

**SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

CONTENTS

	Page
Reference and administrative details of the charity, its Trustees and advisers	1 - 2
Trustees' report	3 - 16
Independent auditor's report on the financial statements	17 - 20
Statement of financial activities	21
Balance sheet	22 - 23
Statement of cash flows	24
Notes to the financial statements	25 - 58

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2021

Trustees	Haleem Hussain, Student Trustee (appointed 1 January 2020) Segun Ibutola, Student Trustee (appointed 1 January 2020) Oliver Coppard, External Trustee Isabel Hartland, External Trustee Marc Rocca, External Trustee (appointed 1 February 2020) Neil Harris, External Trustee (appointed 1 February 2020) Vamsi Krishna Galla, Student Trustee (appointed 18 January 2021)
Charity registered number	1141925
Principal office	The Hubs, Paternoster Row Sheffield S1 2QQ
Sabbatical officers	2021/22 Praise Ishola Zainab Ata Elena Bowley Adeyemi Otebolaku Scarlet Parr Sabahat Pathan 2020/21 George Alvey Diya Maria Babu Praise Ishola Laith Jaafar Andrew Adegbola Hannah Prestwich
Senior management team	Julie Byrd - Chief Executive Mark Hewerdine - Director of Resources Claire Judge - Marketing & Customer Services Director (Left 23/04/2021) Jane Anslow - Deputy CEO Jenine Woolley, Director of Services (effective from 1 April 2021)
Independent auditor	BHP LLP Chartered Accountants 2 Rutland Park Sheffield S10 2PD

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

Bankers National Westminster Bank PLC
1 St Paul's Place
121 Norfolk Street
Sheffield
S1 2JF

Solicitors DLA Piper UK LLP
St Pauls Place
121 Norfolk Street
Sheffield
S1 2JX

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2021

The Trustees present their report and the audited financial statements of Sheffield Hallam University Students' Union (the Union) for the year ended 31 July 2021. The Trustees confirm that the Annual report and financial statements of the Union comply with current statutory requirements, the requirements of the Union's governing document and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

Summary of charity's objectives and activities undertaken in relation to these objects:

- The Students' Union's objects are the advancement of education of students at Sheffield Hallam University for the public benefit by:
 - o Promoting the interests and welfare of students at Sheffield Hallam University during their course of study, and representing, supporting and advising students
 - o Providing social, cultural and recreational activities and forums for discussions and debate for the personal development of its students
 - o Being the recognised representative channel between students and Sheffield Hallam University and any other external bodies

b. Main activities undertaken to further the charity's purposes for the public benefit

The trustees have had regard to the guidance issued by the Charity Commission on public benefit and confirm that the Students' Union continues to benefit the public as explained in the summary of objectives and activities.

Achievements and performance

a. Investment policy and performance

Investment performance: The Students' Union placed surplus funds on deposit with various banks, during the period and achieved an average 0.4% rate of interest

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

Financial review

a. Review of the year

Financial position

The Students' Union's gross income from all sources totalled £2,728,354 (2020: £3,125,525).

Total expenditure before exceptional costs was £2,393,672 (2020: £2,981,024). After taking account of exceptional costs, transfers and actuarial losses on the defined benefit pension schemes, there is a net increase in funds of £480,682 (2020: net decrease of £682,110).

Funds carried forward as at 31 July 2021 total deficits of £1,649,390 (2020: £2,130,072) and comprise unrestricted funds, excluding the pension liabilities of £685,832 (2020: £273,664), designated funds of £249,586 (2020: £371,877), pension reserve deficit funding £2,675,986 (2020: £2,852,023) and a restricted fund surplus of £91,178 (2020: £76,410).

The Students' Union has continued to benefit from the recognition and support of the University, and for the academic year 2020/21 the annual block grant was £2,458,034 (2020: £2,458,373). This is the principal funding of the Union.

The Trustees confirm that the Students' Union has sufficient funds to meet all its expected obligations. The block grant for 2021/22 has been confirmed at £2,458,407.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

b. Reserves policy

What are reserves?

Reserves are that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes.

This excludes:

- restricted & endowment funds
- tangible fixed assets (required to maintain operations)
- amounts designated for essential future spending.

Why do we need reserves?

To ensure our long-term sustainability, enable us to improve our facilities and continue to provide services and activities during any short term reduction in income, by mitigating:

- a) The risk of unforeseen emergency or other unexpected need for funds, e.g. an unexpected large repair bill or funding for an urgent project.
- b) Covering unforeseen day-to-day operational costs, e.g. employing temporary staff to cover a long-term sick absence.
- c) A source of income, e.g. a grant, not being renewed, to give time to take action.
- d) Planned commitments, or designations, that cannot be met by future income alone, e.g. a major purchase or project.
- e) To fund short-term deficits in a cash budget.

If we conclude that our charity does not need to hold any reserves, then we must explain that in our annual report. How much do we need in reserve?

The reserves level may be a target amount or range, for each reason set out above:

- a) To meet an unforeseen emergency or unexpected need - consider risks and how much might be needed for such contingencies; this will involve judgment of events that may occur and their likelihood.
- b) Do we need a small contingency to meet unforeseen operational costs?
- c) Uncertainty over future income may mean having reserves equivalent to a number of weeks of income, to allow time develop new sources of income or to cut-back on expenditure.
- d) A planned spending commitment which cannot be met from future income, often this will be included within designations in accounts.
- e) An amount might be needed to cover 'troughs' in the cash budget - review budgets to ascertain how much might be needed.

In summary, the identified financial risks should influence the level of reserves we target and be explained in your reserves policy.

Assessing actual reserve at the end of the year

The final step is to compare the target reserve with actuals, explain any material difference and explain any action being taken or planned to bring reserves into line.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

SHSU Reserve Target Methodology

To ensure that the Target Reserves Methodology is consistent with the Union's new strategy, it was reassessed, by the Trustees. The old method was heavily influenced by loss-making commercial trading requirements, which have ceased and therefore are no longer relevant.

There was consideration that the level of reserves should be sufficient to cover unavoidable costs, but not be excessive, as the Union's primary aim is to serve students, not to accumulate reserves.

SHSU is heavily reliant upon grant funding from Sheffield Hallam University. The level of this grant is linked to the SU's performance and the Trustees believe that there is little likelihood of grant funding ceasing altogether.

Following a review of the organisation's operations and cost structure, it was determined that many costs would be discretionary in the event of the grant ceasing, as many costs are either paid to the University or to provide discretionary services.

It was deemed appropriate to provide for those costs which, in the case of the grant ceasing, would be unavoidable, they being, all costs that would be incurred in the case having to wind-up the Union and make the workforce redundant.

Those unavoidable costs have been assessed as at the year-end and a forecast worst case position for the end of the following year and results in the target reserves range of £279,000 to £306,000.

At 31 July 2021 the Union had total deficits of £1,649,390 (2020: £2,130,072). Restricted funds were £90,178 (2020: £76,410). Unrestricted funds were (£1,739,568) (2020: (£2,206,482)). Free reserves are set out below:

Unrestricted funds	(£1,740,568)
Less: fixed assets	(£71,786)
Less: designated funds	(£249,586)
Add: pension deficit	£2,675,986
Free reserves	£614,046

Free reserves are above the Union's target range of £279,000 to £306,000 following further investment. This is expected to be a temporary situation and was largely caused by Covid 19 related restriction on operations in 2020/21.

c. Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Due to the restriction on physical services that could be provided during the 2020-21 year and the low utilisation of the SU's building, a significant surplus was accumulated. A conservative forecast has been created to the end of the 2022 calendar year, to ensure the financial viability of the organisation. This assumes that the organisation can provide physical services at a more normal level. An assessment has also been made of the likely impact of further pandemic restrictions, both from a student service and financial sustainability perspective. The direct impacts financially are net positive as, like in 2020-21, activities being provided digitally tend to cost less than face-to-face ones and a lower usage of the Students' Union building generates cost savings. The single biggest threat to the Union's position is a material cut in the block grant from SHU, which may be an indirect impact of the pandemic, if it affects future student numbers and university income, and this has been stress-tested in the above forecast.

