

# **Robert Gordon University Student Association**

**Financial Statements for the Year Ended  
31 July 2022**

**Scottish Charity Number SC016639**

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## Legal and Administrative Information for the Year Ended 31 July 2022

**Charity Name:** Robert Gordon University Student Association

**Charity Registration Number:** SC016639

**Principal Office:** The Riverside Building  
Garthdee Road  
Aberdeen  
AB10 7QE

**Independent Auditor:** Hall Morrice  
6 & 7 Queens Terrace  
Aberdeen  
AB10 1XL

**Solicitors:** Ledingham Chalmers Solicitors  
52-54 Rose Street  
Aberdeen  
AB10 1HA

**Bankers:** Virgin Money  
62 Union Street  
Aberdeen  
AB10 1WD

The day-to-day management of the charity is delegated to the Student Association Chief Executive Officer, Gregor Mailer.

### Members of the Student Association Trustee Board

The Trustee Board is responsible for the strategic oversight of the Student Association and is ultimately responsible for all of the affairs and property of the Association.

Members that served on the Student Association Trustee Board during the year and those serving at the time of signing the financial statements were:

	<b>Name</b>	<b>Date of appointment</b>	<b>Date of resignation</b>
<b>Sabbatical Trustees</b>	Jordan Moore (Vice Chair)	20 July 2020 (Elected Vice-Chair 18 August 2021)	15 July 2022
	Damilola Adesanya	19 July 2021	15 July 2022
	Ijeoma Laila Obiagwu	19 July 2021	15 July 2022
	Joel Adebajo (Vice Chair)	18 July 2022 (Elected Vice-Chair 18 July 2022)	Still in post
<b>Student Trustees</b>	Oluwafunmilola Akinoso	18 July 2022	Still in post
	Suzanna Bamigbola	18 July 2022	Still in post
	Chioma Onoshakpor	2 September 2020	16 June 2022
	Sophie Forster	2 September 2020	16 November 2021
	Adrianna Hoffmann	11 February 2021	Still in post
	Confidence Amuda	19 November 2021	Still in post
	Opeyemi Adedeji	19 November 2021	Still in post
	Calvin Park	19 November 2021	Still in post

## Legal and Administrative Information (continued) for the Year Ended 31 July 2022

### Members of the Student Association Trustee Board (continued)

<b>External Trustees</b>	David Strachan (Chair, From 8 July 2020)	1 July 2019	Still in post
	Ian Campbell	17 August 2020	Still in post
	Caroline Daniel	17 August 2020	Still in post
	Nazan Ünlütürk	17 August 2020	2 September 2021
	Jo Hall	8 February 2021	Still in post
<b>University Trustee</b>	Jo Royle	1 July 2019	Still in post
<b>Chief Executive Officer</b>	Gregor Mailer	1 August 2020	Still in post

### Members of the Student Association Trustee Board Finance Sub-Committee

Members that served on the Student Association Trustee Board Finance Sub-Committee during the year were:

	<b>Name</b>	<b>Date of appointment</b>	<b>Date of resignation</b>
<b>Sabbatical Trustees</b>	Joel Adebajo	18 July 2022	Still in post
	Suzanna Bamigola	18 July 2022	Still in post
	Oluwafunmilola Akinoso	18 July 2022	Still in post
	Jordan Moore	20 July 2020	15 July 2022
	Damilola Adesanya	19 July 2021	15 July 2022
	Ijeoma Obiagwu	19 July 2021	15 July 2022
<b>University Trustee</b>	Jo Royle	1 July 2019	Still in post
<b>External Trustees</b>	David Strachan	8 July 2020	Still in post
	Ian Campbell	17 August 2020	Still in post
<b>Chief Executive Officer</b>	Gregor Mailer	1 August 2020	Still in post

## Legal and Administrative Information (continued) for the Year Ended 31 July 2022

### Members of the Student Association Executive Committee

Members that served on the Student Association Executive Committee during the year were:

Name	Position	Date of appointment	Date of resignation
Ijeoma Laila Obiagwu	President (Communication & Democracy) (Executive Committee Chair)	19 July 2021	15 July 2022
Suzanna Bamigbola	President (Communication & Democracy) (Executive Committee Chair)	18 July 2022	Still in post
Jordan Moore	President (Sport & Physical Activity)	20 July 2020	15 July 2022
Joel Adebajo	President (Sport & Physical Activity)	18 July 2022	Still in post
Damilola Adesanya	President (Education & Welfare)	19 July 2021	15 July 2022
Oluwafunmilola Akinoso	President (Education & Welfare)	18 July 2022	Still in post
Doireann McCaughley	Vice-President (Education)	1 August 2021	31 July 2022
Tamsyn Lampkin	Vice-President (Education)	1 August 2022	Still in post
Oluwafunmilola Akinoso	Vice-President (International)	1 August 2021	31 July 2022
Chioma Onuchukwu	Vice-President (International)	1 August 2022	Still in post
Lemuelle Assuncao	Vice-President (Societies)	1 August 2020	31 July 2022
Ujunwa Odimis	Vice-President (Societies)	1 August 2022	Still in post
Joel Adebajo	Vice-President (Sport)	19 November 2021	15 July 2022
Jill Adam	Vice-President (Sport)	1 August 2022	Still in post
Ribh O'Neill	Vice-President (Community)	1 August 2021	31 July 2022
Esther Erewafe	Vice-President (Community)	1 August 2022	Still in post
Greg Millar	Vice-President (Welfare)	1 August 2020	31 July 2022
Abisola Kareem	Vice-President (Welfare)	1 August 2022	Still in post

## **Report of the Student Association Trustee Board for the Year Ended 31 July 2022**

The Board of Trustees presents its report and audited financial statements for the year ended 31 July 2022. This report is prepared in accordance with the accounting policies set out in note 1 to the financial statements. They also comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing the financial statements in accordance with FRS102 applicable in the UK and Republic of Ireland.

