

ANGLIA RUSKIN STUDENTS' UNION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST JULY 2020

Company Limited by Guarantee Number: 08064796
Charity Number: 1148574

ANGLIA RUSKIN STUDENTS' UNION**FINANCIAL STATEMENTS****YEAR ENDED 31ST JULY 2020****CONTENTS**

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ANGLIA RUSKIN STUDENTS' UNION**TRUSTEE BOARD AND UNION INFORMATION****YEAR ENDED 31st JULY 2020****BOARD OF TRUSTEES**

Matthew Hayes – Vice President Science and Engineering (appointed 1 July 2018), President and Chair of Trustees (appointed 1 July 2019, resigned 30 June 2020)
 Amanda Campbell-White – Vice President AHSS (appointed 1 July 2018, resigned 30 June 2020)
 Mary Copsey – Vice President Business and Law (appointed 1 July 2018, resigned 30 June 2020)
 Fraser Luther-Yarwood – Vice President HEMS (appointed 1 July 2018, resigned 30 June 2020)
 Siobhan Fouche – Vice President Science and Engineering (appointed 1 July 2019, resigned 14 February 2020)
 Avinash Miriyam – President and Chair of Trustees (appointed 1 July 2020)
 Fatima Lakhani – Vice President AHSS (appointed 1 July 2020)
 Omkar Singh – Vice President Business and Law (appointed 1 July 2020)
 Riya Gadhavi – Vice President HEMS (appointed 1 July 2020)
 Emily Long – Vice President Science and Engineering (appointed 1 July 2020)
 Richard Halderthay – External Trustee
 Tanya Curry – External Trustee and Chair of Appointments & Governance Committee
 Jason Snowdon – External Trustee and Deputy Chair of Trustee Board
 Teresa Jordan – External Trustee and Chair of Finance & Risk Committee
 Nick Worrall – External Trustee and Chair of HR & Employee Engagement Committee

CHIEF EXECUTIVE

John Valerkou

REGISTERED OFFICE

East Road
 Cambridge
 CB1 1PT

AUDITORS

Knox Cropper LLP
 65 Leadenhall Street
 London
 EC2A 2AD

BANKERS

Lloyds Bank Plc
 95-97 Regent Street
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ANGLIA RUSKIN STUDENTS' UNION

TRUSTEES REPORT

YEAR ENDED 31ST JULY 2020

The Trustees (who are also the Directors of the charitable company for the purposes of the Companies Act) present their combined Directors' report and Trustees' annual report, as required by company law, together with the audited financial statements of Anglia Ruskin Students' Union (the company) for the year ended 31 July 2020. The Trustees confirm that the Annual 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' issued in January 2015. The Trustees and Directors Reports have been combined under the Companies Act 2006.

Aims, objectives and activities

The Union is governed by Articles of Association and the object of the Union is the advancement of education of students at Anglia Ruskin University for the public benefit by:

- Promoting the interests and welfare of students at Anglia Ruskin University during their period of study and representing, supporting and advising students
- Being the recognised representative channel between students and Anglia Ruskin University and any other external bodies
- Providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of Anglia Ruskin students.

Anglia Ruskin Students' Union provides a variety of services and activities for students including:

- Representation and Campaigning
Supporting students to campaign for change and to represent their views about their experiences as students to key partners and stakeholders - such as the University and within the local community. We hold annual elections for a variety of leadership positions across course, faculty, campus and institutional level, ensuring our members lead the direction of our Union. Over 500 course reps were elected last year whose voice was heard throughout the switch to online learning when the lockdown was announced in March 2020.
- The Students' Union runs a successful Student Advice service. This service provides support to students. Last year the advice service heard 927 individual student cases including 244 for late mitigation, 189 for academic offences and 118 individual student appeals.
- The Students' Union provides a choice of over 100 recreational clubs and societies across our campuses for students to join. In February, the Union celebrated a successful Global Week, bringing together students from different cultures and backgrounds to celebrate diversity at ARU. Over lockdown, we moved our activities online and committed to regular daytime and night-time events to support student wellbeing. We delivered a mix of in person and virtual activities over the Fresher's period and continue to run regular activities to support students to socialise and meet new people.
- The Students' Union volunteering service supports students to volunteer in the local communities of our campuses and throughout lockdown has supported students to volunteer online where that has been possible and has provided sessions for volunteers to support each other and their wellbeing.
- Commercial Services are offered across our campuses, including a bar and food outlet, shops and online retail. We also hosted our Made A Difference and SU Awards events online due to the COVID-19 pandemic.