After review, it was concluded that the Union can continue to provide its services safely and still be financially viable for this period. For this reason they continue to adopt the going concern basis in preparing the financial statements.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

d. THE 2025 STRATEGY

The Students' Union, during 2019/20, undertook extensive consultation with key stakeholders including over 5,000 students, the University and community partners to formulate a new strategy covering 2020 to 2025.

The consultation highlighted a need to; Invest in digital development, decentralise to be where students are, create value for stakeholders, have an agile staffing structure, be responsive and have impact with rapid research and insight and to support the University's strategy through partnership working, be strong, and ensure sustainability, both environmental and financial.

To deliver the 2025 strategy, we had to take the difficult decision to close our commercial outlets in order to deal with the continued deficit position. The evidence was the persistent decline in sales and footfall over several years - despite the significant effort to reverse the trend.

A vibrant programme of activity and events will still be delivered by working with the providers within the City to create value for money offers for Hallam students, such as the Peddler Warehouse Takeover event for the 2021/22 Welcome, and the dedicated Hallam Nation Party night every Wednesday at the local Crystal Night club. We will also work closely with our neighbours at Sheffield Students' Union to ensure Hallam students have access to their bars and vibrant club night programme.

Mission:

We are here to support the advancement of education of students at Sheffield Hallam University by:

Being the recognised representative channel between students and Sheffield Hallam University and any other external bodies

Promoting the interests and welfare of students at Sheffield Hallam University during their course of study representing, supporting and advising members

Providing opportunities for students to socialise, develop cultural awareness and debate issues, to enhance their personal development

Our Vision

By 2025 we will be known nationally for:

- delivering outstanding representation
- creating strong vibrant student communities
- generating student learning and employment through regional community engagement
- inspiring students to stand up for their rights and wellbeing

Underpinned by a strong, vocal and democratic Union, that involves students in our decision making.

Outstanding Representation Strategy.

By 2025 we commit to:

- Increase the number of students who agree that the SU represents their academic interests from 55% to 75%.
- Achieve an 85% satisfaction rate amongst students with the student representation system.
- 80% of students will be aware that the SU is responsible for the student representation at Sheffield Hallam University.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

- Winning a national award reflecting what has been achieved.

This will be achieved by:

- Agreeing with the University a new approach to academic representation that gives the SU greater ownership of the system.
- Creating a strong brand for academic representation and the student reps.
- Agreeing and delivering a five year action plan for establishing representation as the flagship activity of the Students' Union.
- Effective support of the Officers and other reps to facilitate positive working relationships with University staff and delivers successful outcomes for students.
- A Student Union physical presence in high footfall areas across campus promoting the representation and support functions to students.
- Delivering a digital system/tool to support the new approach to representation.
- Providing a tracking system for students to see the progress of their feedback.
- Creating an effective communications plan to report back actions and delivers campaigns to support the collective issues being raised by students.

Creating strong vibrant student communities

By 2025 we commit to:

Increasing the number of students who agree "The Students Union has had a positive impact on my sense of belonging to the University or college": 55% agree (2018- 37%, 2017 – 34%) NSS.

Raising awareness that the SU supports and co-ordinates academic societies, with 90% of students being aware.

85% of students agreeing that 'the Students' Union creates a sense of fun and provides activities that they want to get involved in'

A 50% increase in Give It A Go attendees (internal data)

This will be achieved by:

- Creating a college-focused Students' Union Engagement Team that create fun, relevant and bespoke activities across colleges.
- A greater self-service element via a digital solution to engage those students who are part-time, time poor and commuters in activities and societies.
- A digital solution will facilitate communication between student communities via forums, group chat to generate higher levels of engagement, debate and information sharing.
- Creating an inclusion fund for students identified in the University's Access and Participation Plan to enable them to participate in societies and activities.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

- Delivering a new and expanded Give it a Go offer.

Student learning and employment through engaging with the regional community.

By 2025 we commit to:

Ensuring that students form 70% of the Student Union workforce (currently 56%).

Increasing the percentage of students who agree that the Students Union has had a positive impact on the local community from 40% 2019 to 60% 2025 (NSS).

Providing a service to Sheffield City Region Charities, that is rated good to excellent by 80% of the charities involved.

Achieving a 25% increase in the number of students volunteering through SHSU - currently 1,600 for 2020 (Internal data).

This will be achieved by:

- Creating new roles for students across the organisation for students to get part-time work, work experience, placements and internships.
- Establishing the SU as a broker between the Charity Sector in the Sheffield City Region and Sheffield Hallam students for work experience; placements; jobs; research projects; volunteering opportunities.
- Forming a Charity/Students Union Development Board to identify the key social issues and identify social action projects for student involvement.
- Creating an on-line portal to bring students and charities together to promote volunteering, work experience/placement opportunities, internships, discussion/debate, skills development awards, projects.
- Launching a Student Community Action Programme working with disadvantaged communities in the region. Linked to a Community Action Award.
- Developing a student skills sharing app to allow students to swop their talent/skills to benefit research projects, ideas creation, delivering events.
- Creating a virtual "makers" area of the app to where students with common interests, such as computers, technology, science, digital art, or electronic art, can form groups, socialize and collaborate.

Inspiring students to stand up for their rights and wellbeing

By 2025 we commit to:

Establishing the Students Union as an organisation that "stands up for student rights" with 75% of students agreeing with the statement (currently 33% Membership Survey).

85% of students being aware that the Students' Union has an Advice Service (currently 68%, Membership Services Survey).

80% of students associating the Students' Union as a place to go for support with wellbeing (currently 50% - Strategy Survey 2020).

An increase in the number of students who agree that the Students' Union represents their academic interests, from 55%

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

to 75% in 2025 (NSS).

This will be achieved by:

- Establishing a physical presence in high footfall areas across campus for the Student Union Advice Centre.
- Working with the University to create a comprehensive and co-ordinated peer support system for students who need it with a specific focus on mental health.
- Developing clear, simple, comprehensive and responsive digital self-help resources on a range of issues, relevant to the student experience.
- Establishing a full online 'student life guide' (working title) that is a quarterly publication to raise awareness amongst students of their rights for example in employment and consumer issues with useful information about living in the City.
- Targeted support for students in those demographic groups most likely to experience a decline in wellbeing as a result of being at University.