### **Structure, Governance and Management**

#### **Legal Status**

The Student Association is recognised by HM Revenue and Customs and the Office of the Scottish Charity Regulator (OSCR) as having charitable status with a charity registration number of SCO16639. Other restrictions may be applied by statute, the Education Act 1994, or by the Board of Governors of Robert Gordon University.

The objectives and organisational structure of the Student Association are set out in the Constitution, ratified at the AGM on 21 November 2013, revised April 2017.

In the first instance, the Executive Committee nominated members of the Trustee Board. External Members were appointed to represent the broad range of the Association's activities. Thereafter, two Student Trustees were nominated and approved by the Trustee Board, and a further three Student Trustees were elected by means of a cross-campus election which is held annually. External Trustees are nominated and approved by the Trustee Board. University Trustees are nominated by the University's Board of Governors from amongst the staff of the University, with any nominations subject to approval by the Trustee Board.

All members of the Executive Committee, with the exception of the Chief Executive Officer who is appointed by the University (until December 2021) or Trustee Board (from December 2021), are voted onto the Executive Committee by a cross-campus ballot which is held annually.

#### **Induction and Training of Trustee Board and Executive Committee Members**

Members of the Student Association Trustee Board and Executive Committee undergo training on their rights and responsibilities upon taking up their positions. Executive Committee members are also able to shadow the outgoing post-holders from their election up to the time before they begin their tenure in office.

#### **Organisational Structure**

The Student Association had, and continues to have, a Trustee Board with the following members:

- Sabbatical Officers;
- 5 Ordinary Members;
- 4 External Trustees;
- 1 University Trustee; and
- Chief Executive Officer of the Student Association.

The Student Association had, and continues to have, an Executive Committee with the following members:

- The President (Communication & Democracy);
- The President (Education & Welfare);
- The President (Sport & Physical Activity);
- Vice President (Sport);
- Vice President (Community);
- Vice President (International);
- Vice President (Societies);
- Vice President (Education);
- Vice President (Welfare); and
- Chief Executive Officer of the Student Association.

## **Report of the Student Association Trustee Board (continued) for the Year Ended 31 July 2022**

### **Structure, Governance and Management (continued)**

#### **Organisational Structure (continued)**

The Student Association has standing forums which are responsible for the main areas of its activities:

- The "Student Voice" forum;
- The "Sports Forum";
- The "Societies Forum";
- The Executive Committee; and
- The Sabbatical Executive Committee.

#### **Key management personnel**

No members of key management are employed by the University, with all staff and management employed directly by the Student Association.

Arrangements for setting pay and remuneration of key management personnel employed by the Union is agreed by the Trustee Board on a yearly basis in line with producing the budget.

#### **Risk Management**

The Student Association Trustee Board members have assessed the major risks to which the charity is exposed, in particular those related to the operation and finances of the Student Association. Major risks have been identified as the on-going pension obligations (as detailed further within notes 1 and 10 to the financial statements) and the identification of other sources of income (with the continuing reliance on the block grant from Robert Gordon University).

The Trustee Board are satisfied that systems are in place to mitigate exposure to these major risks and ensure that they are fully abreast of the pension obligations as they change.

In response to Covid-19 measures and restrictions experienced during 2020 and 2021, many core Union activities requiring altering and therefore adapted significantly to ensure the provision of welfare and representation services to our student membership continued. This process strengthened the Student Association's operational resilience, and the charity is well prepared should a similar interruption to regular business practice occur in the future.

#### **Related party transactions**

The Association is financially and materially supported by Robert Gordon University receiving unrestricted income of £508k (2021 - £493k) and accommodation from which the Association operates.

The Association works in partnership with Robert Gordon University in the furtherance of its purpose.

#### **Objectives and Activities**

The Student Association is an unincorporated association constituted with the following objectives:

- To represent and promote the general interests of students at the University.
- To provide or assist in the provision of facilities for recreation or other leisure time occupation so that their conditions of life may be improved.
- To advance the arts, culture, education, science, heritage and sport by providing amenities and supporting activities for students.
- To prevent and relieve poverty and advance health by providing advice and welfare service for students and potential students.

In order to achieve its stated objectives, the Student Association interacts with the student body on a daily basis through provision of social space and staging of organised events throughout the academic year. These include the annual Freshers Fayre and Graduation Ball together with sports, societies and other social activities. It provides support and advice to students pertaining to their general wellbeing and issues they encounter during their time at university.

## **Report of the Student Association Trustee Board (continued) for the Year Ended 31 July 2022**

### **Objectives and Activities (continued)**

The Student Association is managed by the Trustee Board and Executive Committee, in conjunction with the Chief Executive Officer.

### **Achievements and performance**

In line with easing Covid restrictions throughout the country this year saw students, staff and teaching activity return to the Robert Gordon University campus, and as such the Union cautiously re-introduced in-person events and activities for the first time since March 2020.