ANGLIA RUSKIN STUDENTS' UNION

TRUSTEES REPORT

YEAR ENDED 31ST JULY 2020

2019-2020

The year 2019-20 has been a year that has seen much change. The Students' Union began the year with a hugely successful welcome week with improved engagement from our student body and record numbers at our fresher's fairs. Our officer team outlined a number of campaigns that achieved much success. The campaign for the University to provide the Students' Union with a new bar at its Cambridge campus was a success and the University committed to provision of a space and funding for this.

There were successful campaigns around period poverty which resulted in funding for free sanitary products for our students on campus as well as campaigns on accessibility, mental health and inclusivity in sports which all had successes for our students. The Students' Union had seen engagement across the Union improve with increases in society membership and quality volunteering opportunities. We held a hugely successful Global week at both Cambridge and Chelmsford with over 100 stalls across the week.

In March the global pandemic took hold and this saw the resultant lockdown in the UK. This led to all student studying online and staff working from home. The Students' Union made huge efforts in this time to switch all of its activity online including society events, course rep meetings and advice appointments. The engagement with our students, ensured that the feedback and critique from students was fed back to the university and was invaluable to ensuring course and teaching quality. The Students' Union was able to switch its end of year award ceremonies to online versions to huge success. The Students' Union was very proud of the impact it made over the course of the year and its ability to adapt quickly.

Strategic Development

The previous strategic plan has come to an end. This year's focus was on developing a new 5 year strategic plan for the Students' Union. The Union has embarked on a year of research with students, staff, university staff and other student unions being used as sources of research to help develop a new strategy. We are really proud of the plan we have created which sets out a bold vision underpinned by four strategic themes that will shape all that we do. The new Strategic plan is detailed below;

Vision – Making a difference to every Student.

The work of the Students' Union is divided into 4 different themes (the words you and your refer to the student/s).

Theme 1. Conversations with You – We will have meaningful and honest conversations together, which shapes what we do along your journey

Theme 2 Belonging – We will help you form strong communities and friendships to have fun and feel supported by the University, by us and by each other

Theme 3. Improving your Learning – We will place your education at the heart of our work. Collaborating with you and the University to make a positive impact now and for the students who come after

Theme 4. Broadening your Horizons – We will help you develop and discover your ambitions for the future. We will support you to be brave, resilient and explore opportunities on your journey through ARU

This is underpinned by a new set of values that shape our behaviours and our ways of working

- **Creative** – We think outside the box, learn from mistakes and use our imagination.
- **Challenging** – We push ourselves, the University and students to think and do things differently.
- **Inclusive** – We will champion the diversity of our students and of the communities we are part of.
- **Sustainable** – We will champion wellbeing, equality, and justice, make ethical decisions and help to grow a cleaner, fairer planet.
- **Collaborative** – We are better when we work together.

The Strategy is set for 5 years, the strategy is measured by way of a balanced score card that is seeking to measure the strategy in numbers but also to measure the impact it makes to students by way of a narrative.

The Students' Union will shape its work and direction through future consultation with students. All staff are actively encouraged to talk to and listen to students to find out their needs. Projects are shaped from these conversations. The Students' Union will measure its impact via these projects and these projects will feed into the Students' Union balanced score card.

The Students' Union hopes that at the end of these 5 years we have extended its reach to as many students as possible and to ensure that the students feel that the Students' Union is there to support them throughout their university journey.

The Students' Union aims to have had a positive impact on the student experience and that this be reflected in an overall improvement in NSS scores and student experience surveys.

ANGLIA RUSKIN STUDENTS' UNION

TRUSTEES REPORT

YEAR ENDED 31ST JULY 2020

Financial review

The accounts show an increase to the Union's general unrestricted reserves of £113,628 (2019: an increase of £57,520).

The Union spent £792,144 (2019: £673,799) on Advice and Representation and £423,057 (2019: £450,302) on Student Activities and £255,456 (2019: £270,608) on communications and marketing. The Union's deficit on Student Venues and Entertainments has increased to £263,670 (2019: £250,799) on a full cost basis.

A designated reserve has been set up to reflect the remaining pension liability of £828,544 which is payable over the next 16 years. The inclusion of the overall pension deficit and other designated reserves results in the total net liabilities amounting to £172,145 (2019: £149,403).

The Trustees note the Union has ended the financial year with a deficit of £22,742 (2019: Surplus of £42,708) and retained General Reserves, excluding the pension deficit, of £557,244 (2019: £424,185).

Therefore, despite the net liabilities of £172,145 at the year-end (2019: £149,403), the Union remains financially strong.

At the year end, restricted funds of £22,005 (2019: £12,000) represent the unspent part of the University grant which has been ring-fenced for use in relation to ARU London

The Union has a general reserves policy of 3 months operating costs which is in line with Charity Commission guidance. The Union continues to meet this guidance.

