

**DE MONTFORT UNIVERSITY STUDENTS' UNION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

Company Registered Number 06634464 (England and Wales)

Charity Registered Number 1138587

DE MONTFORT UNIVERSITY STUDENTS' UNION

TRUSTEES REPORT

FOR THE YEAR ENDED 31 JULY 2023

The Trustees (who are also the directors of the charitable company for the purposes of the Companies Act) present their Trustees report together with the audited financial statements of De Montfort University Students' Union (the charitable company) for the year ended 31 July 2023. The Trustees confirm that the Trustees report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (effective January 2019).

REFERENCE AND ADMINISTRATIVE DETAILS

Charitable Status

De Montfort University Students' Union (DSU) is a company limited by guarantee (company number 06634464) and a registered charity (charity number 1138587).

Principal Address and Registered Office

Campus Centre Building, Mill Lane, Leicester, LE2 7DR

Trustees

The following Trustees are also Directors of the company.

Executive Officers

The Executive Officers are elected by the student population to hold office from 1 July 2022 to 30 June 2023 and are known also as the Executive Committee. The Executive Officers who held office during the year are:

Union Development Executive	Amir Iqbal
Academic Executive	Destiny Mazaiwana (appointed 01/07/2023)
Equality & Diversity Executive	Komal Shahzadi (appointed 01/07/2023)
Student Opportunities & Engagement Executive	Gurupriya Karasala (appointed 01/07/2023, resigned 03/08/23, reappointed 30/08/2023)
Welfare Executive	Adejumoke Adewole (appointed 01/07/2023)
Academic Executive	Nyashadzashe Nguwo (resigned 30/06/23)
Equality & Diversity Executive	Meera Dasani (resigned 24/01/2023, reappointed 28/02/2023, resigned 30/06/23)
Student Opportunities & Engagement Executive	Aashni Sawjani (resigned 30/06/23)
Welfare Executive	Aliya Amin Khan (resigned 24/01/23)

External Trustees

The External Trustees are appointed to the Trustee Board by an Appointments Committee. The External Trustees who held office during the year are:

Geoff Kershaw (Chair)	
Philip Gilks	
Beverley Shears	
Rita Bullivant	(appointed 07/08/2023)
Laura Arends	(resigned 15/02/2023)

DE MONTFORT UNIVERSITY STUDENTS' UNION

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Student Trustees

The Student Trustees who held office during the year are:

Luke Martin	
Mehul Parekh	(resigned 31/08/2023)
Benjamin Smith	(resigned 30/06/2023)
Stephanie Glazebrook	(resigned 18/04/2023)

Auditors

RSM UK Audit LLP
Chartered Accountants
Rivermead House
7 Lewis Court
Grove Park
Leicester
Leicestershire
LE19 1SD

Charity Number 1138587

Company Number 06634464

Bankers

Cooperative Bank
PO Box 101
1 Balloon Street
Manchester
M60 4EP

Governing document

The Students' Union is governed by the Articles of Association. The Students' Union is a company limited by guarantee and does not have any share capital. The guarantors are the members of the Students' Union, being registered students at the De Montfort University ("DMU") as defined in the Articles of Association.

DSU Staff

The Chief Executive Officer works closely with the Executive Officers and as head of the Senior Management Team ensures effective management. The Senior Management Team is made up of the following:

Chief Executive Officer	Sarah Bradley
Head of Membership Services	Amy Horner
Head of Income Generation and Enterprise	Andrew Reynolds
Head of Finance, People and Central Services	Paula Heneghan

DE MONTFORT UNIVERSITY STUDENTS' UNION

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

Key Management and Trustees Pay

Following a review of pay and grading DSU introduced a new pay and grading pay spine for staff employed from 1 August 2020 with staff employed at 1 August 2020 remaining on the University's pay spine. All staff are awarded an annual pay award based on the University's agreed pay award which is nationally negotiated and is usually applied to the scales on the 1 August each year. Dates can vary depending on national and local agreements but this is back dated to as required.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure and Decision Making

DSU became a company limited by guarantee on 1 August 2008 and registered as a charity on 26 October 2010. The governance structure includes the appointment of up to 4 External Trustees and 4 Student Trustees onto the Trustee Board. The experiences and expertise held by these Trustees ensure that DSU can focus on continuity. Appointments to the Trustee Board are made by an Appointment Committee.

Recruitment and training of Trustees

The current Trustee Board consists of ten Trustees and is constituted as follows: -

- 5 Executive Officer Trustees
- 1 Student Trustees
- 4 External Trustees

The five Executive Officer posts are Union Development Executive, Academic Executive, Equality & Diversity Executive, Student Opportunities & Engagement Executive and Welfare Executive.

These are full time posts which make up the Executive Committee and are remunerated as authorised by the Education Act. These posts cannot exceed two years duration for each post holder. On induction, the Executive Committee and student trustees receive Trustee training and have access to ongoing training as required. The Executive Officers are also charitable company Trustees.

The Executive Committee meets monthly to receive reports on campaigning and lobbying work within the University. The Leadership Team meets fortnightly to receive reports including financial information and the Senior Management Team meet monthly to review the management accounts. DSU also employs a number of non-student staff who are accountable to the CEO for the performance of their duties.

The Trustee Board structure also includes four student trustee positions to amplify the voice of students at DSU. This structure ensures accountability of the elected representatives at Board level as well as increasing student participation in DSU. Student trustees receive extensive training through the DSU Membership Services function.

Our External Trustees are appointed for a term of four years and can stand for re-election for another term. Up to 3 external trustees are appointed by the Appointments Committee ratified by the Trustee Board. One External Trustee shall be appointed by DMU Board of Governors.

All Trustees receive a full induction into the work of the Students' Union and the roles and responsibilities of a Trustee.

DSU is affiliated to NUS UK and NUS Charity and receives support, advice and information on a wide range of topics as part of this affiliation.

DE MONTFORT UNIVERSITY STUDENTS' UNION

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Third party indemnity provision for trustees

Qualifying third party indemnity provision is in place for the benefit of the trustees.

Principal risks and uncertainties

Risk management

The major strategic, business and operational risks to which the charitable company is exposed, as identified by the Trustees, are regularly reviewed and systems or procedures are put in place to mitigate those risks. A risk register has been established which is updated and reported to the Trustee Board, covering the following key matters amongst others:

Funding – DSU receives the majority of its income from DMU as well as generating its own income from commercial services. Annual budgets are set and approved by the Trustee Board with management accounts and variances to budget regularly reviewed. DSU is also represented on the DMU Board of Governors to ensure reporting and communication with our main funder and reports to the University's Finance and Performance Committee (F&PC).

