



Students' Union Report on Finances

Outcome Requested:	<p>Finance & Investment Committee is asked to note:</p> <ul style="list-style-type: none">○ Financial Statements of Queen Mary University of London Students' Union.○ Financial Statements of QMSU Services Ltd.○ Mid-Year Management accounts and Balance Sheet Update, period 6 January 2021.○ Five Year Financial Plan (Updated Feb 2021).
Executive Summary:	<p>Headlines</p> <ul style="list-style-type: none">○ The external audit ran smoothly, and there were no major adjustments or internal practice issues raised within the management letter. All actions from previous audit completed. There was a recognition by the Board and the auditors that there was 'material uncertainty', recognising the unprecedented financial consequences of the pandemic. The Financial Statement were unqualified. The Group Financial Statements (appendix 1) include draft text for the trustee report. QMSU Services Ltd financial statements (appendix 2) are final, apart from shaded text that needs re-writing.○ The University Financial supported the Union, detailed modelling around the CJRS framework around its subsidiary commercial company (QMSU Services Ltd. The total support for the last financial year was £395K, £223K for permanent staff and £172K (80%) for student staff. The Students' Union covered covered £79K for student staff. The University have agreed to financially support the Union, and again carried out a robust process of reviewing the modelling linked to CJRS principles. The process has run relatively smoothly, and meetings been constructive. The cover includes both permanent (£147.2K) and student staff in areas effected by the government lockdown, currently equating to £226,850. We'd like to take this opportunity to thank the University for the support.

- The Operating deficit for the year (2019 / 2020) was -£54K. The general reserve was -£272502 (July 2020) compared to £-218582 (July 2019), worsened by £52920, eroding the progress we had made the previous year which stood at -£556738 (July 2018).
- Last year was a clearly a game of two halves, mid-year position for the SU Group is stable, with a better than budget by £47K, and second half was damage limitation response outlined in the Financial Principles & framework (appendix 3).
- The financial position of the Union clearly continues to be fragile and vulnerable. January Management accounts continue to indicate spending freeze and measures in place are working. Group bottom line is a significant £160K better than budget (appendix 4). Due to pandemic, income generation has been impaired, and looking like over £2m hit for the year. With the financial support from the University, we currently project a near break-even end of year position. We provide more information on our approach this year, and direction going forward. The SU are covering £52K student staff costs linked to CJRS modelling and reflected in the end of year calculations.
- A consultation for restructure within the charity commenced 8 March 2021, focusing on the charity. This is the third consultation since beginning of 2020. Permanent staff team would have reduced from 70+ to around 50 by July 2021, a reduction of 28%. We have also actively redeployed, including a 6-month placement in the university bursaries team. This is part of the wider work to ensure financial stability. The tough financial principle and framework will continue to for at least 18 months, and we will be working on plan to build reserves. The five- year financial plan, and end of year projections are reviewed at least on a monthly basis. Cash flow is reviewed weekly. We have been meeting the new QMUL CFO regularly, supporting 'going-concern' assurance with the auditors and wider stakeholders, and we are transparent with our five-year projections, balance sheet position and so forth.
- The MOA panel have received a new dashboard tracker for the Block grant, in line with the conditions of the block grant letter.

Finance and Investment Committee 18/03/2021
Paper FIC20/30

QMUL Strategy: strategic aim ref	SA2.2, EA1.2, EA1.7
Internal/External regulatory/statutory reference points:	<p>The Education Act (1994) requires that “the financial affairs of the Union should be properly conducted and appropriate arrangements should exist for the approval of the Union’s budget and the monitoring of its expenditure, by the governing body.”</p> <p><i>1994 Education Act</i> <i>2006 Charities Act</i> <i>2006 Companies Act</i></p>
Strategic Risks:	<p>11. Sustainable income streams for activities</p> <p>12. Cost control, VFM and expenditure</p>
Equality Impact Assessment:	None required
Subject to prior and onward consideration by:	None
Confidential paper	No
Timing:	N/A
Author:	Mike Wojcik, Chief Executive, Students’ Union Managing Director, QMSU Services Ltd.
Date:	11 March 2021
Sponsor	Shamima Akter, President, Students’ Union

Charity Registration No: 1147786
Company Registration No: 08092471 (England & Wales)

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED
REPORTS AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st JULY 2020

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QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

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QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31st JULY 2020

The Trustees present their report and the financial statements of Queen Mary, University of London Students' Union for the year ended 31st July 2020 (the reporting year).

1. Legal and Administrative Information

Charitable status

Queen Mary University of London Students' Union Limited, also known as QMSU (the Union), is a charitable company, company number 8092471 and charity registration number 1147786.

Registered Office

Students' Union Hub, 329 Mile End Road, London, E1 4NT

Charity Trustees

The Trustees of the Union who hold office at the date of this Report, who are also directors of the Union for the purposes of the company law, are as follows:-

Officer Trustees (from 01/08/19 unless otherwise stated):	Shamima Akter, Union President and Chair of Trustees Mat Robathan, Vice President Barts and The London Jack Juckes, Vice President Welfare Tiana Dinard-Samuel, Vice President Communities Cameron Storey, Vice President Humanities and Social Sciences Aphrodite Murray-Liddington, Vice President Science and Engineering
Student Trustees (from 01/08/19 unless otherwise stated):	Tom Longbottom (from 01/08/90) Adi Sawalha (from 01/08/19) Vanessa Beale Elizabeth Edmonds-Magee Muhammed Daud Mustafa Ibrahim Razi
Lay Trustees:	Sally Pearman (resigned 17 September 2020) Philip Bishop Chris Mitchell, Deputy Chair Chris Weavers

The following also held office during the reporting year, as Trustees of the Union, in the capacities shown, and as directors for the purposes of company law:-

Officer Trustees (from 01/08/19 to 31/07/20 unless otherwise stated):	Talhah Atcha, Union President and Chair of Trustees Shamima Akter, Vice President Welfare Megan Annetts, Vice President Barts and The London Annika Ramos, Vice President Education
Student Trustees (from 01/08/19 to 31/07/20 unless otherwise stated):	Tom Longbottom Zakareeya Mehmood Adi Sawalha Zakaria Rob(from 01/08/18)

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FOR THE YEAR ENDED 31st JULY 2020

Lay Trustees
Sally Pearman, Deputy Chair
Philip Bishop
Chris Mitchell
Chris Weavers

Chief Executive
Mike Wojcik

Company Secretary
Brad Coales

Auditors
TC Group
The Courtyard, Shoreham Road
Upper Beeding, Steyning
West Sussex, BN44 3TN

Solicitors
Russell-Cooke
2 Putney Hill
London SW15 6AB

Bankers
Barclays Bank plc

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31st JULY 2020

2. Structure, Governance and Management

2.1. Governing documents

The Union operates as a charitable company, with Articles of Association (the Articles) as its governing document, together with bye-laws made under the Articles.

2.2. Recruitment and training of Trustees

Trustees are appointed in accordance with the Articles and relevant bye-laws. The Articles provide for the appointment of up to 6 officer Trustees and 6 student Trustees, to be elected by secret ballot in accordance with Union bye-laws, and for the appointment of up to 6 external Trustees by an Appointments Committee.

Officer Trustees and Student Trustees receive an induction in the role, responsibilities and duties of Trustees. Officer Trustees also receive an induction and extensive specialist training on their roles as full-time Union officers, delivered both internally and by external organisations, such as the National Union of Students. External Trustees receive inductions and briefings as required.

2.3. Organisational structure and decision-making

Under the Articles, the Board of Trustees is responsible for the management and administration of the Union, including its governance, budget and strategy. A governance review was carried out and revisions to the Articles of Association were approved in this financial year. The Board has power to overrule any decision or policy of the members made in general meeting, in referenda or at Student Council, where it is considered there are financial implications, a breach of legal requirements, a contravention of the Union's aims and objects or the carrying out of the Board's responsibilities as above are affected. In the reporting year, the Board of Trustees had 8 meetings.

The Trustees have power to delegate their functions to committees or individuals. There are 2 standing committees, as provided for in the Articles, which are responsible for the functions set out in the relevant Union bye-laws or terms of reference. These are the Executive Committee, comprising the Officer Trustees (also known as Executive Officers) and the Audit and Risk Committee. The powers of these Committees do not, however, include any decision-making on behalf of the Board. In the reporting year, the Executive Committee generally met weekly and the Audit and Risk Committee had 2 meetings.

Due to the need to respond proactively to the developing Coronavirus situation, the Board of Trustees agreed at its meeting held on 2 April 2020 to establish an Emergency Corporate Finance Committee (ECFC) with representation from both the Board of Trustees and the Board of QMSU Services Limited. The Board agreed Terms of Reference for the ECFC and that the Audit and Risk Committee would be suspended whilst the ECFC was in place, in order to avoid duplication. The ECFC met 8 times in the reporting year.

Meetings of the Board of Trustees and the EFC were held online via Zoom from March onwards.

Student Council, elected annually from and by the Union's members and constituted in accordance with bye-laws, has the powers set out in the Articles, including setting the representational and campaigning policy of the Union. Student Council met 5 times in the reporting year. An Annual General Meeting and an Annual Members' Meeting were held on 29 October 2019.

In the reporting year, the Executive Officers were responsible for the duties of their respective full-time offices as set out in Union's bye-laws.

Day to day management of the operation and administration of the Union is delegated by the Trustees to the Chief Executive. The Chief Executive reports to Trustees at each Board of Trustees' meeting, and as necessary between meetings and to Committees of the Board.

2.4. Network - impacting on operating policies

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FOR THE YEAR ENDED 31st JULY 2020

The Union is affiliated to the National Union of Students (NUS). The policy, guidance and other information resources of the NUS have been considered in the operating policies of Union

2.5. Relationship with related parties

2.5.1 QMSU Services Limited

QMSU Services Limited is a wholly-owned subsidiary of the Union. It carries out significant trading activities in support of the Union's work, including Qmotion Health and Fitness Centre, Fitness to Practice gym facilities, Drapers Bar & Kitchen, the Griff Inn Bar & Kitchen, the retail outlets of Union Shop, the Village Shop and the BLSA Box Office, and Ground Coffee Shop and the Shield Café. It also operates and manages the Learning Café under contractual arrangements with Queen Mary University of London (QMUL), and administers a number of activities at the QMUL sports ground in Chislehurst.

The Chief Executive of the Union is, ex-officio, a member of the Board of Directors of QMSU Services Limited and is the company's Managing Director. The Union President is also, ex-officio, a member of the Board of Directors. Another Officer Trustee and a Student Trustee, as nominated by the Board of Trustees, serve as Board Directors. Two members of Student Council are members of the Board of Directors. There is also provision for three Independent Directors on the Board, of which two positions are currently filled.

Whilst the Union's financial statements are prepared for each year on a consolidated basis, and include the income, expenditure, assets and liabilities of QMSU Services Limited, separate reports and financial statements for QMSU Services Limited for the reporting year, compliant with company law, can be viewed on the Union's website, www.qmsu.org/governance.

2.5.2 Queen Mary University of London (QMUL)

The Union works closely with QMUL, both in partnership and joint working and in their respective activities. The Union President is, ex-officio, a member of QMUL's Council. The Union President, Vice President Education and a student representative from each of QMUL's 3 faculties are, ex-officio, members of QMUL's Senate, and 2 representatives of QMUL are members of the Board of Directors of QMSU Services Limited.

QMUL provides an annual (block) grant to the Union, which funds the Union's core charitable activities, and other ad hoc grant funding.

QMUL also provides the premises from which the Union and QMSU Services Limited operate their respective services and activities. Those premises include the Students' Union Hub, Union Shop, the Village Shop and Ground Café on the Mile End Campus, the Griff Inn Bar & Kitchen, the BLSA Box Office and the remainder of the BLSA building at the Whitechapel Campus, and, in Charterhouse Square, the Shield Café and the Fitness to Practice gym. QMUL is responsible for agreed matters relating to the premises, including maintenance of the fabric of the buildings, plant and machinery, fixtures and fittings and payment of utility and insurance costs. The QMotion premises and Drapers Bar & Kitchen are held by QMSU Services Limited under lease from QMUL.

QMUL also provides support services in several areas, including human resources, campus security and other campus provision, health and safety, insurance, buildings work project management, provision of ad hoc space and the hosting of the Union's and QMSU Services Limited's accounting records on its accounting systems.

The estimated value of the premises and of the support services provided by QMUL totals £381,928. That amount is included in the Consolidated Statement of Financial Activities as income as a grant, and as expenditure allocated to relevant charitable activities. The basis on which the value of the premises and support services has been estimated, and the basis on which the allocation as expenditure has been made, is indicated in Note 2 to the financial statements.

A Code of Practice is issued from time to time by QMUL's Council under section 22 of the Education Act

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TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31st JULY 2020

1994. This sets out the agreed arrangements between QMUL and the Union in relation to Council's statutory duty to take such steps that are reasonably practicable to ensure the Union operates in a fair and democratic manner and is accountable for its finances. These arrangements are adhered to by the Union.

The Memorandum of Agreement (MOA), sets out the framework for their ongoing mutually supportive and beneficial relationship and detailing their respective roles and responsibilities between the University, Union and its subsidiary company. A MOA panel has been established to monitor developments and agree any amendments and appendix service level agreements or annexes. The panel membership consists of three members of QMUL, a member of College Council, and three members of the Students' Union, including the President, an external member of the Board of Trustees or the Board of Directors of QMSU Services (as nominated by the Board of Trustees of the Union), and the Chief Executive. QMSU Services Limited is also party to the Memorandum of Agreement and, where relevant, to the arrangements entered into under it.

3. Objectives and Activities

3.1. The Union's legal purposes

The legal purposes of the Union are set out in its Articles. These are, in summary, the advancement of education of Students at QMUL for the public benefit by:

- promoting the interests and welfare of students at QMUL during their course of study and representing, supporting and advising Students;
- being the recognised representative channel between Students and QMUL and other external bodies; and
- providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of Students.

3.2. The Union's aims under the Strategic Plan 2020

The Plan sets out a mission, vision and aims for the Union. The Union's mission is 'Together we improve students' lives' and the vision is 'We want to be at the heart of the student experience'.

The aims which were developed after extensive consultation with the membership are:

- Theme 1: Student Voices.
Theme 2: Education and Welfare.
Theme 3: Opportunities and Communities.
Theme 4: Student Futures.
Theme 5: Enablers.

The Board of Trustees have agreed that the Union's Strategic Plan should be extended until 2021, recognising that the current plan was approved during the first year of its operation, and that the benchmarking for many of its KPIs took place during that year. The extension will allow for three full years of delivery and work on developing the next Strategic Plan will be undertaken during the extension period.

3.3. The Union's main objectives for the reporting year

The key objectives, as set out in the Strategic Plan 2020, for the reporting year were:

Strategic Aims	Objective
Theme 1	Student Voice – We will make sure students' voices are heard, valued and acted upon.
Theme 2	Education and Welfare – We will support students' education and welfare, so each student has the opportunity to fulfil their potential.

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FOR THE YEAR ENDED 31st JULY 2020

Theme 3	Opportunities and Communities – We will create and support, social, cultural and recreational activities so that students feel part of a community.
Theme 4	Student Futures – We will empower students to shape their own futures.
Theme 5	Enablers – We will build a strong and efficient Union that is ready to deliver for students.

3.4. Volunteers

The Union benefits from a significant volunteer contribution in taking forward its work. During the reporting year, in addition to the voluntary contribution of 4 Student Trustees and 4 External Trustees, 44 volunteer part-time officers and student representatives served on Student Council. Some 485 students also acted voluntarily as course representatives. Student volunteers were also directly involved in running volunteering groups, societies, sports clubs, student media and RAG activities.

3.5. The public benefit context

In the planning of activities for the reporting year, the Board of Trustees considered the Charity Commission's general guidance on public benefit. The Trustees consider it to be in the public benefit that the Union assists the educational aims of QMUL by supporting students, both in terms of their academic performance and in their welfare to enable them to fulfil their individual potential, as well as in terms of their wider life experiences, through their personal development, to enable them to contribute now and in the future to their communities and society as a whole.