Structure, Governance And Management

Anglia Ruskin Students' Union (the 'Union') incorporated as a company limited by guarantee (Company no. 08064796) on 10th May 2012, and on 15th August 2012 registered as a new legal entity with the Charity Commission (Charity no. 1148574). The Charitable Company took over the assets and activities of the existing unincorporated Union on 1st September 2012 from which date it commenced operations.

The Trustee Board operates three sub-committees to support their work and decision making. The Finance & Risk Committee oversees the financial and risk management of the Union. The Appointments and Governance Committee oversees the appointment, induction and development of the Board and Senior Management Team of the Union and the HR and Employee Engagement Committee oversees the support and development of employed staff and volunteers. This includes the oversight of the Union's pay structure, which includes the pay & remuneration of senior personnel.

Officer Trustees are elected by the student body; External and Student Trustees are appointed by a constituted Appointments & Governance Committee and their appointment is ratified by Union Council. Trustees receive a full induction into the Union and all categories of Trustee are offered training and development opportunities to support them to be effective in their roles.

The Trustees have paid due regard to guidance issued by the Charity Commission on public benefit and other areas in deciding what activities the Charity should undertake.

The Scheme of Delegated Authority is reviewed annually by Trustees and delegated authority is given to the Chief Executive to manage the Union by implementing the policy and strategy adopted by and within a budget approved by the Trustees.

The Union is principally funded via a block grant from Anglia Ruskin University. The Union works closely with the University and our Strategic Plan, recognising the importance of being a key partner with the University, reflects our desire to work in partnership with the institution to deliver their Corporate Plan.

The Union does have a subsidiary trading company, however that company is currently dormant.

The Senior Management Team

The Chief Executive is supported by two Directors, and together form the Senior Management Team. The senior team provides strategic management of the union, manages its operations and provides leadership for the staff and volunteers. The Senior Management Team report to the Board and its sub-committees, ensuring they are kept informed of all aspects of the organisation. The board approve the strategy and budgets for the union.

Key Personnel Salaries

The salaries of key personnel are determined by placing the role within a grade boundary on the Union's pay scale and are subject to the approval of the Trustees. Annually remuneration is reviewed and appropriate increments are awarded to employees in line with budgets. Each time the Job Description or responsibilities of a role are changed consideration is given to the grade boundary best suited to the responsibilities of that role.

Risk Management

The Trustees regularly review the Union's key strategic risks. The Finance and Risk Committee consider risks at each meeting as circumstances and events unfold. This year has seen a new Risk Register developed which has been shaped by the Finance and Risk committee with advice from the committee's external expert. In practice the risk review this year has been dominated by the global pandemic and the resultant impacts that it has had on the Students' Union and students.

The current key strategic risks are on the Risk Register and remain as identified in prior years. However due to the current pandemic and the challenges that the current pandemic presents additional risks have been identified and subsequently added to the Risk Register. These are reviewed on an ongoing basis by the Trustees and the Finance and Risk Committee to ensure the identified risks, and the associated actions, remain relevant to the Union's developing needs and environment.

The sections in our Risk Register cover the following subjects; measuring internal and external risks:

Compliance
 Pandemic
 Financial
 Governance & Strategy
 Operational
 Reputation
 People
 External Risks

The trustees have paid particular attention to potential impacts on funding and going concern including a review of pension fund deficit liabilities and obligations. The SUSS pension deficit is included in our Risk Register and further information on the pension scheme can be found in note 9 of these accounts.

The key strategic risks facing the Union are:

Internal	External
Ongoing Funding	Government Policy – HE Policy (particularly TEF and NSS), Non-HE Policy;
Adaptation to government rules and legislation with regard to the global pandemic	University Strategy – Recruitment success & Funding
	Legislative Framework – with reference to Charity Law

Relationships And Networks

The Union has a key stakeholder relationship with Anglia Ruskin University, who is the primary funder. Under the Education Act 1994 the University has a statutory duty to be assured that the Union operates in a fair and democratic manner and is held to proper account for its finances. The formal relationship with the University is governed by a Memorandum of Understanding and is supported by regular communication between the senior management teams of both organisations.

ARU Students' Union is affiliated to the National Union of Students. NUS is a confederation of students' unions and affiliation therefore has no impact on the operating policies adopted by ARU Students' Union.

ANGLIA RUSKIN STUDENTS' UNION**TRUSTEES REPORT****YEAR ENDED 31ST JULY 2020****STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company Law requires the Charitable Company's Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles of the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charitable Company will continue to operate.

The Trustees are responsible for keeping proper accounting records which 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 and the provisions of the governing document. 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.

The Trustees confirm that, in the case of each of the persons who are Trustees at the date of this report, the following applies:

- So far as each Trustee is aware there is no relevant audit information (information needed by the Charitable Company's auditors in connection with preparing their report) of which the Charitable Company's auditors are unaware; and
- Each Trustee has taken all the steps necessary to make herself/himself aware of any relevant audit information and to establish that the Charitable Company auditors are aware of that information.