A strong, vocal and democratic Union (co-creating with students and involvement in decision making)

By 2025 we will have:

- 7,000 voters in March 2025 Election (21% of the student population currently 10%)
- An 40% increase in the number of students standing for the Autumn and Spring Union elections
- 75% of the student population agreeing they understand how the SHSU is run (Membership Survey 2019 43% currently)
- 75% of the student population agreeing the Students Union is open about how it makes decisions (Membership Survey 2019 47% currently)

This will be achieved by:

- Delivering a marked increase in election engagement and turnout using a new digital solution and a more effective marketing and communications strategy
- Implementing an agreed structure for clear communication and decision making between College Executives, Union Council and the Trustee Board
- Introducing a Union 'Executive' meeting to ensure changes to representation are embedded in the Students' Union governance structures
- Producing an Inclusion Action Plan to support the changes needed within the Students' Union, to educate students and staff about the issues and to lobby the University for change
- Introducing a digital solution for gathering student ideas and issues to inform policy
- Reviewing the role, membership and procedures of Union Council and establish a new model that reflects the students it represents, takes effective decisions and demonstrates a high standard and level of engagement
- Agree a new Articles of Governance/Constitution to reflect the changes in this strategic plan, the incorporation of

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

the organisation, separate out the bye laws from the Articles to allow greater flexibility for changes

New Strategy Year One 2020/21

In a year that has been dominated the Covid-19 pandemic, the Students' Union is pleased to report significant progress towards implementing our 2025 strategy. The Students' Union started the first year of its transformation by making sure it had the right staffing structure to deliver the new strategic themes, and resources such as financial investment were available for the areas that need it. For example, the digital savvy nature of students and their continued use of social media and apps demanded we introduce transformative technologies to ensure we reach students where they live and study. The aim is to build engagement through mobile and social media channels, capture real-time data about our members, reliably track our performance, and engage in partnerships with organisations that will enhance the services we can offer our students. A Digital Transformation Specialist was recruited during the year to design the detail of the strategy and to support the change in culture within the organisation.

2020/21 has seen the Students' Union put the foundations in place to deliver the 2025 strategy. This has included a new strategic direction, complete staffing restructure involving redundancies and recruitment to new posts.

Strategic achievements include:

Outstanding Representation Strategy

Action: Agreeing with the University a new approach to academic representation that gives the SU greater ownership of the system.

Achieved:

The SU instigated a "working together" group with the University to develop the system of representation at Hallam University, with the aim of being equal partners in developing a new system of representation.

The College Officers were introduced last year to work alongside other Student Reps and to work closely with academic and professional services staff to improve the experience for students.

Paid Students' Union Department Representative roles have been introduced to work closely with the College Officers to collectively represent the Student Voice at College and Department level. They raise issues with staff, make suggestions for improvements and help make positive changes in their department.

SU Department Reps will report monthly to their Students' Union and University colleagues and attend regular meetings with SU staff to identify actions and development needs.

Course Representatives work with Students' Union and Department Reps to update on their progress and report back to fellow students about staff responses/changes made. This is a change to previous practice.

More part time Representatives have been introduced to support students with protected characteristics such as Disability, BAME, Carers and Mature Students.

Action: A Student Union physical presence in high footfall areas across campus promoting the representation and support functions to students.

Achieved:

Working with the University the SU have secured satellite spaces in five high footfall areas across campus.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

Officers, staff and student community/events teams will be available at agreed times to engage students in conversation and to raise awareness of what the SU provides.

Action: Effective support of the Officers and other reps to facilitate positive working relationships with University staff and delivers successful outcomes for students.

Achieved:

The staffing restructure has provided more resource to deliver our representation strategy. Each College Officer has a dedicated Representation Co-ordinator to support their work, and the new Democracy Co-ordinator will work with our Committees, Union Council, Part time Reps and Officers.

A new Students Rights and Campaigns staff team has been established to encourage students to raise their own campaigns. The team will also provide continuity for the Students' Union annual campaigns and the work of the Officers.

Action: Delivering a digital system/tool to support the new approach to representation.

Achieved:

This system is a cornerstone of the new approach to representation and to opening up channels for student feedback.

The Student Voice Feedback system has been developed over 2020/21 with the purpose of encouraging all types of feedback from students.

Staffing resource has been made available in the restructure to deliver the system and to track progress with resolving the issues raised by students.

The new system is due to launch this month (November 2021) as a trial.

Creating strong vibrant student communities

Action: Creating a college-focused Students' Union Engagement Team that create fun, relevant and bespoke activities across colleges.

Achieved:

A new staff team has been recruited to deliver this theme, which includes the remit to develop more Academic Societies and student driven events.

Work commenced over 2020/21 to create digital resources to make it easier to set up new societies and to run existing ones, this will improve accessibility for all students.

Action: Creating an inclusion fund for students identified in the University's Access and Participation Plan to enable them to participate in societies and activities.

Achieved:

The finances for the inclusion fund have been identified and ring fenced. How students will access the money is being agreed and the promotion/communication of the fund to students will happen over the first semester of 2021/22

Action: Student learning and employment through engaging with the regional community

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

Achieved:

New roles for students across the organisation have been included in the restructure. The roles include part-time work, work experience, placements and internships.

The Students' Union has networked with Charities in the City and Region to discuss the potential for a Charity Advisory Board. The purpose of the Board will be to understand the needs of Charities and how Hallam students can provide support.

The Students' Union has sourced a digital platform as a one stop shop for the Charity sector in the city/region to access the skills/expertise of Hallam students when they need resource for projects etc. The platform will be launched during semester one 2021/22.

Action: Inspiring students to stand up for their rights and wellbeing

Achieved:

The Advice Service has established a physical presence in high footfall areas across campus.

A Peer Support Co-ordinator post has been identified in the new structure and a member of staff has been appointed.

The BAME Ambassador Scheme has been successful over the year and funds have been identified to continue the scheme over the next academic year.

Staffing resource has been created in the new structure to produce the online 'student life guide' a quarterly publication to raise awareness amongst students of their rights.

Action: A strong, vocal and democratic Union (co-creating with students and involvement in decision making)

Achieved:

Despite a Covid year, the March 2021 Officers' Election saw an increase in turn out. The total turnout for the election was 3,971. This compares to a figure of 1,942 in the equivalent elections in 2020, and 3,272 in 2019.

The Articles of Governance have been revised to include more Part time Officer roles, to act as representatives for marginalised groups of students such as Carers and Part time Students.

A weekly Officer Representation Meeting has been introduced to focus the work of the Student Officers on addressing student feedback and to discuss how to raise issues with the University.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

Structure, governance and management

a. Organisational structure and decision making

1. Sabbatical Trustees

Up to six Sabbatical Trustees are elected by secret ballot by the Members of the Students' Union at an election held in accordance with the Bye-laws and the Education Act 1994, and remain in office for a term of usually twelve months in accordance with the Bye-laws and the Education Act 1994. The term of office may be shorter or longer on a transitional basis to coincide with an alteration of the year start or end. The Sabbatical Trustees are elected to posts set out in the Bye-laws. At the same time as commencing the term of office as a trustee the Sabbatical Trustees enter into a contract of employment with the Students' Union.

2. Student Trustees

Up to four Student Trustees are elected by secret ballot by the Members of the Students' Union at an election held in accordance with the Bye-laws and the Education Act 1994. Student Trustees are appointed for the remainder of their time as a student at Sheffield Hallam University, or a maximum term of three years, whichever is the shorter. The Student Trustees are not deemed to be "major office holders" for the purposes of section 22 of the Education Act 1994.

3. External Trustees

Up to four External Trustees are appointed by the Appointments Panel for a period of 4 years. External Trustees may serve a maximum of two 4 year terms.

The trustees delegate the day-to-day management of the Students' Union to the Chief Executive who in turn, line manages full-time members of staff experienced in the running of the Students' Union's activities.

b. Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Policies adopted for the induction and training of trustees

The Students' Union provides both in house and external training for new trustees through both the NUS and the Charity Commission.

d. Pay policy for senior staff

Senior levels of pay are set by the Trustee Board, with other key managers paid on the NJC pay scale, with pay scales set by reference to job evaluation software.

e. Related party relationships

The relationship between the University and the Students' Union is established in the Regulations of the University and detailed in Students' Union rules approved by both organisations. The Students' Union receives a block grant from the University, and occupies a building owned by the University, for which it pays rent. Although the Students' Union continues to generate supplementary funding from various commercial activities, it will always be dependent on the University's support.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

Structure, governance and management (continued)**f. Risk management**

The Board of Trustees has examined the major strategic, business and operational risks faced by the Students' Union. A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Budgetary and internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers and participants on all activities organised by the Students' Union.