Retention of key staff – We use experts to assist with key recruitment decisions. We provide enhanced support and supervision, giving people opportunities to progress. Key staff are involved in long term strategy and annual business planning, aligning resources to activities.

Governance management – We have a corporate governance structure aligned with Charity Commission best practice guidelines which involves strong communication with staff and trustees, review of policies and procedures, regular meetings and information on performance and progress and clear and defined decision-making processes. DSU completed a full governance review in 2023 which endorsed our new structures as best practice.

Financial systems and control – Qualified in-house finance professionals produce accurate and up to date financial reporting with close monitoring of internal controls and a regular review of processes and procedures to ensure they are fit for purpose.

Compliance with laws and regulations – We constantly monitor and review changes as well as adhere to best practice, using specialist support where necessary.

National picture – In recent years, there have been changes in society and Higher Education and Government policy which may lead to significant changes for students. These include the recent war on Ukraine, Brexit impact, the continuing impact felt by the pandemic and changes in the Governments' and Office for Students approaches in regulation of universities. DSU is an active participant in NUS and WonkHE briefings, staying on top of the changes and acting accordingly. Additionally, the strong relationship with the University makes planning for and adapting to changes as streamlined as possible.

DE MONTFORT UNIVERSITY STUDENTS' UNION

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

Public benefit

The Trustees have considered this matter, in conjunction with the guidance contained in the Charity Commission's general guidance on public benefit and have concluded that as a registered charity and Students' Union, our work directly supports and benefits the 27,000+ students registered to study at DMU. In planning our work, we test that the primary goals of all our activities are linked to our core aims and therefore are for the direct benefit of our member students.

OBJECTIVES AND ACTIVITIES

DSU is constituted under the Education Act 1994 as a charity.

The main aims of DSU as set out in its governing documents are:

To advance the education of the students of DMU for the public benefit by:

- Providing representation, advice and assistance to students on matters affecting their welfare and interests as students;
- being the recognised representative channel between Students and DMU and any other external body;
- providing sporting, social, cultural and recreational opportunities and facilities for students so as to further the education purposes of DMU;
- promoting and encouraging contact and co-operation between students;
- advancing the welfare and physical and mental wellbeing of students;
- all such objects as are charitable in law which are incidental or conducive to the foregoing objects.

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission general guidance on public benefit.

Our North Star and new strategic plan

DSU is an independent student-run and student-led organisation. Our North Star is as follows:

"We are a student-led organisation that works for the interests and needs of our student members."

DSU have launched a new three-year strategic plan in 2023. This includes five organisational objectives and the introduction of five organisational behaviours to assist with embedding EDI, emotional intelligence, data and development of our staff into our evolving culture.

The new strategic plan focuses are Visibility, Belonging, Empowerment, Experience and Opportunity and each department in DSU (membership, commercial and central) will seek to fulfil those objectives within their annual plans to meet 3-year KPIs. Annual organisational plans are a full-organisation document which demonstrates progress made annually against the objectives.

Relationship with DMU

For the year ended 31 July 2023, DSU received a Block Grant from DMU of £1,227,811 (2022: £1,221,186).

For the financial year 2023/24 DMU have agreed a Block Grant of £1,350,961.

DSU is extremely grateful for the University's continuing support including the use of the Campus Centre Building and ongoing financial and other support which the University has provided during the year. The stable Block Grant and continued use of campus space ensures DSU can keep supporting its members and deliver the best service to achieve its aims and ambitions for the coming year.

DSU continues to benefit from positive relationships with University staff at all levels. We aspire to make a continued positive contribution to the lives of our members and the campus community in 2023/24.

DE MONTFORT UNIVERSITY STUDENTS' UNION

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

Relationship with DMU (continued)

The Charities SORP has been adopted for due compliance with the requirements for Students' Unions' provided in the Charities Act 2006. As a result, an estimated value to DSU for the free serviced accommodation has been included in the financial statements. This has been valued at £150,000 based on market prices within the Midlands.

FINANCIAL REVIEW

Results

DSU gross income from all sources this year totalled £1,846,693 (2022: £1,937,545). Total expenditure of £1,791,107 (2022: £1,827,814) on the wide-ranging student benefits we provide left a surplus of £55,586 (2022: surplus £109,731). Free reserves totalled £380,348 (2022: £430,106). Designated funds of £120,234 (2022: £134,549) ring fenced by the trustees for facilities development.

At the year end, DSU had total funds deficit of £167,839 (2022: deficit funds of £223,425), of which includes restricted surplus funds of £115,060 (2022: surplus funds of £101,216) and designated surplus funds of £120,234 (2022: surplus funds of £134,549).

Following the adoption of FRS 102, the charitable company has been required to recognise the net present value of future contributions required to eliminate the shortfall estimated with respect to charitable company participation in the Students' Union Superannuation Scheme. This has resulted in a liability being recognised in the balance sheet at 31 July 2023 of £783,481 (2022: £889,296) and this has resulted in a credit to the Statement of Financial Activities in the year of £105,815 (2022: credit £175,844).

Reserves Policy

The Trustee Board have approved a reserves policy and identified three reasons for DSU to hold reserves; -

- To provide financial stability to enable DSU to continue to achieve its objectives during challenging trading periods. This will enable DSU to cover regular short term fluctuations in income and cashflow.
- To allow DSU to take advantage of strategic development opportunities and plan for growth.
- To enable DSU to make provision for our staff redundancies and closure costs on any dissolving of the charitable company.

DSU has identified that a minimum level of unrestricted funds should be set to counter balance trading uncertainty and produce a base level for stability. Additionally, a target level of unrestricted funds will also be set to allow for growth and for DSU to take advantage of strategic development opportunities going forward.

The level of unrestricted funds should be set as three months operating costs, with an additional fund to cover redundancy costs for all staff (general reserve) and a designated fund for investment. Currently three months operating costs is budgeted to be approximately circa £343,000 which is roughly in line with free reserves held.

At the current time the trustees are regularly reviewing this policy and remain of the opinion that adequate reserves exist to meet liabilities as they become due for a period of at least a twelve months from the date of approval of the financial statements.

