

Liverpool Guild of Students
REPORT AND FINANCIAL STATEMENTS
For the year ended 31 July 2021

Charity Number: 1137398

Company Number: 07324992

**Liverpool Guild of Students
TRUSTEES REPORT**

For the year ended 31 July 2021

1. REFERENCE AND ADMINISTRATIVE DETAILS

Directors and Trustees

All directors of the company are also trustees of the charity, there are no other trustees. The trustees serving during the year and since the year end were:

Adnan Hussain (Resigned 30th July 2021)
Imogen De Castro Gray (Appointed 1st August 2020, resigned 30th July 2021)
Ffion Thomas (Appointed 1st August 2020)
Chloe Field (Appointed 1st August 2020)
Robert Woodcock (Appointed 30th July 2021)
Jamilia Kwajah-Ellimah (Appointed 30th July 2021)

Pamela Bell-Ashe (Resigned 30th July 2021)
Adam Dawkins
Christine Costello (Resigned 29th April 2021)
Rachel Gnagniko (Appointed 29th April 2021)
Rishi Jain (Appointed 29th April 2021)
Andrew Lang (Appointed 29th April 2021)

Abhilash Kondraganti
Pollie Walker (Resigned 30th July 2021)
Charlotte Sebastian (Resigned 30th July 2021)
Trinity Kerr (Appointed 30th July 2021)
Jordan Wright (Appointed 30th July 2021)
Bryony Lainton (Appointed 30th July 2021)

Company Secretary

Tricia O'Neill

Key Management Personnel

Chief Executive	Tricia O'Neill
Director of Operations	Andrew Grimshaw
Director of Membership Services	Morven Proctor
Director of Marketing & Communications	Sian McCreary

Registered office

Liverpool Guild of Students
160 Mount Pleasant
Liverpool
Merseyside
L3 5TR

Auditors

Dains LLP
Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke on Trent
ST1 5RQ

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Bankers

The Co-operative Bank p.l.c.,
P.O. Box 101
1 Balloon Street
Manchester
M60 4EP

Deposit Accounts

Saffron Building Society
57 High Street
Ware
Hertfordshire
SG12 9AD

Charities Aid Foundation
90 Day Notice Account
Scottish Widows Bank plc
PO Box 12757
67 Morrison Street
Edinburgh
EH3 8YJ

Lloyds Bank
PO Box 545
Faryners House
25 Monument Street
London
EC3R 8BQ

Shawbrook Bank Ltd
Lutea House
Warley Hill Business Park
The Drive
Great Warley
Brentwood
Essex
CM13 3BE

Cambridge Building Society
PO Box 232
51 Newmarket Road
Cambridge
CB5 8FF

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The Hanley Economic Building Society
Off Forge Lane
Granville House
Festival Park
Hanley
Stoke-on-Trent
ST1 5TB

Close Brothers
10 Crown Place
London
EC2A 4FT

Finance and business advisors

Counterculture Partnership LLP
Unit 115 Ducie House,
Ducie Street,
Manchester, M1 2JW

Insurance Brokers

Endsleigh Business Insurance Services
Hadley House
Shurdington Road
Cheltenham Spa
Gloucestershire
GL51 4UE

Solicitors

Governance, charity and corporate law
Bates, Wells and Braithwaite London LLP
2-6 Cannon Street
London
EC4M 6YH

Employment and commercial law
Weightmans LLP
India Buildings
Water Street
Liverpool
L2 0GA

As allowed under Section 60 of the Companies Act 2006 the company is exempt from the requirement to use "limited".

Liverpool Guild of Students
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1. STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

Liverpool Guild of Students is a Students' Union within the meaning of the Education Act 1994. The Guild is devoted to the educational interests and welfare of its members, and is an independent representative body of students at the University of Liverpool. We are an Incorporated Charity and a Company Limited by Guarantee without Share Capital.

We are governed by a Memorandum & Articles of Association effective from 1 August 2010, and a set of Bye-laws, both approved by the membership, the University of Liverpool, and the Charity Commission. We also have a Memorandum of Understanding with the University of Liverpool. The Articles of Association state the Guild's principal objectives as being:

"B. The Guild will seek at all times to:

- (i) ensure that the diversity of its Membership is recognised and that equal access is available to all Members of whatever origin or orientation;
- (ii) pursue its aims and objectives independent of any political party or religious group; and
- (iii) pursue equal opportunities by taking positive action within the law to facilitate participation of groups discriminated against by society.

C. These Articles have been structured to give the Board of Trustees reasonable authority to manage the affairs of the Guild in a professional manner. The Members enjoy the right, which must be exercised in accordance with charity law, to elect a proportion of the Trustees and to dismiss all of the Trustees. The Board of Trustees will give the utmost consideration to the views of Members.

D. Under the Education Act 1994, the University of Liverpool has a statutory duty to ensure that the Guild operates in a fair and democratic manner and is held to proper account for its finances. The Guild therefore works alongside the University of Liverpool in ensuring that the affairs of the Guild are properly conducted and that the educational and welfare needs of the Guild's Members are met."

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For the year ended 31 July 2021

Appointment of Trustees

Our Board of Trustees is responsible for ensuring the organisation remains fit for purpose, and for setting the strategy of the organisation in consultation with senior staff. It also approves all policy, our annual budget, and monitors organisational performance against agreed key performance indicators (KPIs).

The membership of the Trustee Board is defined as follows:

- Four Student Representative Officer Trustees
- Four Student Trustees
- Four External (Co-opted) Trustees

The Student Representative Officer (SRO) Trustees are elected by the entire membership during a cross campus election, and hold office for 12 months. As directed by the Education Act 1994, they are able to serve a maximum of two terms. The Student Representative Officers are the major union office holders described in the Education Act (1994).

The four Student Trustees are positions that are advertised and then appointed to by the Board, and serve for a term of two years – although they must be registered students at the University of Liverpool to hold office.

The four External Trustees are also positions that are advertised and then appointed to by the Board. They are recruited for on the basis of their expertise and experience, and hold office for a term of four years. External Trustees can serve for two terms.

Trustee Induction and Training

All new Trustees participate in a comprehensive induction programme, which includes:

- Training- these are both skills and knowledge based;
- Introductions to key staff and other Trustees; and
- Copies of the Union's key policy, governance and financial documents.

On-going training needs for Student Representative Officer Trustees are monitored by the Chief Executive through 1-2-1s and regular catch-up meetings. Student Trustees are allocated an External Trustee to act as a mentor, and to support them in their role.