4. Achievements and performance for the reporting year

4.1. Achievements and performance for the key objectives in the Strategic Plan 2020

Aim	Achievements
1	<p>Completed our Governance and Democracy Review.</p> <p>The Review will ensure we strengthen our work with all parts of our student community including BAME, Postgraduate and International students.</p> <p>In our Annual Elections we elected our new team of three faculty-based Executive Officers, plus a VP Welfare, VP Communities and President.</p> <p>Increased the number of Part-time School Reps to further strengthen the student voice on education and wellbeing matters at school and faculty levels.</p> <p>We are finalising arrangements about how the new structures will be supported effectively with the expansion of reps and decision making boards.</p> <p>We are also exploring new ways of digitising Student Voice with new online functionality.</p> <p>Annual Elections - 120 students nominated with a low drop-out compared to previous years. 3600+ students voted, up 300 on the prior year, despite the clash with UCU strikes.</p>

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FOR THE YEAR ENDED 31st JULY 2020

2	<p>Supported 485 Course Reps and 44 part-time officers this year.</p> <p>Offered additional training throughout the year. About 60% of all Course Reps received enhanced training on effective representation, University structures and feedback collection.</p> <p>Recruited a student intern in our Representation and Democracy team , this has meant we have been able to improve training and strengthen the visibility of student voice</p> <p>Developed a new Course Rep handbook and purchase of new lanyards to improve the visibility of Course Reps on campus. Course Reps were also highlighted through signage and online channels such as our website, social media and QMPlus.</p> <p>Introduced a new Course Rep recognition scheme to recognise the vital work of Course Reps. Students nominate for the Course Rep of the Month award, with Executive Officers selecting the winner. For example, in April, 28 nominations for 13 Course Reps were received. This complements existing recognition such as the Education Awards. This year 450 nominations were received and More than 180 Course Reps received the contribution award in recognition of their achievements.</p> <p>Student Council meetings were moved online.</p> <p>Ran 4 flagship student-led liberation campaigns; Asian Heritage Month, Black History Month, Islamophobia Awareness Month and LGBT+ History Month. We also recognised Trans Day of Remembrance and Day of Disability.</p> <p>New Welfare Officer roles introduced onto every Club Sport committee to support club members.</p> <p>Created a Covid-19 Be Kind to Your Mind campaign in days to support students in isolation & lockdown. The campaign promotes steps to positive mental wellbeing through online resources and support. The campaign has been widely shared by schools and the University communications team.</p> <p>A Qmotion at Home programme was introduced so students can continue to access a range of fitness programmes at home.</p> <p>Launched our Study Well campaign online to coincide with the assessment period. It includes online live fitness sessions, study skills support, Chat & Chill sessions, study playlists, online resources and competitions encouraging students to practice good studying techniques.</p>
3	<p>The Student Engagement team supported over 300 student-led Societies, across all London campuses and the Malta Medical School.</p>

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TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31st JULY 2020

	<p>Our 50 cultural societies enable international students to find a community in a home away from home.</p> <p>Our Societies began moving their activities online. These groups continue to provide important communities for our students.</p> <p>£31,000 was distributed via the Campus Community Fund.</p> <p>2,722 students were a member of a Sports Club.</p> <p>1000+ students participated in volunteering.</p> <p>We work closely with over 100 local organisations.</p> <p>1,615 volunteer hours logged through Community Sport.</p> <p>1,615 hours of sport and physical activity delivered by our workforce of student leaders.</p> <p>100 student leaders actively facilitating sport and physical activity.</p> <p>12,504 participant engagements.</p> <p>20 students received funded training and qualifications.</p> <p>9 student groups delivered projects on the Social Cohesion Sport.</p> <p>11 young people accepted on to the Young Leaders Academy.</p> <p>To continue engaging students and the local community in our Community Sport programme we have developed our digital processes, including creating a new e-mentoring platform for students to maintain their outreach.</p>
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<p>4</p>	<p>231 student staff employed by the Students' Union (a London Living Wage Employer).</p> <p>Students are employed across most of our commercial and charitable services across a variety of roles. We act as an academy, providing valuable work experience and skills development opportunities.</p> <p>We are a 24/7 operation. Student staff work on campus around the clock to support our operations. From opening up Qmotion at 6am to finishing at 3/4am after an event.</p> <p>Many student staff act as part-time supervisors, running our venues and activities and managing a wider team of student staff. They can be the most senior member of staff at a venue at any given time.</p> <p>Student staff roles include:</p> <ul style="list-style-type: none"> • Receptionists • Fitness instructors / gym staff • Baristas • Student interns – including web development, membership services, cultural societies support, sport. • Retail & venues staff
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TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31st JULY 2020

	<ul style="list-style-type: none">• Get Active activators, referees, umpires. <p>This year we introduced a new online training platform to improve our compliance training and provide additional online training and development opportunities.</p> <p>We introduced new induction training and a welcome session to ensure our student staff felt welcomed into the Students' Union.</p> <p>The student-led Black Owned Business Fair showcased 50 businesses.</p>
5	<p>2,700,000 page views on our website.</p> <p>We re-designed our emails to students and grew our daily social media output. Social media channels saw growth of 20%.</p> <p>Our new daily Instagram stories engaged 800-1200 viewers per post (multiple daily).</p> <p>Our emails are read by over 10,000 students each week, 4% above sector average.</p> <p>Our new website is nearing completion. This was developed fully in-house by our website developer and a student intern to keep costs low and provide opportunities for students. The new website will launch in the Summer and provide a user-friendly interface, new functionality and improved accessibility.</p> <p>Our Student Group Online Finance system has launched allowing students to manage their student group finances through our website.</p>

4.2. Other achievements and performance in the reporting year

Governance and Democracy Review

This year the Union completed its Governance and Democracy Review with a comprehensive review of its Bye-Laws. This increased the number of elected student representatives to provide more comprehensive and balanced representation of students throughout the University. It also created a number of new sub-committees of Student Council with devolved decision making powers.

The Union's AGM passed amendments to the Articles of Association to increase the number of full-time elected representatives (Sabbatical Trustees) from four to six, balanced by also increasing the number of Student and Lay Trustees by the same amount and adjusting the quorum accordingly.

Welcoming new students

Our Welcome Fair is hosted over the course of two days in Welcome Week and is designed to showcase our hundreds of Student Groups and the services and activities we have to offer as a Students' Union. The 2019 Fair saw circa 10,200 people pass through the event over the course of the two days and featured performances, showcases and demonstrations from Clubs and Societies at multiple performance locations. In the run up to Welcome Week, 5,000 members joined our Facebook group for new students.

Sport

The University and the Students' Union have a Joint Sport Strategy, with a mission: 'To inspire our University community to engage in sport and activity, to enhance their student experience and physical and mental well-being, making life long changes.'

The Club Sport Development Fund allowed Sports Clubs to access a source of additional funding for their Club. The funding aimed to develop Clubs through funding activity that focussed on engaging new students in sport, or for one-off events aimed at increasing sports participation. The Fund provided new opportunities for 27 Sports Clubs, providing £8,508 of additional funding.

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In addition to the 2,722 members of our competitive sports clubs 639 students participated in weekly social leagues across a range of sports, and 4765 students took part in our Get Active programme during Semester One. Eight of our competitive Club Sports teams won their BUCS leagues and 22 other teams finished in either 2nd or 3rd place..

The Students' Union's Community Sport programme has continued to grow. In 2019-20 100 students were actively involved in the programme, with a participant throughput of 12,504. The programme made the final shortlist for the "Enhancing the Workforce Award" at the London Sport Awards in March 2020.

In recognition of our passion and commitment to developing women's football, both internally and within the local community, Queen Mary was selected as a Women's Football and Futsal Specialist Hub for the 2018-19 academic year, in partnership with BUCS (British Universities and Colleges Sport) and The FA (Football Association). In 2019-20 the QM Women's Futsal team won the double BUCS & League Cup, obtaining 40 BUCS points.

Use of our QMotion Health and Fitness Centre by students, staff and members of the public continued to reach peak capacity.

Student Societies

Engagement in Societies continues to grow and is such an important aspect of student life. Student-led societies now total over 300, with 72 new affiliations this year.

Volunteering

Over 1,000 students volunteered through our Volunteering service - up 11% on 2018/19.

In response to the Coronavirus situation, a volunteering programme was developed with 373 SMD students recruited and placed in roles within the NHS. Many more supported other services such as foodbanks, Public Health England etc.

Project Search

Project Search is a supported internship for young adults with learning disabilities and/or autism. The programme is a unique business-led, one-year education to work programme. We became the first University in London to host a Project Search programme, with preparation and planning undertaken to welcome six new interns who will work in different areas of the Students' Union and University. We are working with the University, Phoenix School, Kaleidoscope Sabre and Tower Hamlets Council to deliver the programme.

Our commitment to sustainability

A Sustainability Action Plan has been drawn up to further deliver against the Students' Union's commitment to sustainability. Initiatives include the removal of single use plastics from bars, removal of plastic cutlery from catering outlets, achieve a further reduction in food waste to less than one per cent across cafes and shops, improve waste recycling facilities, review procurement and promote informed and sustainable food choices. The Action Plan will be made publicly available to staff and students, and progress towards our targets will be monitored in Sustainability Committee meetings.

Our commercial outlets have continued to use the Too Good to Go app in an effort to reduce the amount of food waste, Our Bring Your Own Cup discount offers students 20% discount, whilst our services have cut plastic use, introduced more vegetarian and vegan options and the introduction of new reusable mugs have already seen a significant reduction in the amount of single-use paper cups being used every day.

Our Reuse project saw donations received from departing students so new students could re-use these. Items ranged from plates and cutlery to duvets, lights and home furnishings. Over 400 new students attended the events in September and January, collecting 1862kg of items that were saved from going

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to waste. The Clothes Swap also saw 300 items of clothing donated.

As a result of its work on sustainability projects, the Students' Union has achieved gold in the Green Impact Award. The Award is designed to recognise organisations that support environmentally and socially sustainable practices.

Financial Review

4.3. Principal sources of funding

The principal sources of funding for the reporting year, on a consolidated basis, were grant funding (comprising the core grant from QMUL and grants from third parties) and trading income from QMSU Services Limited. As noted in 2.5.2 above, QMUL also provided premises and additional services to support the activities of the Union and QMSU Services Limited. An amount equal to the estimated value of the premises and support services is included in the Consolidated Statement of Financial Activities (SOFA) both as grant income, as corresponding expenditure and as donated services and facilities to relevant charitable activities as indicated in the notes to the financial statements.

The interruption of trading due to the Coronavirus situation placed a strain on the Union's finances. Staff, including student staff, were supported financially during lockdown through additional funding provided by the University in lieu of access to the Coronavirus Job Retention Scheme. The Trustees would like to thank QMUL for its continued support of the Union's work in carrying out its charitable objects.

4.4. Income and expenditure

The financial impact of the Coronavirus situation can be seen in the changes to income and expenditure and the numbers tell the story. As shown in the SOFA, total income for the operating year, on a consolidated basis, was £6.125m (2019: £7.137m). Grant funding totalled £3.338m (2019: £2.818m). Income generated by QMSU Services Limited totalled £2.633m (2019: £4.284m) of which £927k was recognised in grant income (2019: £591k). Student activity income contributed £149k (2019: £566k) through Clubs and Societies, student events, Recreational Sport income and RAG.

Also as shown in the SOFA, total expenditure in the operating year, on a consolidated basis, was £6.208m (2019: £7.022m). **QMSU Services Ltd Gift Aid was £39,549.** Charitable activity costs totalled £2.561m (2019: £2.750) including student activity costs of £1.772m (2019: £1.742m), student representation and communication costs of £698k (2019: £734k), and volunteering costs of £75k (2019: £200k). All such costs include both direct costs and apportioned overheads. Note 13 to the financial statements indicates the allocation of support costs across the range of charitable activities, and the basis on which such allocation is made.

The SOFA indicates, on a consolidated basis, a net outflow of funds of £91k. This compares with a positive inflow of funds of £112k for the preceding reporting year.

4.5. Financial position and reserves

As at 31st July 2019, as indicated on the consolidated balance sheet, net current assets were positive on a consolidated basis, £18k (2019: £20k) and in the Union negative £47k (2019: negative £35k).

As at 31st July 2019, also as indicated on the consolidated balance sheet, consolidated reserves in aggregate, stood at £307k (2019: £398k). On a consolidated basis, designated funds totalled £363k (2019: £334k) and restricted funds (comprising principally capital grants) stood at £217k (2019: £282k). The consolidated general reserve balance, however, was in deficit of £273k (2019: £219k in deficit).

The overall financial position at the balance sheet date reflects what will be a continuing reliance of the Union and of the Group on the support of QMUL. QMUL has indicated its willingness to continue its support for the Union, through grant funding for the year to 31st July 2021.

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31st JULY 2020

In line with recommended best practice, the Trustees feel that it is important that the Union benchmarks its financial position in reference to 'free reserves' rather than unrestricted reserves. As such, the Union's reserves, in the context of a reserves policy, are unrestricted funds which are freely available to spend on any of the Union's charitable purposes. They therefore do not include restricted or designated funds (though holding such funds may influence the Union's reserves policy from time to time).

Free reserves are calculated as being unrestricted reserves, less fixed assets. General reserves are the only unrestricted reserves. The table below shows consolidated 'free reserves' as at 31 July 2020 compared to 31 July 2019:

	July 2020	July 2019
	£k	£k
General Reserves	(272)	(219)
Fixed Assets	(263)	(344)
Total Free Reserves	<u>(535)</u>	<u>(563)</u>

The Union will continue to work towards eliminating the current general reserves deficit and thereafter towards building an appropriate level of reserves on the basis of budgeting surpluses in the coming years.

4.6. Risk management

Updating and detailed consideration of the Risk Register is the responsibility of the Audit and Risk Committee, who then report with recommendations to the Boards of both QMSU and QMSU Services Limited. Membership of the Audit and Risk Committee includes representation from the Board of QMSU Services Limited and there is a single combined Corporate Risk Register, recognising that the financial performance of QMSU Services Limited has potential for a significant impact upon the income of QMSU, and policies passed by QMSU have the potential for significant impact upon the financial performance of QMSU Services Limited. There is a designated manager for each identified risk, in addition to the risk owner, who is responsible for implementing any agreed mitigating actions and reporting on their impact.

In response to the Coronavirus situation, a Coronavirus Supplement to the Risk Register was created and updated in real-time by the Emergency Corporate Finance Committee. This Supplement was used to actively monitor Covid-related risks and how they were being managed and mitigated.

Right from the onset of the Covid situation, the focus of the Board has been firstly on safety and compliance, and then the maintenance of the organisation as a viable going concern. A spending freeze has been in place throughout, and preservation of cashflow has been the main priority.

Before filing the Annual Reports Financial Statements for 2018-19 in April 2020, a SORP Statement on the implications of the Covid-19 Situation was appended to the Trustees' Annual Report. This is reproduced at the end of this Report and is supplemented with a further SORP Statement setting out how the situation has been managed to date and how the Trustees plan to ensure future financial sustainability.

5. Affiliations

During the reporting year, the Union was affiliated to the organisations listed below. The annual affiliation fees payable are as indicated:-

Organisation	Subscription
National Union of Students (NUS)	£60,000
British Universities and Colleges Sports (BUCS)	£8,468
London Nightline	£1,903

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31st JULY 2020

Student Radio Academy £109

UK Council for International Student Affairs (UKCISA) Free

6. Plans for the future

Key objectives for the year 2021/22 are: **TBA**

SORP Statement on the implications of the Covid-19 Situation (as added to the 208-19 Accounts in April 2020)

Although not material to the accounts being filed, on the advice of our Auditors and following guidance issued by the Charities SORP Committee, the Trustees of Queen Mary Students' Union (QMSU) and the Directors of Queen Mary Students' Union Services Limited (QMSUSL), have jointly agreed to insert the following statement. This statement considers the corporate impact of the Covid-19 situation on Queen Mary Students' Union to date, and the actions of the Trustees and Directors to mitigate the potential impact going forward.

