,484
<b>Cash and cash equivalents at the end of the year</b>	<b>727,279</b>	<b>471,285</b>

The notes on pages 24 to 47 form part of these financial statements

**Notes to the Financial Statements**  
**For the Year Ended 31 July 2022**

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**1. General information**

The registered office is Edge Hill Students' Union, The Hub, St Helen's Road, Ormskirk, Lancashire, L39 4QP. The entity is a private company limited by guarantee, incorporated and registered in England and Wales.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Edge Hill Students' Union Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

The accounts have been prepared on the assumption that the charitable company is able to carry on as a going concern which the directors and trustees consider appropriate. The charitable company has had confirmation from Edge Hill University that grant funding will remain in place for the foreseeable future.

**2.3 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

**2. Accounting policies (continued)**

**2.4 Expenditure (continued)**

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

**2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.7 Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.8 Intangible assets and amortisation**

Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Trademarks - 20 % straight line

Notes to the Financial Statements  
For the Year Ended 31 July 2022

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2. Accounting policies (continued)

2.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Bar & Kitchen equipment	-	33%
Stone Willy's Kitchen Equipment-		33%
Shop equipment	-	33%
Subway shop equipment	-	33%
Subway fixtures and fittings	-	33%
Office equipment	-	33%

2.10 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.11 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## **2. Accounting policies (continued)**

### **2.14 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

### **2.15 Financial instruments**

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

### **2.16 Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

### **2.17 Pensions**

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

### **2.18 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity 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. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**3. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

**Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 15 for the carrying amount of the property, plant and equipment and note 2.9 for the useful economic lives for each class of assets.

**Clubs & Societies**

The income and expenditure of EHSU Clubs & Societies has not been included in these financial statements, as they are not within the control of the charitable company. The charitable company holds funds as a custodian on behalf of the Clubs & Societies. Grants issued to clubs & societies by EHSU amounted to £4,536 (2021: £nil) in the year ended 31 July 2022. Of this they spent £4,536 (2021: £nil) and returned £nil (2021: £nil).

Amounts held by the Union on behalf of Clubs & Societies as at 31 July 2022 was £16,787 (2021: £12,212)

**Notes to the Financial Statements**  
**For the Year Ended 31 July 2022**

**4. Income from donations and legacies**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Edge Hill University - Core Grant	526,201	-	<b>526,201</b>
Service charge	-	73,986	<b>73,986</b>
Rental grant	-	164,793	<b>164,793</b>
Government grants	6,754	-	<b>6,754</b>
	<u>532,955</u>	<u>238,779</u>	<u><b>771,734</b></u>

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Edge Hill University - Core Grant	436,510	-	436,510
Service charge	-	75,440	75,440
Rental grant	-	146,530	146,530
Coronavirus Job Retention Scheme	284,045	-	284,045
	<u>720,555</u>	<u>221,970</u>	<u>942,525</u>

EHSU furloughed certain staff under the government's Coronavirus Job Retention Scheme (CJRS). Total funding above of £6,754 (2021: £284,045) was received and relates to claims made in respect of the year. The trustees believe that this income should be reflected within the unrestricted funds.

**5. Income from charitable activities**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Commercial income	1,198,854	<b>1,198,854</b>
	<u>1,198,854</u>	<u><b>1,198,854</b></u>

Notes to the Financial Statements  
For the Year Ended 31 July 2022

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5. Income from charitable activities (continued)

	Unrestricted funds 2021 £	Total funds 2021 £
Commercial income	237,802	237,802

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £
Advertising	5,420	5,420

	Unrestricted funds 2021 £	Total funds 2021 £
Advertising	270	270

**Notes to the Financial Statements**  
**For the Year Ended 31 July 2022**

**7. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Bank interest received	2,008	<b>2,008</b>

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Bank interest received	355	355

**8. Expenditure on raising funds**

**Fundraising trading expenses**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Fundraising trading expenses - wages and salaries	4,554	<b>4,554</b>
Fundraising trading expenses - NI	482	<b>482</b>
Fundraising trading expenses - pension costs	112	<b>112</b>
Allocated centrally incurred fundraising and governance costs	5,739	<b>5,739</b>
	<u>10,887</u>	<u><b>10,887</b></u>