DE MONTFORT UNIVERSITY STUDENTS' UNION

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

SUSS Pension Scheme

Following the triennial valuation at the 30 June 2019, the net present value of future contributions required to eliminate the shortfall has increased the liability being recognised in the balance sheet at 31 July 2023 to £783,481 (2022: £889,296) and a subsequent deficit on reserves of £167,839 (2022: £223,425). The trustees are confident the current deficit compared to the above reserves policy is wholly as a result of the provision required on adoption of FRS 102, that this deficit will reduce over the coming years and that cash reserves remain adequate.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

We have reviewed the key achievements and progress over the course of the year below:

Marketing and Communications

DSU launched a partnership with Native, a digital platform that enables a better user experience for members when they view DSU events as well as a smoother process for purchasing tickets. This was first rolled out over freshers and continued throughout the year. Native also work with us on advertising and sponsorship revenue.

As visibility is high on the agenda for the Students' Union, our focus on improving the look and feel of the DSU spaces to feel more like a home-from-home continues. The union has improved an area named the Student Hub which is the welcome and first point of call for students coming into the building; this has been given a visual refresh with strong emphasis on brand.

The Marcomms team surveys members annually to provide data to the wider teams on what students expect from their Students' Union. This year the survey has undergone an overhaul. Additionally, the annual Impact Report has been reviewed and will be a stronger, more targeted document of our members and stakeholders to read.

The department organises events and initiatives based on insights from members to assist the elected Officer team with their student engagement and provide students with fun, safe experiences while at university. For example, the Students' Union has run an outdoor cinema event, winter wonderland, and sports viewing events.

Membership Services

This year has seen success in many aspects of membership services with increased engagement at a variety of levels.

Representation

The Student Voice Team have strived to meet aims that reset and refresh the image of Representation at DSU. We started the 2023 year with a change of management that began to review the foundations of Student Voice, this paid particular focus to enhancing accessibility and engagement of our members.

The 2023 Executive Officer Elections saw a total of 4,167 students casting 29,335 votes in total across the 5 Executive Officer roles and the 7 Liberation Officer roles with 34 confirmed candidates during the voting period. This was an increase in comparison to 3,133 voters in 2022, 1828 voters in 2021 and 2,935 in 2020.

The team successfully supported with the delivery of the DSU governance review, which said the final goodbye to Zones but a big hello to the new Scrutiny Committee and an accessible Student Council. This review removed barriers which impacted student participation by reducing the number of commitments and time expected of our members as well as opening attendance to all those members who have been democratically elected and generally those interested.

DE MONTFORT UNIVERSITY STUDENTS' UNION

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

Representation (*continued*)

The Course Rep scheme operated with 440 course reps. The Lead Rep initiative was not launched this year as a focus on ensuring the foundations of the course rep system were prioritised, such as enhanced and revamped training, elections and relationships with the university. The Lead Rep scheme may be something revisited over the next few years.

The Voice team assisted our Officers with multiple university projects including Block Teaching rollout – which is the brand-new teaching and learning approach from the University. The team also co-hosted and supported our elected Liberation Officers to deliver projects such as the Breaking Barriers event which aimed to empower Disabled Students' employability and next steps following their university journey.

Opportunities

2022/23 has been a year of refreshing and resetting for the Opportunities team within De Montfort Students' Union. The DSU Opportunities team have continued to maintain a healthy working relationship with DMU Sport as they contribute to take on further responsibility for Sports Clubs, Club membership sales and BUCS related fixtures.

During Refreshers', the Opportunities team launched the 'New Year, New Socs' campaign which encouraged people to form new societies and get involved with student groups at DSU. The campaign was accompanied by a new section within the Opportunities area of the website which led to an increase in engagement from students submitting a plethora of new ideas and new society suggestions.

Despite a marginal drop in society membership numbers due to the closure of non-used societies which is a usual occurrence as students' needs and interests change, we expect to see the number of total groups increase again next academic year. Implementation of in-person teaching and a return to in-person activities post-covid continue to help our students thrive in non-academic spaces.

The 22/23 academic year saw an increase in societies that fall under the faith and culture category. For example, in response to the Turkey/Syria earthquake in February 2023, the DSU Opportunities team supported Turkish students to create and form a Turkish society. The Turkish society provided a safe space for Turkish students to come together during a difficult time and raise money for those affected by the tragedy.

DSU has launched the Social Collective which provides events for students to attend and socialise, responding to the ever-growing need for students to have spaces to make friends. Also, the team have collaborated with the DMU International Student Support team to incorporate a seventh category into The Social Collective banner titled 'Worldwide Collective'. The worldwide collective will promote different cultural activities from cultures across the world.

The Opportunities team are set to relaunch the Student Volunteering Portal which matches students to a variety of volunteering roles to improve their CV and help the local community and the University. Work has been taking place to add an additional feature onto the brokerage where external providers will be able to add in volunteering opportunities on their own accord.

The Opportunities team successfully delivered Skills Fest to the 23/24 cohort of elected committee members. During Skills Fest, we provided several workshop sessions surrounding committee responsibilities, finances, health and safety, event management and risk management to the next generation of student leaders. Skills Fest was an optional event but had a turnout rate of 85% which we considered to be an incredible success. After the event, we heard positive oral feedback from attendees and look forward to expanding on Skills Fest in the 23/24 academic year.

Finally, we recently welcomed 3 new members into the team. As a collective, we are incredibly excited to progress into the 23/24 academic year and establish all the plans that we have been working on as a new team.

DE MONTFORT UNIVERSITY STUDENTS' UNION

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

Advice & Wellbeing

The Advice and Wellbeing department have delivered multiple projects and campaigns target for student wellness and preventative assistance to reduce the strain on Union and University support services. This included initiatives such as reduction and awareness events for academic stress, academic integrity, sexual health and wellness, bullying, mental and physical health, housing, money matters and much more. The Advice team also introduced 'Wellbeing Wednesdays' where an activity is held each week where students can take part and take some time out for themselves and try something new. The University and local partners have worked exceptionally well with us this year for this initiative and we will continue this into future years.

The Advice team has worked alongside the elected Officers to deliver campaigns and projects related to LGBTQ+ history month, women's history month, pride month and Ramadan.

The Advice Services opened 1300+ cases throughout the 2021/2022 academic year. Though this number only reflects the number of students that have had full cases with the team and does not include the interactions had through some of the drop-in triage sessions or any outreach activity which far supersedes this.