Approved by the Trustees on 25th February 2021 and signed on their behalf by:



Jason Snowdon
Deputy Chair of Trustee Board

ANGLIA RUSKIN STUDENTS' UNION

INDEPENDENT AUDITORS REPORT OF THE MEMBERS

Opinion

We have audited the financial statements of Anglia Ruskin Students' Union (the 'charitable company') for the year ended 31st July 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st July 2020 and of its incoming resources and application of resources 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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

ANGLIA RUSKIN STUDENTS' UNION**INDEPENDENT AUDITORS REPORT OF THE MEMBERS****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 in relation to which 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' exemptions in preparing 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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.



Stephen Anderson (Senior Statutory Auditor)
For and on behalf of Knox Cropper LLP, Statutory Auditor
65 Leadenhall Street
London
EC3A 2AD

ANGLIA RUSKIN STUDENTS' UNION
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST JULY 2020

	Unrestricted General Funds	Restricted Funds	Designated Funds	Total 2020 £	Total 2019 £
Note	£	£	£		
INCOME AND ENDOWMENTS FROM:					
Donations and Grants					
Block Grant	2	1,418,100	147,850	-	1,565,950
Sports Grant	2	69,800	-	-	69,804
Others Grants	2	103,551	-	-	-
Charitable Activities					
Student Social Venues	3	325,223	-	-	479,524
Student Activities	4	11,660	-	45,990	61,376
Advice and Representation	5	-	-	-	-
Communications and Marketing	6	47,635	-	-	67,028
Other		18,607	-	-	10,821
Total Income		1,994,576	147,850	45,990	2,188,416
EXPENDITURE ON:					
Charitable Activities					
Student Social Venues	3	558,567	30,326	-	730,323
Student Activities	4	342,325	39,975	40,757	450,302
Advice and Representation	5	742,520	49,624	-	673,799
Communications and Marketing	6	237,536	17,920	-	270,608
Revaluation of Pension Provision	9	-	-	151,608	21,909
Total Expenditure		1,880,948	137,845	192,365	2,211,158
Net Income/(Expenditure)		113,628	10,005	(146,375)	(22,742)
Transfer Between Funds	16	19,431	-	(19,431)	-
Net movement in funds		133,059	10,005	(165,806)	42,708
Reconciliation of Funds					
Total Funds brought forward		424,185	12,000	(585,588)	(192,111)
Funds Carried Forward		557,244	22,005	(751,394)	(149,403)

All transactions noted above derive from continuing operations.

The notes on page 13 to 22 form part of these financial statements

ANGLIA RUSKIN STUDENTS' UNION**BALANCE SHEET****AS AT 31ST JULY 2020**

	Note	£	2020	£	£	2019	£
FIXED ASSETS							
Tangible Assets	11			33,063			34,654
Investments	12			100			100
CURRENT ASSETS							
Stocks		32,784				17,286	
Debtors	13	105,842				45,860	
Cash at Bank and In Hand		638,829				528,079	
		<u>777,455</u>				<u>591,225</u>	
CREDITORS: Amounts falling due within one year							
	14	<u>(189,482)</u>				<u>(98,446)</u>	
NET CURRENT ASSETS							
				587,973			492,779
CREDITORS: Amounts falling due after more than one year							
Pension Provision	15			(793,281)			(676,936)
Total Net Assets/(Liabilities)							
				<u>(172,145)</u>			<u>(149,403)</u>
Represented by:							
Restricted Funds							
	16			22,005			12,000
Unrestricted Funds							
General Reserves	16			557,244			424,185
Designated Funds	16			<u>(751,394)</u>			<u>(585,588)</u>
				<u>(172,145)</u>			<u>(149,403)</u>

These financial statements were approved by the Board of Trustees on 25th February 2021 and are signed on their behalf by:



John Valerkou
Chief Executive



Jason Snowdon
Deputy Chair of Trustee Board

The notes on pages 13 to 22 form part of these financial statements

Registered Company Number: 08064796

ANGLIA RUSKIN STUDENTS' UNION**STATEMENT OF CASH FLOWS****AS AT 31ST JULY 2020**

	Notes	2020 £	2019 £
Cash Flows from Operating Activities			
Net movement of funds for the period		(22,742)	42,708
Adjustments for:			
Depreciation	11	15,095	16,388
Write off of fixed assets	11	-	-
Interest received from investments		-	-
Decrease / (Increase) in Stock		(15,498)	(409)
Decrease / (Increase) in Debtors	13	(59,982)	17,864
(Decrease) / Increase in Pension Provision	14, 15	151,608	21,909
(Decrease) / Increase in Other Creditors	14	55,773	(53,733)
Net Cash used in Operating Activities		124,254	44,727
Cash Flows from Investing Activities			
Interest received from investments		-	-
Payments to acquire fixed assets	11	(13,504)	(1,068)
Net Cash used in Investing Activities		(13,504)	(1,068)
Cash Flows from Financing Activities			
Loan repayments		-	-
Net Cash used in Financing Activities		-	-
Change in cash and equivalents in the period		110,750	43,659
Cash and equivalents at the start of the period		528,079	484,420
Cash and equivalents at the end of the period		638,829	528,079