Notes to the Financial Statements  
For the Year Ended 31 July 2022

8. Expenditure on raising funds (continued)

Fundraising trading expenses (continued)

	Unrestricted funds 2021 £	Total funds 2021 £
Fundraising trading expenses - wages and salaries	2,174	2,174
Fundraising trading expenses - NI	224	224
Fundraising trading expenses - pension costs	54	54
Allocated centrally incurred fundraising and governance costs	3,497	3,497
	5,949	5,949
	5,949	5,949

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Commercial activities	1,062,210	238,779	1,300,989
Student Voice	443,829	-	443,829
	1,506,039	238,779	1,744,818
	1,506,039	238,779	1,744,818

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Commercial activities	620,574	194,769	815,343
Student Voice	341,071	27,201	368,272
	961,645	221,970	1,183,615
	961,645	221,970	1,183,615

Notes to the Financial Statements  
For the Year Ended 31 July 2022

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Commercial activities	879,318	421,671	1,300,989
Student Voice	221,947	221,882	443,829
	<u>1,101,265</u>	<u>643,553</u>	<u>1,744,818</u>
	<u><u>1,101,265</u></u>	<u><u>643,553</u></u>	<u><u>1,744,818</u></u>
	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Commercial activities	446,480	368,863	815,343
Student Voice	195,423	172,849	368,272
	<u>641,903</u>	<u>541,712</u>	<u>1,183,615</u>
	<u><u>641,903</u></u>	<u><u>541,712</u></u>	<u><u>1,183,615</u></u>

**Notes to the Financial Statements**  
**For the Year Ended 31 July 2022**

**10. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Staff costs	<b>255,302</b>	225,225
Depreciation	<b>3,135</b>	5,250
Rent	<b>221,343</b>	221,970
Staff development	<b>6,674</b>	1,179
Recruitment costs	<b>274</b>	4,384
Staff recognition	<b>1,820</b>	1,500
Office costs	<b>3,482</b>	1,745
Professional fees	<b>17,359</b>	5,093
Finance charges	<b>26,879</b>	650
Subscriptions & affiliations	<b>53,674</b>	21,653
Sundry expenses	-	16
Advertising and marketing	<b>2,524</b>	-
Governance costs	<b>7,250</b>	7,250
Irrecoverable VAT	<b>17,469</b>	16,015
Insurance	<b>11,786</b>	12,410
Designated reserves - Capital expenditure	<b>11,270</b>	4,318
Designated reserves - Staffing	-	7,116
Designated reserves - Staff wellbeing	<b>3,312</b>	5,938
	<b>643,553</b>	541,712

**11. Auditors' remuneration**

	<b>2022 £</b>	<b>2021 £</b>
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<b>7,250</b>	7,100

Notes to the Financial Statements  
For the Year Ended 31 July 2022

12. Staff costs

	2022 £	2021 £
Wages and salaries	758,258	663,484
Social security costs	51,389	49,475
Contribution to defined contribution pension schemes	8,889	9,162
	<u>818,536</u>	<u>722,121</u>

The average number of persons employed by the charity during the year was as follows:

	2022 No.	2021 No.
Charitable activities	13	8
Trading	58	34
Support	5	7
	<u>76</u>	<u>49</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £60,001 - £70,000	1	1

The total amount of employee benefits received by key management personnel (consisting of salary, employers pension contributions and employer national insurance contributions) is £78,611 (2021: £75,388).

Notes to the Financial Statements  
For the Year Ended 31 July 2022

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**13. Trustees' remuneration and expenses**

During the year, one or more Trustees has been paid remuneration or has received other benefits from an employment with the charity. Trustee remuneration and other benefits was as follows:

		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
Kathryn Murphy	Remuneration	<b>852</b>	1,539
	Other benefits	<b>13</b>	-
Rhiannon Muise	Remuneration	<b>15,777</b>	1,539
	Other benefits	<b>143</b>	-
Georgia Whalley-Smith	Remuneration	<b>5,610</b>	1,211
	Other benefits	<b>52</b>	-
Ben Broadhurst	Remuneration	<b>1,539</b>	-
	Other benefits	<b>13</b>	-
Jack Richardson	Remuneration	<b>1,539</b>	-
	Other benefits	<b>117</b>	-
Molly Smallwood	Remuneration	-	10,539
	Pension contributions paid	-	204
Ellie Pither	Remuneration	-	16,692
	Pension contributions paid	-	63
Callum Chambers	Remuneration	-	16,155
	Pension contributions paid	-	258

During the year ended 31 July 2022, expenses totalling £686 were reimbursed or paid directly to 4 Trustees (2021 - £340 to 3 Trustees).