Commercial Services

As the recovery of the Commercial department continues after the pandemic, we have had to contend with a number of external factors which have impacted the profitability of some of the commercial outlets. These factors include the cost-of-living crisis, the rising prices of food, labour and general items. As a result, it has been a tough year for the Commercial department but as detailed below we have had some success which will provide some encouragement for next year.

Supplies (DSU Shop)

SUpplies sell a variety of specialist supplies for DMU courses as well as stationary, branded clothing and also provides dissertation and binding services. SUpplies achieved sales of £79k. The SUpplies outlet has reduced its retail space to two thirds of the original size. This has allowed us to rent out that space to third parties. This has resulted in Scrumptious taking up permanent residence next year. The team have also re-negotiated a contract with Campus Clothing who provides graduation clothing and memorabilia. This has now increased from 10% to 20% commission. The team has also increased its contacts within the DMU increasing the number of internal orders for greater value.

DSU Sales & Advertising

This department managed a profit of £105k. The team managed to achieve a higher profitability than expected due to staff cost savings. The team have successfully secured a renewal of the SUlets and Dominoes contracts and we have been working closely with our partner Native. This means we can rely on this revenue for the contract terms.

DSU Function Rooms (Nightclub) and The Union (Catering)

The DSU Commercial team has taken the post-covid opportunity to reset and trial different ideas to widen the revenues for the Students' Union function room spaces. This includes new pool tables, showing of live sports, acoustic and bhangra event nights and Eurovision. All of these have been successful and have been included into the events calendar next year.

Student Union Lettings Limited (trading as Sulets)

On 1 August 2012 the trade and assets of the Lettings operation were transferred to a new limited company Student Union Lettings Limited (trading as Sulets). Sulets is a registered charity and company limited by guarantee, with two members - DSU and The University of Leicester Students' Union (ULSU). Sulets supports DSU with sponsorship of activities and events during the year and we ensure it continues to contribute to our aims and objectives through our representation on the Sulets Board.

In the opinion of the Trustees, Sulets is not a subsidiary undertaking of the charitable company. All funds generated by Sulets are restricted for use by Sulets in line with the objects of that charitable company.

DE MONTFORT UNIVERSITY STUDENTS' UNION

TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

Auditors

In line with the policies of the DSU, the Board of Trustees have decided as act of good governance to put the audit for the year ended 31 July 2024, out for tender. In accordance with the Companies Act 2006 a resolution proposing the appointment of the auditors for the year ended 31 July 2024 will be put to the Company members on the conclusion of the tender process.

Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources including the income and expenditure, of the charitable company for that period. In preparing these financial statements the Trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply the Companies Act 2006. They are also responsible for the safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware there is no relevant audit information of which the charitable company's auditor is unaware and the trustees have taken all the necessary steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by the section 415A of the Companies Act 2006.

This report was approved by the Trustees on 09/11/23 and signed on their behalf by:



G Kershaw
External Trustee

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF DE MONTFORT UNIVERSITY STUDENTS' UNION

Opinion

We have audited the financial statements of De Montfort University Students' Union (the 'charitable company') for the year ended 31 July 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 31st July 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF DE MONTFORT UNIVERSITY STUDENTS' UNION (continued)

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 11, 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.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF DE MONTFORT UNIVERSITY STUDENTS' UNION (continued)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the charitable company operates in and how the charitable company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to employment regulations, GDPR and data protection, health and safety regulations and licensing regulations. We performed audit procedures to inquire of management whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and substantive testing in respect of revenue cut off.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Gareth Jones (Senior Statutory Auditor)
For and on behalf of
RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Rivermead House
7 Lewis Court
Grove Park
Leicester
Leicestershire
LE19 1SD

Date 09/11/23

DE MONTFORT UNIVERSITY STUDENTS' UNION
STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	-	1,377,811	1,377,811	1,388,142
Charitable activities	4	96,802	239,883	336,685	465,163
Other trading activities	4	-	121,845	121,845	75,150
Investment income	4	-	5,288	5,288	1,512
Other income	5	-	5,064	5,064	7,578
		-----	-----	-----	-----
Total		96,802	1,749,891	1,846,693	1,937,545
		=====	=====	=====	=====
Expenditure on:					
Raising funds	6	-	61,873	61,873	59,374
Charitable activities	6	(22,857)	1,752,091	1,729,234	1,768,440
		-----	-----	-----	-----
Total		(22,857)	1,813,964	1,791,107	1,827,814
		=====	=====	=====	=====
Net income and net movement in funds	11	119,659	(64,073)	55,586	109,731
Reconciliation of funds					
Total funds brought forward		(788,080)	564,655	(223,425)	(333,156)
		-----	-----	-----	-----
Total funds carried forward	16	(668,421)	500,582	(167,839)	(223,425)
		=====	=====	=====	=====

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

All income and expenditure derived from continuing operations.

A detailed comparative Statement of Financial Activities is shown in note 22.

DE MONTFORT UNIVERSITY STUDENTS' UNION

**BALANCE SHEET
COMPANY NUMBER 06634464**

AS AT 31 JULY 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	12		30,884		45,199
Current assets:					
Stocks	13	22,639		20,273	
Debtors	14	70,251		45,175	
Cash at bank		571,538		679,342	
		<u>664,428</u>		<u>744,790</u>	
Liabilities:					
Creditors: amounts falling due within one year	15	(79,670)		(124,118)	
		<u> </u>		<u> </u>	
Net current assets			<u>584,758</u>		<u>620,672</u>
Net assets excluding pension liability			615,642		665,871
Defined benefit pension scheme liability	19		(783,481)		(889,296)
			<u> </u>		<u> </u>
Total net liabilities			<u>(167,839)</u>		<u>(223,425)</u>
Total funds of charitable company					
Restricted funds	16		115,060		101,216
			<u> </u>		<u> </u>
Unrestricted funds:					
General funds	16		380,348		430,106
Facilities development reserve	16		120,234		134,549
			<u> </u>		<u> </u>
Total unrestricted funds			<u>500,582</u>		<u>564,655</u>
Restricted pension reserve	16		(783,481)		(889,296)
			<u> </u>		<u> </u>
Total charitable company funds			<u>(167,839)</u>		<u>(223,425)</u>

The financial statements on pages 15 to 34 were approved by the Board of Trustees and authorised for issue on 09/11/23 and signed on their behalf, by:



G Kershaw
External Trustee

DE MONTFORT UNIVERSITY STUDENTS' UNION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2023

	Note	£	2023 £	£	2022 £
Cash flows from operating activities					
Net cash provided used in operating activities	18		(113,092)		(16,127)
Cash flows from investing activities					
Interest from investments		5,288		1,512	
Purchase of tangible assets		-		(51,468)	
		_____		_____	
Net cash provided by/(used in) investing activities			5,288		(49,956)
			_____		_____
Change in cash and cash equivalents in the reporting period			(107,804)		(66,083)
Cash and cash equivalents at the beginning of the reporting period			679,342		745,425
			_____		_____
Cash and cash equivalents at the end of the reporting period			571,538		679,342
			=====		=====

DE MONTFORT UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

1. Critical accounting estimates and areas of judgement

The charity makes estimates and assumptions concerning the future and acknowledges that the resulting accounting estimates and assumptions will, by definition, seldom equal to 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:

Pension deficit contribution

The charity has entered into a commitment to provide deficit funding to the Students' Union Superannuation Pension Scheme, of which it is a contributing employer.

Under FRS 102, the fair value of the commitment is recognised. The calculation of the fair value of the commitment is subject to an assumption of the discount rate. This discount rate is determined by reference to market yields at the reporting date on high quality corporate bonds. The commitment included in the balance sheet at the balance sheet date is £783,481 (2022: £889,296).

2. Accounting policies

Accounting convention

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102), (Charities SORP (FRS102)) "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" including the amendments issued in December 2017 ("FRS 102") and the requirements of the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2019.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

De Montfort University Students' Union 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 notes.

Going concern

The charitable company has cash resources and no requirement for external funding, other than the annual block grant received from De Montfort University which has been confirmed for 2023/24. The charitable company has a strong relationship with De Montfort University and have no expectation of a significant reduction to the block grant after 2023/24. The charitable company has carried out forecasting based on different income stream scenarios to approve a budget for the 2023/24 year, and this will be regularly monitored and reviewed and action taken by the trustee board if required. Taking all of the above into account, the trustees have reasonable expectations that the charitable company has adequate resources to continue in operational existence for the foreseeable future. They continue to believe that the going concern basis of accounting is appropriate in preparing the annual financial statements.

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 charitable company 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.

DE MONTFORT UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023 (continued)

2. Accounting policies (continued)

Fund accounting (continued)

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company 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.

Income

All incoming resources are recognised once the charitable company has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

- Voluntary income, including donations, and grants are recognised where there is entitlement, probable of receipt and the amount can be measured reliably. The charitable company benefits from the provision of accommodation by the De Montfort University. The value of the gift of these facilities is based on the rental of similar facilities in similar locations.
- Investment income is recognised on a receivable basis.
- Income direct from charitable activities is recognised when the charitable company is legally entitled to income and the amount can be measured reliably, which includes income from bars, catering, shops, membership services and training.
- Donated services are measured at fair value and are recognised within donations with an equivalent amount recognised within support costs.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is classified under charitable activity rather than the type of expense, in order to provide more useful information to users of the financial statements. Where costs cannot be directly attributed to particular heading, they have been allocated to activities on a basis consistent with use of the resources.

Costs of raising funds are those incurred in seeking voluntary contributions to enable the charitable company to carry out its charitable activities, these do not include the costs of disseminating information in support of the charitable activities.

Support and governance costs which cannot be directly attributed to a specific activity have been allocated to activities on a basis consistent with the use of the resources. Governance costs comprise the costs of running the charitable company, including strategic planning for its future development, external audit and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Tangible fixed assets and depreciation

Tangible fixed assets are initially recorded at cost and subsequently measured at cost net of depreciation and any impairment losses. Tangible fixed assets with a cost price in excess of £2,000 are capitalised and all other expenditure is charged to the statement of financial activities in the year incurred.

DE MONTFORT UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023 (continued)

2. Accounting policies (continued)

Tangible fixed assets and depreciation (continued)

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation of the asset less any residual value, except for land over its estimated useful economic life. It is calculated at the following annual rates:

Fixtures & fittings	-	20 - 33% Straight Line
Computer equipment	-	33% Straight Line

Impairment of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the charitable company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment losses are recognised in statement of financial activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in statement of financial activities. On reversal of an impairment loss, the depreciation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Jointly controlled entity

The charitable company has a long term interest and shares, controlled under contractual arrangements that is classified as a jointly controlled entity.

Stocks

Stock consisting of goods purchased for resale are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items.

At each reporting date, the charitable company assesses whether stocks are impaired or if any impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in statement of financial activities.

Financial instruments

The charitable company only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of financial nature. Such financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with exception.

Debtors

Trade debtors and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors and other debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash and cash equivalents

Cash and cash equivalents includes cash and monies on short-term deposits at the bank, other short-term liquid investments with original maturities of three months or less.

Creditors

Creditors are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

DE MONTFORT UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023 (continued)

2. Accounting policies (continued)

Taxation

No provision for corporation tax has been made as the charitable company is exempt from corporation tax on its income and gains to the extent that these are applied to its charitable activities.

Pensions

The charitable company participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the charitable company. Contributions are recognised in profit or loss in the period to which they relate as there is insufficient information available to use defined benefit accounting. A liability is recognised for contributions arising from an agreement with the multi-employer plan that determines how the charitable company will fund a deficit. Contributions are discounted when they are not expected to be settled wholly within 12 months of the period end.

The charitable company also contributes to the NUS Aegon Pension Scheme and the government approved NEST scheme. The annual contributions payable are charged to the statement of financial activities.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

3. Legal status of the charitable company

De Montfort University Students' Union is a private incorporated charitable company (company number 06634464) and is also registered at the Charity Commission in England and Wales (charity number 1138587). The charitable company is limited by guarantee and as such has no issued share capital.

The address of the charitable company's registered office and principal place of business is First Floor, Campus Centre Building, Mill Lane, Leicester, LE2 7DR.

The main aims of De Montfort University Students' Union are to advance the education of the students of De Montfort University for the public benefit.