Organisation

Trustee Board

The Board of Trustees administers the charity. The Board meets six times a year and there are three standing subcommittees convened under Article 45 of the Articles of Association covering operational areas of the Board's remit.

- Resources & Audit Committee

As laid out in Bye-law 5, the Resources & Audit Committee is responsible for all financial matters of the organisation.

For the year ended 31 July 2021

- Governance & Appointments Committee

As laid out in Bye-law 6, the Governance & Appointments Committee is responsible for appointing new Trustees, monitoring the effectiveness of the Board and acting as a discursive forum for all matters relating to effective governance.

- CEO Management Committee

As laid noted in Bye-law 2, there is a CEO Management Committee.

Guild Summit

The Guild Summit is made up of 50 students, who are selected by sortition to reflect the wider student body, and has the following authority (as set out in the Articles):

- Make recommendations to the Trustees;
- Discuss and debate issues pertinent to students;
- Make non-binding motions of no-confidence in one or a number of Trustees; and
- Consider any business referred to Guild Summit by the Trustees and other Guild bodies.

Annual Members Meeting

Under our articles, we are required to hold an Annual Members Meeting each year, presenting our accounts and the Trustees Annual Report to the membership. Due to Covid 19, and associated lockdown, the Annual Members Meeting was unable to take place this year.

Chief Executive

A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms approved by the Trustees, for operations including finance, employment, Guild operations, governance, membership services, marketing and communications, and other related activity.

Related Parties and Co-operation with Other Organisations

The University of Liverpool is the parent institution of Liverpool Guild of Students. The Guild received a revenue block grant in the year from the University of Liverpool of £1,716,386.

The Guild also occupies a building owned by the University, which also pays for utilities. This non-monetary support is intrinsic to the relationship between the University and the Guild.

The Guild President is a member of University Council.

Although recommended by the Charities SORP, which has been adopted for this and future financial years for due compliance with the requirements for Students' Unions provided for in the Charities Act 2011, it is not possible to identify an estimated value to the Guild for this free serviced accommodation as the University does not provide separate property values for

For the year ended 31 July 2021

its buildings to the occupiers. Although the Guild continues to generate supplementary funding from various mutual trading activities, it will always be dependent on the University's support.

The Trustees consider it reasonable to anticipate that this or equivalent support from the University will continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body in one form or another. The Trustees therefore consider the Guild to be financially viable for the foreseeable future.

Pay Policies for Senior Staff

The remuneration of key management personnel is set by the Board, with the policy objective of ensuring that they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Guild's success. Delivery of the Guild's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

In 2018, an organisation wide pay-review was carried out to ensure salaries were in keeping with comparable roles within the sector, and more widely.

Risk Management

The Board, through the Resources and Audit Committee, reviews the Guild's current and planned future activities in the light of any major risks arising from time to time and the effectiveness of systems and procedures designed to manage them. The principal risks and uncertainties currently facing the Guild are considered to be:

- Maintaining effective governance of the organisation, including:
 - Ensuring appropriate skills on the board; and
 - Ensuring appropriate and timely reporting to the Board.
 - Failure to maintain staff register of interests / hospitality record
- Deterioration in the relationship with the University, including contracts
- Loss of key staff or untrained staff
- Failure to maintain financial health of the Guild, including:
 - Poor trading and increase in local competition; and
 - Decrease in student spending power.
- Reputational damage in the unlikely event of a high-profile activity by a student
- Serious accident / death during a student activity
- Alienating stakeholders through lobbying activity
- Change in Government policy, in particular in relation to Higher Education, Students' Union and charities.

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On 30 July 2020, the Trustee Board approved an addendum to the register, detailing Covid-19 related risks. These have remained a focus throughout 2020-21. They are:

- **Poor trading-** That government regulations or local lockdowns could constrain capacity to trade.
- **Loss-making trading activities-** That limited capacity to trade could impact ability to maintain a healthy surplus.
- **Serious accident / death during a student activity-**That a student could contract Covid while in the Guild or taking part in a Guild activity.
- **Damage to reputation-** Potential of local lockdowns being attributed to student behaviour, or a cluster contagion event happening in the Guild or during a Guild activity.

Our plans and strategies for managing risk include maintaining effective internal controls, risk registers, incident-reporting and monitoring systems and insurance cover wherever appropriate.

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2. OUR PURPOSES AND ACTIVITIES

Purpose

The Guild's Strategic Plan 2019-22 outlines how the organisation will achieve its mission to offer excellent opportunities, services and facilities which improve, enrich and develop the lives of all students at the University of Liverpool.

The Guild's Articles identifies its charitable objects as follows:

"The advancement of education of Students at the University of Liverpool for the public benefit by:-

- providing opportunities for the expression of Student opinion and actively representing, supporting and advising students;
- acting as the recognised representative channel of communication between Students and the University of Liverpool and other external bodies;
- promoting the interests and welfare of Students at the University of Liverpool;
- facilitating social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its Students, and providing services and support for its Students; and
- working with other students' unions and affiliated bodies."

Public Benefit

In pursuit of these aims for the public benefit, the Guild will ensure the diversity of its membership is recognised, valued and supported and has established departments and services for use by its members and to support its work with the University of Liverpool and other organisations on behalf of students. These include membership services, social enterprise, and marketing and communications.

The Guild continues to represent the students of the University on relevant local, national and international issues. The Student Representative Officers sit on over 60 University committees, covering a wide range of aspects of the student experience. In addition, officers sit on a number of committees within the city, focussing on topics such as student safety, and the night-time economy.

The Guild and University jointly runs a Course Representative System, which ensures student voices throughout University decision making.

For the year ended 31 July 2021

Policies relating to grant making

Liverpool Guild of Students recognises the importance of student activity, and endeavours to provide meaningful support to students running societies. In addition to logistical support, and the provision of venue spaces, the Guild makes available a pot of money for societies to bid into.

Societies are invited to apply for funding from this pot to support their activity. Applications may range from running one-off events, to the ongoing development of a Group. Since September 2014, a model of participatory budgeting, has been used to allocate these funds, putting decision making in the hands of student societies. Agreed criteria help ensure that decisions are in line with the Guild's charitable objects, whilst giving participants the flexibility to agree priorities and work collectively.

In 2020-21 all societies were given £50 to fund welcome activity. Money that was not used was recouped by the Guild later in the year, so it could be redistributed through the process outlined above.

In previous years, societies had to charge memberships fees of at least £3.00. In 2020-21, in response to the anticipated impact of Covid on levels of activity, membership charges were stopped.

Activities

The Guild undertakes and facilitates a wide range of services and activities;

Social Enterprise

Social Enterprise brings together the retail, venues and licensed trade activities of the Guild.