Freshers Week 2021 again saw the strong partnership between the Union and the University displayed, with more than 80 virtual and in-person activities taking place, arranged by the Union, societies, sports clubs, student groups/networks and University departments. While Covid regulations meant that strict limitations were placed on event capacities, the week saw the Union continue to move towards the 'new normal' with traditional Freshers activities including stand-up comedy, quizzes, celebrity appearances, movie screenings, and student welcome events hosted across the campus and in re-opened city centre venues such as ATIK Nightclub and Breakneck Comedy Club.

Additionally, our annual Freshers Fayre returned with an altered and tightly controlled setup after the event's virtual delivery in 2020. Over 1000 students attended on the day, making it the first major post-Covid event to be hosted on the University campus, with stalls from society, sports club, student activity groups and commercial partners spread across multiple buildings and outdoor spaces. Rules and restrictions may not have completely disappeared, and tight capacity controls were in place alongside reminders to socially distance, but there was delight as the free Domino's pizza had returned.

Elsewhere, efforts were made to support the Union's many societies, sports clubs, groups and networks as they re-started in-person events, meetings and competitions. A number of additional checks and approvals were introduced to ensure safety and compliance, with group volunteers and committee members going above and beyond to work with staff teams and ensure new and returning students could participate in vital community building activities. By year-end, over 3,500 members were registered across all activity groups.

Strong performances were recorded by sports clubs in BUCS and SSS competitions throughout the year, with the most significant success coming in March, during the Granite City Challenge. The annual varsity competition pitches all clubs from Robert Gordon University against those from local rivals Aberdeen University, with RGU claiming victory in the competition this year for the first time ever.

The year ended strongly for all student activities, with a return to the traditional RGU 'awards season', which saw sports clubs recognised at the Blues Ball; societies, volunteers and student representatives awarded at the Student Achievement Awards; and academic and support staff members presented with certificates and awards of recognition at the STAR Awards. Over 350 nominations were received as part of this year's STAR Awards process, the second highest figure ever recorded, as students shared inspiring stories of staff members from across the University who have gone above and beyond to support them during their time at RGU.



## **Report of the Student Association Trustee Board (continued) for the Year Ended 31 July 2022**

### **Achievements and performance (continued)**

The most significant project of the year saw a complete relocation of the Union, from the established office space within the RGU SPORT building into newly redeveloped areas in the Aberdeen Business School building. This long-running student space project has displayed the partnership between the Union and the University in a high profile and extremely effective manner, with Union spaces now spanning three levels within the former 'Georgina Scott Sutherland Learning Centre' area, and the introduction of open social spaces, casual study areas, bookable meeting and group work spaces, games and recreational areas, and enclosed activities spaces. Works took place during Summer 2021 with doors opening to the new student areas in January 2022, immediately providing fit-for-purpose meeting spaces for student activity groups and student events on campus. Over 900 individual student bookings were recorded between February and May 2022, with the increased footfall in the area also attracting meetings, activities and events arranged by schools and departments from across the campus, including Gray's School of Art, Marketing & Communications, Study Skills, Careers & Employability amongst others. Discussions continue regarding further enhancements and developments, in line with the University's Vibrant Campus project objectives.

The student voice drives all Union projects and initiatives, and we were pleased to see continued development and progress made with two of our set-piece democratic events - the Student Election process and the Annual General Meeting.

While many activities returned to in-person delivery, the Annual General Meeting remained as a virtual event for the 2022 session, to ensure attendance could be maximised while tight capacity restrictions were still in place across the campus. In total over 200 students logged on to the event, recording the highest AGM attendance in the Union's history, with a number of motions presented, debated and approved covering a number of focus areas including LGBTQIA+ rights, sustainability, international student support and campus operations (parking, catering etc). Records were also set as part of the Student Election process, as we saw the highest number of candidates ever registered, alongside the highest voter turnout ever at an RGU election. An independent review process followed the announcement of this year's Student Election results, conducted by an independent body, with recommendations presented to the Union to aid with future delivery of the process.

Finally, in an attempt to rebuild and realign a number of relationships within the local community post-Covid, the Union held fundraisers and donation drives across the campus to great success. With news breaking in March of the developing situation in Ukraine, students and staff across the campus looked for a way to show support. This resulted in a short-run fundraising activity, facilitated by the Union, which saw over £1000 donated in just 24 hours. Funds and materials purchased were fed into a support initiative organised by locally-based business, Foodstory, who transported supplies to impacted areas shortly after. Additionally, a Christmas gift drive was organised and promoted by the Union. Over 300 items were donated by students and staff from across the University, with all items delivered to local children's charity Abernecessities to be distributed locally amongst those in need.

Looking ahead, the Union continues to utilise and develop new students within the Aberdeen Business School building, with priority projects for the 2022/23 academic year focusing on reacting to the cost of living crisis for students in need, as we work closely with the University and partners in the local community to ensure support is available for those experiencing poverty issues relating to food, energy, and all other aspects of life.

## **Report of the Student Association Trustee Board (continued) for the Year Ended 31 July 2022**

### **Financial review**

The total income generated by the Union for the year was £723k (2021 - £578k) which includes £508k of a grant from the University (2021 - £493k).