The Union suspended its commercial activities on Wednesday 18 March 2020, and closed all of its buildings and introduced home working for all staff on Friday 20 March 2020.

The Union had already agreed to pay its student staff (who are on casual contracts) until the end of March 2020, and then to operate a hardship scheme (based upon hours worked to date) for April and May 2020. Subsequent to that decision, the government announced its Coronavirus Job Retention Scheme (CJRS) under which the Union will be entitled to re-claim 80% of wages, plus on-costs for staff who are furloughed.

The Union will be taking advantage of the CJRS in respect of its student staff, and is also planning to furlough full-time staff who have front-line roles and are therefore unable to work from home.

The Union is in discussion with Queen Mary University of London (QMUL), from whom it receives a significant proportion of its core funding, to understand the likely financial impact of the ongoing situation on its income and how this might impact upon the future support available to QMSU.

The Union has modelled various scenarios, taking into account both the furloughing of staff and access to the CJRS, and the likely ongoing financial support from QMUL.

The Union, with advice from its Auditors, has also reviewed its previous treatment of unspent funds held on behalf of its student groups as designated funds. This with a view to enabling these to be used to cover any outstanding liabilities, or losses, incurred by the cancellation of events involving student groups, and to support them more generally going forward.

The Union has looked at potential cost-savings elsewhere, as well as taking account of anticipated cost-savings from the, Covid-19 unrelated, management restructure within its commercial services.

The Union has continued to hold its scheduled governance meetings via video and tele conferencing, and has moved its final Student Council of the year online to enable completion of the ongoing review of its democratic processes.

The Union has compiled a dedicated Risk Register and established an Emergency Corporate Finance Committee, with representation from both QMSU and QMSUSL, to facilitate continuous monitoring of the situation as it evolves and enable agile and timely decision making in response.

The Boards believe that they now have reasonable certainty that the Union will deliver a corporate out-turn of circa £16k in deficit for 2019-20.

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31st JULY 2020

Going forward, the Union will continue to meet the needs of its members in the areas of democratic representation, within both QMSU and QMSUSL, welfare provision and advice and advocacy services.

The Union will begin to set its 2020-21 budget in May 2020 with the current situation in mind and options to review and recalibrate in both November 2020 and February 2021. Going forward, the Union will scale its activities according to its available income and any ongoing government support, with the core aim of maintaining itself as a going concern for the ultimate benefit of its members.

SORP Statement on the implications of the Covid-19 Situation for 2019-20 and going forward TBA

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31st JULY 2020

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to companies and charities in England and Wales requires the Charity Trustees (who are also directors of the Company for the purposes of Company law) to prepare consolidated financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the Charitable Company and of the Group's incoming resources and resources expended (including its income and expenditure) for that period. In preparing these financial statements, the Trustees are required to:-

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charitable Company will continue to operate.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by The Board of Trustees on 2 April 2021 and signed on its behalf by:

Shamima Akter
Union President and Chair of the Board

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

FOR THE YEAR ENDED 31st JULY 2020

Opinion

We have audited the consolidated financial statements of Queen Mary, University of London Students' Union (the Charitable Company and the group) for the period ended 31 July 2020 which comprise the consolidated Statement of Financial Activities (including the income and expenditure account), the balance sheets, the cashflow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2020 and the group's surplus or deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 (Section to be amended – see also note 2a)

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

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

The unforeseen economic effect and regulatory restrictions as a result of the COVID-19 pandemic have created further financial pressure on the group, with a total deficit of £91k reported for the year to 31 July 2020 (£54k of which related to the unrestricted fund). Going concern pressures remain and as a result, a paragraph has been added to the audit report highlighting material uncertainty in relation to the going concern position. It is recommended that the strategy implemented puts sufficient emphasis upon strengthening the group balance sheet, maintaining adequate cashflow and improving the group's free reserves position.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

FOR THE YEAR ENDED 31st JULY 2020

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.

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

FOR THE YEAR ENDED 31st JULY 2020

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report and strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report and strategic report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report (incorporating the directors' report and strategic report).

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the governors

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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/Our-Work/Audit/Audit-and-assurance/s/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.

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

FOR THE YEAR ENDED 31st JULY 2020

Use of Our Report:

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

Mr Mark Cummins FCCA (Senior Statutory Auditor)
for and on behalf of

TC Group

Statutory Auditors
Office: Steyning, West Sussex

Dated:

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JULY 2020

	Notes	General funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
INCOME FROM						
Charitable Activities						
Student Activity	6	44,488	81,496	23,183	149,167	565,534
Grant income	3	3,223,783	-	114,405	3,338,188	2,818,250
Other trading						
Sponsorship and Marketing Income	4	500	-	-	500	54,767
Subsidiary Company Income	5	2,632,938	-	-	2,632,938	3,693,094
Investment Income		4,401	-	-	4,401	5,266
Total income		5,906,110	81,496	137,588	6,125,194	7,136,911
EXPENDITURE ON						
Raising Funds						
Communication and Marketing	7	167,592	-	-	167,592	186,451
Subsidiary Company Expenditure	5	3,479,353	-	-	3,479,353	4,085,823
		3,646,945	-	-	3,646,945	4,272,274
Charitable Activities						
Student Activity	6	1,515,787	53,113	203,051	1,771,951	1,741,564
Student Media	8	16,917	-	-	16,917	74,301
Volunteering	9	75,052	-	-	75,052	200,203
Student Representation & Communication	10	697,553	-	-	697,553	734,051
		2,305,309	53,113	203,051	2,561,473	2,750,119
Total expenditure		5,952,254	53,113	203,051	6,208,418	7,022,393
Movement in fair value of Investments	17	(7,776)	-	-	(7,776)	(2,880)
NET INCOME/(EXPENDITURE) & NET MOVEMENT IN FUNDS		(53,920)	28,383	(65,463)	(91,000)	111,638
Reserves Brought Forward		(218,582)	334,462	282,296	398,176	286,538
RESERVES CARRIED FORWARD	20	(272,502)	362,845	216,833	307,176	398,176

All recognised gains and losses are reflected through the SOFA.

All transactions noted above derive from continuing operations.

Of the deficit of £91,000 recorded above, the subsidiary accounts for a surplus of £80,129 and parent charity accounts for a deficit of £171,129.

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

BALANCE SHEETS

AS AT 31 JULY 2020

		Consolidated		Union	
		2020	2019	2020	2019
		£	£	£	£
FIXED ASSETS	16	262,732	344,165	41,700	60,867
INVESTMENTS	17	26,592	34,368	26,593	34,369
CURRENT ASSETS					
Stock		53,413	65,836	-	-
Debtors and Prepayments	18	844,230	243,245	857,702	110,609
Cash at Bank and in Hand		324,198	1,112,577	199,696	1,033,527
		1,221,841	1,421,658	1,057,398	1,144,136
CREDITORS					
Due within one year	19	(1,203,989)	(1,402,015)	(1,104,311)	(1,179,352)
NET CURRENT ASSETS / LIABILITIES		17,852	19,643	(46,913)	(35,316)
NET ASSETS/ (LIABILITIES)		307,176	398,176	21,380	60,020
FINANCED BY:					
FUNDS					
Restricted Funds		216,833	282,296	216,833	282,296
Unrestricted Funds					
General Reserve		(272,502)	(218,582)	(558,298)	(556,738)
Designated Funds		362,845	334,462	362,845	334,462
	20	307,176	398,176	21,380	60,020

Approved by the Board of Trustees on

and signed on their behalf by

Shamima Akter
Union President and Chair of the Board

Mike Wojcik
Chief Executive

Registered Charity Number: 1147786
Company Registration Number: 08092471

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2020

	Notes	£	2020 £	£	2019 £
NET CASH INFLOW/(OUTFLOW)					
FROM OPERATING ACTIVITIES	24		(744,373)		646,302
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment Income		4,401		5,266	
Interest Paid		-		(1,436)	
Payments to acquire tangible fixed assets	16	(48,407)		(255,790)	
Capital Grant Received		-		100,000	
			(44,006)		(151,960)
CASH FLOWS FROM FINANCING ACTIVITIES					
Loan Repayment			-		(83,566)
Increase/(Decrease) in Cash			(788,379)		410,776
Cash and cash equivalents at start of year			1,112,577		701,801
Cash and cash equivalents at end of year			324,198		1,112,577

All cash held consists of cash and cash equivalents.

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

1 Statutory information

QMUL Students' Union (QMSU) is a Charitable Company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found in the Trustees' Report (incorporating the Strategic Report).

2 Accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with 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 (FRS102) (effective 1 January 2015) – Charities SORP (FRS102) and the Companies Act 2006.

QMSU meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The functional currency of the Group is Pounds Sterling. Figures in the accounts are rounded to the nearest pound.

Going Concern (Section to be amended – see also Auditors' report)

After making appropriate enquiries, the trustees have a reasonable expectation that the charity (and its subsidiary) has adequate resources to continue in operational existence for the foreseeable future. This includes taking into account any potential impact of the COVID-19 pandemic, which is further detailed in the trustees' report.

For this reason, they continue to adopt the going concern basis in preparing the financial statements.

(b) Fixed assets and depreciation

Tangible fixed assets are stated at historic purchase and cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated to write off the cost of fixed assets on a straight line basis over the expected useful lives of the assets as follows:

Building Works	5 to 10 years
Trading Equipment	5 years
Union Equipment	4 years

(c) Investments

Investments other than the £1 share in QMSU Services Limited are stated at fair value. The share in QMSU Services Limited is disclosed at cost.

(d) Stocks

Stocks are valued at the lower of cost and net realisable value on a weighted average basis.

(e) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments. The Trustees seek to use short and medium-term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

(f) Creditors and provisions

Creditors and provisions are recognised where the organisation 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.

(g) Debtors

Trade and other debtors are recognised at settlement amount due.

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

(h) Recognition of income

- (i) Financial assistance in the form of grants from Queen Mary University of London is accounted for in the period to which it relates.
- (ii) Donations are accounted for in the Statement of Financial Activities when the Union becomes entitled to receive them, they are measurable and it is possible that they will be received.
- (iii) Donated services and facilities provided by Queen Mary University of London are recognised as both income and expenditure.

Queen Mary University of London (QMUL) provides the premises from which the Union and QMSU Services Limited operate their respective services and activities. Those premises include the Students' Union Hub, Union Shop, the Village Shop and Ground café on Mile End campus, the Griff Inn Bar & Kitchen, the BLSA Box Office and the remainder of the BLSA building on the Whitechapel campus, and the Shield Café and the Fitness to Practice gym located in Charterhouse Square. QMUL is responsible for agreed matters relating to the premises, including maintenance of the fabric of the buildings, plant and machinery, and fixtures and fittings, payment of utility and insurance costs. The Qmotion premises and Drapers Bar & Kitchen are held by QMSU Services Limited under lease from QMUL. QMUL also provides support services in a number of areas including human resources, campus security and other campus provision, health and safety, insurance, buildings works project management, provision of ad hoc space, and the hosting of the Union's and QMSU Services Limited's accounting records on its accounting systems.

The value of the premises and support services provided by QMUL is estimated by reference to the amounts payable by QMSU Services Limited under its lease of the Qmotion premises and Drapers Bar & Kitchen, by way of inclusive rent, and under the contractual arrangements for the Learning Café, by way of charges for use of the premises, taking into account the location and relative size of the premises concerned and the nature of their occupancy. Where the provision of support services has involved regular QMUL staff time, an estimate of salary costs for time spent has been included. Sums have been included for support and services provided on an ad hoc basis, based on an estimate of the amounts which would be payable for such provision by independent third parties.

An amount equal to such estimated value is included as income in the statement of financial activities as a grant and is indicated as donated services and facilities in Note 3.

- (iv) Bar, café, retail and entertainments income is credited to income on a receivable basis.
- (v) Gym membership subscriptions are credited to income over the duration of the subscription period.
- (vi) Investment income is credited on a receivable basis whereas realised and unrealised gains on investments are reflected through the Statement of Financial Activities.

(i) Grants to fund the acquisition of fixed assets

Capital grants received by the charity to fund fixed assets are accounted for in the Statement of Financial Activities as restricted income when the Union becomes entitled to receive them. Depreciation of the related fixed assets is charged against the restricted fund. Capital grants received into the trading subsidiary are deferred over the useful economic asset for which they are received to fund.

(j) Expenditure

Expenditure is recognised on an accruals basis. Costs of raising funds consist of costs incurred by the subsidiary trading company and the costs of marketing and communication. Charitable activities costs reflect the costs of services provided for students and are analysed between student activity, communications and marketing, student media, volunteering and student representation and communication. Governance costs reflect costs incurred to achieve sound governance and compliance with legal and regulatory requirements. These costs include costs of strategic planning, management and organisation costs including legal advice and audit fees. The costs recorded under charitable activities include both direct costs and support costs. Support costs, i.e. costs incurred in support of a range of charitable activities, are allocated to the various charitable activities on the basis of permanent staff costs. Irrecoverable VAT is expended through the SOFA as incurred.

An amount equal to the estimated value of premises and support services provided by QMUL, is included as expenditure in the Statement of Financial Activities, allocated to relevant charitable activities, as donated services and facilities, as indicated in the notes below. Such allocation is made by reference to the extent to which such activities are considered to benefit from such provision and payment.

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

(k) Pension schemes

As described in Note 15, pension costs relate to recharges of pension costs incurred in relation the staff employed by Queen Mary University of London (QMUL) working for QMSU and QMSU Services Ltd. The recharges relate to two defined benefit pension schemes, the Superannuation Arrangements of the University of London (SAUL) and the Universities Superannuation Scheme (USS). Both are multi-employer schemes where the share of assets and liabilities attributable to each employer cannot be allocated on a systematic basis. Pension costs are therefore accounted for on a defined contribution basis as permitted by section 28 of FRS102 and are recharged to the company accordingly.

(l) Fund accounting

General funds consist of funds freely available which may be applied by the Trustees at their discretion in furtherance of the Union's charitable objects.

Designated funds represent general funds earmarked by the Trustees for specific purposes.

Restricted funds are those funds which are subject to donor imposed restrictions and may only be applied in accordance with those restrictions.

(m) Consolidation

The financial statements consolidate the results and net assets of the Union and QMSU Services Limited, the Union's wholly-owned subsidiary. Uniform accounting policies are applied across the group with the elimination of profits/losses on intra group transactions upon consolidation. QMSU Services Limited is incorporated in the United Kingdom. Its principal activities are operating a health and fitness centre, bars, cafés, shops and entertainments. The Union holds one ordinary share of £1 in the investment.

(n) Critical Accounting Estimates and Judgements

In the application of the group'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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

3. Grant Income

	2020 Unrestricted £	2020 Designated £	2020 Restricted £	2020 Total £	2019 Total £
Queen Mary University of London					
Revenue Grants	2,830,397	-	92,350	2,922,747	2,405,511
Donated Services and Facilities	393,386	-	-	393,386	381,928
Campus Community Fund	-	-	22,055	22,055	30,811
	3,223,783	-	114,405	3,338,188	2,818,250

4. Sponsorship and Marketing Income

	2020 £	2019 £
Sponsorship and Marketing	-	28,738
Freshers' Fair	500	26,029
	500	54,767

5. QMSU Services Limited

	Income £	Expenditure £	Total 2020 £	Total 2019 £
Trading Activities				
Gym	679,374	(402,381)	276,993	328,881
Bars	768,612	(559,418)	209,194	333,102
Retail	885,611	(768,459)	117,152	137,334
Cafes	821,960	(688,307)	133,653	385,100
Entertainments	74,161	(63,956)	10,205	30,000
Services Marketing	110,461	(90,928)	19,533	(11,102)
Other	219,303	(7,273)	212,030	94,131
	3,559,482	(2,580,722)	978,760	1,297,446
Less amounts reflected in grants	(926,544)	-	(926,544)	(590,812)
Total Administrative Costs	-	(898,631)	(898,631)	(1,099,363)
	2,632,938	(3,479,353)	(846,415)	(392,729)

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

5. QMSU Services Ltd. (continued)

QMSU Services Limited (company number 06677304) is a wholly-owned subsidiary of the Union set up in August 2008 to develop the commercial operations of the Union's unincorporated predecessor. The accounts of QMSU Services Limited for the year ended 31st July 2020 disclose a surplus of £80,129. This result is stated after the amortisation of deferred capital grants with the amount credited to the income and expenditure account amounting to £NIL (2019: £2,399). The registered office address is the same as the parent.