ANGLIA RUSKIN STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2020

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with the recommendations of the Statement of Recommended Practice: 'Accounting and Reporting by Charities' (SORP 2015), the Companies Act 2006 and UK Accounting Standards, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Anglia Ruskin Students' Union constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. As detailed in note 22, in forming this opinion, they have considered the impact of the COVID-19 pandemic on both its income and expenditure for at least a period of twelve months from the date of approval of these financial statements.

Income recognition

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.

Donations are recognised when Anglia Ruskin Students' Union has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

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 bank.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accrual basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings based on the number of personnel in each area of charitable activity.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Pension costs

Anglia Ruskin Students' Union participates in the Student Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The scheme is now closed to future accrual. 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 is a multi-employer scheme and 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 Union. In these circumstances, contributions are accounted for as if the scheme were a defined contribution scheme based on actual contributions paid though the year.

ANGLIA RUSKIN STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2020

1. ACCOUNTING POLICIES (Continued)

Taxation

No provision is made in these accounts for tax as the Union is entitled to the exemptions available to charities provided all income is applied for charitable purposes.

Tangible fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Assets are not capitalised below £1,000 cost per item. Depreciation is charged on a straight-line basis over their estimated useful life as follows:

- Furniture and Other Assets 4-5 years
- IT/Technical equipment 3 years
- Exhibition equipment 2 years

Investments

The fixed asset investments are stated at cost less impairment.

Stocks

Stocks are valued at the lower of costs and net realisable value, after making allowance for obsolete and slow -moving stock.

Fund accounting

Restricted funds comprise income received to be used in accordance with specific instructions imposed by donors, less associated costs. The aim and use of each restricted fund is set out in the notes to the accounts where material.

Unrestricted funds are funds available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds are set aside at the discretion of the Trustees for specific purposes and include balances allocated to individual clubs and societies. They would otherwise form part of the general reserves.

2. GRANTS

	Unrestricted	Restricted	Designated	Total 2020	2019
	£	£	£	£	£
Grants From University					
Block Grant	1,418,100	147,850	-	1,565,950	1,501,096
Sports and Societies Grant	69,800	-	-	69,800	69,804
	1,487,900	147,850	-	1,635,750	1,570,900
Grants From Others					
Coronavirus Job Retention Scheme Grant	103,551	-	-	103,551	-
	103,551	-	-	103,551	-
	1,591,451	147,850	-	1,739,301	1,570,900

The University also provide the Union with rent free accommodation, in accordance with an informal licence agreement. The value of this in-kind benefit has not been valued and included in the accounts.

The restricted income represents part of the University grant which is ring fenced for use in relation to ARU London. See Note 16.

ANGLIA RUSKIN STUDENTS' UNION**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31ST JULY 2020****3. STUDENT SOCIAL VENUES**

	-----2020-----				Total £	2019 Total £
	Bars £	Café £	Retail £	Entertainment £		
Sales	58,193	98,181	151,664	17,185	325,223	479,524
Cost of Sales	(18,597)	(64,512)	(91,229)	(4,584)	(178,922)	(211,133)
Gross Profit	39,596	33,669	60,435	12,601	146,301	268,391
Staff Salaries and Wages	(60,846)	(63,465)	(76,629)	(24,027)	(224,967)	(284,108)
Other Direct Costs	(12,378)	(11,074)	(14,403)	(5,349)	(43,204)	(124,121)
Support Costs	(35,450)	(35,450)	(35,450)	(35,450)	(141,800)	(110,961)
	(69,078)	(76,320)	(66,047)	(52,225)	(263,670)	(250,799)

4. STUDENT ACTIVITIES

	-----2020-----				2019 Total £
	Unrestricted £	Restricted £	Designated £	Total £	
Income	11,660	-	45,990	57,650	61,376
Direct Costs	(50,304)	-	(40,757)	(91,061)	(112,040)
Staff Salaries and Wages	(145,079)	-	-	(145,079)	(191,995)
Support Costs	(146,942)	(39,975)	-	(186,917)	(146,267)
	(330,665)	(39,975)	5,233	(365,407)	(388,926)