Income generation increased substantially following recent constraints by lockdowns and restrictions during the COVID-19 outbreak, although the past year still did not represent a full return to activity. We also enjoyed the return of popular income generating student events, namely the Blues Ball Sports Awards, Student Achievements Awards Ball, Graduation Ball and many Society Balls. Whilst we did not see a return to pre-pandemic revenue levels there was nonetheless an encouraging uplift from last year. Disappointingly, Graduation Ball tickets and Merchandising failed to sell as budgeted and Freshers income was curtailed due to restrictions during semester one however the Blues Ball sold out immediately upon its return. The Scottish Funding Council, in recognition of the challenges contributed a grant of £18k during 20/21 and this is expected to be utilised in the following academic year for wellbeing and welfare projects. Nevertheless, the Board were accepting and understanding of the overall deficit from the Union and management will continue to look for additional sources of revenue to support the objectives of the Association.

The total expenditure of £714k was significantly up from 20/21 (£494k) following a return to expenditure on events, operational overheads and the increased activity enforced via lockdowns during the last two academic years. The main overages related to loss on Graduation Ball, plus depreciation following acquisition of laptops and peripherals as we transitioned to home working. Significant savings were also made to mitigate the deficit, namely on salaries, training, travel, facility hire and competition entries, but other than this operational expenditure correlates strongly with budgetary projections and the Union continues to monitor performance with meticulous diligence.

The net surplus of £8k will be integrated into the existing available funds to create more projects for student welfare.

Continuing the adoption of accounting legislation (FRS 102) the Union is required to project the pension deficit and account for it on the balance sheet as a long-term liability. Nevertheless, the overall governance and aim of the Trustees is to uphold and sustain the smooth flow of the operation and to create more favourable projects for the University's students. Note 10 demonstrates our continued payments to SUSS under this scheme. The current deficit will be evaluated again when the next actuarial valuation takes place on 30 June 2022. The recovery plan is anticipated to end in June 2033.

### **Reserves policy**

The reserves at the year end are in deficit by £226k (2021- £234k). This is after the inclusion of the pension liability of £472k (2021 - £522k). Were this excluded, the reserves would be £246k (2021 - £288k).

The Board review the reserves exclusive of the pension commitment when assessing the financial position of the Association and aim to hold at least £100k of unrestricted funds.

The reserves at the year end are in excess of this because the Union has been in a position to accumulate substantial reserves, mainly over the last 5 years. The rationale behind this has been the ability to source external income, predominantly from partnerships with local businesses. We must recognise though that this was unbudgeted income, and hence not sustainable, particularly as we have witnessed fluctuations in the local economy recently. It is therefore imperative that spending and investment decision making processes are informed and vigilant, with particular regard to ongoing pension commitments. The pension deficit is expected to cost the Association approximately £48k pa (increasing annually by 5% thereafter) and this cost is currently being met out of unrestricted funds.

## **Report of the Student Association Trustee Board (continued) for the Year Ended 31 July 2022**

### **Future plans**

Immediate priorities for the Union during the 2022/23 session include development and implementation of a new strategic plan, a full review and refresh of internal policies and procedures, plus continuation of a significant ongoing projects to support the enhancement further of social space provisions on campus. All of the above planning is monitored and revised in accordance with the ever-evolving backdrop of the pandemic.

### **Provision of information to auditor**

So far as the Trustees are aware, there is no relevant audit information of which the Association's auditors is unaware and we have taken all the necessary steps that we ought to have taken as Trustees in order to make ourselves aware of all the relevant audit information and to establish that the Association's auditor is aware of that information.

### **Independent Auditor**

The auditor, Hall Morrice, is appointed by the Board of Trustees of Robert Gordon University Student Association until after the year ending 31 July 2022.

By order of the Board of Trustees

David Strachan  
Chair

Joel Adebanjo  
Vice Chair

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## **Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements**

Under charity law, the Trustees are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to Charities in Scotland requires the Trustees to prepare financial statements for each year which give a true and fair view of the state of the affairs of the Association and of the incoming resources and application of resources of the Association for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2020 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting statements have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed and rules, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed and the rules of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under the Charities and Trustee Investment (Scotland) Act 2005, those statements of accounts comply with the requirements of regulations under that Act. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

## Independent auditor's report to the Trustees of Robert Gordon University Student Association

### Opinion

We have audited the financial statements of Robert Gordon University Student Association (the 'charity') for the period ended 31 July 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### Basis of 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 UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

### Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Independent auditor's report to the Trustees of Robert Gordon University Student Association (continued)**

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

We have nothing to report in respect of the following matters where the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- proper 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 Statement of Trustees' responsibilities the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 cease operations or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

In identifying and assessing the risk of material misstatement due to non-compliance with laws and regulations we have:

- Ensured that the engagement team had the appropriate competence, capabilities and skills to identify or recognise non-compliance with laws and regulations;
- Identified the laws and regulations applicable to the entity through discussions with directors and management and through our own knowledge of the sector;
- Focused on the specific laws and regulations we consider may have a direct effect on the financial statements, including the Charities SORP;
- Reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with applicable laws and regulations;
- Made enquiries of management and inspected correspondence with the charity's regulator OSCR and legal correspondence;
- Reviewed minutes of meetings of those charged with governance; and
- Ensured the engagement team remained alert to instances of non-compliance throughout the audit.