6. Student Activity

	2020	2019
	£	£
Income		
Students' Events Income	14,838	17,836
Recreational Sport Income	27,483	15,470
Other Income	2,167	26,305
Student Activity Groups Income	81,496	454,557
RAG Income	23,183	51,366
	149,167	565,534
Expenditure		
Events Direct Costs	-	17,136
Student Activity Groups	Grant funded 135,637	151,336
	Self-generated funds 53,113	392,653
Wages and Salaries (Note 12)	562,345	301,674
Insurance	9,273	9,751
Training	1,212	16,731
Affiliation Fees	8,864	9,124
Other Expenditure	5,403	39,539
Donated Services and Facilities	259,635	252,072
Support Costs (Note 13)	529,099	293,908
Costs charged against Restricted Funds-		
Executive Diversity	20,000	-
Sports Development	10,000	-
Club Sport Funding	10,000	-
Community Campus	34,467	31,500
QM Annual Fund	29,535	30,305
Employability	1,500	100
Student Experience	16,927	19,526
Depreciation of Equipment	21,339	24,220
RAG Costs and Donations	19,677	55,608
Westfield Trust	24,144	18,970
Other Grant	7,685	40,925
FA Hub	2,486	4,960
Co-op	63	376
FA Hub Innovation	65	738
BL Sports Funding	3,876	3,693
Drapers	273	1,005
Club Sport	5,333	4,344
Buddy Scheme	-	21,370
	1,771,951	1,741,564

Student Activity Groups are listed in Appendix 1

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

7. Communication & Marketing Expenditure

	2020 £	2019 £
Staff Salaries and Wages (Note 12)	131,866	147,246
Freshers' Fair	5,895	9,566
Publicity & Marketing	4,207	5,821
Depreciation on Equipment	5,078	4,041
Other Expenditure	8,066	1,814
Information Technology	12,480	17,963
	<u>167,592</u>	<u>186,451</u>

8. Student Media Expenditure

	2020 £	2019 £
Staff Salaries and Wages (Note 12)	-	27,942
Radio & Media	2,827	6,800
Student Development	3,023	1,029
Events	92	1,158
Donated Services and Facilities	10,975	10,656
Support Costs (Note 13)	-	26,716
	<u>16,917</u>	<u>74,301</u>

9. Volunteering Expenditure

	2020 £	2019 £
Salaries & Wages (Note 12)	29,523	93,597
Volunteering Expenses	4,255	3,989
Publicity & Marketing	573	1,257
Other Expenditure	289	756
Donated Services and Facilities	11,447	11,114
Support Costs (Note 13)	28,965	89,490
	<u>75,052</u>	<u>200,203</u>

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

10. Student Representation & Communication Expenditure

	2020	2019
	£	£
Staff Salaries and Wages (Note 12)	263,477	279,167
Affiliation Fees	57,396	57,911
Student Development	1,000	1,644
Printing & Stationery	2,157	2,804
Cleaning (excluding staff costs)	2,719	4,019
Depreciation on Buildings & Equipment	9,181	2,832
Finance Charges	8,279	10,639
Equipment	2,589	1,766
Hospitality	167	175
Staff Training	164	77
Other Expenditure	7,081	3,392
Donated Services and Facilities	111,328	108,086
Support Costs (Note 13)	232,015	261,539
	697,553	734,051

11. Governance Costs

	2020	2019
	£	£
Salaries & Wages (Note 12)	509,396	568,237
Legal and Professional	6,647	13,831
External Audit	19,005	11,652
Internal Audit	2,800	7,960
Staff Training	346	200
Board Meeting and Trustee Expenses	539	1,249
Finance	-	1,436
Hospitality	530	377
Furniture & Fixtures	3,000	-
Recruitment	104	-
Depreciation	797	797
Affiliations	70	70
	543,234	605,809

Governance Costs declared in the Financial Statements as follows:

Charity	283,841	326,408
Subsidiary Company	259,393	279,401
	543,234	605,809

Amount paid to the external auditors in respect of audit during the year was £15,250 (2019: £15,250) and £955 for other services. (2019: £1,150). In addition to this a total of £2,800 was paid to the Internal Auditors (2019: NIL).

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

12. Staff Costs

	2020	2019
	£	£
Permanent staff		
Gross Salaries	2,168,143	1,983,599
Employers N.I.	192,526	188,611
Employers Pension	287,839	255,658
Apprenticeship Levy	10,012	9,648
Sabbatical Officers		
Gross Salaries	98,752	106,083
Employees NI	7,971	9,876
Employees' Pension	15,549	4,083
Part Time Students		
Gross Salaries	824,624	837,402
Employees NI	10,348	10,365
Employees' Pension	25,834	11,672
Apprenticeship Levy	4,357	4,205
Total Staff Costs	3,645,955	3,421,202

Allocated as Follows:

Communication & Marketing (Note 7)	131,866	147,246
QMSU Services Limited Total	1,992,154	2,030,121
QMSU Services Limited included in Governance Costs (Note 11)	(259,393)	(279,401)
Student Activity (Note 6)	562,345	301,674
Student Media (Note 8)	-	27,942
Volunteering (Note 9)	29,523	93,597
Student Representation & Communication (Note 10)	263,477	279,167
Governance (Note 11)	509,396	568,237
Support Staff Costs (Note 13)	416,587	252,619
	3,645,955	3,421,202

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

12. Staff Costs (continued)

The average full-time equivalent number of permanent staff during the period was 65 (2019:69).

The average full-time equivalent number of student staff during the period was 44 (2019:42).

The average full-time equivalent number of staff during the period was 109 (2019:111).

The monthly average number of permanent staff during the period was 75 (2019:79).

The monthly average number of student staff during the period was 171 (2019:169).

The monthly average number of staff during period was 246 (2019:243).

Two members of staff earned in excess of £60,000. These salaries fell in the range £60,000 - £70,000 and £80,000 - £90,000 (2019: Two members of staff in the range of £70,000 - £80,000 and one member of staff in the range £90,- £100,000). Pension contributions paid on behalf of these members of staff amounted to £86,101 (2019: £32,643).

The key management personnel during the year were the Chief Executive, Deputy CEO, Deputy Managing Director, Head of Retail and Venues, Head of Café and Retail, Head of Marketing and Communications and Advocacy Manager. Their total remuneration was £272,300 (2019: £255,355).

Permanent staff (both full-time and part-time), except for the Union's four Executive (Sabbatical) Officers, are employees of Queen Mary University of London and are recharged at cost to the Union or to QMSU Services Limited, as appropriate. Casual (student) staff hold joint contracts of employment with Queen Mary University of London and the Union and are similarly recharged at cost. The Union's Executive (Sabbatical) Officers are employees of the Union.

During 2020 Two ex-gratia payments was made following a review of staff structure (2019: None).

Trustees' emoluments

Trustees, other than Officer Trustees also known as Executive (Sabbatical) Officers, are not remunerated. Amounts charged in the accounts and paid to the four Officer Trustees during the year amounted to £122,271 (2019: £120,040). £7,971 pension contributions were paid on behalf of the Officer Trustees (2019: £4,083). During the year no trustees were reimbursed for expenditure (2019: £40).

The following amounts have been charged as emoluments to the Officer Trustees:

	2020
	£
Talhah Atcha	22,191
Shamima Akter	33,610
Megan Annetts	34,548
Annika Ramos	31,922
	<hr/> 122,271 <hr/>

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

13. Support Costs

	2020	2019
	£	£
Governance (Note 11)	543,234	605,809
Salaries and Wages (Note 12)	416,587	252,619
Irrecoverable VAT	53,576	65,778
Depreciation on Buildings & Equipment	93,445	102,605
Information Technology	8,984	18,741
Finance Charges	23,158	845
Staff Training	2,534	6,247
Printing & Stationery	7,688	9,327
Telephone & Postage	5,303	5,000
Legal & Professional	9,895	1,635
Hospitality	1,276	5,524
Insurance	42,218	37,177
Operational Costs	42,961	80,244
Licences	32,903	47,600
Security Costs	53,976	61,617
Lease & Rentals	132,207	142,179
Cafes Profit Share	-	57,688
Cleaning	164,419	220,217
Publicity & Marketing	13,929	10,730
Maintenance	34,865	39,327
Other Expenditure	5,552	107
	1,688,710	1,771,016

Support Costs are declared in the Financial Statements as follows:

Charity	790,079	671,653
Subsidiary Company (Note 5)	898,631	1,099,363
	1,688,710	1,771,016

Charity Support Costs are apportioned to Charitable Activities as follows:

Student Activity (Note 6)	529,099	293,908
Student Media (Note 8)	-	26,716
Volunteering (Note 9)	28,965	89,490
Student Representation & Communication (Note 10)	232,015	261,539
	790,079	671,653

Support costs have been allocated based on the cost of permanent staff in the various activities. Operational costs include disposables and other operational expenditure. Cleaning, Security and Operational costs were included in cost of sales in previous years.

The salaries increase reflected above is due to £172,644 of student staff wages underwritten by grant funding from the university to cover 80% of the student staff wages between April and July 2020. There is a corresponding increase in income of the same amount to offset this increase.

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

14. Comparative funds – Statement of Financial Activities for the year ended 31 July 2019

		General Funds	Designated Funds	Restricted Funds	Total
		2019 £	2019 £	2019 £	2019 £
INCOME FROM					
Charitable Activities					
Student Activity	6	59,611	454,557	51,366	565,534
Grant income	3	2,622,480	-	195,770	2,818,250
Other trading					
Sponsorship and Marketing Income	4	54,767	-	-	54,767
Subsidiary Company Income	5	3,693,094	-	-	3,693,094
Investment Income		5,266	-	-	5,266
Total income		6,435,218	454,557	247,136	7,136,911
EXPENDITURE ON					
Raising Funds					
Communication and Marketing	7	186,451	-	-	186,451
Subsidiary Company Expenditure	5	4,085,823	-	-	4,085,823
		4,272,274	-	-	4,272,274
Charitable Activities					
Student Activity	6	1,091,271	392,653	257,640	1,741,564
Student Media	8	74,301	-	-	74,301
Volunteering	9	200,203	-	-	200,203
Student Representation & Communication	10	734,051	-	-	734,051
		2,099,826	392,653	257,640	2,750,119
Total expenditure		6,372,100	392,653	257,640	7,022,393
Movement in fair value of Investments	17	(2,880)	-	-	(2,880)
Net income/(expenditure)		60,238	61,904	(10,504)	111,638
Transfers	20	267,408	(267,408)	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		327,646	(205,504)	(10,504)	111,638
Reserves Brought Forward		(546,228)	539,966	292,800	286,538
RESERVES CARRIED FORWARD	20	(218,582)	334,462	282,296	398,176

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

15. Pension Arrangements

Pension costs consist entirely of recharges relating to staff employed by Queen Mary University of London (QMUL). Recharges are based upon scheme contribution rates, staff salaries and time spent by staff working on QMSU and QMSU Services Limited activities.

The recharged pension costs relate to two QMUL pension schemes, the Universities Superannuation Scheme (a defined benefit only pension scheme which was contracted out of the State Second Pension) and the Superannuation Arrangements for the University of London (a centralised defined benefit scheme within the United Kingdom, contracted-out of the Second State Pension).

Further information relating to these schemes can be found in the QMUL accounts for the year to 31st July 2020 which are available to download from the QMUL website.

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

16. Fixed Assets

Consolidated	Building Works £	Trading Equipment £	Union Equipment £	Total £
Cost:				
As at 1 st August 2019	2,422,284	801,450	130,064	3,353,798
Additions	-	33,860	14,547	48,407
Disposals	-	-	-	-
At 31 st July 2020	2,422,284	835,310	144,611	3,402,205
Depreciation:				
As at 1 st August 2019	(2,298,847)	(584,545)	(126,241)	(3,009,633)
Charge for the year	(27,678)	(87,794)	(14,368)	(129,840)
Disposals	-	-	-	-
At 31 st July 2020	(2,326,525)	(672,339)	(140,609)	(3,139,473)
Net Book Value:				
At 31 st July 2020	95,759	162,971	4,002	262,732
At 31 st July 2019	123,437	216,905	3,823	344,165

Fixed Assets Union	Building Works £	Trading Equipment £	Union Equipment £	Total £
Cost:				
As at 1 st August 2019	1,261,674	119,597	130,064	1,511,335
Additions	-	-	14,547	14,547
Disposals	-	-	-	-
At 31 st July 2020	1,261,674	119,597	144,611	1,525,882
Depreciation:				
As at 1 st August 2019	(1,219,720)	(104,507)	(126,241)	(1,450,468)
Charge for the year	(14,316)	(5,030)	(14,368)	(33,714)
Disposals	-	-	-	-
At 31 st July 2020	(1,234,036)	(109,537)	(140,609)	(1,484,182)
Net Book Value:				
At 31 st July 2020	27,638	10,060	4,002	41,700
At 31 st July 2019	41,954	15,090	3,823	60,867

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

17. Investments

	2020 Consolidated £	2019 Consolidated £	2020 Union £	2019 Union £
Listed Investments at fair value				
Brought Forward	34,368	37,248	34,368	37,248
Movements in fair value of investments	(7,776)	(2,880)	(7,776)	(2,880)
At 31 st July 2020	<u>26,592</u>	<u>34,368</u>	<u>26,592</u>	<u>34,368</u>
Unlisted investments at cost	-	-	1	1
	<u><u>26,592</u></u>	<u><u>34,368</u></u>	<u><u>26,593</u></u>	<u><u>34,369</u></u>

Listed Investments consist of 4,800 ordinary shares of 25p each in JP Morgan Claverhouse Investment Trust plc.

The Union's unlisted investment consists of 1 ordinary share of £1 in QMSU Services Limited (100% holding), a company incorporated in England and a wholly-owned subsidiary of the Union. Total income generated during 2020 was £3,559,483 (2019: £4,283,906), total expenditure during 2020 was £3,479,354 (2019: £4,085,823), total net assets at 31st July 2020 were £418,286 (2019: £338,157).