5. ADVICE AND REPRESENTATION

	-----2020-----				2019 Total £
	Unrestricted £	Restricted £	Designated £	Total £	
Income	-	-	-	-	-
Direct Costs	(73,768)	-	-	(73,768)	(74,908)
Staff Salaries and Wages	(486,341)	-	-	(486,341)	(417,319)
Support Costs	(182,411)	(49,624)	-	(232,035)	(181,572)
	(742,520)	(49,624)	-	(792,144)	(673,799)

6. COMMUNICATIONS AND MARKETING

	-----2020-----			2019 Total £
	Marketing £	Communication £	Total £	
Income	-	47,635	47,635	67,028
Direct Costs	(23,990)	(27,675)	(51,665)	(63,091)
Staff Salaries and Wages	(102,770)	(17,231)	(120,001)	(141,949)
Support Costs	(61,872)	(21,918)	(83,790)	(65,568)
	(188,632)	(19,189)	(207,821)	(203,580)

ANGLIA RUSKIN STUDENTS' UNION**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31ST JULY 2020****7. SUPPORT COSTS**

	-----2020-----			2019 Total £	
	Unrestricted £	Restricted £	Designated £		Total £
Central Services Salaries and Wages	(321,254)	(106,367)	-	(427,621)	(298,939)
Pension Levy	(13,580)	-	-	(13,580)	(2,634)
Premises and Equipment Costs	(25,613)	(4,196)	-	(29,809)	(13,477)
Administration and Finance	(100,211)	(24,818)	-	(125,029)	(120,401)
Human Resources and Payroll	(13,363)	(2,029)	-	(15,392)	(36,184)
Professional Fees	(24,796)	(435)	-	(25,231)	(25,504)
Governance	(7,880)	-	-	(7,880)	(7,229)
	(506,697)	(137,845)	-	(644,542)	(504,368)
<i>Apportioned to:</i>					
Student Social Venues	(111,474)	(30,326)	-	(141,800)	(110,961)
Student Activities	(146,942)	(39,975)	-	(186,917)	(146,267)
Advice and Representation	(182,411)	(49,624)	-	(232,035)	(181,572)
Communications and Marketing	(65,870)	(17,920)	-	(83,790)	(65,568)
	(506,697)	(137,845)	-	(644,542)	(504,368)

8. STAFF COSTS

	2020 £	2019 £
Salaries and Wages	1,127,897	1,029,075
Employers NI	95,078	85,175
Pension Contributions (current employees)	44,772	40,176
Pension Contributions (past deficit)	165,188	24,543
Student Staff	136,260	165,455
	1,569,195	1,344,424

Redundancy payments of £5,380 were made during the year (2019: £14,430).

The average number of employees (full time equivalents) during the period amounted to 45 (2019: 31).

One employee earned emoluments between £60,000 and £70,000 (2019: 0).

Key management personnel consists of 3 persons whose combined employee benefits including pensions amounted to £174,758 in 2020 (2019: 5 people, £206,250).

Officer trustees receive remuneration for their services as officers of the Union and the amounts paid during the period are set out in note 21. No other trustee received remuneration for their services (2019: nil). Expenses amounting to £291 were reimbursed to the trustees during the period (2019: £1,035).

ANGLIA RUSKIN STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST JULY 2020

9. PENSIONS

The Union participated 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 30th September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1st October 2003 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30th September 2011 the scheme closed to future accrual.

The most recent valuation of the scheme was carried out as at 30th 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 rate of return on investments and the rates of increase in salaries and pensions.

The 2019 valuation recommended a contribution requirement by each Union expressed in monetary terms intended to clear the on-going funding deficit over a period of 16 years and will increase by 5% in October 2020, 8% in October 2021 and at least 5% each year from 2022. These contributions also include an allowance for cost of the on-going administrative and operational expenses of running the scheme. These rates applied with effect from 1 October 2020. In accordance with FRS 102 provision has been made for the discounted value of contributions receivable. Surpluses and deficits which arise at future valuations will also impact on the Unions future contribution commitment. In addition to the above contributions, the Union also pays its share of the schemes levy to the Pension Protection Fund. The discount rate applied was 2.6%.

The net present value of the contributions that Anglia Ruskin Students' Union have agreed to pay over the next 16 years represents a liability at the year-end of £828,544 (an increase of £151,608 from 2018/19). The increase in liability is a combination of a lower return on the scheme investments and due to the contingent liability from the previous financial year crystalizing. The total contributions paid into the scheme in respect of the funding deficit for the period ended 31st July 2020 amounted to nil (2019: nil) as the Union took advantage of a discount being offered by the SUSS in 2017 and have paid three years of contributions up front.

The Union now participates in a further two pension schemes; the NUSPS Pension Scheme, a defined contribution scheme, of which 6% of gross salaries are paid in by the Union and 6% of net salaries are paid in by employees and the AEGON pension scheme, of which 3% of gross salaries are paid in by the Union and 5% of net salaries are paid in by employees.