The Guild's venues provide students with a place to meet, a Starbucks Coffee shop and bar space. The Guild works closely with Hospitality Liverpool, who provide a range of food within the Courtyard and Sphinx.

The Guild houses Liverpool's second largest live music venue, the Mountford Hall. This venue is used for external gigs, as well as awards ceremonies, performances and formal dinners.

Space is available for societies to book for events for a range of activities, including performances, dinners and external speakers. Venues staff provide advice and support to groups wishing to book this space and the necessary technical support to deliver their events.

The Guild also operates a shop, selling a range of pasties, confectionary, sandwiches, hot and cold drinks, stationery, clothing and toiletries. In addition, the Guild runs an online shop selling a range of University crested clothing.

Membership Services

The Membership Services Department is made up of three main teams; Advocacy, Democracy and Campaigns, and Student Activities.

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TRUSTEES REPORT

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The Advocacy Team's work includes supporting and developing course representatives, providing academic, housing and wellbeing advice, and supporting Guild officers in committee activity.

The Democracy and Campaigns Team facilitate student-led campaigning. They also ensure the Guild is a democratic, involving organisation, through delivering elections, administering the Guild's Change It platform and facilitating meetings of the Summit.

The Student Activities team support the work of student societies and provide volunteering opportunities, offering students the chance to lead activity, develop new skills and meet other students. They work closely with the University to develop Hall Students Committees, ensuring that students have the best possible experience living in University accommodation. The team also has a range of activity to support sustainability. Working closely with students, the University and other stakeholders they offer opportunities for students to have a positive impact on the environment around them. Volunteers have worked with local schools, developed innovative approaches to sustainability challenges and worked to embed sustainability in the curriculum. Finally, the team also support fundraising activity, and administer the Guild's online volunteering platform.

Marketing

The Guild's Marketing Team works across the organisations, to provide expert marketing support. This team coordinate the Guild's main communication streams including all-student emails, and social media. They also manage the Guild's website, which is used as a key communication tool, as well as being an outlet for ticket sales and the platform for Guild elections.

The team undertake graphic design work, creating assets including Welcome materials, campaign resources and promotional materials for events.

The team are also responsible for the generation of media sales income, offering opportunities to market their services and products to students during Welcome Week, and throughout the year.

The team manage relationships with the media, responding to enquiries as well as taking proactive steps to secure positive media coverage.

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3. ACHIEVEMENTS AND PERFORMANCE

The focus of the Guild throughout 2020-21 was responding to the pandemic. As noted below in section 5 of this report, the Guild's Strategic Plan was put on hold in 2020, and since then efforts have been focused on the more immediate need to respond to fast changing situations, both for our members, and for the organisation itself.

During 2020-21, the key achievements were:

- **Minimising the financial impact to the Guild**
 - Throughout the year, regular financial reforecasts were carried out. These ensured sound financial decision making and enabled ongoing oversight.
 - Staff continued to be furloughed where possible. Use of the flexible furlough scheme enabled the Guild to meet the needs of members, while adhering to Government guidelines, and protecting the financial health of the Guild.
 - The Guild secured a grant from the Arts Council England's Cultural Recovery Fund.
- **Representing our members and ensuring a strong student voice**
 - Guild staff and officers continued to attend key committees, working groups, and Covid-specific project groups.
 - Officers successfully campaigned and lobbied on a range of student priorities, including rent refunds and support for online learning. This work was informed by a wide-ranging survey, and forums held throughout the year.
 - Beyond Covid, officers lobbied the University on a range of other issues. This included working to ensure that the process for renaming one of the Halls of Residence was student-led and reflected the values of the Guild and its membership. This led to a cross campus ballot, giving members the power to choose the new name for the halls.
- **Providing activities and opportunities for members**

A key aim of 2020-21 was to ensure that a range of services and activities were offered to members. This required the team to adapt to changing rules and requirements, amending the offer to members, and how it was delivered.

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○ **Online**

- A range of activities were delivered online, including film screenings, craft sessions and friend-making networks.
- Training for societies' committee members, course representatives and election candidates was moved online, as was Bystander Intervention training. Participation levels were maintained, and feedback was very positive.
- Societies were supported to deliver their activities online. Over 20,000 individual societies memberships were taken up.
- The Guild's Annual Awards were moved online for the second year running. Instagram was used to announce the shortlist and winners. Nominees and winners engaged with this content, sharing it widely.
- The Guild's Student Representative Elections moved entirely online, with candidate campaigning taking place through social media, in online meetings, and by email.

○ **In-person**

- When Covid regulations allowed, the Guild building was opened to members. In order to meet the requirements that were in place at particular stages, the purpose of the space changed over time. At points it was available as socially distanced study space, while at other times it served as a bar, or food outlet. This flexibility was important in maintaining a place on campus where students could go.
- Where possible, the Guild ran face-to-face Give It a Go activities, such as walking tours.

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4. FINANCIAL REVIEW

The principal income sources for the Guild are the block grant provided by the University of Liverpool and funds generated through commercial activity.

The Guild produced a surplus for the financial year of £86,886 before the movement on the pension scheme liability (2020: £279,041). Net liabilities at 31 July 2021 stood at £1,123,264 (2020: £1,236,911). The cash and current asset investments balance at the financial year end was £1,796,434 (2020: £1,918,349).

In summary the Guild is in a stable financial position however the Trustees are cognizant of future pension liabilities arising from the SUSS pension scheme – now closed to accrual for Guild staff – and the financial strategy of the Guild reflects this risk while adequately resourcing on-going charitable activities.

Investment policy

The Investment Policy of the Guild is to hold the majority of its reserves in cash, spreading deposits between financial institutions in order to mitigate counterparty risk. Cash deposits are either instant access or fixed term with the balance being determined by cash flow requirements. The Guild has adopted an Ethical Investment Policy by which financial institutions are assessed against criteria before the Guild will make a deposit with them. Within the framework of managing risk, liquidity and ethical standards, the highest interest rates are selected to maximise investment return.

Reserves policy and going concern

The trustees have adopted a reserves policy, the objective of which is to protect the Guild and its charitable activities by ensuring adequate liquidity while the organisation adjusts to any short term (three to six months) changes it encounters in its financial and operating environment. Such changes might include:

- Interruptions to the grant funding from the University;
- Provision for unforeseen events;
- Staff notice and redundancy payments and/or legal fees in the event the Union is wound up.

At the same time the trustees want to ensure reserves are not too high in order to maximise the resources applied to the Guild's charitable purpose, the ability to invest in the Guild's fixed assets to maintain the quality and standards of its service provision, and the ability to meet the Guild's contribution obligations to the Students' Union Superannuation Scheme.