18. Debtors

	2020 Consolidated £	2019 Consolidated £	2020 Union £	2019 Union £
Trade Debtors	49,478	82,842	47,438	18,050
Queen Mary University of London	568,718	34,022	566,925	5,342
Prepayments	127,929	82,690	12,753	43,585
Tax and social security	96,549	31,947	96,549	31,947
Other Debtors	1,556	11,744	134,037	11,685
	<u>844,230</u>	<u>243,245</u>	<u>857,702</u>	<u>110,609</u>

19. Creditors: Amounts falling due within 1 year

	2020 Consolidated £	2019 Consolidated £	2020 Union £	2019 Union £
Trade Creditors	114,693	132,562	14,485	56,507
Queen Mary University of London	869,638	352,489	474,344	115,559
QMSU Services Limited	-	-	541,226	909,244
Accruals	202,139	231,237	56,942	82,155
Other Creditors	17,519	685,727	17,314	15,887
	<u>1,203,989</u>	<u>1,402,015</u>	<u>1,104,311</u>	<u>1,179,352</u>

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

20. Reserves

	At 1 st August 2019 £	Income £	Expenditure £	At 31 st July 2020 £
<u>Consolidated</u>				
Restricted				
Capital Grants	38,914	-	(17,020)	21,894
RAG	8,181	23,183	(19,677)	11,687
Drapers Fund	1,000	1,000	(273)	1,727
Campus Community Fund	40,854	22,055	(34,467)	28,442
Association Fund	40,660	-	(16,927)	23,733
FA HUB Innovation	612	-	(65)	547
FA HUB	431	3,499	(2,486)	1,444
Co-op	6,339	2,887	(63)	9,163
Club Sport	15,186	10,080	(5,333)	19,933
Executive Diversity	-	20,000	(20,000)	-
Sports Development	-	10,000	(10,000)	-
Club Sport Funding	-	10,000	(10,000)	-
BL Sports Fund	1,617	8,049	(3,876)	5,790
QM Annual Fund	60,928	-	(29,535)	31,393
Westfield Trust Fund	37,925	20,074	(24,144)	33,855
Employability Fund	-	1,500	(1,500)	-
Other Grant	29,649	5,261	(7,685)	27,225
Total Restricted	282,296	137,588	(203,051)	216,833
Designated				
Student Activity Groups	334,462	81,496	(53,113)	362,845
Total Designated	334,462	81,496	(53,113)	362,845
General Reserve	(218,582)	5,898,334	(5,952,254)	(272,502)
Total	398,176	6,117,418	(6,208,418)	307,176

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

20. Reserves (continued)

Union

	At 1 st August 2019	Income	Expenditure	At 31 st July 2020
	£	£	£	£
Restricted				
Capital Grants	38,914	-	(17,020)	21,894
RAG Fund	8,181	23,183	(19,677)	11,687
Drapers Fund	1,000	1,000	(273)	1,727
Campus Community Fund	40,854	20,531	(32,943)	28,442
Association Fund	40,660	-	(16,927)	23,733
FA HUB Innovation	612	-	(65)	547
FA HUB	431	3,499	(2,486)	1,444
Co-op	6,339	2,887	(63)	9,163
Club Sport	15,186	10,080	(5,333)	19,933
Executive Diversity	-	20,000	(20,000)	-
Sports Development	-	10,000	(10,000)	-
Club Sport Funding	-	10,000	(10,000)	-
BL Sports Fund	1,617	5,735	(1,562)	5,790
QM Annual Fund	60,928	-	(29,535)	31,393
Employability Fund	-	1,500	(1,500)	-
Westfield Trust Fund	37,925	15,307	(19,377)	33,855
Other Grant	29,649	3,291	(5,715)	27,225
Total Restricted	282,296	127,013	(192,476)	216,833
Designated				
Student Activity Groups	334,462	81,496	(53,113)	362,845
Total Designated	334,462	81,496	(53,113)	362,845
General Reserve	(556,738)	2,471,342	(2,472,902)	(558,298)
Total	60,020	2,679,851	(2,718,491)	21,380

Funds

The Restricted Capital Grants Fund represents grants received from Queen Mary University of London to fund fixed assets. Depreciation of the related fixed assets is charged against the restricted fund.

The Restricted RAG Fund represents the unspent balance of all RAG collections.

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

20. Reserves (continued)

The Campus Community Restricted Fund represents funds generated from surpluses from the Learning Café to develop arts, cultural and learning activities within the Union.

The Association Fund represents funds generated from BLSA Entertainments to support the student experience.

The Drapers, QM Annual, Employability, Westfield Trust, represent grants received from Queen Mary University of London to fund specific projects.

Club sport, BL Sports Fund, Co-op, FA Hub Innovation and FA Hub represent grants for community sports activities.

The Other Grant Fund represents new grants awarded in the year. The main donors were RFU and other community sport award. These awards were used for community sport, get active and other student activities.

Executive Diversity Fund was part of QM Block grant awarded to Sabbatical officers to run campaigns such as Liberation, Islamophobia, Asian Heritage, Black History and LGBT.

Sports Development and Club Sport funding were part of QM block Grant awarded to carry out sporting and student activities.

The Designated Student Activity Groups Fund represents the unspent balances of all student activity groups.

General funds are amounts generally available to the Trustees and may be applied at the Trustees discretion to the generality of the Union's charitable objects.

21. Operating Lease Commitment

At 31 July 2020, QMSU Services Limited had total commitments under non-cancellable operating leases as detailed below;

	Land and buildings		Other	
	2020	2019	2020	2019
	£	£	£	£
Within one year	93,161	99,447	16,749	18,161
Between one and two years	-	-	11,601	5,785
Between two and five years	-	-	10,696	2,074
	93,161	99,447	39,046	26,020

22. Related Party Transactions

During the period ended 31st July 2020, the controlling party of the Union was, under its Articles of Association, the Trustees.

During 2020 a total of £NIL (2019: £40) was reimbursed to trustees for expenditure.

The Union received a substantial part of its income by means of grant funding from Queen Mary University of London. This funding comprised £2,922,747 revenue funding and the value of premises and support services provided by Queen Mary University of London estimated at £393,386. The Trustees were of the opinion that this financial and other assistance was not an influencing factor with regards to the formulation of Union policy nor did it have any effect on the internal management and decision-making of the Union.

23. Taxation

The Union is a registered charity and is entitled to the exemptions from tax available to charities.

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

24. Net Cash Inflow from Operating Activities

	Note	2020 £	2019 £
Net income/(expenditure)		(91,000)	111,638
Depreciation	16	129,840	102,605
Capital grants received		-	(100,000)
Interest payable		-	1,436
Investment income		(4,401)	(5,266)
Change in market value of investments		7,776	2,880
(Increase)/Decrease in stock		12,423	12,167
(Decrease)/Increase in Debtors	18	(600,985)	99,247
Increase/(Decrease) in Creditors due within 1 year	19	(198,026)	421,595
		(744,373)	646,302

25. Net Funds

	2020 £	2019 £
Cash	324,198	1,112,577
Net Funds at 31 st July 2020	324,198	1,112,577

26. Net Assets between Funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 July 2020 are represented by:				
Tangible fixed assets	262,732	-	-	262,732
Investments	26,592	-	-	26,592
Current assets	642,163	362,845	216,833	1,221,841
Creditors: amounts falling due within one year	(1,203,989)	-	-	(1,203,989)
	(272,502)	362,845	216,833	307,176

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 July 2019 are represented by:				
Tangible fixed assets	344,165	-	-	344,165
Investments	34,368	-	-	34,368
Current assets	804,900	334,462	282,296	1,421,658
Creditors: amounts falling due within one year	(1,402,015)	-	-	(1,402,015)
	(218,582)	334,462	282,296	398,176

APPENDIX 1 STUDENT ACTIVITY GROUPS

QUEEN MARY UNIVERSITY OF LONDON STUDENTS' UNION LIMITED

APPENDIX

QMSU SERVICES LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

QMSU SERVICES LIMITED

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QMSU SERVICES LIMITED

LEGAL & ADMINISTRATIVE INFORMATION

Administrative information

Legal status

QMSU Services Limited, company number 06677304 (England and Wales), is a subsidiary of Queen Mary University of London Students' Union.

Registered Office

Students Union Hub
329 Mile End Road
London
E1 4NT

Managing Director

Mike Wojcik

Auditors

TC Group
The Courtyard, Shoreham Road
Upper Beeding, Steyning
West Sussex, BN44 3TN

Solicitors

Russell-Cooke LLP
2 Putney Hill
London
SW15 6AB

Bankers

Barclays Bank plc
240 Whitechapel Road
London
E1 1BS

Directors

Chair

Paul McLintock

Managing Director Ex-Officio

Mike Wojcik

QMSU President Ex-Officio

Talhah Atcha

QMUL Ex-Officio

Sarah Cowls

QMUL Ex-Officio

Andrew Gladin

Non-Executive Director

Elizabeth Hall

Non-Executive Director

John Thew

Officer Trustee

Megan Annetts

Student Trustee

Thomas Longbottom

QMSU Commercial Services Officer

John J E Vinson

Vice-President Barts

Grace Catchpole

Company Secretary

Bradley Coales

QMSU SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2020

The Directors present their report and audited financial statements for the year ended 31 July 2020 (the year).

1. Principal Activities

QMSU Services Limited, a commercial trading company (the "Company") is the wholly-owned subsidiary of Queen Mary University of London Students' Union (QMSU - the "Union").

The Company's principal activities are the operation of health and fitness centres, retail outlets, and bars/restaurants and cafés. These services are provided for students at Queen Mary University of London (QMUL) in support of the charitable aims and objectives of the Union, and are carried out from three of QMUL's campuses, all in London; at Mile End, Whitechapel and Charterhouse Square.

The Company supports the Union's 2018-2021 Strategic Plan under which the Union's mission is 'Together we improve students' lives', and its vision is 'We want to be at the heart of the student experience'. This plan recognises the Company as an enabler in supporting student engagement, principally by providing a range of commercial services as focal points to enhance the student experience. The Union has developed a 5-Year Plan to project forward its financial standing and sustainability. The Company's services and activities will endeavour to continue their support to achieve this goal in an ever-changing market place, against a background of external competitiveness.

The Company's portfolio of operations includes: -

Health and Fitness Provision

QMotion, on the Mile End campus, is a state-of-the-art health and fitness centre, offering a range of competitively priced services to its members, including students, staff and members of the public. Its vision is to provide a first class, contemporary sport and fitness centre, motivating members to enhance their lifestyle and achieve their personal goals. The centre acts as a hub for student sport and recreational student and community activities, including our social purpose initiatives. The Company also runs Fitness to Practice, a small gym within Dawson Hall, Charterhouse Square, open only to students and staff.

A joint five-year Sports Strategy was recently agreed between the Union and the University, the following captures the key aspirations:

Our mission

'To inspire our University community to engage in sport and activity, to enhance their student experience and physical and mental well-being, making life long changes.'

Our vision

To work together to deliver a diverse and inclusive sporting offer for all by enhancing and broadening the sporting pathway at QMUL, combining top quality education with an excellent sporting experience, and making sport a fundamental part of the student experience at QMUL.

Our values

- Sport at QMUL will aim to be diverse and inclusive, by ensuring that we attract engagement from all aspects of the population of the University, increasing participation levels.
- Sport at QMUL will aim to inspire our students to realise their full potential, promoting high levels of ethical and professional behaviour.
- To actively encourage engagement and the development of partnerships and communities both internally and externally.
- To provide a productive, affordable, sustainable sporting offer.

QMSU SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2020

Student Bars, Restaurants, Cafes & Retail Business

Across the campuses, the Company operates the Drapers Bar & Kitchen at Mile End, the Griff Inn Bar & Kitchen, located within the Barts and The London Students' Association (BLSA) building in Whitechapel, and student entertainment provisions at both these locations. The Company also runs the Ground Café at Mile End, the Shield Café Bar in Charterhouse Square, and manages the Learning Café in QMUL's Mile End Library. By arrangement with QMUL, the Company oversees the trading and sports facility hiring activities at QMUL's Chislehurst Sports Ground in Kent. The company operates three retail outlets - the Village Shop and the Union Shop at Mile End, and the Box Office Reception in the BLSA building in Whitechapel.

Turnover was up on the previous year by 7.5%, this was against a backdrop of increased competition in the area, tough trading climate and industrial action on campus for a number of weeks during the financial year, and the campus was quieter on those days, adversely affecting turnover.

Despite tough retail climate on the high street, our retail café business had some exceptional growth across key performance indicators, across gross profit, ratio indicators, and turnover. The Village Shop had another year of impressive growth of 10% in sales, and a higher proportion of profitability. Ground Café saw a rise in sales of 13% on the previous year. The University supported capital improvements to the Union shop, including a new door onto Bancroft Road. The improvement works were carried out during December 2018 and helped to support a 15% increase (£44.5K) in the final 6 months on the previous year. A number of new initiatives have been launched including healthier options, protein drinks and milkshakes. The importance for our students of ethical, sustainable, healthy and diverse products has leapfrogged, and we have been developing this area which sits neatly within our values framework and prioritisation.

The licensed trade business continued to develop its food offering and events portfolio, including development and support of student led events. It is worth emphasising the impressive 19.5% sales growth of the Griff Inn.

The company continued to develop the reach and breadth of its marketing and communications to reach new audiences and increase awareness of our offer. The strength of our branding has improved, and a number of areas were reviewed to ensure designs and moods are contemporary and clear.

Qmotion sport and fitness centre membership peaked in February at 3106, and the average across the year was 2432 members. Student membership survey feedback on its services has been consistently high. The Company has an important social purpose aspect to its business model, and the in-kind benefit has been calculated at £78,395 (2018 £51,150) for the free use of sport facilities. The beneficiaries are the Club Sport teams representing the University, the Get Active Programme, social leagues, community sport volunteering program, strength and conditioning for Club Sport, and the Elite Athlete programme. The pilot Social Cohesion Program has been gaining well deserved attention and reputation, and we have been developing the model.

3. Results and Dividends

The profit and loss account, set out on page 9 of this report, records a gross profit for the year of £978,760 (2019 £1,297,446) before administrative expenses and transfers.

Net profit before gift aid was £80,129. (2019: £200,482). The Directors do not propose the payment of any ordinary dividend for the year (2019: £nil).

4. Overall Financial Performance and End of Year Position

Turnover for the company was £3,559,483 a decrease on the previous year of £724,423 (17%).

The gross margin was 27.5% (30.2% - 2019)

QMSU SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2020

There continues to be a rise in competitors close to and on campus, who have invested heavily in their businesses.

The controls in the business continue to be robust, wages and salaries costs increased by only 1.3% on the previous year, and labour to sales ratio dropped by 3%. We are proud to say all our staff, permanent and casual, are paid at least the London Living Wage. There was a cost of living salary increase of 2%. The apprenticeship levy cost was £7,228. Employer contributions to pensions decreased by 4% (£5,400), and social security costs decreased by 12% (£11,790).

The Union's strategic priority theme is 'Student Futures', enhancing student skills and confidence. We support achieving this by employing over 230 student casual staff and 10 interns.

The Company's financial, administration, communications and marketing support is undertaken by departments within the Group Charity, Queen Mary University of London Students' Union.

After gift aid, as shown on page 8, of £39,549 the Company returned a year-end profit of £80,129 (2019: year-end profit of £160,933).

5. Directors

The Directors who were in office during the year and those Directors of the Company who remain in office up to the date of approval of this report, and those Directors appointed since the year end are as stated below.

Paul McLintock	Chairman (appointed 1 May 2019)
Mike Wojcik	Managing Director
John Thew	(appointed 10 December 2015)
Sarah Cowls	(appointed 11 October 2017)
Andrew Gladin	(appointed 11 October 2017)
Elizabeth Hall	(appointed 11 October 2017)
Thomas Longbottom	(appointed December 2019)
Ahmed Mahbub	(ceased 31 July 2019)
Jack Jukes	(ceased 31 July 2019)
John J E Vinson	(ceased 31 July 2019)
Talhah Atcha	(appointed 1 August 2019)
John J E Vinson	(appointed 11 December 2019)
Megan Annetts	(appointed 11 December 2019)
Thomas Longbottom	(appointed 11 December 2019)
Grace Catchpole	(appointed 11 December 2019)

6. Gift Aid

The Company gift aids all taxable profits to the Union as its parent charity, thereby resulting in a nil corporation tax charge for the year. Gift Aid in the current year amounted to £nil (2019: £39,549).

QMSU SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2020

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent Auditors

Taylorcocks have indicated their willingness to continue in office and their re-appointment will be proposed to the directors.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

SORP Statement on the implications of the Covid-19 Situation

Although not material to the accounts being filed, on the advice of our Auditors and following guidance issued by the Charities SORP Committee, the Trustees of Queen Mary Students' Union (QMSU) and the Directors of Queen Mary Students' Union Services Limited (QMSUSL), have jointly agreed to insert the following statement. This statement considers the corporate impact of the Covid-19 situation on Queen Mary Students' Union to date, and the actions of the Trustees and Directors to mitigate the potential impact going forward.

The Union ceased its commercial activities on Wednesday 18 March 2020, and closed all of its buildings and introduced home working for all staff on Friday 20 March 2020.

The Union had already agreed to pay its student staff (who are on casual contracts) until the end of March 2020, and then to operate a hardship scheme (based upon hours worked to date) for April and May 2020. Subsequent to that decision, the government announced its Coronavirus Job Retention Scheme (CJRS) under which the Union will be entitled to re-claim 80% of wages, plus on-costs for staff who are furloughed.