The total contributions paid into both schemes by the Union in respect of eligible employees for the year ended 31st July 2020 amounted to £44,772, including deficit contributions (2019: £40,176).

10. NET INCOMING RESOURCES FOR THE PERIOD

This is stated after charging:

	2020	2019
	£	£
Depreciation	15,095	16,388
Auditors Remuneration	7,880	8,674
Operating Lease Costs	19,321	17,822

ANGLIA RUSKIN STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST JULY 2020

11. TANGIBLE FIXED ASSETS

	Office Equipment & Fittings £	Bars £	Other Assets £	Total £
COST				
At 1 st August 2019	34,324	23,354	26,977	84,655
Additions	13,504	-	-	13,504
Disposals	-	-	-	-
At 31st July 2020	<u>47,828</u>	<u>23,354</u>	<u>26,977</u>	<u>98,159</u>
DEPRECIATION				
At 1 st August 2019	19,739	14,448	15,814	50,001
Charge for the year	7,421	4,757	2,917	15,095
Disposals	-	-	-	-
At 31st July 2020	<u>27,160</u>	<u>19,205</u>	<u>18,731</u>	<u>65,096</u>
NET BOOK VALUE				
At 31st July 2020	<u>20,668</u>	<u>4,149</u>	<u>8,246</u>	<u>33,063</u>
At 31 st July 2019	<u>14,585</u>	<u>8,906</u>	<u>11,163</u>	<u>34,654</u>

12. INVESTMENTS

At 31st July 2020 the Union held 100 £1 shares in Anglia Students' Union Trading Company Limited which is incorporated in the United Kingdom (2019: 100 £1 shares). This company is currently dormant.

13. DEBTORS

	2020 £	2019 £
Trade Debtors	5,855	855
Due from Anglia Ruskin University	77,317	15,535
Other Debtors	22,236	23,486
VAT	434	5,984
	<u>105,842</u>	<u>45,860</u>

ANGLIA RUSKIN STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST JULY 2020

14. CREDITORS: Amounts falling due within one year

	2020		2019	
	£	£	£	£
Bank Loans and Overdrafts		-		-
<i>Trade Creditors:</i>				
Due to the University	-		579	
Other	<u>17,389</u>		<u>37,565</u>	
		17,389		38,144
<i>Other Creditors including Taxation and Social Security:</i>				
PAYE and Social Security	40,986		27,476	
Amount due to Subsidiary Undertaking	1,110		1,110	
Pension Liability	35,263		-	
Accruals and Deferred Income	<u>94,734</u>		<u>31,716</u>	
		<u>172,093</u>		<u>60,302</u>
		<u>189,482</u>		<u>98,446</u>

15. CREDITORS: Amounts falling due after more than one year

	2020	2019
	£	£
Pension Liability	<u>793,281</u>	<u>676,936</u>
	<u>793,281</u>	<u>676,936</u>

The pension liability is due to be paid over the next 16 years and is based on information provided by the SUSS. The Pension Liability is repayable over the following periods:

	2020	2019
	£	£
Due Within One Year	35,263	-
Between Two and Five Years	202,271	207,937
More Than Five Years	<u>591,010</u>	468,999
	<u>828,544</u>	<u>676,936</u>

ANGLIA RUSKIN STUDENTS' UNION**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31ST JULY 2020****16. FUNDS**

	Balance Brought Forward	Income	Expenditure	Transfers	Balance Carried Forward
	£	£	£	£	£
Restricted Funds					
ARU London	12,000	147,850	(137,845)	-	22,005
	12,000	147,850	(137,845)	-	22,005
Designated Funds					
Clubs and Societies	41,713	45,990	(40,757)	-	46,946
Other Sports	30,204	-	-	-	30,204
Office & Shop Refurbishments	19,431	-	-	(19,431)	-
Pension Liability	(676,936)	-	(151,608)	-	(828,544)
	(585,588)	45,990	(192,365)	(19,431)	(751,394)
Unrestricted Funds					
General Reserves	424,185	1,994,576	(1,880,948)	19,431	557,244
Total Reserves	(149,403)	2,188,416	(2,211,158)	-	(172,145)

The ARU London restricted fund represents an unspent part of the University grant which is ring fenced for use in relation to ARU London.

The designated funds have been established for use for the following purposes:

Clubs and Societies Balances: Funds raised through membership, fundraising etc. by University clubs and societies are ring fenced by the individual clubs and societies for their own use.

Other Sports Balances: The policy of the Union is that any surplus on these funds are ring fenced and are to be allocated by the students.