Following this policy, the trustees have set a target of the Guild holding a minimum of six months' unrestricted operating costs in unrestricted funds (not including the pension deficit reserve). Based on the 2020/21 financial year this target figure would equate to £1,313,484.

At 31 July 2021 the Guild held unrestricted funds of £1,345,667 (2020: £1,365,002) equating to 102% of the target level, with a separate reserve fund established to account for the pension deficit. The pension deficit fund sits on the balance sheet as a negative reserve set up under FRS 102 to represent the net present value of the future contributions required over 15 years to clear the pension fund deficit. At the year end the value of this deficit was £3,139,327 (2020: -£3,323,648).

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The trustees intend the Guild to maintain the target level of reserves through continued investment in the quality of the activities and services on offer to members, in order to generate sufficient financial surpluses to both reinvest in those services, and to support the reserves position. Ongoing monitoring of the reserves is carried out by the Resources and Audit Committee on a quarterly basis. The reserves policy itself is reviewed every three years to coincide with the funding cycle of the Students' Union Superannuation Scheme.

The following designated reserves have been created by the Trustees as at 31 July 2021:

- Fixed assets fund - £346,849, being the net book value of fixed assets purchased with unrestricted funds; and
- Guild Strategic Development Fund – £50,000, being a reserve for Student Representative Officer led initiatives to engage students in LGoS and to provide services to meet membership demand.
- Elizabeth Gidney Legacy - £54,738, being a reserve for the promotion of Representation and Democracy.

Covid 19 Pandemic

The circumstances presented by the Covid 19 pandemic have created challenges for the Guild in relation to its financial operating model. A key income stream for the organisation is the revenue generated through its student facing trading activities. Operating restrictions remained in place for most of the 2020/21 financial year, however the Guild was able to open some its trading activities as those restrictions eased over the year. Even so, trading revenues remained limited, and impacted on the overall income of the Guild. The organisation made good use of government support grants, and reduced overheads where possible to offset the lost income.

The budget for the 2021/22 financial year was drafted on the basis that the trading services would be able to re-open successfully, and that fewer restrictions would be in place across the year. The core grant from the University of Liverpool has been maintained for the 2021/22 financial year. The initial budget projection is that the Guild will be able to produce an operating surplus at the end of the financial year. Cash flow forecasts have been revised to look up to 12 months ahead in order for the trustees to accurately assess the organisation's ability to remain a going concern, and the board continues to receive regular financial updates and projections to assist them in exercising their financial responsibilities.

Going Concern

The Guild has net liabilities of £1,123,264, due to the recognition under Charities SORP (FRS 102) of the net present value of the funding deficit on the SUSS pension recovery plan. Further information is detailed in note 28 to the accounts. This is a long term commitment which ends in 2035 and the trustees are confident that annual payments towards this plan will be met out of income for each year.

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After making appropriate enquiries including reviewing financial forecasts for the coming year, the trustees have a reasonable expectation that the Guild has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Fundraising statement

The Guild raises funds outside of the University block grant via commercial income through the operation of licensed premises, entertainments, catering, retail and third-party advertising. The Guild does not raise funds via the usual fundraising channels that other charities utilise. For example, funds are not raised via money collections, Just Giving (or similar) pages, lotteries, cold calling or legacy donations. Occasionally funds might be raised for a specific project via grant applications, such as funding from local community groups to facilitate activities.

No professional fund-raisers or commercial participator carried out any activities on behalf of the Guild. No person acting on behalf of the Guild was subject to an undertaking to be bound by any voluntary scheme for regulating fundraising and no voluntary standard of fund-raising in respect of Guild activities on behalf of the charity was undertaken. No persons acted on behalf of the Guild for the purpose of fundraising, and no complaints were received by the Guild about fund-raising activity by the charity. As the Guild does not undertake fund-raising activity outside of operating commercial outlets and grant applications, a strategy for protection of vulnerable people and members of the public in relation to fund-raising is not required.

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5. FUTURE PLANS

In autumn 2019, the Guild launched its new Strategic Plan. It laid out the plan to “offer excellent opportunities, services and facilities which improve, enrich and develop the lives of all students at the University of Liverpool.”

To take this work forward several working groups were set up to carry out research and develop detailed project plans. This work was underway when Covid-19 levels started to rise in the UK, and it became clear that it would have a significant effect on activities.

In 2019-20, in light of the pandemic, the Board agreed that the Strategic Plan would be paused. This decision remained in place throughout the 2020-21 year.

In Summer 2021, the Guild restarted work on the current Strategic Plan, and updated plans to reflect the changed situation. These updated plans will form the basis of work in the coming years.

The plan outlines the four strategic objectives, or promises, the Guild are seeking to achieve. These are:

- Support our members
- To put members at the heart of decision making
- Invest in our spaces
- Ensure all members benefit from the Guild

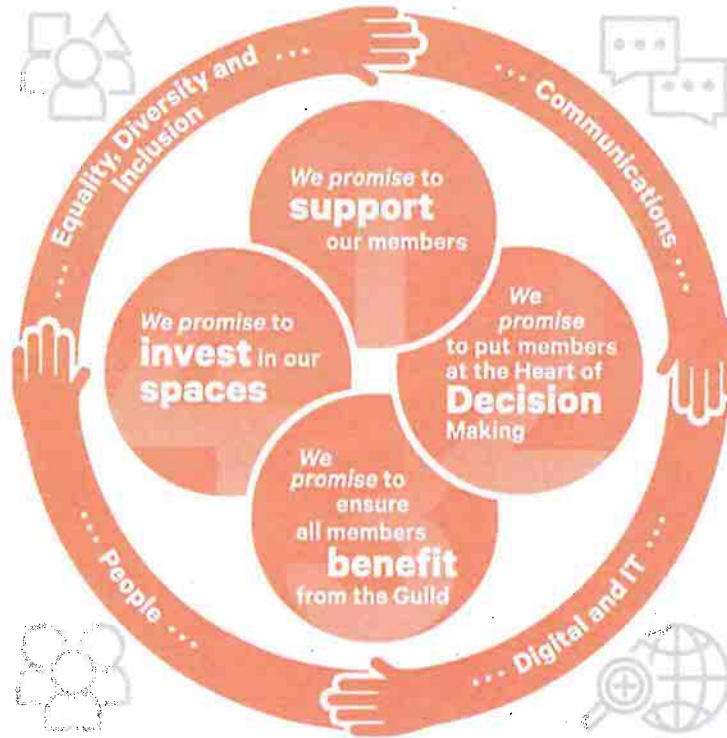
The four promises are underpinned by a commitment to developing the organisation in four key areas. The following Excellence Plans will drive this work forward through the lifetime of the strategic plan;

- Communications
- People
- IT and Digital
- Equality, Diversity and inclusion

Underpinning this planned work was a commitment to the following values:

- **Fun and Friendly** – Everyone is welcomed at the Guild and we will create a home away from home for all our members.
- **Ambitious** – Everything we provide is the high quality our members deserve
- **Innovative and Agile** – we will be responsive and open to new ideas.
- **Representative and Involving** – our members lead us and are involved in shaping their own experience at every level, we will amplify your voices
- **Professional and Responsible** – we are inclusive, informative, respectful, human and inspiring.
- **Sustainable** - We've been here for over 100 years. We'll be here for hundreds more by being ethically, environmentally and financially sustainable.