DE MONTFORT UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023 (continued)**

4. Income from

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations and legacies				
Block grant income	-	1,227,811	1,227,811	1,221,186
Grant of services accommodation	-	150,000	150,000	150,000
Grant of CEO Support	-	-	-	14,500
Other grant income	-	-	-	2,456
	<hr/>	<hr/>	<hr/>	<hr/>
Sub-total	-	1,377,811	1,377,811	1,388,142
	<hr/>	<hr/>	<hr/>	<hr/>
Charitable activities				
Bars and catering	-	160,961	160,961	246,570
Shops	-	78,922	78,922	73,931
Membership services	96,802	-	96,802	144,662
	<hr/>	<hr/>	<hr/>	<hr/>
Sub-total	96,802	239,883	336,685	465,163
	<hr/>	<hr/>	<hr/>	<hr/>
Other trading activities				
Commercial marketing and sponsorship	-	121,845	121,845	75,150
	<hr/>	<hr/>	<hr/>	<hr/>
Sub-total	-	121,845	121,845	75,150
	<hr/>	<hr/>	<hr/>	<hr/>
Investment income	-	5,288	5,288	1,512
	<hr/>	<hr/>	<hr/>	<hr/>
Total	96,802	1,744,827	1,841,629	1,929,967
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

5. Other incoming resources

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Other income	-	5,064	5,064	7,578
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

DE MONTFORT UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023 (continued)**

6. Analysis of expenditure

	Direct Supplies £	Direct staff costs £	Other direct costs £	Support Costs £	2023 £	2022 £
Raising funds						
Commercial marketing and sponsorship	4,904	1,537	-	55,432	61,873	59,374
Sub-total	4,904	1,537	-	55,432	61,873	59,374
Charitable activities						
Welfare, advice and representation	52,749	246,479	14,315	154,389	467,932	470,206
Bars and catering	130,576	130,784	7,632	218,797	487,789	475,597
Shops	42,229	31,813	3,288	62,932	140,262	116,583
Membership services	162,852	323,509	-	146,890	633,251	706,054
Sub-total	388,406	732,585	25,235	583,008	1,729,234	1,768,440
Total	393,310	734,122	25,235	638,440	1,791,107	1,827,814
Other direct costs comprised					2023 £	2022 £
Depreciation				14,315	20,951	
Repairs and renewals				8,252	3,190	
Other				2,668	6,557	
Total				25,235	30,698	

DE MONTFORT UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023 (continued)**

7. Analysis of the support costs

	Staff costs £	Rent £	Other costs £	2023 £	2022 £
Raising funds					
Commercial marketing and sponsorship	31,959	7,500	15,973	55,432	53,137
Sub-total	31,959	7,500	15,973	55,432	53,137
Charitable activities					
Welfare, advice and representation	79,899	30,000	44,490	154,389	151,531
Bar and catering	95,878	75,000	47,919	218,797	211,187
Shops	31,959	15,000	15,973	62,932	59,912
Membership services	79,899	22,500	44,491	146,890	144,032
Sub-total	287,635	142,500	152,873	583,008	566,662
Total	319,594	150,000	168,846	638,440	619,799

Other costs comprised

	2023 £	2022 £
Repairs and renewals	3,211	12,424
Insurances	25,977	18,549
Sundry supplies	97,729	118,638
Audit and accountancy fees	32,810	28,350
VAT partial exemption adjustment	9,119	13,425
Recharge of CEO Support	-	14,500
Total	168,846	205,886

8. Governance costs

	2023 £	2022 £
Audit, accountancy and legal fees	50,178	75,217

DE MONTFORT UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023 (continued)**

9. Analysis of staff costs and numbers

	2023	2022
	£	£
Total staff emoluments for the year were as follows:		
Wages and salaries costs	967,580	951,387
Social security costs	85,689	79,389
Pension defined benefit scheme	(35,262)	(105,692)
Pension defined contribution scheme	35,709	31,228
	1,053,716	956,312
Total	1,053,716	956,312

During the year the charitable company made redundancy payments and payments in lieu of notice amounting to £nil (2022: £4,527).

The pension costs are allocated to activities in proportion to related staffing costs incurred.

The average number of individuals employed by the charitable company during the year was as follows:

	2023	2022
	No.	No.
Commercial activities	24	26
Charitable activities	23	22
Admin and management	8	10
	55	58
Total staff	55	58

There was one (2022: none) member of staff who received emoluments, including benefits in kind, within the range of £60,001 – £70,000.

10. Trustees' remuneration and expenses and cost of key management personnel

Trustees' remuneration

Each of the Executive Committee's sabbatical officers received remuneration as authorised in the Union's governing document for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities. Their remuneration amounted to £110,853 (2022: £102,612) in aggregate. The split as detailed below:

M Dasani - £21,087 (2022: £1,796)	A Absoede - £1,963 (2022: £nil)
A Khan - £17,479 (2022: £1,796)	K Shahzadi - £1,963 (2022: £nil)
A Iqbal - £23,050 (2022: £1,795)	G Karasala - £1,174 (2022: £nil)
N Nguwo - £21,087 (2022: £16,162)	D Mazaiwana - £1,963 (2022: £nil)
A Sawjani - £21,087 (2022: £21,550)	

During the year ended 31 July 2022, remuneration was paid to R Rawles (resigned on 12 August 2021) amounting to £728, B Smith (resigned on 30 June 2023) amounting to £19,835, P Subramanian (resigned on 30 June 2022) amounting to £19,115, and J Dine-Hart (resigned on 30 June 2022) amounting to £19,835.

DE MONTFORT UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023 (continued)**

10. Trustees' remuneration and expenses and cost of key management personnel (continued)

Trustees' remuneration (continued)

During the year pension payments were made to the NEST scheme as follows:

N Nguwo	£nil (2022: £269)
A Sawjani	£nil (2022: £180)
M Dasani	£1,054 (2022: £90)
A Khan	£874 (2022: £90)
A Iqbal	£1,153 (2022: £90)
A Absoede	£98 (2022: £nil)
K Shahzadi	£98 (2022: £nil)
G Karasala	£59 (2022: £nil)

During the year end 31 July 2022, pension payments were made to NEST for B Smith (resigned on 30 June 2023) amounting to £992, P Subramanian (resigned on 30 June 2022) amounting to £956 and J Dine-Hart (resigned on 30 June 2022) amounting to £992.

During the year, five (2022: six) trustees received travelling expenses totalling £511 (2022: £470)

Key management remuneration

The key management personnel of the charitable company comprise the trustees and members of the DSU staff management committee that are responsible for the day to day running of the charitable company. The total employee benefits for key management personnel of the charitable company were £351,010 (2022: £308,379).