## Independent auditor's report to the Trustees of Robert Gordon University Student Association (continued)

In identifying and assessing the risk of material misstatement due to irregularities, including fraud and how it may occur, the potential for management bias and the override of controls we have:

- Obtained an understanding of the entity's operations, including the nature of its revenue sources and of its objectives and strategies, to understand the classes of transactions, account balances, expected financial disclosures and business risks that may result in risk of material misstatement;
- Obtained an understanding of the internal controls in place to mitigate risks of irregularities, including fraud;
- Vouched balances and reconciling items in key control account reconciliations to supporting documentation;
- Carried out detailed testing, on a sample basis, to verify the completeness, existence and accuracy of transactions and balances;
- Made enquiries of management as to where they consider there was a susceptibility to fraud, and their knowledge of any actual, suspected or alleged fraud;
- Tested journal entries to identify any unusual transactions;
- Investigated the rationale behind any significant or unusual transactions; and
- Evaluated the appropriateness of accounting policies and the reasonableness of accounting estimates.

We did not identify any matters relating to non-compliance with laws and regulations, or relating to fraud.

Because of the inherent limitations of an audit, there is an unavoidable risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk of not detecting a material misstatement due to fraud is inherently more difficult than detecting those that result from error as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. In addition, the further removed any non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

### Use of our report

This report is made solely to the trustees, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the 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.

**Hall Morrice**  
**Chartered Accountants**  
**Statutory Auditors**  
6 & 7 Queens Terrace  
Aberdeen  
AB10 1XL

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## Statement of Financial Activities for the Year Ended 31 July 2022

	Note	2022 Unrestricted Funds £	2022 Designated Funds £	2022 Total Funds £	2021 Unrestricted Funds £	2021 Designated Funds £	2021 Total Funds £
<b>Income from:</b>							
Donations and legacies	2	508,000	-	508,000	493,000	-	493,000
Income from fundraising activities	2	7,184	-	7,184	5,678	-	5,678
Other trading activities	2	207,383	-	207,383	61,091	18,000	79,091
<b>Total</b>	2	<b>722,567</b>	<b>-</b>	<b>722,567</b>	<b>559,769</b>	<b>18,000</b>	<b>577,769</b>
<b>Expenditure on:</b>							
Charitable activities	3	(607,884)	(2,134)	(610,018)	(421,759)	(2,134)	(423,893)
Raising funds	3	(104,147)	-	(104,147)	(70,474)	-	(70,474)
<b>Total</b>	3	<b>(712,031)</b>	<b>(2,134)</b>	<b>(714,165)</b>	<b>(492,233)</b>	<b>(2,134)</b>	<b>(494,367)</b>
<b>Net income before transfers</b>		<b>10,536</b>	<b>(2,134)</b>	<b>8,402</b>	<b>67,536</b>	<b>15,866</b>	<b>83,402</b>
<b>Transfers</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>10,536</b>	<b>(2,134)</b>	<b>8,402</b>	<b>67,536</b>	<b>15,866</b>	<b>83,402</b>
<b>Reconciliation of funds:</b>							
Total (deficit)/surplus brought forward	9	(255,019)	20,882	(234,137)	(322,555)	5,016	(317,539)
<b>Total (deficit)/surplus carried forward</b>	9	<b>(244,483)</b>	<b>18,748</b>	<b>(225,735)</b>	<b>(255,019)</b>	<b>20,882</b>	<b>(234,137)</b>

The statement of financial activities includes all gains and losses in the year.

Expenditure on charitable activities of £610,131 includes a credit of £50,555 (2021: credit of £39,134) for provision of pension deficit obligations. Further details are included in note 10 to the financial statements.

All activities relate to continuing operations.



**Balance Sheet  
at 31 July 2022**

	Notes	Year ended 31 July 2022	Year ended 31 July 2021
		£	£
<b>Fixed assets</b>			
Tangible assets	6	24,346	31,039
<b>Current assets</b>			
Stock		-	6
Debtors	7	41,218	26,258
Cash held on behalf of clubs and societies		59,400	35,523
Cash at bank and in hand		246,274	311,241
<b>Total current assets</b>		346,892	373,028
<b>Creditors – amounts falling due within one year</b>	8	(125,482)	(116,158)
<b>Net current assets</b>		221,410	256,870
<b>Total assets less current liabilities</b>		245,756	287,909
<b>Provisions: pension liability</b>	10	(471,491)	(522,046)
<b>Total net liabilities</b>		(225,735)	(234,137)
<b>The deficit of the charity Unrestricted funds</b>	9		
General funds		227,008	267,027
Pension reserve		(471,491)	(522,046)
		(244,483)	(255,019)
Designated funds		18,748	20,882
		(225,735)	(234,137)
<b>Total charity deficit</b>		(225,735)	(234,137)

The financial statements were approved by the Board of Trustees on .....2023  
and signed on its behalf by:

.....  
David Strachan  
Chair

.....  
Joel Adebanjo  
Vice Chair

The notes on pages 17 to 28 form part of the financial statements.

## Cash flow statement for Year Ended 31 July 2022

	2022	2021
	£	£
<b>Cash flows from operating activities</b>		
Surplus for the year	<b>8,402</b>	83,402
<i>Adjustments for:</i>		
Depreciation for the year	<b>9,360</b>	11,174
Gain on disposal of tangible assets	-	-
Decrease in stocks	<b>6</b>	19,062
(Increase) in debtors	<b>(14,960)</b>	(16,480)
(Increase)/decrease in cash held on trust	<b>(23,877)</b>	4,166
Increase/(decrease) in trade and other creditors	<b>9,324</b>	(44,650)
Decrease in pension provision	<b>(50,555)</b>	(39,134)
<b>Net cash from operating activities</b>	<b>(62,300)</b>	17,540
<b>Cash flows from investing activities</b>		
Acquisition of tangible assets	<b>(2,667)</b>	(3,395)
Disposal of tangible assets	-	-
<b>Net cash from investing activities</b>	<b>(2,667)</b>	(3,395)
Net (decrease)/increase in cash and cash equivalents	<b>(64,967)</b>	14,145
Cash and cash equivalents at 1 August 2021	<b>311,241</b>	297,096
<b>Cash and cash equivalents at 31 July 2022</b>	<b>246,274</b>	311,241

## Notes to the Financial Statements for the Year Ended 31 July 2022

### 1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### a) Basis of Preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Robert Gordon University Student Association meets the definition of a public benefit entity under FRS 102.