During the year, the trustees regularly considered the impact of the Corona Virus pandemic on the immediate and longer term operational and financial position. The Health & Safety Operations Group met on a weekly basis, to consider the latest position, on infection levels and risks, legislation and guidance and to ensure that appropriate actions were undertaken in a timely manner.

The Staff Wellbeing Group also became increasingly active to ensure that staff mental wellbeing was promoted and catered for specifically due to social restrictions and new remote working practises.

All staff that could work from home were encouraged and facilitated to do so. Where necessary, the safe return to work for those that couldn't work remotely, was assisted after the initial lockdown. Strict control measures were put in place for the Student Union building, to ensure Covid security and virtually all student services were transferred online. There has been, and continues to be, regular dialogue with operation teams and working groups at the University, to ensure that our virus control measures are consistent and complimentary to theirs. There is regular feedback to the Finance & Risk Committee and to the Board. These updates cover the safety of staff, students and the community and the continuing safe provision of services to students. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Plans for future periods**a. Future Developments**

Over the next year we will work towards the goals that have been set out above in the new 2025 strategy. In addition we will put in place the systems and processes that will be required to enable staff to deliver the vision. This will include exploring the options of a much improved building, having achieved stage 2 Investors in Diversity accreditation, working towards stage 3, improving staff wellbeing and developing our digital capabilities.

Information on fundraising practices

We undertake no fundraising activities within the scope of the Charities (Protection and Social Investment) Act 2016.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021**

Statement of trustees' responsibilities


The trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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


Oliver Coppard (Jan 14, 2022 09:40 GMT)

Oliver Coppard
(External Trustee)

Date: Jan 14, 2022

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

Opinion

We have audited the financial statements of Sheffield Hallam University Students' Union (the 'charity') for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2021 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 Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION (CONTINUED)

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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

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

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

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION (CONTINUED)

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

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

BHP LLP

Jane Marshall (Jan 17, 2022 15:16 GMT)

BHP LLP

Chartered Accountants
Statutory Auditor
2 Rutland Park
Sheffield
S10 2PD

Date: Jan 17, 2022

BHP LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021**

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
	Note				
Income from:					
Donations and legacies	3	2,489,423	4,000	2,493,423	2,474,006
Charitable activities	4	29,882	57,792	87,674	408,283
Other trading activities	5	17,283	-	17,283	52,473
Investments	6	4,207	-	4,207	9,038
Other income	7	125,767	-	125,767	181,725
Total income		2,666,562	61,792	2,728,354	3,125,525
Expenditure on:					
Raising funds	8	67,164	-	67,164	70,972
Charitable activities	9	2,279,826	46,682	2,326,508	2,910,052
Remeasurement of pension liability		-	-	-	624,611
Total expenditure		2,346,990	46,682	2,393,672	3,605,635
Net income/(expenditure)		319,572	15,110	334,682	(480,110)
Transfers between funds	22	342	(342)	-	-
Net movement in funds before other recognised gains/(losses)		319,914	14,768	334,682	(480,110)
Other recognised gains/(losses):					
Actuarial gains/ (losses) on defined benefit pension schemes		146,000	-	146,000	(202,000)
Net movement in funds		465,914	14,768	480,682	(682,110)
Reconciliation of funds:					
Total funds brought forward		(2,206,482)	76,410	(2,130,072)	(1,447,962)
Net movement in funds		465,914	14,768	480,682	(682,110)
Total funds carried forward		(1,740,568)	91,178	(1,649,390)	(2,130,072)

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

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**BALANCE SHEET
AS AT 31 JULY 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	16	71,786	86,360
		<u>71,786</u>	<u>86,360</u>
Current assets			
Stocks	17	20,888	30,037
Debtors	18	43,372	37,304
Cash at bank and in hand		1,216,746	1,046,387
		<u>1,281,006</u>	<u>1,113,728</u>
Creditors: amounts falling due within one year	19	(398,803)	(562,586)
Net current assets		882,203	551,142
Total assets less current liabilities		953,989	637,502
Creditors: amounts falling due after more than one year:			
SUSS pension deficit	20	(2,437,379)	(2,472,574)
Net liabilities excluding pension liability		(1,483,390)	(1,835,072)
Defined benefit pension scheme liability	28	(166,000)	(295,000)
Total net assets		(1,649,390)	(2,130,072)
Charity funds			
Restricted funds	22	91,178	76,410
Unrestricted funds			
Designated funds	22	249,586	371,877
General funds	22	(1,990,154)	(2,578,359)
Total unrestricted funds	22	(1,740,568)	(2,206,482)
Total funds		(1,649,390)	(2,130,072)

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2021**

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



[Oliver Coppard \(Jan 14, 2022 09:40 GMT\)](#)

Oliver Coppard

Date: Jan 14, 2022

The notes on pages 25 to 58 form part of these financial statements.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	25	302,685	481,809
		<hr/>	<hr/>
Cash flows from investing activities			
Bank interest		4,207	9,038
		<hr/>	<hr/>
Net cash provided by investing activities		4,207	9,038
		<hr/>	<hr/>
Cash flows from financing activities			
Pension deficit contributions		(136,533)	(130,026)
		<hr/>	<hr/>
Net cash used in financing activities		(136,533)	(130,026)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		170,359	360,821
Cash and cash equivalents at the beginning of the year		1,046,387	685,566
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	26	1,216,746	1,046,387
		<hr/> <hr/>	<hr/> <hr/>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Sheffield Hallam 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.

The financial statements have been prepared in £ sterling which is the functional currency of the Union and rounded to the nearest £1.

1.2 Going concern

The Board of Trustees consider that the organisation is a going concern on the basis of the continued support from Sheffield Hallam University.

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Due to the restriction on physical services that could be provided during the 2020-21 year and the low utilisation of the SU's building, a significant surplus was accumulated. A conservative forecast has been created to the end of the 2022 calendar year, to ensure the financial viability of the organisation. This assumes that the organisation can provide physical services at a more normal level. An assessment has also been made of the likely impact of further pandemic restrictions, both from a student service and financial sustainability perspective. The direct impacts financially are net positive as, like in 2020-21, activities being provided digitally tend to cost less than face-to-face ones and a lower usage of the Students' Union building generates cost savings. The single biggest threat to the Union's position is a material cut in the block grant from SHU, which may be an indirect impact of the pandemic, if it affects future student numbers and university income, and this has been stress-tested in the above forecast.

After review, it was concluded that the Union can continue to provide its services safely and still be financially viable for this period. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1. Accounting policies (continued)

1.3 Income

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

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

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Expenditure

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

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

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

1.5 Interest receivable

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following bases:

Building improvements	- 3 - 10 years
Fixtures and fittings	- 3 - 10 years

1.7 Stocks

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities and provisions

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1. Accounting policies (continued)

1.11 Financial instruments

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

1.12 Operating leases

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

1.13 Pensions

The Union 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 Union. Under the terms of FRS102, 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 present value of the Union's deficit contribution is recognised as a liability in accordance with Charities SORP (FRS102).

The Union also contributes to defined contribution pension schemes for its employees. The pension charge represents the amounts payable by the company to the fund in respect of the year.

The Union also has one member remaining in the SYPA defined benefit scheme. A liability for the charity's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. The pension charge is based on a full actuarial valuation dated 31 July 2020.

1.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

1. Accounting policies (continued)

1.15 Employee benefits

The cost 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.