Notes to the Financial Statements  
For the Year Ended 31 July 2022

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14. Intangible assets

	Trademarks £
<b>Cost</b>	
At 1 August 2021	4,400
At 31 July 2022	<u>4,400</u>
<b>Amortisation</b>	
At 1 August 2021	4,400
At 31 July 2022	<u>4,400</u>
<b>Net book value</b>	
At 31 July 2022	<u><u>-</u></u>
At 31 July 2021	<u><u>-</u></u>

**Edge Hill Students' Union Limited**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 July 2022**

**15. Tangible fixed assets**

	Bar & Kitchen Equip £	Stone Willy's Kitchen equip £	Shop equipment £	Subway & Shop Equip £	Subway F&F £	Office Equipment £	Total £
<b>Cost or valuation</b>							
At 1 August 2021	27,570	8,000	11,050	45,977	101,667	16,645	210,909
Additions	17,417	-	-	-	-	-	17,417
At 31 July 2022	<u>44,987</u>	<u>8,000</u>	<u>11,050</u>	<u>45,977</u>	<u>101,667</u>	<u>16,645</u>	<u>228,326</u>
<b>Depreciation</b>							
At 1 August 2021	27,267	5,167	11,050	45,977	101,667	16,318	207,446
Charge for the year	6,165	2,833	-	-	-	-	8,998
At 31 July 2022	<u>33,432</u>	<u>8,000</u>	<u>11,050</u>	<u>45,977</u>	<u>101,667</u>	<u>16,318</u>	<u>216,444</u>
<b>Net book value</b>							
At 31 July 2022	<u>11,555</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>327</u>	<u>11,882</u>
At 31 July 2021	<u>303</u>	<u>2,833</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>327</u>	<u>3,463</u>

Notes to the Financial Statements  
For the Year Ended 31 July 2022

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16. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 August 2021	100
At 31 July 2022	<u>100</u>
<b>Net book value</b>	
At 31 July 2022	<u>100</u>
At 31 July 2021	<u>100</u>

**Principal subsidiaries**

The following was a subsidiary undertaking of the charity:

<b>Name</b>	<b>Company number</b>	<b>Class of shares</b>	<b>Holding</b>
Edge Hill Student's Union Trading Limited	08613438	Ordinary	100%

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Net assets £</b>
Edge Hill Student's Union Trading Limited	100

Edge Hill Students' Union Bar Limited was incorporated on 17 July 2013 and commenced trading on 19 September 2013 and is a wholly owned subsidiary of the Union.

On 22 May 2014 the company's name changed to Edge Hill Students' Union Trading Limited.

The subsidiary company number is 08613438 and registered address is The Hub, St Helens Road, Ormskirk, Lancashire, L39 4QP.

The company has been dormant during the whole of the reporting period.

**Notes to the Financial Statements**  
**For the Year Ended 31 July 2022**

**17. Stocks**

	<b>2022</b>	<b>2021</b>
	£	£
Bar stock	<b>15,273</b>	11,256
Shop stock	<b>24,298</b>	24,533
Subway stock	<b>4,797</b>	847
Stone Willy's Kitchen stock	<b>2,861</b>	220
	<u><b>47,229</b></u>	<u>36,856</u>

**18. Debtors**

	<b>2022</b>	<b>2021</b>
	£	£
<b>Due within one year</b>		
Trade debtors	<b>12,579</b>	7,696
Other debtors	<b>42,674</b>	71,773
Prepayments and accrued income	<b>5,242</b>	12,880
	<u><b>60,495</b></u>	<u>92,349</u>