11. Net income

This is arrived at after charging:

	2023	<i>2022</i>
	£	£
Depreciation of owned assets	14,315	20,951
	<u>14,315</u>	<u>20,951</u>

Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:

	2023	<i>2022</i>
	£	£
Audit services – statutory audit of the charitable company	26,360	22,410
Other non-audit services	6,450	5,940
	<u>32,810</u>	<u>28,350</u>
	<u>32,810</u>	<u>28,350</u>

DE MONTFORT UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023 (continued)**

12. Tangible fixed assets

	Fixtures & fittings £	Computer equipment £	Total £
Cost			
At 1 August 2022	318,056	60,048	378,104
	<hr/>	<hr/>	<hr/>
At 31 July 2023	318,056	60,048	378,104
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 August 2022	292,395	40,510	332,905
Charge for the year	7,584	6,731	14,315
	<hr/>	<hr/>	<hr/>
At 31 July 2023	299,979	47,241	347,220
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 July 2023	18,077	12,807	30,884
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 July 2022	25,661	19,538	45,199
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

13. Stocks

	2023 £	2022 £
Finishes goods and goods for resale	22,639	20,273
	<hr/> <hr/>	<hr/> <hr/>

14. Debtors

	2023 £	2022 £
Trade debtors	31,923	19,501
Other debtors	13,895	5,922
Prepayments and accrued income	24,433	19,752
	<hr/>	<hr/>
	70,251	45,175
	<hr/> <hr/>	<hr/> <hr/>

DE MONTFORT UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023 (continued)**

15. Creditors:	2023	2022
Amounts falling due within one year	£	£
Trade creditors	8,530	25,234
Other taxation and social security	20,066	21,782
Other creditors	-	854
Accruals and deferred income	51,074	76,248
	79,670	124,118
	79,670	124,118

Deferred Income

	£
Deferred income at 1 August 2022	43,323
Resources deferred in the year	5,424
Amounts released from previous year	(43,323)
	5,424

Deferred income at 31 July 2023

5,424

The deferred income at 31 July 2023, relates to events room hire for the next year.

DE MONTFORT UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023 (continued)**

16. Statement of funds					
Current year:	At 1 August 2022 £	Incoming resources £	Resources expended £	Transfer £	At 31 July 2023 £
Restricted funds					
Clubs and societies	101,216	96,802	(82,958)	-	115,060
Unrestricted funds					
General funds	430,106	1,749,891	(1,799,649)	-	380,348
Faculty development reserve	134,549	-	(14,315)	-	120,234
Total unrestricted funds	564,655	1,749,891	(1,813,964)	-	500,582
Pension reserve	(889,296)	-	105,815	-	(783,481)
Total funds	(223,425)	1,846,693	(1,791,107)	-	(167,839)
<i>Previous year:</i>					
	At 1 August 2022 £	Incoming resources £	Resources expended £	Transfer £	At 31 July 2022 £
Restricted funds					
Clubs and societies	117,700	144,662	(161,146)	-	101,216
Unrestricted funds					
General fund	558,784	1,792,883	(1,821,561)	(100,000)	430,106
Faculty development reserve	55,500	-	(20,951)	100,000	134,549
Total unrestricted funds	614,284	1,792,883	(1,842,512)	-	564,655
Pension reserve	(1,065,140)	-	175,844	-	(889,296)
Total funds	(333,156)	1,937,545	(1,827,814)	-	(223,425)

Clubs and societies

Restricted funds represent funds raised and administered by the Union for the specific benefit of clubs and societies and as such are ring fenced for the future benefit of that specific club or society.

Facility development reserve

The designated fund for investment will cover the refurbishment of our commercial areas and administrative space. This will allow DSU to take advantage of future opportunities and risks. As such the designated funds are excluded from reserves as per the Charities Commission definition.

Transfers

A transfer was made in the prior year from the general reserve to the facility development reserve for refurbishments planned for the diner and downstairs space of the building.

DE MONTFORT UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023 (continued)**

17. Analysis of net assets between funds

Current year:	Restricted funds £	General funds £	Faculty development reserve £	Pension reserve £	Total funds £
Tangible fixed assets	-	-	30,884	-	30,884
Current assets	115,060	460,018	89,350	-	664,428
Creditors due within one year	-	(79,670)	-	-	(79,670)
Pension liability	-	-	-	(783,481)	(783,481)
	<u>115,060</u>	<u>380,348</u>	<u>120,234</u>	<u>(783,481)</u>	<u>(167,839)</u>
<i>Previous year:</i>	<i>Restricted funds £</i>	<i>General funds £</i>	<i>Faculty development reserve £</i>	<i>Pension reserve £</i>	<i>Total funds £</i>
<i>Tangible fixed assets</i>	-	-	45,199	-	45,199
<i>Current assets</i>	101,216	554,224	89,350	-	744,790
<i>Creditors due within one year</i>	-	(124,118)	-	-	(124,118)
<i>Pension liability</i>	-	-	-	(889,296)	(889,296)
	<u>101,216</u>	<u>430,106</u>	<u>134,549</u>	<u>(889,296)</u>	<u>(223,425)</u>

18. Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Net income for the reporting period	55,586	109,731
Adjustments for:		
Depreciation charges	14,315	20,951
Interest on investments	(5,288)	(1,512)
(Increase)/decrease in stocks	(2,366)	8,969
(Increase)/decrease in debtors	(25,077)	6,124
(Increase)/decrease in creditors	(44,447)	15,454
Movement on defined pension scheme liability	(105,815)	(175,844)
	<u>(113,092)</u>	<u>(16,127)</u>
Analysis of changes in net debt	1 August 2022 £	Cashflows £
	31 July 2023 £	
Cash at bank and in hand	679,342	(107,804)
	<u>679,342</u>	<u>(107,804)</u>
		<u>571,538</u>

DE MONTFORT UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023 (continued)

19. Pension costs

The charitable company participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the charitable company. Under the accounting standard FRS 102 and Charity SORP (FRS 102), in these circumstances contributions are accounted for as if the Scheme were a defined contribution scheme based on actual contributions paid through the year.

The charitable company participates in the Students' Union Superannuation Scheme, which is a defined benefit scheme whose membership consists of employees of students' unions and related bodies throughout the country. Benefits in respect of service up to 30 September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1 October 2003 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the Scheme closed to future accrual.

The most recent Valuation of the Scheme was carried out as at 30 June 2019 and showed that the market value of the Scheme's assets was £119.1m with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £140.9m. The assumptions which have the most significant effect upon the results of the Valuation are those relating to the sustained low yield on government bonds.