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

Critical areas of judgment:

(i) SUSS and SYPA pension deficits

The Union is committed to provide deficit funding to the Students' Union Superannuation Pension Scheme, of which it is a contributing employer, and the SYPA defined benefit scheme.

South Yorkshire Pension Fund Liability - the present value of the liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. Any changes in these assumptions will impact the carrying value of the pension liability.

Under Charities SORP FRS 102, the present value of the future deficit contributions is recognised. The calculation of the present value of the future deficit contributions is subject to an assumption of a discount rate. The discount rate used is determined by reference to market yields on high quality corporate bonds.

(ii) Support costs

Staffing and administration support costs are allocated across the various activities of the Union. Support costs are allocated on the basis set out in note 10 to the accounts.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Block grant	2,458,034	-	2,458,034	2,458,373
Other grants	31,389	4,000	35,389	15,633
	<u>2,489,423</u>	<u>4,000</u>	<u>2,493,423</u>	<u>2,474,006</u>
Total 2020	<u><u>2,470,006</u></u>	<u><u>4,000</u></u>	<u><u>2,474,006</u></u>	

4. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Shop sales	20,447	-	20,447	54,292
Totum cards	3,817	-	3,817	6,180
Bar sales	1,560	-	1,560	78,059
Catering	3,180	-	3,180	117,065
Events	-	-	-	31,727
Clubs & societies	-	57,792	57,792	109,717
Other	400	-	400	11,157
Volunteering	478	-	478	86
Total 2021	<u>29,882</u>	<u>57,792</u>	<u>87,674</u>	<u>408,283</u>
Total 2020	<u><u>297,266</u></u>	<u><u>111,017</u></u>	<u><u>408,283</u></u>	

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Welcome week	-	-	-	16,038
Advertising	17,283	-	17,283	34,435
Book club	-	-	-	2,000
	<u>17,283</u>	<u>-</u>	<u>17,283</u>	<u>52,473</u>
Total 2020	<u>50,561</u>	<u>1,912</u>	<u>52,473</u>	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	4,207	4,207	9,038
	<u>4,207</u>	<u>4,207</u>	<u>9,038</u>
Total 2020	<u>9,038</u>	<u>9,038</u>	

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

7. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Commission	(374)	(374)	18,816
Other	-	-	67
Coronavirus job retention scheme income (CJRS)	126,141	126,141	162,842
	<u>125,767</u>	<u>125,767</u>	<u>181,725</u>
Total 2020 as restated	<u>181,725</u>	<u>181,725</u>	

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

8. Expenditure on raising funds

	Unrestricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Voluntary fundraising	5,844	5,844	5,291
Commercial activities	13,133	13,133	17,213
Wages and salaries	42,626	42,626	43,024
Employers NI	3,698	3,698	3,735
Pension costs	1,863	1,863	1,709
	<u>67,164</u>	<u>67,164</u>	<u>70,972</u>
Total 2020 as restated	<u>70,972</u>	<u>70,972</u>	

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Voluntary fundraising	1,258	4,586	5,844	5,291
Commercial activities	463	12,670	13,133	17,213
Wages and salaries	42,626	-	42,626	43,024
Employers NI	3,698	-	3,698	3,735
Pension costs	1,863	-	1,863	1,709
	<u>49,908</u>	<u>17,256</u>	<u>67,164</u>	<u>70,972</u>
Total 2020	<u>53,176</u>	<u>17,796</u>	<u>70,972</u>	

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

8. Expenditure on raising funds (continued)

Analysis of fundraising support costs

	Voluntary fundraising 2021 £	Commercial activities 2021 £	Total funds 2021 £	Total funds 2020 £
Insurance	387	387	774	956
NUS affiliation	750	750	1,500	2,400
Training and Development	327	255	582	-
Recruitment	9	9	18	-
Marketing and promotional	18	1,742	1,760	5,165
Executive costs	319	687	1,006	480
IT	-	3,114	3,114	2,711
Legal and Finance	837	1,034	1,871	1,268
Office support	67	2,623	2,690	630
Impairment	-	56	56	-
Depreciation	-	107	107	306
Repairs and maintenance	82	116	198	246
SUSS pension finance costs	1,790	1,790	3,580	3,634
Total 2021	4,586	12,670	17,256	17,796
Total 2020 as restated	3,953	13,843	17,796	

The support costs detailed above are allocated dependent upon the nature of the expenditure. Insurance costs and pension finance costs are allocated on CR weighting. NUS affiliation, IT, finance, office support, repairs and maintenance and legal and professional costs are all allocated on NUS weighting. Training and development costs and recruitment costs are allocated on HR weighting. Marketing and promotional costs are allocated on marketing weighting. Executive costs are allocated on executive weighting. Depreciation is allocated to the activity to which it relates.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Media	14,552	-	14,552	10,327
Student Voice	634,746	-	634,746	684,139
Activities & development, volunteering	544,654	-	544,654	626,283
Bars & kitchens	310,601	-	310,601	604,107
Shops	183,154	-	183,154	232,970
Entertainment	142,028	-	142,028	197,136
Clubs & societies	349,241	46,682	395,923	460,852
Governance costs (note 12)	87,850	-	87,850	72,238
Pension costs	13,000	-	13,000	22,000
	<u>2,279,826</u>	<u>46,682</u>	<u>2,326,508</u>	<u>2,910,052</u>
Total 2020 as restated	<u>2,808,282</u>	<u>101,770</u>	<u>2,910,052</u>	

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

10. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Media	11,410	3,142	14,552	10,327
Student Voice	562,374	72,372	634,746	684,139
Activities & development, volunteering	456,500	88,154	544,654	626,283
Bars & kitchens	245,195	65,406	310,601	604,107
Shops	153,389	29,765	183,154	232,970
Entertainment	116,363	25,665	142,028	197,136
Clubs & societies	342,085	53,838	395,923	460,852
Governance costs (note 12)	46,978	40,872	87,850	72,238
Pension finance costs	13,000	-	13,000	22,000
	<u>1,947,294</u>	<u>379,214</u>	<u>2,326,508</u>	<u>2,910,052</u>
Total 2020 as restated	<u>2,499,286</u>	<u>410,766</u>	<u>2,910,052</u>	

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Media 2021 £	Student Voice 2021 £	Activities & development, 2021 £	Bars & kitchens 2021 £	Shops 2021 £
Depreciation	7	846	540	13,305	2,305
Insurance	193	3,866	6,762	2,900	967
NUS affiliation	375	7,500	11,250	5,625	1,875
Training and development	173	3,092	4,407	1,661	(218)
Recruitment	4	86	128	64	21
Marketing and promotional	238	4,169	4,009	521	575
Executive costs	132	6,872	2,809	703	699
IT	268	8,715	9,016	7,739	10,153
Finance	-	532	532	682	887
Office support	416	7,373	8,024	1,943	1,385
Repairs and maintenance	9	1,762	840	3,543	3,312
Legal and professional	429	9,215	12,704	6,307	2,119
SUSS pension finance cost	895	17,900	26,849	13,425	4,475
Impairment	3	444	284	6,988	1,210
Total 2021	3,142	72,372	88,154	65,406	29,765
Total 2020	2,954	84,679	88,155	79,683	35,472