**19. Creditors: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	£	£
Trade creditors	<b>70,013</b>	46,332
Amounts owed to group undertakings	<b>128</b>	130
Other taxation and social security	<b>12,118</b>	18,995
Other creditors	<b>2,907</b>	2,080
Accruals and deferred income	<b>11,850</b>	8,858
	<u><b>97,016</b></u>	<u>76,395</u>

Notes to the Financial Statements  
For the Year Ended 31 July 2022

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20. Financial instruments

	2022 £	2021 £
<b>Financial assets</b>		
Financial assets measured at amortised costs	<u>55,253</u>	<u>79,469</u>
	2022 £	2021 £
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>84,898</u>	<u>57,398</u>

Financial assets measured at amortised cost include trade and other debtors.

Financial liabilities measured at amortised cost include trade creditors, accruals, other creditors and amounts due to group companies.

Notes to the Financial Statements  
For the Year Ended 31 July 2022

21. Statement of funds

Statement of funds - current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2022 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Capital	10,801	-	(11,270)	26,199	25,730
Staff	27,984	-	-	(27,984)	-
Wellbeing	3,900	-	(3,312)	18,600	19,188
Students' Union Building Fit Out	-	-	-	215,000	215,000
Equipment	-	-	(5,863)	30,000	24,137
Subway remodel	-	-	-	85,000	85,000
	<u>42,685</u>	<u>-</u>	<u>(20,445)</u>	<u>346,815</u>	<u>369,055</u>
<b>General funds</b>					
Charity	484,973	1,739,237	(1,496,481)	(346,815)	380,914
	<u>527,658</u>	<u>1,739,237</u>	<u>(1,516,926)</u>	<u>-</u>	<u>749,969</u>
<b>Restricted funds</b>					
Rent grant - Union	-	238,779	(238,779)	-	-
	<u>-</u>	<u>238,779</u>	<u>(238,779)</u>	<u>-</u>	<u>-</u>
<b>Total of funds</b>	<u>527,658</u>	<u>1,978,016</u>	<u>(1,755,705)</u>	<u>-</u>	<u>749,969</u>

Notes to the Financial Statements  
For the Year Ended 31 July 2022

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2021 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Capital	9,119	-	(4,318)	6,000	10,801
Staff	11,500	-	(7,116)	23,600	27,984
Wellbeing	3,770	-	(5,938)	6,068	3,900
	<u>24,389</u>	<u>-</u>	<u>(17,372)</u>	<u>35,668</u>	<u>42,685</u>
<b>General funds</b>					
Charity	511,881	958,982	(950,222)	(35,668)	484,973
	<u>536,270</u>	<u>958,982</u>	<u>(967,594)</u>	<u>-</u>	<u>527,658</u>
<b>Total Unrestricted funds</b>					
	<u>536,270</u>	<u>958,982</u>	<u>(967,594)</u>	<u>-</u>	<u>527,658</u>
<b>Restricted funds</b>					
Rent grant - Union	-	221,970	(221,970)	-	-
	<u>-</u>	<u>221,970</u>	<u>(221,970)</u>	<u>-</u>	<u>-</u>
<b>Total of funds</b>	<u>536,270</u>	<u>1,180,952</u>	<u>(1,189,564)</u>	<u>-</u>	<u>527,658</u>

Notes to the Financial Statements  
For the Year Ended 31 July 2022

21. Statement of funds (continued)

**Designated funds**

During the July 2021 approved review of the Reserves Policy, Trustees ringfenced a further £168.9k from unrestricted reserves, giving an opening designated funds balance of £174.5k. Our reserves policy detailed how this would be spent over the next five years on equipment, capital depreciation, Subway remodel depreciation and staff wellbeing. The spend on equipment and staff wellbeing finishes in 2023/24 so during the May 2024 reserves policy review we will consider whether to ask Trustees to add to the designated funds in those areas for 2024/25 and 2025/26 or whether this expenditure gets built straight into the P&L's, as normal expenditure going forward.