The Union will be taking advantage of the CJRS in respect of its student staff, and is also planning to furlough full-time staff who have front-line roles and are therefore unable to work from home.

QMSU SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2020

SORP Statement on the implications of the Covid-19 Situation (Continued)

The Union is in discussion with Queen Mary University of London (QMUL), from whom it receives a significant proportion of its core funding, to understand the likely financial impact of the ongoing situation on its income and how this might impact upon the future support available to QMSU.

The Union has modelled various scenarios, taking into account both the furloughing of staff and access to the CJRS, and the likely ongoing financial support from QMUL.

The Union, with advice from its Auditors, has also reviewed its previous treatment of unspent funds held on behalf of its student groups as designated funds. This with a view to enabling these to be used to cover any outstanding liabilities, or losses, incurred by the cancellation of events involving student groups, and to support them more generally going forward.

The Union has looked at potential cost-savings elsewhere, as well as taking account of anticipated cost-savings from the, Covid-19 unrelated, management restructure within its commercial services.

The Union has continued to hold its scheduled governance meetings via video and tele conferencing, and has moved its final Student Council of the year online to enable completion of the ongoing review of its democratic processes.

The Union has compiled a dedicated Risk Register and established an Emergency Corporate Finance Committee, with representation from both QMSU and QMSUSL, to facilitate continuous monitoring of the situation as it evolves and enable agile and timely decision making in response.

The Boards believe that they now have reasonable certainty that the Union will deliver a corporate out-turn of circa £16k in deficit for 2019-20.

Going forward, the Union will continue to meet the needs of its members in the areas of democratic representation, within both QMSU and QMSUSL, welfare provision and advice and advocacy services.

The Union will begin to set its 2020-21 budget in May 2020 with the current situation in mind and options to review and recalibrate in both November 2020 and February 2021. Going forward, the Union will scale its activities according to its available income and any ongoing government support, with the core aim of maintaining itself as a going concern for the ultimate benefit of its members.

ON BEHALF OF THE BOARD


Mike Wojcik
Managing Director, 8 April 2020

QMSU SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

FOR THE YEAR ENDED 31 JULY 2020

We have audited the financial statements of QMSU Services Limited for the year ended 31 July 2020 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements, which indicates the current issues facing the company, operating in a climate affected by the COVID – 19 Pandemic and resulting in a material uncertainty on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

QMSU SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

FOR THE YEAR ENDED 31 JULY 2020

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

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

Responsibilities of the directors

As explained more fully in the Statement of Directors Responsibilities set out on page four, the directors 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 director determines 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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

Mr Mark Cummins FCCA (Senior Statutory Auditor)
for and on behalf of

TC Group
Statutory Auditors
Office: Steyning, West Sussex

Dated:

QMSU SERVICES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2020

	Note	2020	2019 (as restated)
		£	£
Turnover	4	3,559,483	4,283,906
Cost of sales		(2,580,723)	(2,986,460)
Gross Profit		978,760	1,297,446
Administrative expenses		(898,631)	(1,099,363)
Transfer from Capital Funds	11	-	2,399
Profit/(Loss) for the Financial Year		80,129	200,482

All recognised gains and losses in the year and the previous year are included in the profit and loss account. Further detail is provided in the statement of changes in equity.

Results for the year and the previous year as set out above are derived entirely from continuing operations.

The notes on pages 12 to 18 form part of these financial statements.

QMSU SERVICES LIMITED

BALANCE SHEET

AS AT 31 JULY 2020

	Note	2020 £	2019 (as restated) £
Fixed Assets			
Tangible Assets	8	<u>221,032</u>	<u>283,298</u>
		221,032	283,298
Current Assets			
Stock		53,413	65,840
Debtors	9	660,242	1,041,876
Cash at bank and in hand		<u>124,500</u>	<u>79,050</u>
		838,155	1,186,766
Creditors: Amounts falling due within one year	10	<u>(640,901)</u>	<u>(1,092,359)</u>
Current Assets Less Current Liabilities		<u>197,254</u>	<u>94,407</u>
Total Assets Less Current Liabilities		<u>418,286</u>	<u>377,705</u>
Capital and Reserves			
Called up share capital		1	1
Profit and Loss account		<u>418,285</u>	<u>377,705</u>
Total Capital and Reserves		<u>418,286</u>	<u>377,706</u>

The financial statements were approved by the Board of Directors on 8 April 2020 and signed on its behalf by:

Paul McLintock
Chair

Mike Wojcik
Managing Director

Company no. 6677304

The notes on pages 12 to 18 form part of these financial statements.

QMSU SERVICES LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JULY 2020

	Called up share capital £	Deferred capital grant £	Retained earnings £	Total equity £
Balance at 1 August 2018	1	7,199	322,435	329,635
Changes in equity				
Gift aid distribution to parent charity	-	-	(145,212)	(145,212)
Capital grant	-	(7,199)	-	(7,199)
Comprehensive income	-	-	200,482	200,482
Balance at 31 July 2019	1	-	377,705	377,706
Changes in equity				
Gift aid distribution to parent charity	-	-	(39,549)	(39,549)
Comprehensive income	-	-	80,129	80,129
Balance at 31 July 2020	1	-	418,285	418,286

QMSU SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

1. STATUTORY INFORMATION

QMSU Services Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. **The financial statements have been prepared under the historical cost convention and have been prepared on a going concern basis.**

Turnover

Turnover represents the total invoiced value, excluding value added tax, of sales made during the year and derives from the provision of goods/services falling within the Company's ordinary activities.

Expenditure

All expenditure is accounted for on an accruals basis.

Tangible Fixed Assets and Depreciation

Tangible Fixed Assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated to write off the cost of Fixed Assets on a straight-line basis over the expected useful lives of the assets.

Building improvements are capitalised although the Company has no title to the underlying building, title vesting in Queen Mary University of London. The costs are capitalised because they are of enduring benefit to the Company's trade and as both parties recognise that the Company's use of the premises is for the longer term. Building improvements are depreciated over 5 or 10 years on a straight-line basis depending on the nature of the improvement and the underlying asset.

Fixtures, fittings and equipment are depreciated over 5 years on a straight-line basis.

Deferred Capital Grants

Where assets are acquired with the aid of specific grants they are capitalised and depreciated as per the depreciation policy above. The related grants are treated as deferred capital grants and released to income in line with the depreciation charge.

Pensions

As described in Note 6, pension costs relate to recharges of pension costs incurred in relation the staff employed by Queen Mary University of London working for the company. The recharges relate to two defined benefit pension schemes, the Superannuation Arrangements of the University of London and the Universities Superannuation Scheme. Both are multi-employer schemes where the share of assets and liabilities attributable to each employer cannot be allocated on a systematic basis. Pension costs are therefore accounted for on a defined contribution basis as permitted by section 28 of FRS102 and are recharged to the company accordingly.

QMSU SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Stock

Stocks are valued at the lower of cost and net realisable value on a weighted average basis.

Operating Leases

Costs in respect of Operating Leases are charged to the profit and loss account as premiums become payable.

Cash Flow

Under FRS102, the Company is exempt from the requirement to prepare a cash flow statement, on the grounds that the ultimate parent undertaking includes the Company in its own published consolidated statements.

Deferred Tax

As the Company intends to gift aid all taxable profits to the Union as its parent charity, no deferred tax provision is required.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The directors seek to use short and medium-term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Debtors

Trade and other debtors are recognised at settlement amount due.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging:

	2020 £	2019 £
Depreciation	96,126	78,131
Auditors' remuneration	4,590	4,690
Operating lease charges	<u>113,866</u>	<u>142,179</u>

QMSU SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

4. TURNOVER

By Trading Activity, all in the United Kingdom market:

	2020	2019
	£	£
Gyms	679,374	755,834
Bars	768,612	974,686
Cafes	821,960	1,242,649
Retail outlets	885,611	1,031,277
Entertainments	74,161	89,382
Other Income	219,304	131,467
Services Marketing	110,461	58,611
	<u>3,559,483</u>	<u>4,283,906</u>

5. STAFF COSTS

Staff costs excluding directors:

	2020	2019
	£	£
Wages and salaries	1,503,688	1,702,870
Social Security costs	83,851	95,641
Pension costs	115,750	121,151
Apprenticeship Levy	7,228	8,213
	<u>1,710,517</u>	<u>1,927,875</u>

Directors' remuneration:

	2020	2019
	£	£
Aggregate emoluments including social security costs	227,443	87,311
Company pension contribution for one director	42,946	14,574
Apprenticeship Levy	929	361
	<u>271,318</u>	<u>102,246</u>

The monthly average number of staff, including executive directors, during the period was 156 (2019: 187).

The Company does not employ labour directly. It relies on the services of permanent full time and part time members of staff who are employees of Queen Mary University of London, and casual members of staff who are jointly employed by Queen Mary University of London and the Union. The Company accepts recharges at cost for their services.

QMSU SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

6. PENSION COSTS

Pension costs consist entirely of recharges relating to staff employed by Queen Mary University of London (QMUL). Recharges are based upon scheme contribution rates, staff salaries and time spent by staff working on QMSU Services Limited activities.

The recharged pension costs relate to two QMUL pension schemes, the Universities Superannuation Scheme (a defined benefit only pension scheme which was contracted out of the State Second Pension) and the Superannuation Arrangements for the University of London (a centralised defined benefit scheme within the United Kingdom, contracted-out of the Second State Pension).

Further information relating to these schemes can be found in the QMUL accounts for the year to 31 July 2020 which are available to download from the QMUL website.

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

No corporation tax charge arose in the year ended 31 July 2020 or year ended 31 July 2019.

RECONCILIATION OF CURRENT TAX CHARGE

	2020 £	2019 £
Profit on ordinary activities before taxation	<u>80,129</u>	<u>200,482</u>
Profit on ordinary activities at 19%	15,225	38,092
Effect of difference between depreciation and capital allowances	9,949	(30,121)
Non-taxable income	-	(457)
Gift Aid (19% of £132,491 donation to parent)	(25,174)	(7,514)
Total Current Tax	<u>-</u>	<u>-</u>

The Company gift aids profits which are assessed to corporation tax to the Union as its parent charity and as such no tax charge arises.

QMSU SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

8. TANGIBLE ASSETS

	Building Works £	Equipment Fixtures & Fittings £	Total £
Cost			
At 1 August 2019	1,160,610	681,851	1,842,461
Additions	-	33,860	33,860
Disposals	-	-	-
At 31 July 2020	<u>1,160,610</u>	<u>715,711</u>	<u>1,876,321</u>
Accumulated Depreciation			
At 1 August 2019	(1,079,127)	(480,036)	(1,559,163)
Charge for the period	(13,363)	(82,763)	(96,126)
Disposals	-	-	-
At 31 July 2020	<u>(1,092,490)</u>	<u>(562,799)</u>	<u>(1,655,289)</u>
Net Book Value			
At 31 July 2020	<u>68,120</u>	<u>152,912</u>	<u>221,032</u>
At 31 July 2019	<u>81,483</u>	<u>201,815</u>	<u>283,298</u>

9. DEBTORS

	2020 £	2019 £
Trade debtors	2,038	64,792
Amounts due from Queen Mary University of London	1,794	28,680
Prepayments and accrued income	115,175	39,105
Other debtors	10	55
Amount due from Ultimate Parent Undertaking	541,225	909,244
	<u>660,242</u>	<u>1,041,876</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 (as restated) £
Trade creditors	100,207	76,055
Accruals and deferred income	145,196	254,391
Amount owed to Queen Mary University of London	395,294	236,930
Other Creditors	204	525,163
	<u>640,901</u>	<u>1,092,359</u>

QMSU SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

11. DEFERRED CAPITAL GRANTS

	Balance at 1 August 2019 £	Transfers Capital Grant £	Release £	Balance at 31 July 2020 £
Deferred Capital Grants	90,000	-	10,000	80,000

12. FINANCIAL COMMITMENTS

The Company had total commitments under non-cancellable operating leases as follows:

	Land and buildings 2020 £	2019 £	Other 2020 £	2019 £
Within one year	93,161	99,447	16,749	18,161
Between one and two years	-	-	11,601	5,785
Between two and five years	-	-	10,696	2,074
	93,161	99,447	39,046	26,020

13. ULTIMATE PARENT AND CONTROLLING INTEREST

The ultimate parent undertaking and controlling party at the balance sheet date was Queen Mary University of London Students' Union, a company limited by guarantee (company number 8092471) and a charity registered in the United Kingdom (charity number 1147786). Copies of the ultimate parent undertaking's accounts can be obtained from their website. The parent undertaking shares an address with QMSU Services Limited.

14. RELATED PARTY TRANSACTIONS

The Company is exempt from disclosure of transactions with group undertakings under Financial Reporting Standard 102 as it is wholly owned within Queen Mary University of London Students' Union's consolidated accounts.

QMSU SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

15. PRIOR PERIOD ADJUSTMENT

A prior period adjustment has been applied to these accounts following the FRS102 update requiring gift aid payments from trading subsidiaries to be accounted for as a distribution to the parent charity rather than an expenditure item, and for gift aid payments not to be accrued in the subsidiary accounts, where no legal obligation to make the payment exists at the balance sheet date.

<i>Reconciliation of changes in equity</i>	2019
	£
Equity as previously reported	338,157
Removal of 2019 gift aid expense	39,549
Equity as adjusted	377,706
	<hr/>
<i>Reconciliation of changes in profit</i>	2019
	£
Profit as previously reported	160,933
Removal of 2019 gift aid expense	39,549
Profit as adjusted	200,482
	<hr/>

General Finance and Resources Briefing

Executive Summary

The SU response and mitigation is outlined within the Financial Principles and Framework, developed in April, 2020 and been applied. This is included further in the report. The spending freeze in particular has been robustly administered. The framework has been updated recently (in red) to recognize concern with the fragile situation, block grant reduction and fewer students on campus than had been anticipated with the blended learning. The approach taken has been methodical and logical underpinned by the need to continue to work towards our core charitable aims and priorities. The approach has been done in stages to minimize adverse impact on the organization. Some activities and services have been reduced or paused due to the financial challenges, recruitment freeze, expected reduction in students, as well as the implication of running activity and providing services in a Covid secure way. This mostly focuses on areas within the Charity that affect student experience or consistency (areas that run across several departments).

Management accounts show a better than budget performance. The budget is set at deficit of £360K, and currently at deficit of £129K, and aim for at least break-even position.

The Block Grant for 2020 / 21 is £2419194. A 5% annual reduction representing £124K. The University has covered the two new Sabb salary roles. The impact of the reduction has been differed to Jan 2021, so effectively 10% for final 6 months.

The Union does not have cash reserves to fall back on and cushion the financial crisis caused by the pandemic. The financial road to recovery will take several years of prudent financial management. We envisage some form of spending freeze will last the next 18 months. The Group annual income was around £7m. We budgeted a reduction of income of over £2m (31%), but wont achieve that due to the prolonged situation.

Village Shop has remained open throughout the year as an essential outlet. Ground café has reopened this week for take away only, staffed 100% by student staff. Qmotion sport and fitness centre will reopen 12 April, as soon as government allows, and can do safely.

The Exec and Staff Covid response group meets twice a week, and responds to government guidance, operations update and student feedback, and typically most significant decisions are made here.