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

10. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Entertain- ment 2021 £	Clubs & societies 2021 £	Governance costs (note 12) 2021 £	Total funds 2021 £	Total funds 2020 £
Depreciation	4,818	4,753	105	26,679	38,002
Insurance	967	1,933	1,933	19,521	23,821
NUS affiliation	1,875	3,750	3,750	36,000	57,600
Training and development	288	927	1,375	11,705	12,880
Recruitment	21	43	43	410	325
Marketing and promotional	531	1,823	11	11,877	39,574
Executive costs	420	2,713	464	14,812	5,517
IT	5,380	8,864	2,359	52,494	49,677
Finance	464	655	17,393	21,145	25,954
Office support	1,217	3,445	199	24,002	17,686
Repairs and maintenance	560	9,222	49	19,297	31,699
Legal and professional	2,119	4,263	4,188	41,344	20,798
SUSS pension finance cost	4,475	8,950	8,947	85,916	87,233
Impairment	2,530	2,497	56	14,012	-
Total 2021	<u>25,665</u>	<u>53,838</u>	<u>40,872</u>	<u>379,214</u>	<u>410,766</u>
Total 2020	<u>31,044</u>	<u>55,923</u>	<u>32,856</u>	<u>410,766</u>	

The support costs detailed above are allocated dependent upon the nature of the expenditure. Insurance costs and pension finance costs are allocated on CR weighting. NUS affiliation, IT, finance, office support, repairs and maintenance and legal and professional costs are all allocated on NUS weighting. Training and development costs and recruitment costs are allocated on HR weighting. Marketing and promotional costs are allocated on marketing weighting. Executive costs are allocated on executive weighting. Depreciation and impairments are allocated to the activity to which it relates.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

11. Support costs

	2021 £	2020 £
Fundraising support costs (note 8)	17,256	17,796
Charitable activities support costs (note 10)	379,214	410,766
	<u>396,470</u>	<u>428,562</u>

12. Governance costs

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Auditor's remuneration (note 13)	17,175	17,175	13,170
Governance costs	70,675	70,675	59,068
	<u>87,850</u>	<u>87,850</u>	<u>72,238</u>
Total 2020 as restated	<u>72,238</u>	<u>72,238</u>	

13. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £17,175 (2020 - £13,170).

14. Staff costs

	2021 £	As restated 2020 £
Wages and salaries	1,377,842	1,518,476
Social security costs	122,850	125,164
Contribution to defined contribution pension schemes	52,552	53,496
Operating costs of defined benefit pension schemes	26,000	34,000
	<u>1,579,244</u>	<u>1,731,136</u>

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

14. Staff costs (continued)

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

	2021	2020
	No.	No.
Trading Operations: Permanent staff	5	7
Trading Operations: Temporary staff	-	4
Student Services: Permanent staff	45	49
Other	2	2
	<hr/> 52 <hr/>	<hr/> 62 <hr/>

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	1	1

The total remuneration and benefits received by key management personnel, including employers NI and pension, were £212,086 (2020: £366,362). The Union consider the senior management personnel to be the Chief Executive Officer, and the Directors of Resources, the Deputy CEO, The Director of Services and the Sabbatical Officers.

15. Trustees' remuneration and expenses

Each of the five sabbatical officers received £18,714 (2020: £18,654) for the year, as authorised in the Union's governing document, for the representation, campaigning and support work they undertake as distinct from their Trustee responsibilities. This work includes voicing student opinion with the institution and local community, defending and extending the rights of students through petitions, discussion with MP's and also organising and supporting student volunteers and service provision for them.

During the year ended 31 July 2021, no expenses were paid to Trustees (2020 - £607 to 1 trustee).

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

16. Tangible fixed assets

	Building improvements £	Fixtures and fittings £	Total £
<i>Cost or valuation</i>			
At 1 August 2020 - as restated	242,145	473,217	715,362
Additions	-	26,280	26,280
At 31 July 2021	<u>242,145</u>	<u>499,497</u>	<u>741,642</u>
<i>Depreciation</i>			
At 1 August 2020 - as restated	220,010	408,992	629,002
Charge for the year	6,508	20,278	26,786
Impairment charge	3,162	10,906	14,068
At 31 July 2021	<u>229,680</u>	<u>440,176</u>	<u>669,856</u>
<i>Net book value</i>			
At 31 July 2021	<u>12,465</u>	<u>59,321</u>	<u>71,786</u>
At 31 July 2020	<u>22,135</u>	<u>64,225</u>	<u>86,360</u>

The brought forward balances on the classes of assets have been restated in the year to agree to records held and confirmed by the Union. This has not resulted in a change to the net assets or surplus of the union in either year.

17. Stocks

	2021 £	2020 £
Finished goods and goods for resale	<u>20,888</u>	<u>30,037</u>

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

18. Debtors

	2021 £	2020 £
Trade debtors	5,397	3,962
Other debtors	181	175
Prepayments and accrued income	37,794	33,167
	<u>43,372</u>	<u>37,304</u>

19. Creditors: Amounts falling due within one year

	2021 £	2020 £
SUSS defined benefit scheme funding deficit liability (note 28)	72,607	84,449
Trade creditors	78,257	42,216
Other taxation and social security	24,807	31,520
Other creditors	89,145	85,135
Accruals and deferred income	133,987	319,266
	<u>398,803</u>	<u>562,586</u>

	2021 £	2020 £
<i>Deferred income</i>		
Deferred income at 31 July 2020	208,974	10,565
Resources deferred during the year	2,707	208,974
Amounts released from previous periods	(208,974)	(10,565)
	<u>2,707</u>	<u>208,974</u>

Income has been deferred where income relates to events and activities which have not been carried out at the year end.

20. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
SUSS defined benefit scheme funding deficit liability (note 28)	<u>2,437,379</u>	<u>2,472,574</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

21. Prior year adjustments

The prior year figures have been restated to reanalyse the CJRS income from wages and salaries costs in order to apply the requirements of SORP (FRS 102). This has not resulted in a change in the net deficit or net asset position in the prior year.

The brought forward balances on fixed assets have been restated in the year to agree to records held and confirmed by the union. This has not resulted in a change to the net assets or surplus of the union in either year.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

22. Statement of funds

Statement of funds - current year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2021 £
Unrestricted funds						
Designated funds						
Hardship fund	2,000	-	-	-	-	2,000
Black History month	603	-	(128)	-	-	475
Student societies funding	5,865	-	-	1,342	-	7,207
Social Entrepreneurs	1,428	-	-	-	-	1,428
Housing fair	16,579	-	-	-	-	16,579
Sheffield Student Sustain	402	-	-	-	-	402
Digital Transformation project	200,000	-	-	-	-	200,000
Other Strategic Plan	125,000	-	(123,505)	-	-	1,495
Inclusivity Fund	20,000	-	-	-	-	20,000
	371,877	-	(123,633)	1,342	-	249,586

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2021 £
General funds						
Unrestricted funds	273,664	2,666,562	(2,116,861)	(137,533)	-	685,832
Pension reserve - SYPA	(295,000)	-	(17,000)	-	146,000	(166,000)
Pension reserve - SUSS	(2,557,023)	-	(89,496)	136,533	-	(2,509,986)
	(2,578,359)	2,666,562	(2,223,357)	(1,000)	146,000	(1,990,154)

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

22. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2021 £
<i>Total Unrestricted funds</i>	(2,206,482)	2,666,562	(2,346,990)	342	146,000	(1,740,568)

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

22. Statement of funds (continued)

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2021 £
<i>Restricted funds</i>						
Clubs and Societies	59,593	57,792	(45,126)	(342)	-	71,917
Burglary reduction campaign and community projects	1,757	-	-	-	-	1,757
NUS Conference	3,631	-	-	-	-	3,631
Development funds	4,170	-	-	-	-	4,170
Nightline	4,905	4,000	(1,114)	-	-	7,791
Book club	1,912	-	-	-	-	1,912
Black History Month (SHU)	442	-	(442)	-	-	-
	<u>76,410</u>	<u>61,792</u>	<u>(46,682)</u>	<u>(342)</u>	<u>-</u>	<u>91,178</u>
	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2021 £
<i>Total of funds</i>	<u>(2,130,072)</u>	<u>2,728,354</u>	<u>(2,393,672)</u>	<u>-</u>	<u>146,000</u>	<u>(1,649,390)</u>