The following assumptions applied at 30 June 2019:

- Pre-retirement discount rate – 4.0% pa
- Post retirement discount rate – 2.0% pa
- Retail price inflation (RPI) – 3.6% pa
- Consumer Price inflation (CPI) – 2.6% pa
- Pension increase in payment for services, 1988 to 1993 (RPI min 3% and max 7%) – 3.9% pa, post 1997 (RPI min 3% and max 5%) – 3.7% pa and post 2000 (RPI max 5%) – 3.4% pa

The 2019 valuation extended the period over which the ongoing funding deficit would be cleared to August 2035 and recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms. This has resulted in an increase in contributions by 8% from 1 October 2022 and by a further 5% each year until July 2035. These rates applied with effect from 1 October 2022 and contributions due from October 2023 onwards will be reviewed following the next actuarial valuation.

Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, The Union also pays its share of the Scheme's levy to the Pension Protection Fund. FRS102 and Charities SORP (FRS102), require that the charitable company's share of past service shortfall is reflected in the financial statements. Based on the most recent valuation, the charitable company contribution to eliminating the shortfall was £65,736 for the year ended 31 July 2023 (2022: £62,151).

DE MONTFORT UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023 (continued)

19. Pension costs (continued)

Therefore, at 31 July 2023, the balance sheet of charitable company includes a liability of £783,481 (2022: £889,296), which represents the net present value of all future contributions towards eliminating this shortfall. The discount rate used is 5.1% (2022: 3.7%) which is comparable to that for a 15 year AA-rated corporate bond. The estimated liability is based on the 2019 triennial valuation of the scheme and will necessarily require revision after subsequent revaluations. The balance is made up as follows:

	2023 £	2022 £
Balance brought forward	889,296	1,065,140
Contributions made in the year	(65,736)	(62,151)
Charge to statement of financial activities	(40,079)	(113,693)
	<hr/>	<hr/>
Balance carried forward	783,481	889,296
	<hr/> <hr/>	<hr/> <hr/>

In addition, the charitable company paid Pension Protection Fund levy of £4,817 (2022: £3,476) during the year.

The charitable company also contributes to The National Employment Savings Trust (NEST) a defined contribution scheme. During the year contributions were made amounting to £35,709 (2022: £31,228). At the year end an amount of £nil (2022: £nil) was due with respect to the pension contributions.

20. Related party transactions

The De Montfort University Students' Union is in receipt of a recurrent grant from its parent institution, De Montfort University of £1,227,811 (2022: £1,221,186).

In addition, the De Montfort University Students' Union occupies its building and receives certain people related services on a free of charge basis. This is under an informal license subject to the De Montfort University Students' Union maintaining the building in a good state of repair. As a result, an estimated value to De Montfort University Students' Union for the free serviced accommodation has been included in the accounts. This has been valued at £150,000 (2022: £150,000) based on market prices within Leicester. This income can be seen in note 4 of the financial statements under accommodation costs.

In the prior year, the De Montfort University Students' Union received CEO support from De Montfort University on a free of charge basis. As a result, an estimated value of £14,500 to De Montfort University Students' Union for this free support was included in the accounts based on an estimation of the time spent on duties and the market of pay for such duties. No such support was given during the current year.

Income of £22,332 (2022: £27,301) was collected and purchases of £47,176 (2022: £97,064) were made on behalf of De Montfort University during the year. These transactions were reimbursed and recharged respectively to De Montfort University with a balance owing to De Montfort University Students' Union to De Montfort University of £3,159 (2022: £6,558 owing from De Montfort University Students' Union) at the year-end date.

Purchases of £1,329 (2022: £421) were made from De Montfort Expertise Ltd, a wholly owned subsidiary of De Montfort University. At the year end a balance of £1,595 (2022: £nil) was owed to De Montfort Expertise Ltd.

DE MONTFORT UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023 (continued)**

20. Related party transactions (continued)

Student Union Lettings Limited (trading as Sulets)

On 1 August 2012, the trade and assets of the lettings operation (previously known as DSU Lettings) were transferred to a new limited company Student Union Lettings Limited (trading as Sulets). Sulets is a registered charity and company limited by guarantee which is jointly controlled by DSU and The University of Leicester Students Union (ULSU). ULSC controls 50% of Sulets through the 50% membership held by their subsidiary company, University of Leicester Students' Union Trading Limited. This collaboration with ULSU offers many commercial advantages within student lettings including contracts with external Halls Providers.

	2023	2022
	£	£
Income	1,485,589	1,459,492
Expenditure	(1,306,033)	(1,328,056)
	<hr/>	<hr/>
Net movements in funds	179,556	131,436
	<hr/> <hr/>	<hr/> <hr/>
	2023	2022
	£	£
Balance sheet		
Fixed assets	483,524	265,304
Current assets	1,427,046	1,491,942
Creditors: amounts falling due within 1 year	(89,673)	(115,905)
	<hr/>	<hr/>
Balance carried forward	1,820,897	1,641,341
	<hr/> <hr/>	<hr/> <hr/>

The charitable company constitutes 50% of the membership, therefore the charitable company's share of income is £742,794 (2022: £729,746) and share of expenditure £653,016 (2022: £664,028). The charitable company's share of the total funds at 31 July 2023 is £910,449 (2022: £820,671).

During the year the charitable company received £10,000 (2022: £10,000) from Sulets for advertising. In addition, Sulets paid £20,000 (2022: £20,000) for rent.

All funds generated by Sulets are restricted for use by Sulets in line with the objects of that charitable company.

21. Controlling party

The trustees consider that the ultimate control of DSU rests with its membership.

DE MONTFORT UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023 (continued)**

22. Statement of financial activities incorporating income and expenditure accounts for the year ended 31 July 2022

	Restricted funds £	Unrestricted funds £	Total funds £
Income from:			
Donations and legacies	-	1,388,142	1,388,142
Charitable activities	144,662	320,501	465,163
Other trading activities	-	75,150	75,150
Investment income	-	1,512	1,512
Other income	-	7,578	7,578
	144,662	1,792,883	1,937,545
Expenditure on:			
Raising funds	-	59,374	59,374
Charitable activities	(14,698)	1,783,138	1,768,440
	(14,698)	1,842,512	1,827,814
Net movements	159,360	(49,629)	109,731