Financial principles & framework 2020-21

<p>1 Agile financial oversight</p>	<ul style="list-style-type: none"> • Budget milestones – a) July 2020 – working budget b) Mid September post-student intake budget approval c) November test status, and take emergency steps if need February 2021 – revised and final re-forecasted budget. • To respond to the Going-Concern risks caused by the prolonged pandemic with further cost saving measures. • Retain the Emergency Corporate Committee – retain throughout the next academic year, meet every three weeks semester 1, then monthly Semester 2. • Democracy review outcomes: New Scrutiny Committee – Introduce in Semester 1, and phasing other structures and support.
<p>2 Student vision (our charitable purpose)</p>	<ul style="list-style-type: none"> • Student Voice – priority to resource during democracy review transition and implementation period, alongside unprecedented rapid changes for ‘Blended’ teaching and learning. • Student activities – champion opportunities, safety and welfare. Ensure we facilitate activities students ask for rather than ones we have always done, whilst adapting our student activities to a blended approach that is covid-secure. • Student wellbeing and values– influence all decision making. • Listening, consult & campaign – shaping our decision making.
<p>3 Prudence & ensuring “Going-Concern”</p>	<ul style="list-style-type: none"> • Spending Freeze – Extraordinary measures to remain in place until the end of 2020, and review status. All expenditure via the CEO and President. • Commercial areas aim to Break-even year ending 2020 / 21 – furthermore all in-kind contributions to students, student groups and the community tracked. Qmotion linked to the wider Sports Strategy and thinking. • Cash flow preservation. • Financial decision making independence. • Preservation of core staff roles, redeployment and secondment first – ensuring we have the right capacity, capability and ability to respond to the fast changing landscape, and ‘re-inventing the SU. Any consultation period for restructure extends from 4 to 6 weeks.
<p>4 Innovation & business development</p>	<ul style="list-style-type: none"> • Technology – Utilise new digital platforms for communications and ongoing business development, • New concepts driven by student feedback & insight – a) Big Survey & end of year surveying b) new digital platform c) Market research d) trends • Adapt businesses & introduce new concepts – maintain a focus on the bottom line, support creativity and diversity. Not to compromise quality.
<p>5 Long term & strategic view</p>	<ul style="list-style-type: none"> • Five Year Plan & Building Balance Sheet – a) Pause until July 2021 to stabilise and break even, schedule there after. • Joint Commercial strategy – to facilitate open and transparent review and outcomes, and deal with risks head on. • Reflections on Pandemic – a) business continuity plan. b) Relations with the University • Organisational review morphed into Five-Year Operating Plan – paused temporarily due to Covid-19. Framework to be developed to navigate.. • Independent Student staff payroll is set up once the financial platform stabilises.

The second theme is there to ensure in these challenging financial times we do not lose sight of our charitable purpose, and where we can, factor in decision making and prioritisation. Our objects are the advancement of education of Students at Queen Mary University of London for the public benefit by:

- 2.1 **promoting the interests and welfare of Students** at Queen Mary University of London during their course of study and representing, supporting and advising Students;
- 2.2 being **the recognised representative channel** between Students and Queen Mary University of London and any other external bodies; and
- 2.3 providing **social, cultural, sporting and recreational activities** and forums for discussions and debate for the personal development of its Students. “

Note: Revisions October 2020 in Red

5 Year Operating Plan snap shot - draft

Financial Five Year Plan

Organisational Transformation

House keeping

- Annual Operating Plan
- Organizational review
 - Best practice
 - Process improvements

Values driven
- Sustainability Plan
People & culture plan

Communications
Student voice, Listening & celebrating

Student touchpoints

Representation & democracy

Student engagement contact points
Physical & virtual

Changing student population

Cross campus presence

Business & innovation

Commercial Strategy
- Joint review
- Annual business plans

Agile change agents
- incubator ideas
- In tune with students
-digital

Creative partnerships
Internally & externally

Our Uniqueness

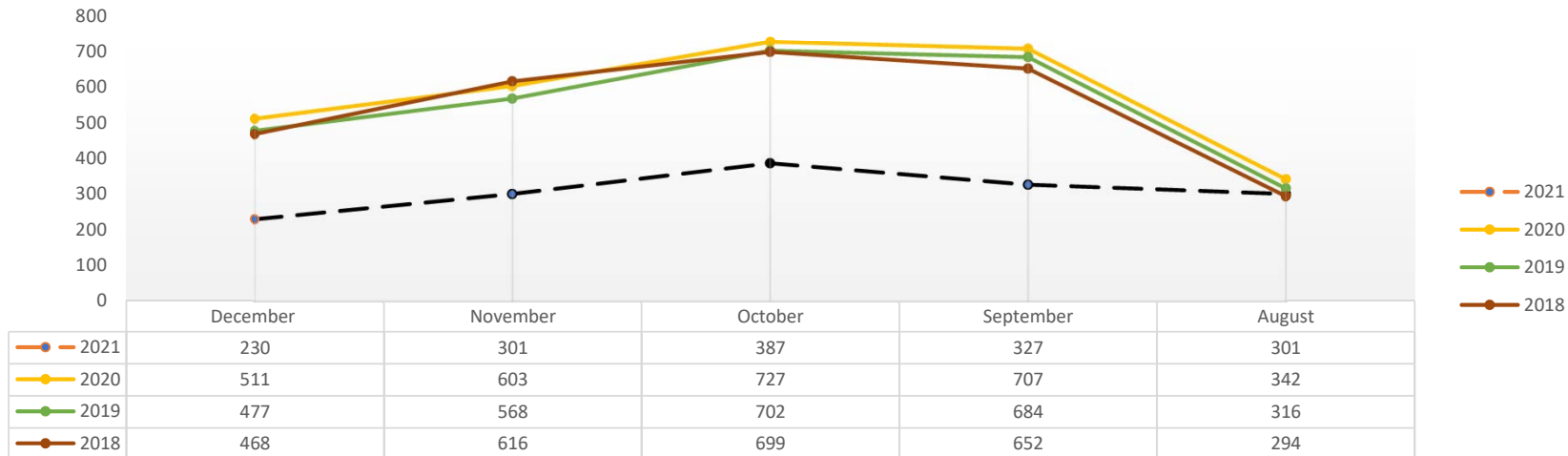
Force for good in East London
- Social Purpose
- Public Benefit

Our Global Student Community – diversity & contribution

London Life – good and bad: transport, housing, crime
Capital – arts & culture.

Group income current financial year compared past three years

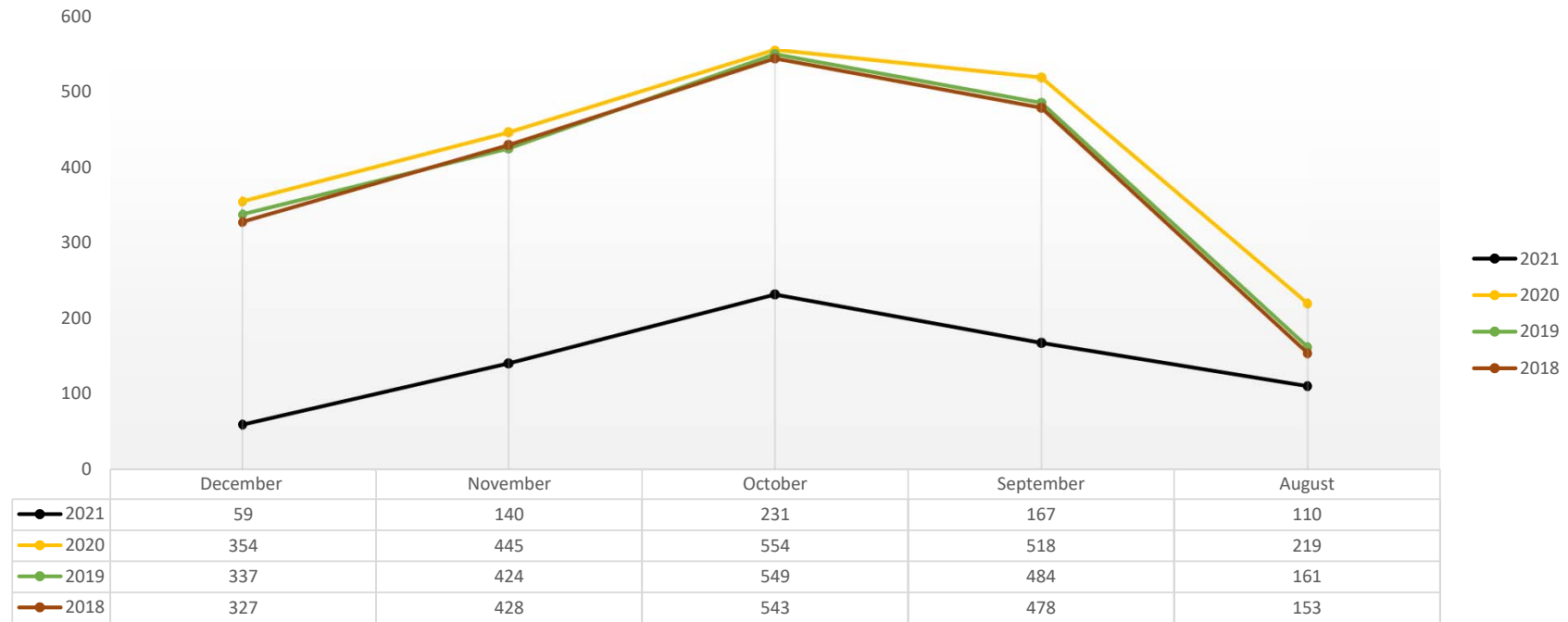
Group Income



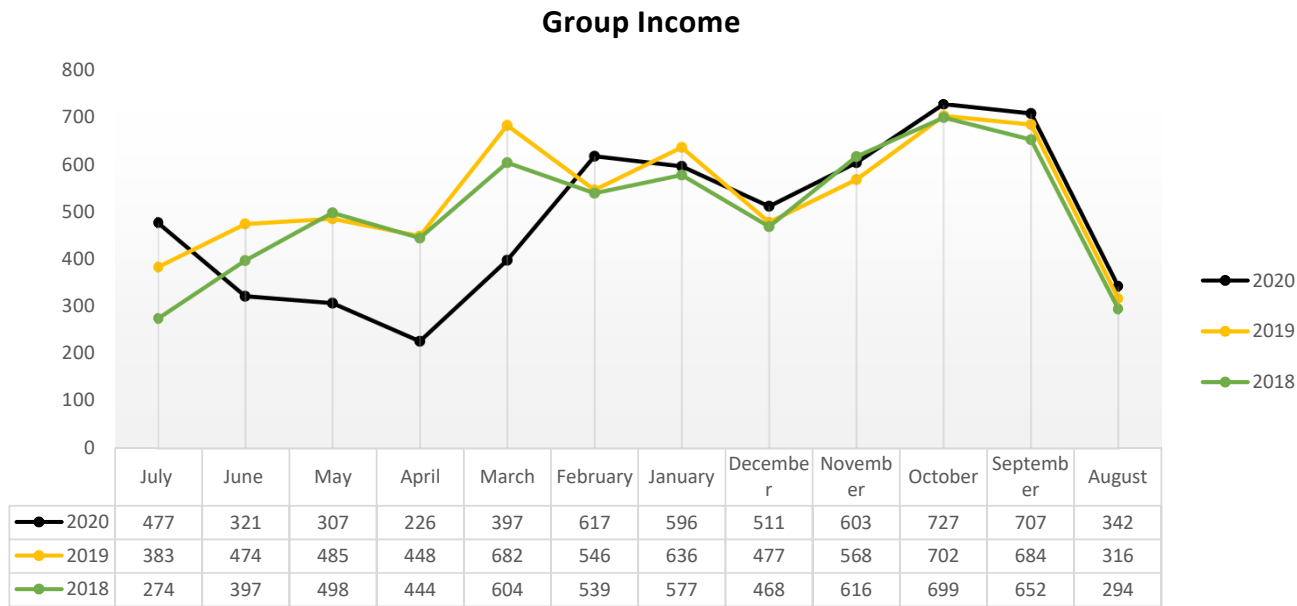
Narrative Shows steady annual growth of income until the pandemic, and massive gap in this semester. (Current year dash line)

Commercial income in current year compared to previous three years.

Commercial Income



Group Income 3 year comparisons



Narrative

1. The graph's crystallises the income nose dive since the lockdown
2. July Income figures peak due to inclusion of the University financial support.

**Budget Approved
on 17 September
2020 & to be
reviewed mid
year, aiming for
break even
position.**

	Prior Yr 2019-20 £'000	D7 Budget 5% Block Grant Reduction No Cost of Living
Charity		
Income	1,741	1,677
Pay	1,229	1,206
Non Pay	607	460
Charity SURPLUS/ (DEFICIT)	(95)	11
QMSU Services Ltd		
Income	4,841	2,788
Pay	2,206	1,661
Non Pay	2,267	1,297
QMSU Services Ltd SURPLUS/(DEFICIT)	368	(171)
Administration		
Income	176	172
Pay	263	262
Non Pay	134	110
Administration SURPLUS/(DEFICIT)	(221)	(200)
GROUP SURPLUS/ (DEFICIT)	51	(360)

Permanent Staff (FTE)

Head Count KPI Tracker - staff

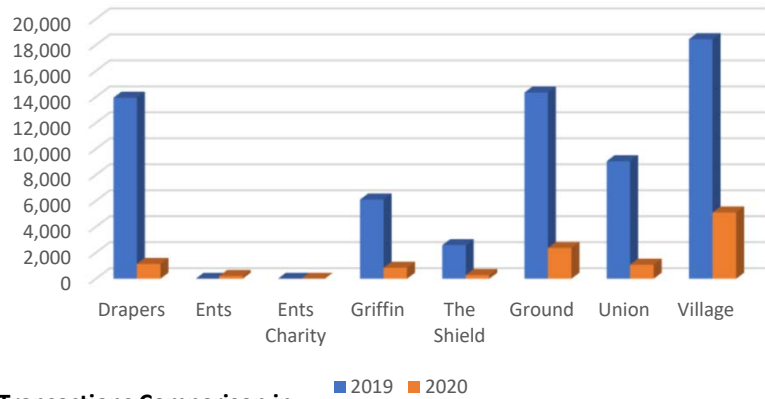
	Pre covid Jan-20		Covid kick start Apr-20		Year end Jul-20		Mid Year Jan-21		Year End Jul-21	
Sport	6		5		4		4		3	
Student Engagement	6		7		7		6		4	
Student Voice / RnD	6		6		6		6		6	
Customer Services	3		4		4		3		3	
Charity Sub Total		21		22		21		19		16
Venues	9		7		7		6		6	
Café and retail	6		5		5		3		3	
Qmotion	6		6		6		4		2	
QMSU Services Sub total		21		18		18		13		11
Finance & Admin	7		7		7		7		7	
Cleaning	11		11		10		9		8	
Communication & Marketing	7		6		6		5		4	
SMT	3		3		3		3		3	
Central Services Sub Total		28		28		26		24		22
Total		70		68		65		56		49
Student staff contracted and working		187		191		171		85		55
Redeployed staff summary										
Finance							2		2	
Student Engagement							2		1	
Retail					1		1		1	
Sports							1		1	

Since pandemic started staff FTE has moved from 68 to 56, mainly leavers roles have not been replaced. Three roles disestablished from QMSU services Consultation summer 2020. The year end July 21 includes proposed changes in the consultation (March 2021), and other leavers.

Approach to redeployment will continue into the next financial year.