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6. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The charity trustees (who are also the directors of the Guild for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006. The trustees 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 are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trustees' statement of disclosure of information to the auditors

In so far as the trustees are aware at the date of approval of this report:

- there is no relevant audit information, of which the charitable company's auditor is unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Board of Trustees and signed on its behalf

Robert Woodcock
Chair of Trustees
2 December 2021



Robert Woodcock

LIVERPOOL GUILD OF STUDENTS

AUDITORS REPORT TO THE MEMBERS OF LIVERPOOL GUILD OF STUDENTS

For the year ended 31 July 2021

Opinion

We have audited the financial statements of Liverpool Guild of Students (the 'charitable company') for the year ended 31 July 2021 set out on pages 24 to 42. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 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 charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

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

Conclusions relating to going concern

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

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

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

LIVERPOOL GUILD OF STUDENTS

AUDITORS REPORT TO THE MEMBERS OF LIVERPOOL GUILD OF STUDENTS

For the year ended 31 July 2021

Other information

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

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

We have nothing to report in this regard.

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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

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

Responsibilities of trustees

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

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

For the year ended 31 July 2021

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.

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

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

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1(p) were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

**LIVERPOOL GUILD OF STUDENTS
AUDITORS REPORT TO THE MEMBERS OF LIVERPOOL GUILD OF STUDENTS**

For the year ended 31 July 2021

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

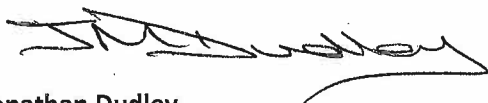
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charitable company's legal advisors.

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

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

Use of our report

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



Jonathan Dudley

(Senior statutory auditor)

for and on behalf of Dains LLP, Chartered Accountants, Statutory Auditor.

Suite 2 Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke on Trent
ST1 5RQ

2 December 2021

**LIVERPOOL GUILD OF STUDENTS
STATEMENT OF FINANCIAL ACTIVITIES**

For the year ended 31 July 2021

	Note	Unrestricted Funds			2021	2020
		General Funds	Designated Funds	Restricted Funds	Total	Total
		£	£	£	£	£
Income from:						
Donations and legacies	2	1,912,410	-	-	1,912,410	1,764,447
Charitable Activities	3	395,057	-	-	395,057	1,512,678
Other Trading Activities	4	74,898	-	-	74,898	315,615
Investments	5	8,392	-	-	8,392	11,562
Other Income	6	-	-	325,099	325,099	398,995
Pension Liability Gain	28	26,761	-	-	26,761	-
		2,417,518	-	325,099	2,742,616	4,003,297
Expenditure on:						
Raising Funds		239,681	5,613	-	245,295	347,752
Charitable Activities		2,267,774	113,900	2,001	2,383,675	3,376,504
Pension Deficit Costs	28	-	-	-	-	1,081,771
Total resources expended	7	2,507,455	119,513	2,001	2,628,970	4,806,027
Net Income/(expenditure)	8	(89,937)	(119,513)	323,097	113,647	(802,730)
Transfers between funds	22	254,924	70,175	(325,099)	-	-
Net Movement in Funds		164,986	(49,338)	(2,001)	113,647	(802,730)
Reconciliation of funds:						
Total funds brought forward	30	(1,958,646)	500,925	220,810	(1,236,911)	(434,181)
Total funds carried forward	22	(1,793,660)	451,587	218,809	(1,123,264)	(1,236,911)


All amounts relate to continuing operations. All gains and losses recognised in the year are included above.

The notes on pages 27 to 42 form part of the financial statements.

LIVERPOOL GUILD OF STUDENTS
BALANCE SHEET
As at 31 July 2021

	Note	£	As at 31-Jul-21 £	£	As at 31-Jul-20 £
FIXED ASSETS					
Tangible assets	13		346,849		396,187
CURRENT ASSETS					
Stock	14	66,281		78,131	
Debtors	15	101,176		239,779	
Investments	16	1,072,860		1,069,293	
Cash at bank and in hand		723,574		849,056	
		<u>1,963,892</u>		<u>2,236,259</u>	
CREDITORS					
Amounts falling due within one year	17	<u>(471,164)</u>		<u>(703,278)</u>	
NET CURRENT ASSETS			<u>1,492,727</u>		<u>1,532,981</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,839,576</u>		<u>1,929,168</u>
CREDITORS					
Amounts falling due after more than one year	18		<u>(2,962,840)</u>		<u>(3,166,079)</u>
NET LIABILITIES			<u>(1,123,264)</u>		<u>(1,236,911)</u>
FUNDS:					
Restricted Funds	22		218,809		220,810
General Fund	22	1,345,667		1,365,002	
Pension Deficit	22	<u>(3,139,327)</u>		<u>(3,323,648)</u>	
			<u>(1,793,660)</u>		<u>(1,958,646)</u>
Designated Funds	22		<u>451,587</u>		<u>500,925</u>
			<u>(1,123,264)</u>		<u>(1,236,911)</u>

The notes on pages 27 to 42 form part of the financial statements. Approved by the trustees of the Liverpool Guild of Students on 2 December 2021.


 Robert Woodcock, Trustee


 Andrew Lang, Trustee

LIVERPOOL GUILD OF STUDENTS
STATEMENT OF CASH FLOWS
For the year ended 31 July 2021

		2021	2020
		Total	Total
	Note	£	£
Net cash provided by/(used in) operating activities	24	(51,740)	392,461
Cash flows from investing activities:			
Proceeds on sale of fixed assets		-	-
Purchase of fixed assets		<u>(70,175)</u>	<u>(368,607)</u>
Net cash provided by (used in) investing activities		(70,175)	(368,607)
Change in cash and cash equivalents in the year		(121,915)	23,854
Cash and cash equivalents at the beginning of the year		1,918,349	1,894,495
Cash and cash equivalents at the end of the year	25	<u>1,796,434</u>	<u>1,918,349</u>

The notes on pages 27 to 42 form part of the financial statements.