Secondly, with discussions having commenced with the University around a new SU building, which the Union would pay to fit out, we decided to start building up reserves for this purpose also. Although initially the project was not due to start until 2025/26 at the earliest, the project has been brought forward with spend having already started on relocating Subway from the current commercial building into The Hub in August 2022. The designated fund allocation was originally £185k at 31st July 2022, then £100k per year over the next four years, with designations being split between depreciation and equipment spend. This would be reviewed annually during the budget process to ensure we are forecasting enough surplus to meet the annual designation targets.

As well as the opening designated reserves funds of £174.5k on 1 August 2021 and due to the forecast year end results, Trustees approved ring fencing additional unrestricted funds of £215k in relation to the new SU building "fit out" costs.

At the close of 2021/22, there was a balance of £154,055 to be carried over to 2022/23 in general designated reserves, and on 1 August 2022 an additional £70k was ringfenced in relation to the new SU building "fit out" costs, bringing the total designated on the new building up to £285k, something we hadn't expected to get to until 31 July 2023.

**Rent grants**

The Union receives funding from the University to pay for the space occupied in the University's buildings.

22. Analysis of net assets between funds

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	11,882	<b>11,882</b>
Fixed asset investments	100	<b>100</b>
Current assets	835,003	<b>835,003</b>
Creditors due within one year	(97,016)	<b>(97,016)</b>
<b>Total</b>	<b>749,969</b>	<b>749,969</b>

Notes to the Financial Statements  
For the Year Ended 31 July 2022

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	3,463	3,463
Fixed asset investments	100	100
Current assets	600,490	600,490
Creditors due within one year	(76,395)	(76,395)
<b>Total</b>	<b>527,658</b>	<b>527,658</b>

23. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	<b>222,311</b>	(8,612)
<b>Adjustments for:</b>		
Depreciation charges	<b>8,998</b>	22,218
Amortisation charges	-	1,393
Dividends, interests and rents from investments	<b>(2,008)</b>	(355)
Decrease/(increase) in stocks	<b>(10,373)</b>	7,166
Decrease/(increase) in debtors	<b>31,854</b>	62,188
Increase/(decrease) in creditors	<b>20,621</b>	(82,552)
<b>Net cash provided by operating activities</b>	<b>271,403</b>	1,446

24. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	<b>727,279</b>	471,285
<b>Total cash and cash equivalents</b>	<b>727,279</b>	471,285

**Notes to the Financial Statements**  
**For the Year Ended 31 July 2022**

**25. Analysis of changes in net debt**

	At 1 August 2021	Cash flows	At 31 July 2022
	£	£	£
Cash at bank and in hand	471,285	255,994	727,279
	<u>471,285</u>	<u>255,994</u>	<u>727,279</u>

**26. Pension commitments**

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounts of £1,935 (2021 - £1,852) were payable to the fund at the balance sheet date and are included in creditors.

**27. Operating lease commitments**

At 31 July 2022 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	1,762	1,762
Later than 1 year and not later than 5 years	5,286	7,048
	<u>7,048</u>	<u>8,810</u>

**28. Members' liability**

The charitable company has no share capital as it is limited by guarantee.

The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member or within one year after they cease to be a member, for -

- a) payment of the charitable company's debt and liabilities contracted before they cease to be a member,
- b) payment of the costs, charges and expenses of winding up; and
- c) adjustment of the rights on the contributories among themselves.

**Notes to the Financial Statements**  
**For the Year Ended 31 July 2022**

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**29. Related party transactions**

The Union is in receipt of a recurrent grant from Edge Hill University of £526,201 (2021: £436,510). The block grant receivable at the year end was £7,204 (2021: £39,981).

In addition, the Union is in receipt of rental grants of £238,779 (2021: £221,970) for the University space occupied by the Union and its subsidiary, which this year also included service charges of £73,986 (2021: £75,440). The amount of rent grant receivable at the year end was £18,063 (2021: £15,393). The Union paid the University the equivalent amount for rent. Rent owing at the year end was £18,063 (2021: £15,393).

As at 31 July 2022, the amount owed by the Parent company to the Subsidiary company was £128 (2021: £128). The subsidiary was dormant throughout the period.

**30. Post balance sheet events**

After the year end, the charitable company began the renovation of the Subway shop.