Transactions

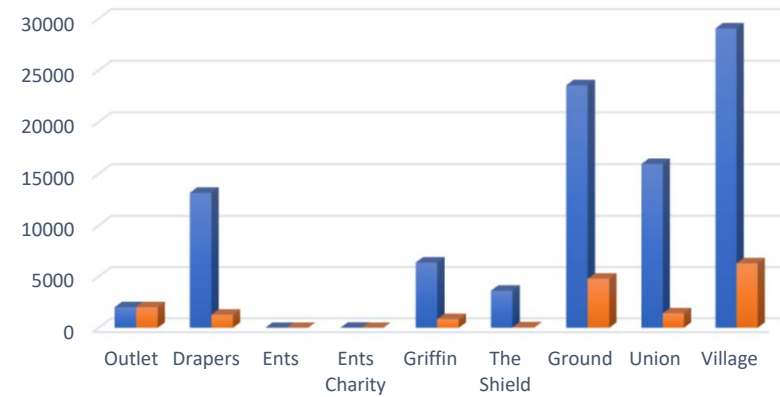
Transactions in sept 2019 / 2020



Transactions Comparison in Sept

	2019	2020	
Drapers	13,942	1,145	8%
Ents	0	212	
Ents Charity	0	0	
Griffin	6,100	840	14%
The Shield	2,590	282	11%
Ground	14,339	2,371	17%
Union	9,053	1,086	12%
Village	18,451	5,106	28%
Qmotion			
Totals	64,475	11,042	

Transactions Oct 2019 / 2020 comparison



No transactions in October

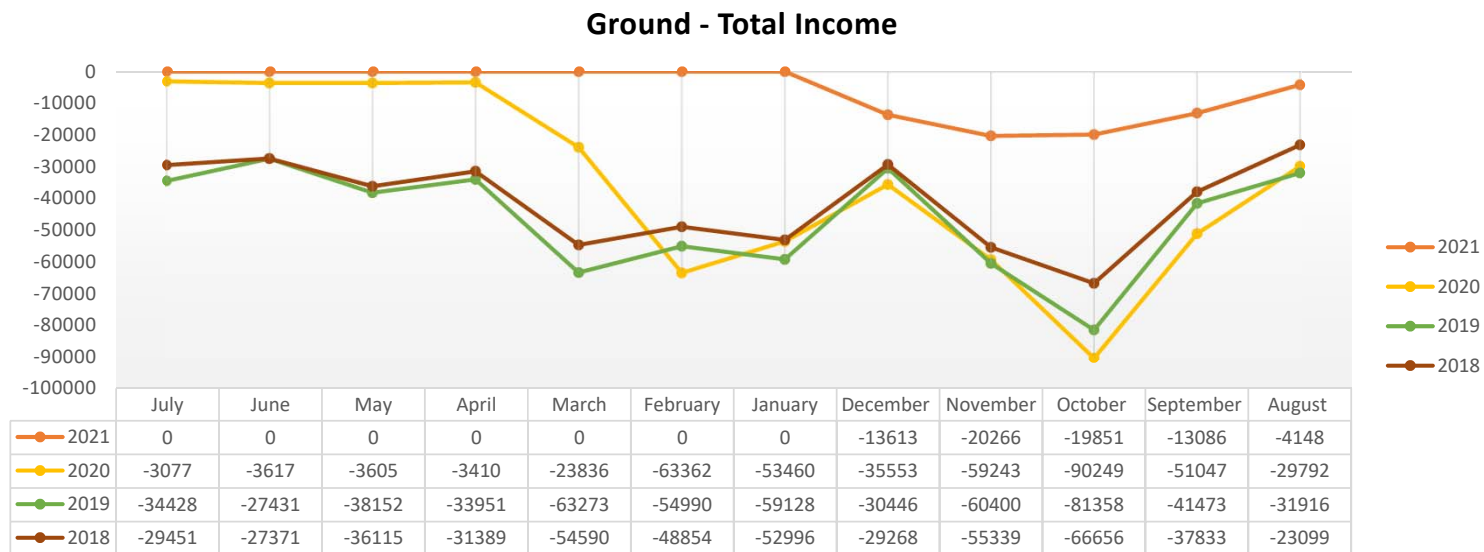
Outlet	2019	2020	
Outlet	0	0	
Drapers	13,170	1,280	10%
Ents	0	0	
Ents Charity	9	0	
Griffin	6,387	854	13%
The Shield	3,629	46	1%
Ground	23,563	4,804	20%
Union	15,958	1,427	9%
Village	29,064	6,302	22%
Qmotion			
Totals	91,780	14,713	

Flash back to February 2020

Management accounts: February account for Services were broadly in line with previous trends. Despite tough climate, and heavy competition, Village Shop, Union Shop and Ground continue to have Impressive results. The accounts factor depreciation. The Village shop business case took 18 months to ensure the financial modelling had a return on investment.

	YTD Bottom Line and sales compared to last year	Feb bottom line & sales
Village Shop	Profit £79K – up £15K Sales Up £77K (+18%)	Profit up £6K Sales £82.7K up £15K (+23%)
Union Shop	Profit £25K – up £15K Sales Up £49K (+26%)	similar
Ground	Profit £106.7K – up £20.7K Sales Up 23K- up 0.6% Bottom line improved through better controls.	Profit up £9K Sales £63.6K Up £9K (+16%)

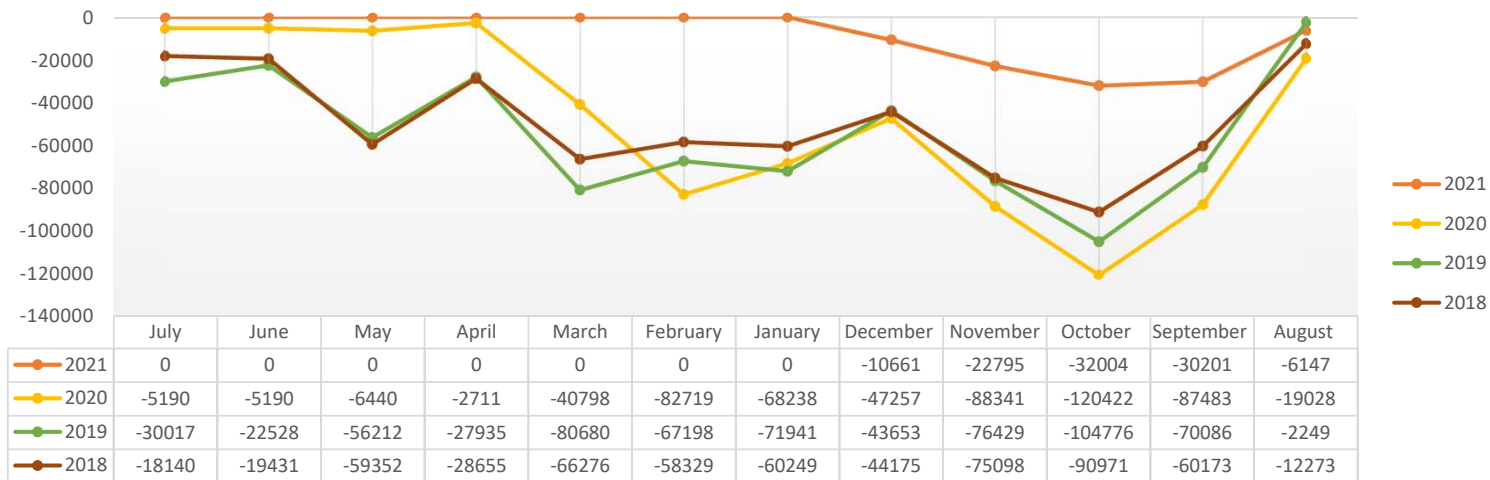
Ground Cafe



Local competition increased in the area, on and off campus, including all the big brands and independents. We saw growth, in part down to our agile approach with sales mix, procurement, pricing and promotion.

Village Shop

VS - Total Income



Like with Ground, Local competition increased in the area, and where retail sector had been seeing slump and decline, we saw growth. Focus on February sales compared to previous years. Sales translated onto the bottom line, our ratios and KPI's remained strong.

QMSU GROUP BALANCE SHEET	Group		Group	
QMSU GROUP BALANCE SHEET	Jan 2021		Jul 2020	
	£	£	£	£
FIXED ASSETS		211,497		262,732
INVESTMENTS		26,592		26,592
CURRENT ASSETS				
Stock		52,581		53,413
Debtors and Prepayments				
Trade Debtors		39,004		49,478
QMUL Debtor		251,183		568,718
Other Debtors & Prepayments		318,324		226,034
Cash at Bank and in Hand		591,279		324,198
		<u>1,252,371</u>		<u>1,221,841</u>
CREDITORS:				
Due Within one Year:				
Trade Creditors			(114,693)	
QMUL Loan		0		0
QMUL Creditor		(970,746)		(869,638)
Other Creditors & Accruals		(297,298)		(219,658)
NET CURRENT ASSETS/ (LIABILITIES)		(15,673)		17,852
CREDITORS: Due after more than one year				
		0		0
		<u>222,416</u>		<u>307,176</u>
		0		0
FINANCED BY:				
FUNDS				
Designated Funds		414,575		362,845
Restricted Funds				
Capital Grants		18,850		21,894
RAG		19,756		11,687
FA Hub		1,445		1,444
Drapers		1,727		1,727
Community Campus		28,442		28,442
New Grant		42,872		27,225
Student Experience		20,971		23,733
Co-op		9,162		9,163
Annual		31,337		31,393
Westfield		33,319		33,855
FA Hub Innovation		547		547
Club Sport		24,761		19,933
BL Sports Fund		3,165		5,790
Employability		1,500		
Total Restricted Funds		237,854		216,833
General Reserve		(430,013)		(272,502)
		<u>222,416</u>		<u>307,176</u>

Reconciliation of Movement in General Reserves:	
General Reserve at July 2020	(272,502)
Management Accounts I&E Profit/(loss) for 6 months to January 21	(157,511)
General Reserve at January 2021	(430,013)

QMSU BALANCE SHEET	Parent		Parent	
QMSU BALANCE SHEET	Actual Jan 21		Actual Jul 2020	
	£	£	£	£
FIXED ASSETS		27,031		41,700
INVESTMENTS		26,592		26,593
CURRENT ASSETS				
Stock				
Debtors and Prepayments				
Trade Debtors		38,240		47,438
QMUL Debtor		228,212		566,925
QMSU/Services Debtor				
Other Debtors & Prepayments		136,188		243,339
Cash at Bank and in Hand		541,849		199,696
		<u>944,489</u>		<u>1,057,398</u>
CREDITORS:				
Due Within one Year:				
Trade Creditors				(14,485)
QMUL Loan				
QMUL Creditor		(435,280)		(474,344)
QMSU/Services Creditor		(376,570)		(541,226)
Other Creditors & Accruals		(65,925)		(74,256)
NET CURRENT ASSETS/ (LIABILITIES)		66,714		(46,913)
CREDITORS: Due after more than one year				
		<u>120,337</u>		<u>21,380</u>
		0		
FINANCED BY:				
FUNDS				
Designated Funds		414,575		362,845
Restricted Funds				
Capital Grants		18,850		21,894
RAG		19,756		11,687
FA Hub		1,445		1,444
Drapers		1,727		1,727
Community Campus		28,442		28,442
New Grant		42,872		27,225
Student Experience		20,971		23,733
Co-op		9,162		9,163
Annual		31,337		31,393
Westfield		33,319		33,855
FA Hub Innovation		547		547
Club Sport		24,761		19,933
BL Sports Fund		3,165		5,790
Employability		1,500		
Total Restricted Funds		237,854		216,833
General Reserve		<u>(532,092)</u>		<u>(558,298)</u>
		<u>120,337</u>		<u>21,380</u>

Reconciliation of Movement in General Reserves:	
General Reserve at July 2020	(558,298)
Management Accounts I&E Profit/(Loss) for 6 months to January 21	26,206
General Reserve at January 2021	<u>(532,092)</u>

QMSU SERVICES BALANCE SHEET QMSU SERVICES BALANCE SHEET	Services		Services	
	Actual Jan 21		Actual Jul 2020	
	£	£	£	£
FIXED ASSETS		184,466		221,032
INVESTMENTS				
CURRENT ASSETS				
Stock		52,581		53,413
Debtors and Prepayments				
Trade Debtors		764		2,038
QMUL Debtor		22,971		1,794
QMSU/Services Debtor		376,570		541,225
Other Debtors & Prepayments		182,136		115,185
Cash at Bank and in Hand		49,430		124,500
		<u>684,452</u>		<u>838,155</u>
CREDITORS:				
Due Within one Year:				
Trade Creditors				(100,207)
QMUL Loan				
QMUL Creditor		(535,466)		(395,294)
QMSU/Services Creditor				
Other Creditors & Accruals		(231,373)		(145,400)
NET CURRENT ASSETS/ (LIABILITIES)		(82,387)		197,254
CREDITORS: Due after more than one year				
		<u>102,079</u>		<u>418,286</u>
		0		0
FINANCED BY:				
FUNDS				
Designated Funds				
Restricted Funds				
Capital Grants				
Total Restricted Funds		0		0
General Reserve				
Reserves B/fd		418,286		338,156
Profit for year		(183,717)		80,129
Less Gift Aid		(132,491)		
Share Capital		1		1
General Reserve C/fd		<u>102,079</u>		<u>418,286</u>
		<u>102,079</u>		<u>418,286</u>

QMSU GROUP BALANCE SHEET	YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5				
	Group		Group		Group		Group		Group				
	Actual 2018-19		Actual 2019-20		Plan 2020-21		Plan 2021-22		Plan 2022-23		Plan 2023-24		Plan 2024-25
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
FIXED ASSETS	345	263	181	124	68	47	26						
INVESTMENTS	36	27	27	37	37	37	37						
CURRENT ASSETS													
Stock	67	53	55	69	70	71	72						
Debtors and Prepayments													
Trade Debtors	82	49	37	51	52	53	54						
QMUL Debtor	34	569	212	214	216	218	220						
Other Debtors & Prepayments	126	227	231	233	235	237	239						
Cash at Bank and in Hand	1,112	324	356	578	677	774	900						
	1,421	1,222	891	1,145	1,250	1,353	1,485						
CREDITORS:													
Due Within one Year:													
Trade Creditors	(133)	(115)	(118)	(155)	(156)	(157)	(157)						
QMUL Loan													
QMUL Creditor	(352)	(870)	(495)	(661)	(667)	(673)	(677)						
Other Creditors & Accruals	(919)	(220)	(222)	(212)	(202)	(192)	(181)						
NET CURRENT ASSETS/ (LIABILITIES)	17	17	56	117	225	331	470						
CREDITORS: Due after more than one year													
	398	307	264	278	330	415	533						
FINANCED BY:													
FUNDS													
Designated Funds	334	363	332	335	338	341	344						
Restricted Funds													
Total Restricted Funds	282	217	212	212	212	212	212						
General Reserve	(218)	(273)	(280)	(269)	(220)	(138)	(23)						
	398	307	264	278	330	415	533						

Group Accounts

5 Year Plan Summary Aug 2020 to Jul 2025
QMSU Group

	5 Year Plan							
	Actual Aug 19 to Jul 20	Budget 20 to July 21	Year 1 Aug 20 to Jul 21	Year 1 Aug 20 to Jul 21	Year 2 Aug 21 to Jul 22	Year 3 Aug 22 to Jul 23	Year 4 Aug 23 to Jul 24	Year 5 Aug 24 to Jul 25
			Without support	With Underwriting				
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Charity								
Income	1,723	1,677	1,586	1,489	1,712	1,746	1,781	1,817
Pay	1,187	1,224	1,114	1,068	1,214	1,238	1,262	1,287
Non Pay	464	460	215	215	486	488	498	508
Charity SURPLUS/ (DEFICIT)	72	(7)	257	206	12	20	21	22
Administration								
Income	330	172	212	172	181	184	188	192
Pay	417	343	383	383	356	371	386	401
Non Pay	119	111	123	123	115	117	119	124
Administration SURPLUS/(DEFICIT)	(206)	(282)	(294)	(334)	(290)	(304)	(317)	(333)
TOTAL QMSU SURPLUS/(DEFICIT)	(134)	(289)	(37)	(128)	(278)	(284)	(296)	(311)
QMSU Services Ltd								
Income	3,780	2,788	2,012	2,125	3,846	3,961	4,079	4,201
Pay	2,018	1,571	1,359	1,193	1,856	1,893	1,931	1,970
Non Pay	1,682	1,288	799	811	1,701	1,735	1,770	1,805
QMSU Services Ltd SURPLUS/(DEFICIT)	80	(71)	(146)	121	289	333	378	426
GROUP SURPLUS/ (DEFICIT)	(54)	(360)	(183)	(7)	11	49	82	115
Total Group								
Income	5,833	4,637	3,810	3,786	5,739	5,891	6,048	6,210
Pay	3,622	3,138	2,856	2,644	3,426	3,502	3,579	3,658
Non Pay	2,265	1,859	1,137	1,149	2,302	2,340	2,387	2,437
GROUP SURPLUS/ (DEFICIT)	(54)	(360)	(183)	(7)	11	49	82	115
GROUP SURPLUS/ (DEFICIT)	(54)	(360)	(183)	(7)	11	49	82	115