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

1 Accounting Policies

The Liverpool Guild of Students, which is a charitable company limited by guarantee and limited to £1 per member has adopted the following accounting policies:

a) Basis of accounting

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and Generally Accepted Accounting Practice.

The Liverpool Guild of Students meets the definition of a public benefit charity under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

b) Incoming resources

Incoming resources are included in the Statement of Financial Activities (SoFA) when the charity has entitlement to the funds, any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with reasonable certainty. Income received to deliver services over a specific period covering more than one financial year is accounted for over the specific period; related expenditure is accounted for when incurred.

Investment income relates to interest earned through holding assets on deposit.

c) Donated services and facilities

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

Donated services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent benefit on the open market, a corresponding amount is recognised in the expenditure for the period.

d) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office & admin costs, facility costs and supporting marketing costs.

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

e) Governance costs allocation

Governance costs are those costs related to the governance of the entity, to allow it to operate, and to generate information for public accountability. Direct costs will include audit and accountancy, legal advice to trustees and costs of trustees meetings.

f) Funds

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the objects of the entity and which have not been designated for other purposes.

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

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

g) Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Assets are not capitalised below £500 cost per item/set.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value over the useful economic life of that asset as follows:

- i. Property Improvements: 5% straight line per annum
- ii. Office Equipment and Fixtures & Fittings: 10% - 33.3% straight line per annum
- iii. Specialist Equipment: 20% - 33.3% straight line per annum
- iv. IT equipment: 20% - 33.33% straight line per annum

h) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

i) Debtors

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

j) Current asset investments

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of up to 3 years.

k) Cash at bank and in hand

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

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

l) Creditors and provisions

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

m) Financial instruments

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

n) Pension costs

The Guild participates in the Students' Union Superannuation Scheme (SUSS) and the University of Liverpool Pension Fund (ULPF). Both schemes are defined benefit schemes which are externally funded and contracted out of the State Second Pension. The funds are valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The schemes operate as a pooled arrangement, with contributions paid at a centrally agreed rate.

With effect from 30 September 2011 the SUSS Scheme has been closed to future accrual. Since that date only deficit contributions have been paid to the Scheme. As explained in note 28 the accounts include the net present value of the funding deficit as required by the Charities SORP (FRS 102).

As a consequence of the SUSS scheme closing to future accrual the Guild has set up a group personal pension scheme with Scottish Equitable PLC called the National Union of Students Pension Scheme (NUSPS) which is a money purchase scheme contracted into the State Second Pension. Since the Liverpool Guild of Students' staging date of 1st April 2014, all permanent members of staff who are eligible jobholders are automatically enrolled into the scheme after a postponement period of 3 months.

A National Employment Savings Trust (NEST) has been set up in order to auto enrol any casual members of staff who become eligible jobholders.

o) Going Concern

The Union has net liabilities of £1,123,264, due to the recognition under Charities SORP (FRS 102) of the net present value of the funding deficit on the SUSS pension recovery plan. Further information is detailed in note 28 to the accounts. This is a long-term commitment which ends in 2035 and the trustees are confident that annual payments towards this plan will be met out of income for each year.

After making appropriate enquiries, the trustees have a reasonable expectation that the Union has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

p) Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include assumptions around the financial assets and liabilities of pension scheme commitments, and the discount rate applied thereto, and the valuation of stock.

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

	General Funds	Designated Funds	Restricted Funds	2021	2020
	£	£	£	£	£
2 Donations					
University Block Grant	1,716,386	-	-	1,716,386	1,681,947
Arts Council Funding – Culture Recovery Fund	113,524	-	-	113,524	-
Other Voluntary Income	82,500	-	-	82,500	82,500
	1,912,410	-	-	1,912,410	1,764,447
3 Income from charitable activities					
Bar	117,478	-	-	117,478	684,605
Coffee Shop	207,045	-	-	207,045	394,374
Student Shops	31,457	-	-	31,457	286,835
Entertainments	-	-	-	-	13,368
Catering Facility Fee	30,000	-	-	30,000	30,000
NUS Extra, Bus Pass & Graduate	6,541	-	-	6,541	66,505
Portrait Commissions	2,536	-	-	2,536	5,828
Student Services e.g. Give it a Go	-	-	-	-	31,163
Net Clubs & Societies Income	-	-	-	-	-
	395,057	-	-	395,057	1,512,678
4 Income from other trading activities					
Venue Hire and Staff Recharges	41,408	-	-	41,408	189,060
Media Sales	33,490	-	-	33,498	126,556
	74,898	-	-	74,898	315,615
5 Investments					
Interest received from Bank & Building Society Accounts	8,392	-	-	8,392	11,562
	8,392	-	-	8,392	11,562
6 Other income					
Coronavirus Job Retention Scheme	-	-	325,099	325,099	311,709
Insurance Proceeds	-	-	-	-	87,286
	-	-	325,099	325,099	398,995

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

7 Analysis of Expenditure

2021	Cost of Sales	Staff Costs	Other Costs	Governance Costs	Support Costs	2021 Total Cost	2020 Total Cost
	£	£	£	£	£	£	£
Raising Funds	-	123,905	27,797	2,152	91,441	245,295	347,752
Charitable Activities:							
Bars	42,248	154,107	75,540	3,858	163,889	439,641	922,585
Coffee Shop	71,400	163,055	64,044	4,235	179,924	482,657	636,332
Student Shops	27,590	74,569	13,519	1,641	69,727	187,047	486,241
Entertainments	-	26,580	23,697	713	30,305	81,295	131,755
Student Services E.g. Give it a Go	-	661,275	75,316	10,451	443,992	1,191,034	1,199,591
Student Societies Net Expenditure	-	-	2,001	-	-	2,001	-
	141,238	1,079,585	254,117	20,898	887,836	2,383,675	3,376,504
Other: Pension deficit costs	-	-	-	-	-	-	1,081,771
	141,238	1,203,490	281,914	23,051	979,277	2,628,970	4,806,027
2020	Cost of Sales	Staff Costs	Other Costs	Governance Costs	Support Costs	2020 Total Cost	2019 Total Cost
	£	£	£	£	£	£	£
Raising Funds	-	141,792	95,247	2,360	108,353	347,752	320,127
Charitable Activities:							
Bars	210,567	293,289	125,007	6,260	287,462	922,585	1,038,141
Coffee Shop	129,407	233,315	71,022	4,318	198,270	636,332	723,252
Student Shops	188,876	111,207	31,354	3,299	151,505	486,241	537,520
Entertainments	-	34,308	55,500	894	41,053	131,755	160,762
Student Services E.g. Give it a Go	-	669,543	148,400	8,134	373,514	1,199,591	1,045,360
	528,850	1,341,662	431,283	22,905	1,051,804	3,376,504	3,505,035
Other: Pension deficit costs	-	-	1,081,771	-	-	1,081,771	62,952
	528,850	1,483,454	1,608,301	25,265	1,160,157	4,806,027	3,888,114

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

7 Analysis of Expenditure (cont.)

Of the total expenditure £2,626,969 was unrestricted (2020: £4,805,199) and £2,001 was restricted (2020: £828).