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

#### b) Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the Association's operations with the shop being closed permanently. In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the Association of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the Association, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

The Student Association has significant long term pension deficit contributions to settle for its employees' participation in the Students' Union Superannuation Scheme, as well as current service payments. The present value of the deficit payments is recognised as a provision in the balance sheet in these financial statements of £471,491 (2021: £522,046). The full liability is long term, payable over a period of 11 years and is taken into account by the Trustees when budgeting annual income and expenditure. The Student Association continues to make adequate cash provision for its annual cash pension contributions. Cash contributions in the year ended 31 July 2022 are £50,555.

Grant funding from RGU has been confirmed for 2021-22 as a 3% increase from 2020-21.

#### c) Income

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

#### d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Student Association; this is normally upon notification of the interest paid or payable by the Bank.

## Notes to the Financial Statements for the Year Ended 31 July 2022 (continued)

### 1. Accounting Policies (continued)

#### e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Students Association.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds that have been set aside by the Trustees for particular purposes.

#### f) Expenditure

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

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (h) below.

Irrecoverable VAT is charged as a cost against the related activity expenditure. The total cost of this for the year is £5,029 (2021 - £6,156).

#### g) Taxation

The Students Association is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Students Association is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. There is no similar exemption for VAT.

#### h) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs. These costs have been allocated between expenditure on raising funds and expenditure on charitable activities. Costs which can be apportioned on a usage basis are apportioned as shown in note 3. Payroll related costs are apportioned pro rata to staff costs.

The allocation of support and governance costs is analysed in note 3.

#### i) Costs of raising funds

The costs of generating funds consist of purchases for resale and entertainments.

#### j) Charitable activities

Costs of charitable activities include the provision of student services, governance costs and an apportionment of support costs as shown in note 3.

#### k) Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised and valued at historical cost. Depreciation is charged on fixtures, fittings and equipment on a straight line basis over the estimated useful life of five years from the date of acquisition.

## Notes to the Financial Statements for the Year Ended 31 July 2022 (continued)

### 1. Accounting Policies (continued)

l) Stock

Stock is included at the lower of cost or net realisable value and is accounted for on a first in first out basis. Obsolete and slow moving stock is written down to a nil value.

m) Debtors

The Student Association is predominately a cash business and as such debtors, other than funds due from Robert Gordon University are minimal, any debts over three months are classed as overdue and subject to normal recovery procedures.

n) Cash at bank and in hand

Cash at bank and cash 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.

o) Cash held on behalf of societies

Student clubs and societies raise funds in their own right and the Student Association provides a banking facility. Transactions are not reflected in the SOFA and a creditor is held in the balance equivalent to the value of the cash funds.

p) Creditors

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

q) Pensions

The Robert Gordon Student Association participates in the Students' Union Superannuation Scheme (SUSS), 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.

No share of the underlying assets and liabilities can be directly attributed to The Robert Gordon Student Association. Under the terms of FRS102, in these circumstances contributions are accounted for as if the Scheme was a defined contribution scheme based on actual contributions paid through the year. A liability is recorded within provisions for any contractual commitment to fund past deficits within the SUSS scheme.

The Robert Gordon University Students' Association also participates in a separate defined contribution scheme. A defined contribution scheme is a pension scheme under which fixed contributions are paid into a separate entity, and the amount charged to the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period.

r) 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.

## Notes to the Financial Statements for the Year Ended 31 July 2022 (continued)

### 1. Accounting Policies (continued)

#### s) Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### t) Judgements in applying accounting policies and key sources of estimation

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In preparing these financial statements, the Trustees have made the following judgements:

- Determine whether leases entered into by the charity as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Fixed assets are also assessed as to whether that are indicators of Impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

There are no material sources of estimation within the charity.

### 2. Analysis of Income

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>Donations and legacies</b>		
Donation from the Robert Gordon University	<b>508,000</b>	493,000
<b>Income from fundraising activities</b>		
Fundraising activities	<b>7,184</b>	5,678
<b>Other trading activities</b>		
Events and other student services	<b>207,383</b>	79,091
<b>Total</b>	<b><u>722,567</u></b>	<b><u>577,769</u></b>

## Notes to the Financial Statements for the Year Ended 31 July 2022 (continued)

### 3. Analysis of Expenditure

#### 3a. Analysis of charitable expenditure

	Direct expenditure £	Support and governance costs £	Total 2022 £
<b>Student services</b>	<b>562,801</b>	<b>47,217</b>	<b>610,018</b>

	Direct expenditure £	Support and governance costs £	Total 2021 £
Student services	382,667	41,226	423,893

#### 3b. Analysis of expenditure on raising funds

	Direct expenditure £	Support and governance costs £	Total 2022 £
<b>Expenditure on raising funds</b>	<b>89,644</b>	<b>14,503</b>	<b>104,147</b>