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

22. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2019 £	As restated Income £	As restated Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2020 £
<i>Unrestricted funds</i>						
<i>Designated funds</i>						
Hardship fund	2,000	-	-	-	-	2,000
Black History month	603	-	-	-	-	603
Student societies funding	3,901	-	-	1,964	-	5,865
Social Entrepreneurs	1,428	-	-	-	-	1,428
Housing fair	9,255	9,857	(2,533)	-	-	16,579
Sheffield Student Sustain	402	-	-	-	-	402
Digital Transformation project	-	-	-	200,000	-	200,000
Other Strategic Plan	-	-	-	125,000	-	125,000
Inclusivity Fund	-	-	-	20,000	-	20,000
	<u>17,589</u>	<u>9,857</u>	<u>(2,533)</u>	<u>346,964</u>	<u>-</u>	<u>371,877</u>
<i>General funds</i>						
Unrestricted funds	512,477	2,998,739	(2,763,854)	(473,698)	-	273,664
Pension reserve - SYPA	(71,000)	-	(22,000)	-	(202,000)	(295,000)
Pension reserve - SUSS	(1,971,571)	-	(715,478)	130,026	-	(2,557,023)
	<u>(1,530,094)</u>	<u>2,998,739</u>	<u>(3,501,332)</u>	<u>(343,672)</u>	<u>(202,000)</u>	<u>(2,578,359)</u>
<i>Total Unrestricted funds</i>	<u>(1,512,505)</u>	<u>3,008,596</u>	<u>(3,503,865)</u>	<u>3,292</u>	<u>(202,000)</u>	<u>(2,206,482)</u>

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

22. Statement of funds (continued)

	Balance at 1 August 2019 £	As restated Income £	As restated Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2020 £
<i>Restricted funds</i>						
Clubs and Societies	49,740	109,717	(96,866)	(2,998)	-	59,593
Bright Ideas project	294	-	-	(294)	-	-
Burglary reduction campaign and community projects	1,757	-	-	-	-	1,757
NUS Conference	3,631	-	-	-	-	3,631
Development funds	4,170	-	-	-	-	4,170
Nightline	4,951	4,000	(4,046)	-	-	4,905
Book club	-	1,912	-	-	-	1,912
Black History Month (SHU)	-	1,300	(858)	-	-	442
	<u>64,543</u>	<u>116,929</u>	<u>(101,770)</u>	<u>(3,292)</u>	<u>-</u>	<u>76,410</u>
Total of funds	<u>(1,447,962)</u>	<u>3,125,525</u>	<u>(3,605,635)</u>	<u>-</u>	<u>(202,000)</u>	<u>(2,130,072)</u>

Designated funds:

Hardship fund represents funds allocated to allow poorer students to join societies with high subscriptions and fees.

Black history month represents monies to part-finance campaigns and events aimed at celebration and higher inclusiveness for ethnic minority students.

Student societies funding represents funds of dormant societies.

Social entrepreneurs represents funding for student business ventures.

Housing fair represents net Income from Housing Fairs, designated to be used on similar events.

Sheffield student sustain represents funds designated for students' green projects.

Strategic Plan - Digital Transformation project represents funds allocated to fund a new digital strategy, a key part

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

of the new organisational Strategy.

Strategic Plan - Other is to fund a restructure of the organisation to better support the new Strategy.

Inclusivity Fund represents funds to support inclusivity of under-represented groups.

Restricted funds:

Clubs & Societies represents monies raised for the purpose of furthering their particular activity.

Bright ideas projects represents monies to support student-led social enterprises and community projects.

Arts & Communities represents monies held for the Nightline project and burglary reduction campaign. Funds for the burglary reduction campaign represents monies held for future campaigning to help prevent burglaries amongst student communities.

NUS Conference funds represents monies to deliver projects relating to hate crimes.

Development funds represents monies received for the development of societies and SHU Media.

Book Club to support student involvement in school reading projects.

Black History Month fund to part-finance campaigns and events aimed at celebration and higher inclusiveness for ethnic minority students..

Transfers between funds:

£1,342 of transfers out of restricted funds represents Clubs and Societies.

£136,533 represents contributions made to the SUSS pension scheme out of unrestricted funds.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

23. Summary of funds

Summary of funds - current year

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2021 £
Designated funds	371,877	-	(123,633)	1,342	-	249,586
General funds	(2,578,359)	2,666,562	(2,223,357)	(1,000)	146,000	(1,990,154)
Restricted funds	76,410	61,792	(46,682)	(342)	-	91,178
	<u>(2,130,072)</u>	<u>2,728,354</u>	<u>(2,393,672)</u>	<u>-</u>	<u>146,000</u>	<u>(1,649,390)</u>

Summary of funds - prior year

	Balance at 1 August 2019 £	As restated Income £	As restated Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2020 £
Designated funds	17,589	9,857	(2,533)	346,964	-	371,877
General funds	(1,530,094)	2,998,739	(3,501,332)	(343,672)	(202,000)	(2,578,359)
Restricted funds	64,543	116,929	(101,770)	(3,292)	-	76,410
	<u>(1,447,962)</u>	<u>3,125,525</u>	<u>(3,605,635)</u>	<u>-</u>	<u>(202,000)</u>	<u>(2,130,072)</u>

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	71,786	-	71,786
Current assets	1,190,828	90,178	1,281,006
Creditors due within one year	(398,803)	-	(398,803)
Creditors due in more than one year	(2,437,379)	-	(2,437,379)
Provisions for liabilities and charges	(166,000)	-	(166,000)
Difference	(1,000)	1,000	-
Total	<u>(1,740,568)</u>	<u>91,178</u>	<u>(1,649,390)</u>

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

24. Analysis of net assets between funds (continued)**Analysis of net assets between funds - prior year**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	86,360	-	86,360
Current assets	1,037,318	76,410	1,113,728
Creditors due within one year	(562,586)	-	(562,586)
Creditors due in more than one year	(2,472,574)	-	(2,472,574)
Provisions for liabilities and charges	(295,000)	-	(295,000)
Total	(2,206,482)	76,410	(2,130,072)

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

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	334,682	(480,110)
Adjustments for:		
Depreciation and impairment charges	40,854	38,308
Bank interest	(4,207)	(9,038)
Tangible fixed asset additions	(26,280)	-
Decrease in stocks	9,149	4,607
(Increase)/decrease in debtors	(6,068)	9,023
(Decrease)/increase in creditors	(151,941)	181,540
Pension FRS 102 adjustments	106,496	112,868
SUSS pension remeasurement	-	624,611
Net cash provided by operating activities	302,685	481,809

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

26. Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand	1,216,746	1,046,387
<i>Total cash and cash equivalents</i>	1,216,746	1,046,387

27. Analysis of changes in net debt

	At 1 August 2020	Cash flows	At 31 July 2021
	£	£	£
Cash at bank and in hand	1,046,387	170,359	1,216,746
	1,046,387	170,359	1,216,746

28. Pension commitments

The charity operates a defined benefit pension scheme - 'South Yorkshire Pension Scheme'

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 July 2021	At 31 July 2020
	%	%
Discount rate at 31 July	1.6	1.5
Future salary increases	3.85	3.55
Future pension increases	2.7	2.4
Inflation rate	2.6	2.3

	At 31 July 2021	At 31 July 2020
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	22.5	22.4
- at 65 for a male aged 45 now	24.0	23.9
- for a female aged 65 now	25.3	25.2
- at 65 for a female aged 45 now	27.2	27.1

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

28. Pension commitments (continued)

The charity's share of the assets in the scheme was:

	At 31 July 2021 £	At 31 July 2020 £
Equities	584,000	499,000
Government bonds	170,000	168,000
Other bonds	92,000	96,000
Property	107,000	91,000
Cash / liquidity	22,000	44,000
Other	241,000	181,000
Total fair value of assets	1,216,000	1,079,000

The actual return on scheme assets was £172,000 (2020 - £(11,000)).