The support costs and governance costs are allocated to activity based on the proportion of that activity's direct costs to total costs.

In addition to the staff costs above, there are a further £819,294 (2020: £900,990) which are included in governance costs and support costs.

Governance and support costs can be analysed as follows:

	2021	2020
	£	£
Staff costs	819,294	900,990
Staff Recruitment, training & social costs	7,463	19,816
Facility Costs	31,192	30,127
Office & finance costs	32,205	44,219
Travel, subsistence & conference costs	308	2,178
Legal, professional & consultancy	28,880	46,263
Marketing/Website costs	11,889	28,081
Equipment purchase, hire & maintenance	10,435	27,606
Irrecoverable VAT	17,650	27,809
Depreciation	20,913	19,984
Sundry costs	22,097	38,349
	<u>1,002,328</u>	<u>1,185,422</u>

8 Net income/(expenditure) for the year

This is stated after charging:	2021	2020
	£	£
Depreciation	119,513	116,727
Insurance proceeds	-	(87,286)
Coronavirus Job Retention Scheme receipts	(325,099)	(311,709)
Bad Debts incurred/(recovered)	(3,909)	3,945
Auditors remuneration:		
Audit	6,000	6,000
	<u>6,000</u>	<u>6,000</u>

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

9 Analysis of staff costs and the cost of key management personnel

	2021	2020
	£	£
Staff costs were as follows:		
Salaries and wages	1,819,175	2,177,860
Social Security costs	136,278	147,229
Employer's contribution to a defined contribution pension	55,460	47,022
Other employee benefits	11,871	12,333
	<u>2,022,784</u>	<u>2,384,444</u>

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2021	2020
	No	No
£70,000 - £79,999	-	-
£80,000 - £89,999	1	1
	<u>1</u>	<u>1</u>

The total employee benefits including pension contributions of the key management personnel were £347,905 (2020: £346,731).

10 Trustees' remuneration and expenses

	2021	2020
	£	£
Trustees' remuneration and employer's NI costs	88,044	87,241
Trustees' expenses	25	4,140
	<u>88,069</u>	<u>91,381</u>

Each of the sabbatical officers received a salary of £20,045 per annum (2020: £20,045) as authorized in the Articles of Association of the Liverpool Guild of Students for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities. The work includes voicing student opinion with the University and local community, defending and extending the rights of students through petitions, and discussions with local MP's.

The trustees' expenses were incurred by 4 (2020: 8) trustees in respect of travel and subsistence costs in the course of their duties.

No Trustee received remuneration for work undertaken in the delivery of commercial services unrelated to their role as Trustee (2020: nil).

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

11 Staff Numbers

The average number of employees (head count based on number of staff employed) during the year was made up as follows:

	2021 No	2020 No
Raising Funds	5.5	10.5
Bars	58.5	93.5
Coffee Shop	28.7	35.7
Entertainments	1.0	4.0
Student Shops	23.5	25.5
Student Services	23.9	40.9
Governance	0.5	0.5
Support Services	37.8	32.9
	179.4	243.4

Of the above staff numbers, 106 (2020: 173) are staff employed under a zero hours contract.

12 Taxation

The charity is exempt from corporation tax as all of its income is charitable and is applied for charitable purposes.

13 Tangible Fixed Assets

	Office Equipment and Fixtures & Fittings £	Specialist Equipment £	Computer Equipment £	Total £
Cost				
At 1 August 2020	924,372	66,595	78,581	1,069,548
Additions	54,459	8,869	6,847	70,175
Disposals	-	-	-	-
At 31 July 2021	978,831	75,464	85,428	1,139,723
Depreciation				
At 1 August 2020	563,550	44,768	65,043	673,361
Charge for the year	104,046	7,287	8,180	119,513
Disposals	-	-	-	-
At 31 July 2021	667,596	52,055	73,223	792,874
Net Book Value				
At 31 July 2021	311,235	23,409	12,205	346,849
At 31 July 2020	360,822	21,827	13,538	396,187

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

14 Stock

	2021	2020
	£	£
Bars	13,460	19,089
Coffee Shop	4,130	5,324
Shops	48,691	53,718
	66,281	78,131

15 Debtors

	2021	2020
	£	£
Trade debtors	30,737	49,538
Other debtors	8,659	113,073
Prepayments & accrued income	61,780	77,168
	101,176	239,779

16 Current Investments

	2021	2020
	£	£
Carrying value and market value at beginning of year	1,069,293	1,172,366
Additions to investments at cost	3,567	4,553
Disposals at carrying value	-	(107,626)
	1,072,860	1,069,293

17 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	40,361	45,421
Social Security and other taxes	8,068	92
University creditor	24,166	269,199
Other creditors	158,409	170,179
Pension liability	176,487	157,569
Accruals & deferred income	63,673	60,818
	471,164	703,278

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

18 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Pension Liability	2,962,840	3,166,079
	<u>2,962,840</u>	<u>3,166,079</u>

19 Deferred Income

Deferred income comprises of venue hire sales invoiced in advance, event tickets sold in advance and the discount relating to future periods from pension deficit contributions paid in advance.

	2021 £	2020 £
Balance brought forward	8,450	11,487
Amounts released from previous year	(5,850)	(11,487)
Amounts deferred during the year	-	8,450
Balance carried forward	<u>2,600</u>	<u>8,450</u>

20 Financial Instruments

	2021 £	2020 £
Financial assets measured at amortised cost	47,820	182,715
Financial assets measured at fair value	1,796,434	1,918,349
Financial liabilities measured at amortised cost	(291,391)	(537,260)
Financial liabilities measured at fair value through the Statement of Financial Activities	(3,139,327)	(3,323,648)

Financial assets held at amortised cost comprise trade debtors and other debtors excluding prepaid costs. Financial assets measured at fair value comprise short term investments and cash at bank and in hand. Financial liabilities held at amortised cost comprise trade creditors, other creditors and accruals. Financial liabilities measured at fair value through the Statement of Financial Activities comprise the pension deficit contribution liability.