	Direct expenditure £	Support and governance costs £	Total 2021 £
Expenditure on raising funds	56,454	14,020	70,474

## Notes to the Financial Statements for the Year Ended 31 July 2022 (continued)

### 3. Analysis of Expenditure

#### 3c. Support and governance costs

The breakdown of support and governance costs and how these were allocated between expenditure on raising funds and expenditure on charitable activities is as follows:

Cost type	Basis of apportionment	Expenditure on raising funds	Expenditure on charitable activities: student services	2022 Total
		£	£	£
<b>Support costs</b>				
Staff related expenses	Staff Cost	87	1,163	1,250
Travel and subsistence	Staff Cost	5	80	85
NUS fees	Staff Cost	863	11,462	12,325
Insurances	75%/25%	10,379	3,459	13,838
Cleaning and hygiene	Staff Cost	-	-	-
Computer expenses	Staff Cost	267	3,545	3,812
Advertising and promotion	75%/25%	1,717	572	2,289
Postage	Staff Cost	(55)	(726)	(781)
Telephones	Staff Cost	177	2,345	2,522
Stationery	Staff Cost	283	3,761	4,044
Subscriptions and donations	Staff Cost	487	6,473	6,960
Training	Staff Cost	163	2,165	2,328
Credit card charges	Staff Cost	113	1,497	1,610
Health and safety	Staff Cost	17	223	240
		<b>14,503</b>	<b>36,019</b>	<b>50,522</b>
<b>Governance costs</b>	Direct to expenditure on charitable activities	-	11,198	11,198
		<b>14,503</b>	<b>47,217</b>	<b>61,720</b>



## Notes to the Financial Statements for the Year Ended 31 July 2022 (continued)

### 3. Analysis of Expenditure (continued)

#### 3c. Support and governance costs (continued)

Cost type	Basis of apportionment	Expenditure on raising funds	Expenditure on charitable activities: student services	2021 Total
	£	£	£	£
<b>Support costs</b>				
Staff related expenses	Staff Cost	88	1,162	1,250
Travel and subsistence	Staff Cost	-	-	-
NUS fees	Staff Cost	850	11,300	12,150
Insurances	75%/25%	10,298	3,430	13,728
Cleaning and hygiene	Staff Cost	10	139	149
Computer expenses	Staff Cost	220	2,928	3,148
Advertising and promotion	75%/25%	1,728	576	2,304
Postage	Staff Cost	(100)	(1,322)	(1,422)
Telephones	Staff Cost	163	2,170	2,333
Stationery	Staff Cost	217	2,882	3,099
Subscriptions and donations	Staff Cost	438	5,812	6,250
Training	Staff Cost	90	1,207	1,297
Health and safety	Staff Cost	18	242	260
		14,020	30,526	44,546
<b>Governance costs</b>				
	Direct to expenditure on charitable activities	-	10,700	10,700
		14,020	41,226	55,246
<b>Governance costs</b>				
		<b>2022</b>	<b>2021</b>	
		<b>£</b>	<b>£</b>	
Audit fee		<b>8,265</b>	6,645	
Legal and professional charges		<b>2,933</b>	4,055	
		<b>11,198</b>	10,700	
<b>Audit and non-audit remuneration</b>				
		<b>2022</b>	<b>2021</b>	
		<b>£</b>	<b>£</b>	
Audit remuneration		<b>7,370</b>	5,750	
Non-audit remuneration		<b>895</b>	895	
		<b>8,265</b>	6,645	

## Notes to the Financial Statements for the Year Ended 31 July 2022 (continued)

### 4. Employee Information

	Year ended 31 July 2022 £	Year ended 31 July 2021 £
Staff costs:		
Wages and salaries	308,629	276,326
Social Security costs	27,658	24,229
SUSS Scheme pension provision change (note 10)	(50,555)	(39,134)
Other pension costs	63,754	61,108
	<b>349,486</b>	<b>322,529</b>
Redundancy payments made or committed	-	-

The average number of employees during the year, based on headcount, was 14 (2021: 14).

The Trust considers its key management personnel comprise Trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £122,169 (2021: £116,374). No employees had employee benefits in excess of £60,000 (2021: £60,000).

### 5. Executive Committee Members' Remuneration

During the year the following members of the Student Association Executive Board received payment for the performances of their roles. The salary costs for each were as follows:

	Year ended 31 July 2022 £	Year ended 31 July 2021 £
Joel Adebajo (Sport & Physical Activity)	1,940	
Suzanna Bamigola (Communication & Democracy)	1,940	
Uluwafunmilola Akinoso (Education & Welfare)	1,940	
Ursula Ojiji (Communication & Democracy)	-	(805)
Emmanuel Akerele (Education & Welfare)	-	22,014
Kieran Matthews (Sport & Physical Activity)	-	(805)
Ross Leven (Communication & Democracy)	-	21,800
Jordan Moore (Sport & Physical Activity)	22,416	22,280
Ijeoma Obiagwu (Communication & Democracy)	22,416	1,604
Damilola Adesanye (Education & Welfare)	21,154	1,604

During the year no members of the Student Association Executive Board received reimbursement of expenses (2021 - nil).