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	26,000	24,000
Past service cost	-	10,000
Expected return on scheme assets	(16,000)	(21,000)
Interest on obligation	20,000	22,000
Total amount recognised in the Statement of financial activities	30,000	35,000

Movements in the present value of the defined benefit obligation were as follows:

	2021 £	2020 £
Opening defined benefit obligation	1,374,000	1,105,000
Current service cost	26,000	24,000
Interest cost	20,000	22,000
Contributions by scheme participants	7,000	6,000
Benefits / transfers paid	(54,000)	(47,000)
Actuarial (gains) / losses	9,000	254,000
Past service costs	-	10,000
Closing defined benefit obligation	1,382,000	1,374,000

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

28. Pension commitments (continued)

Movements in the fair value of the Union's share of scheme assets were as follows:

	2021 £	2020 £
Opening fair value of scheme assets	1,079,000	1,034,000
Expected return on assets	16,000	21,000
Actuarial gains/(losses)	155,000	52,000
Contributions by scheme participants	7,000	6,000
Benefits / transfers paid	(54,000)	(47,000)
Employer contributions	13,000	13,000
<i>Closing fair value of scheme assets</i>	1,216,000	1,079,000

	2021 £	2020 £
Closing defined benefit obligation	(1,382,000)	(1,374,000)
Closing fair value of scheme assets	1,216,000	1,079,000
Pension scheme deficit at 31 July 2020	(166,000)	(295,000)

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities was £56,000 loss (2020: £202,000 loss).

The Union expects to contribute £13,000 in 2021.

The Union also 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 onwards accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the scheme closed to further 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.

Valuations are conducted every three years based upon assumptions agreed by the trustees, and is used to set the contributions payable by the participating employers.

The outcome in financial terms is set out in the table below:

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

	<u>30 June 2016</u>	<u>30 June 2019</u>
	<u>£m</u>	<u>£m</u>
Assets	£101.3	£119.1
Liabilities	£221.0	£260.0
Deficit	(£119.7)	(£140.9)
Funding level	46%	46%

The increase shown in the deficit since 2016 is in line with the changes previously reported, following annual reviews, but makes allowance for the impact of the 7% pension increase issue. This has increased the deficit in SUSS but its impact has been mitigated by the member consent exercise.

Whilst the assets have performed well rising by over 17% over the three years, the liabilities have increased by a similar percentage. The sustained low yield on government bonds has continued to affect the liabilities, but the increase was driven in large part by the pension increase issue. The Trustees have concluded that the level of contributions to clear the deficit will have to rise above the planned 5% annual increase in order to address this. However, in order to allow time for the unions to make necessary arrangements the increase in contributions will come into effect from October 2021.

The increase of 5% due in October 2020 will proceed as planned, and these contributions form part of the plan to remove the funding deficit in SUSS.

Following the 2020 increase, and in order to attribute the further increase in costs as fairly as possible, the Trustees have allocated the additional liabilities arising from the 7% pension increase issue to those unions whose members are directly affected by it. This means that a union with many affected members may see a substantial increase in their contributions to SUSS from October 2021, while a union with no members affected by the issue would see a much smaller increase.

The Trustees also considered whether the costs of carrying out the member consent exercise should be borne only by those unions whose members are directly affected by the pension increase issue. After careful consideration, and keeping in mind the principle collectivism, they concluded that a significant proportion of the costs incurred were justifiable expenses of running SUSS as a whole (because benefits needed to be adjusted, and members written to, whether or not the compromise offer was made). What remained, once allocated to the many affected unions and reclaimed over a reasonable period of time, was not material in the context of the overall level of payments being made to the SUSS by the unions, and so no additional charges will be made in respect of this.

The existing recovery plan, based on the results of the 2016 valuation, was due to end in 2033. One option considered by the Trustees was to retain this target end date, in line with the Pensions Regulator's guidance that funding deficits should be addressed over as short a period as possible. However, given the already substantial level of contributions being made to SUSS by the employers, the Trustees concluded that extending the recovery period, and hence reducing the initial increase in contributions that unions would be required to make, struck an appropriate balance between removing the deficit as quickly as possible while remaining affordable.

In summary, employer contributions increased by 5% in October 2020 and then by around 18%, on average, from 1 October 2021 (8% for those without any members affected by the compromise issue, and more for those with affected members). Contributions will increase by 5% each year thereafter until the end of the deficit recovery period, which is expected to be in August 2035. However, contributions due from October 2023 onwards will be reviewed following the next actuarial valuation.

Under FRS102, the Union is required to recognise as a liability the present value of its agreed share of future deficit contributions. Finance costs are recognised as the present value unwinds.

The total contributions paid into the Scheme by Sheffield Hallam University Students' Union in respect of eligible

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

employees for the year ended 31 July 2021 amounted to £136,533 (2020: £130,026). The amount owed by Sheffield Hallam University Students' Union in respect of future contributions at the year end was £2,509,986 (2020: £2,557,023). The amounts due within one year are £160,457 (2020: £84,449).

The Union participates in the NUS Pension Scheme, a defined contribution pension scheme. The assets of the scheme are held separately from those of the Union in an independently administered fund. The pension costs charged represents contributions payable by the Union to the fund and amounted to £52,552 (2020: £53,496). There are unpaid contributions of £1,976 (2020: £1,920) at the year end and included within other creditors in note 19 to the financial statements.

29. Operating lease commitments

At 31 July 2021 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	<u>186,000</u>	<u>155,270</u>

30. Related party transactions

The following are considered to be related parties for the reasons stated. The transactions with these related parties are set out below.

Sheffield Hallam University

The Union is in the receipt of a block grant from Sheffield Hallam University of £2,458,034 (2020: £2,458,373). It also purchased services from the University of £266,345 (2020: £360,809) and provided services to the University of £32,252 (2020: £33,771). At the year-end a balance of £39,441 (2020: £30,416) is included within trade creditors and a balance of £nil (2019: £1,200) is included within trade debtors. Included in the purchases figure is the annual rent charged to the Union during the year totalling £186,000 (2020: £160,948), for occupation and use of the HUBS building.

The Board of Trustees

The elected officers of the Board of Trustees receive remuneration for their services as provided for within the Constitution. The aggregate amount payable under such contracts in the 12 month period was £111,366 (2020: £93,271).

Rocca Creative Thinking Limited

One of the Trustees, M Rocca, is the CEO of Rocca Creative Thinking Limited. During the year purchases of £26,280 (2020: £13,920) were made from the company.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

31. Controlling party

The Union is controlled by the Board of Trustees. The ultimate control of the Union is vested under the constitution in the membership in General Meetings. As such no single person or entity controls the Union as defined by Financial Reporting Standard 102.

SHEFFIELD HALLAM UNIVERSITY STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

32. Affiliations

	2021	2020
	£	£
Advice UK	1,973	1,973
Information Commissioners Office	35	35
National Association of Student Money Advisers	120	-
National Union of Students	37,500	60,000
Student Scout & Guide Organisation	-	47
Yorkshire & Humber Employers Association	162	162
Total Affiliations	39,790	62,217