Office & Shop Refurbishments: These funds were designated to provide a 'pop up' shop around campus, upgrades to the receptions at Chelmsford and Cambridge and storage space for the administrative office areas. These remaining funds have not been utilised for a number of years and no projects are specified and approved at present, thus they have been redesignated as unrestricted reserves.

Pension Liability: These funds represent the pension liability as set out in note 9.

ANGLIA RUSKIN STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST JULY 2020

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds £	Designated Funds £	Unrestricted Funds £	Total Funds 2020 £
Non-Current Assets	-	-	33,163	33,163
Net Current Assets	22,005	41,887	524,081	587,973
Creditors due after one year	-	(793,281)	-	(793,281)
	22,005	(751,394)	557,244	(172,145)

18. COMMITMENTS UNDER OPERATING LEASES

At 31st July 2020 the following operating lease payments are committed to be paid

	Assets Other Than Land & Buildings 2020 £	2019 £
Expiring:		
Within 1 year	6,126	18,158
Within 2 to 5 years	1,138	7,444
	7,444	25,602

19. DONATIONS

The Union made no donations to external bodies during the year except where collections were made on behalf of various charities and lodged with the Union prior to payment to the charity.

20. TAXATION

The charity is not liable to corporation tax as it is entitled to the exemptions available to charities where income earned is applied for charitable purposes.

21. RELATED PARTY TRANSACTIONS

The Union's relationship with Anglia Ruskin University is governed by the Education Act 1994, under which the Governing Body of the University has a legal requirement to, inter alia, ensure the financial affairs of the Union are properly conducted. The Union is also dependent upon the University for financial support. During the year the Union was in receipt of a block grant of £1,565,950 (2019: £1,501,096), and a designated Sports grant of £69,800 (2019: £69,804). In addition, the Union occupies its building on a rent-free basis under an informal licence subject to the Union maintaining the building in a good state of repair. At year end the amount owed by Anglia Ruskin University was £77,317 (2019: 15,535) and the amount owed to Anglia Ruskin University was nil (2019: £579). Amounts due to and from the university are set out in notes 13 and 14.

The sabbatical members of the Trustee Board receive remuneration for their services as provided for within the Constitution. The total amount payable for the officers during the year was £102,293 (2019: £113,573).

22. IMPACT OF COVID-19 PANDEMIC

The Trustees anticipate that the COVID-19 outbreak that began to impact in February 2020 and the subsequent events will continue to have a long-term impact on the students at Anglia Ruskin and the staff in the Students' Union as well as on the Students' Union's trading opportunities, processes and working patterns. The charity's incoming resources and resources expended in the current year have not been adversely affected by the pandemic.

The Trustees have considered the likely impact on its future incoming resources including information from the University on forecast student numbers, which is a key driver of the block grant, and how the charity can react to that impact. They are confident that it has sufficient reserves and enough flexibility to ensure that it can continue to exist for the foreseeable future.

23. CONTINGENT LIABILITY

There are no contingent liabilities for this period. However a contingency existed at the prior year end which was related to the SUSS pension deficit which has crystalized and is included in this year's numbers. See note 9 for more information.

ANGLIA RUSKIN STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31ST JULY 2020

23. COMPARATIVE SOFA 2019

	Unrestricted General Funds	Restricted Funds	Designated Funds	Total 2019 £
Note	£	£	£	£
INCOME AND ENDOWMENTS FROM:				
Donations and Grants				
Block Grant	1,418,096	83,000	-	1,501,096
Sports Grant	69,804	-	-	69,804
Charitable Activities				
Student Social Venues	479,524	-	-	479,524
Student Activities	16,515	-	44,861	61,376
Advice and Representation	-	-	-	-
Communications and Marketing	67,028	-	-	67,028
Other	10,821	-	-	10,821
Total Income	<u>2,061,788</u>	<u>83,000</u>	<u>44,861</u>	<u>2,189,649</u>
EXPENDITURE ON:				
Charitable Activities				
Student Social Venues	714,703	15,620	-	730,323
Student Activities	379,948	20,590	49,764	450,302
Advice and Representation	648,239	25,560	-	673,799
Communications and Marketing	261,378	9,230	-	270,608
Revaluation of Pension Provision	-	-	21,909	21,909
Total Expenditure	<u>2,004,268</u>	<u>71,000</u>	<u>71,673</u>	<u>2,146,941</u>
Net Income/(Expenditure)	57,520	12,000	(26,812)	42,708
Transfer between Funds	-	-	-	-
Net movement in funds	<u>57,520</u>	<u>12,000</u>	<u>(26,812)</u>	<u>42,708</u>
Reconciliation of Funds				
Total Funds brought forward	366,665	-	(558,776)	(192,111)
Funds Carried Forward	<u>424,185</u>	<u>12,000</u>	<u>(585,588)</u>	<u>(149,403)</u>