## Notes to the Financial Statements for the Year Ended 31 July 2022 (continued)

### 6. Tangible Fixed Assets

	<b>Fixtures, Fittings &amp; Equipment £</b>
Cost:	
At 1 August 2021	<b>80,674</b>
Additions in the year	<b>2,667</b>
At 31 July 2022	<b>83,341</b>
Accumulated Depreciation:	
At 1 August 2021	<b>49,635</b>
Charge for year	<b>9,360</b>
At 31 July 2022	<b>58,995</b>
Net book value: <b>At 31 July 2022</b>	<b>24,346</b>
At 31 July 2021	<b>31,039</b>
	<b>Fixtures, Fittings &amp; Equipment £</b>
Cost:	
At 1 August 2020	77,279
Additions in the year	3,395
At 31 July 2021	80,674
Accumulated Depreciation:	
At 1 August 2020	38,461
Charge for year	11,174
At 31 July 2021	49,635
Net book value: At 31 July 2021	31,039
At 31 July 2020	38,818

### 7. Debtors

	<b>Year ended 31 July 2022 £</b>	Year ended 31 July 2021 £
Trade debtors	<b>26,940</b>	3,661
Other debtors	<b>6,410</b>	1,988
Prepayments and accrued income	<b>7,868</b>	20,609
	<b>41,218</b>	26,258

## Notes to the Financial Statements for the Year Ended 31 July 2022 (continued)

### 8. Creditors: Amounts Falling Due Within One Year

	Year ended 31 July 2022 £	Year ended 31 July 2021 £
Trade creditors	34,618	33,149
Creditors & accruals	90,864	83,009
	<b>125,482</b>	116,158

### 9. Statement of funds

	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
<b>Unrestricted funds</b>					
General funds	267,027	722,567	(762,586)	-	227,008
Pension reserve	(522,046)	-	50,555	-	(471,491)
	(255,019)	722,567	(712,031)	-	(244,483)
<b>Designated</b>					
Video wall reserve	2,882	-	(2,134)	-	748
Scottish Funding Council reserve	18,000	-	-	-	18,000
	20,882	-	(2,134)	-	18,748
Total reserves	(234,137)	722,567	(714,165)	-	(225,735)

#### Unrestricted funds

The unrestricted funds are available to be spent for any of the purposes of the charity.

#### Designated funds

Video Wall reserve – During 17/18, £10,669 of general funds were designated for the purchase of a video wall which was capitalised and is included in fixed asset cost (note 6).

Scottish Funding Council reserve – During 20/21, £18,000 was received for the purpose of a Welfare Project.

## Notes to the Financial Statements for the Year Ended 31 July 2022 (continued)

### 10. Pension Schemes

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

The most recent valuation of the scheme was carried out as at 30 June 2016 and showed that the market value of the scheme's assets was £101.3m 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 £119.7m.

The assumptions which have the most significant effect upon the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The 2016 valuation recommended a contribution requirement by each Union expressed in monetary terms intended to clear the on-going funding deficit over a period of 12 years and will increase by at least 5% each year. These contributions also include an allowance for cost of the on-going administrative and operational expenses of running the scheme. These rates applied with effect from 1 October 2018.

In accordance with FRS 102 provision has been made for the discounted value of contributions payable. The discount rate applied was 2.36%. Surpluses and deficits which arise at future valuations will also impact on the Unions future contribution commitment. In addition to the above contributions, the Union also pays its share of the schemes levy to the Pension Protection Fund.

The present value of the deficit payments is recognised as a provision in the balance sheets in these financial statements as set out below. The full liability is long term, payable over a period of 11 years to June 2033:

	<b>Pension provision</b>
	<b>£</b>
Balance brought forward at 1 August 2020	(561,180)
Discount rate change and accretion	39,134
Balance carried forward 1 August 2021	(522,046)
Discount rate change and accretion	<b>50,555</b>
Balance carried forward at 31 July 2022	<b>(471,491)</b>

The credit to profit and loss in the year principally represents the unwinding of the discount rate over future cashflows.

Cash contributions for the year ended 31 July 2022 are £44,412.

## Notes to the Financial Statements for the Year Ended 31 July 2022 (continued)

### 10. Pension Schemes (continued)

#### Contingent Liability – pension schemes

During the previous year the Association was made aware of a possible increase in the liability for the pension deficit. The outcome of this contingent liability is not yet known and it cannot be quantified at this stage. As a result the Association does not consider it necessary to provide for any additional liabilities in the accounts for the year ended 31 July 2022.

### 11. Operating lease commitments

#### Lessee

At the reporting end date, the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Year ended 31 July 2022 £	Year ended 31 July 2021 £
Within one year	-	1,715
Between two and five years	-	-
	-	1,715

### 12. Related party transactions

The Union is in receipt of a recurrent grant from the Robert Gordon University of £508,000 (2021: £493,000).

In addition, the Union is provided with administrative accommodation within the campus of the Robert Gordon University. The trustees cannot put a value on this service.

Executive Committee Members remuneration is disclosed in note 5.

### 13. Analysis of funds

	Unrestricted funds		Funds at
	Designated funds	General Funds	31 July 2022
	£	£	£
Tangible fixed assets	748	23,598	24,346
Net current assets	18,000	203,410	221,410
Pension liability	-	(471,491)	(471,491)
	18,748	(244,483)	(225,735)

  

	Unrestricted funds		Funds at
	Designated Funds	General Funds	31 July 2021
	£	£	£
Tangible fixed assets	2,882	28,157	31,039
Net current assets	18,000	238,870	256,870
Pension liability	-	(522,046)	(522,046)
	20,882	(255,019)	(234,137)

### 14. Control

The Association is controlled by the Trustees on behalf of the members.