The charity's income, expense, gains and losses in respect of financial instruments are:

	2021 £	2020 £
Total interest income for financial assets held at amortised cost	8,392	11,562
Total interest expense for financial liabilities held at amortised cost	1,083	3,732

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

21 Capital Commitments

At 31 July 2021 there were no capital expenditure commitments.

22 Statement of funds movement

	01-Aug 2020 £	Movement in Funds		Transfer Between Funds £	Balance 31-Jul 2021 £
		Income £	Expenditure £		
Unrestricted funds:					
General Fund	1,365,002	2,390,757	(2,507,455)	97,364	1,345,667
Pension Deficit	(3,323,648)	26,761	-	157,560	(3,139,327)
	(1,958,646)	2,417,518	(2,507,455)	254,924	(1,793,660)
Designated funds:					
Fixed Asset Fund	396,187	-	(119,513)	70,175	346,849
Guild Strategic Development Fund	50,000	-	-	-	50,000
Elizabeth Gidney Fund	54,738	-	-	-	54,738
	500,295	-	(119,513)	70,175	451,587
Restricted Funds:					
Societies own income	216,619	-	(2,001)	-	214,618
CJRS Funds	-	325,099	-	(325,099)	-
NUS General Election Fund	4,191	-	-	-	4,191
	220,810	325,099	(2,001)	(325,099)	218,809
TOTAL FUNDS	(1,236,911)	2,742,616	(2,628,970)	-	(1,123,264)

	01-Aug 2019 £	Movement in Funds		Transfer Between Funds £	Balance 31-Jul 2020 £
		Income £	Expenditure £		
Unrestricted funds:					
General Fund	1,518,239	3,660,425	(3,606,701)	(206,961)	1,365,002
Pension Deficit	(2,391,940)	-	(1,081,771)	150,063	(3,323,648)
	(873,701)	3,660,425	(4,688,472)	(56,898)	(1,958,646)
Designated funds:					
Fixed Asset Fund	144,307	-	(116,727)	368,607	396,187
Guild Strategic Development Fund	50,000	-	-	-	50,000
Elizabeth Gidney Fund	54,738	-	-	-	54,738
	249,045	-	(116,727)	368,607	500,925
Restricted Funds:					
Societies own income	185,456	31,163	-	-	216,619
CJRS Funds	-	311,709	-	(311,709)	-
NUS General Election Fund	5,019	-	(828)	-	4,191
	190,475	342,872	(828)	(311,709)	220,810
TOTAL FUNDS	(434,181)	4,003,297	(4,806,027)	-	(1,236,911)

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

22 Statement of funds movement (cont.)

Unrestricted funds

- i. The pension deficit has been disclosed as a separate unrestricted negative fund to represent the net present value of the future contributions required over 15 years to clear the pension fund deficit

Designated funds

The designated funds are unrestricted funds that are created by the trustees for specific purposes.

- The fixed asset fund is the net book value of assets purchased with unrestricted funds.
- The Guild Strategic Development Fund is a fund set up for the support of trustee-led development projects to engage with the Guild's membership.
- The Elizabeth Gidney Fund relates to a legacy received during 2012/13 which is to be allocated to projects that are appropriate to the memory of the bequeathed.

Restricted funds

The restricted funds comprise:

- The Societies' own income balance represents the accumulated funds raised by individual societies.
- The NUS General Election Fund represents funds received to be expended on general election campaigns.
- The CJRS Funds represent government funds received for furloughed staff during the Coronavirus pandemic

Reserve transfers

Transfers are made from general reserves to other reserves in order to ensure that adequate funds are available in order to fulfil the purpose of each fund.

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

23 Analysis of net Assets between funds – current year

	General Funds £	Designated Funds £	Restricted Funds £	Total £
Tangible Fixed Assets	-	346,849	-	346,849
Cash & short term investments	1,522,877	54,738	218,809	1,796,434
Other net current assets/(liabilities)	(177,220)	50,000	-	(127,220)
Defined benefit pension liability	(3,139,327)	-	-	(3,139,327)
	<u>(1,793,660)</u>	<u>451,587</u>	<u>218,809</u>	<u>(1,123,264)</u>

Analysis of net Assets between funds – prior year

	General Funds £	Designated Funds £	Restricted Funds £	Total £
Tangible Fixed Assets	-	396,187	-	396,187
Cash & short term investments	1,642,801	54,738	220,810	1,918,349
Other net current assets/(liabilities)	(277,799)	50,000	-	(227,799)
Defined benefit pension liability	(3,323,648)	-	-	(3,323,648)
	<u>(1,958,646)</u>	<u>500,925</u>	<u>220,810</u>	<u>(1,236,911)</u>

24 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds	113,647	(802,730)
Add back depreciation charge	119,513	116,727
(Increase)/decrease in stocks	11,850	1,689
(Increase)/decrease in debtors	138,603	(7,412)
Increase/(decrease) in creditors	(251,032)	152,478
Increase/(decrease) in deferred benefit pension liability	(184,321)	931,708
	<u>(51,740)</u>	<u>392,461</u>

25 Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	1,194	17,894
Current accounts	722,380	831,162
Deposit accounts	1,072,860	1,069,293
	<u>1,796,434</u>	<u>1,918,349</u>

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

26 Operating Lease Commitments

	2021	2020
	£	£
Within one year	1,220	1,046
Within two to five years	359	861
After more than five years	-	-
	1,580	1,907

27 Related Party Transactions

The following have been identified as related party transactions per the requirements of FRS 102.

- The University of Liverpool: In the year the Liverpool Guild of Students received total grants of £1,756k (2020: £1,722k) from the University of Liverpool, there was £2,013k (2020: £2,392k) of purchase recharges (including payroll and building repairs) and £76k (2020: £125k) of sales recharges (including room hires and staff recharges). The Liverpool Guild of Students' net year end creditor with the University of Liverpool was £26k as at 31 July 2021 (2020: £264k).
- Trustees of the Liverpool Guild of Students: see note 10 – Trustees remuneration and expenses.
- National Union of Students Services Ltd (NUSSL): Liverpool Guild of Students is an affiliated member of NUSSL who operate a purchasing consortium within the student union movement.

28 Pensions

The Guild participates in four pension schemes: the Students' Union Superannuation Scheme (SUSS), the National Union of Students Pension Scheme (NUSPS), National Employment Savings Trust NEST and the University of Liverpool Pension Fund (ULPF).

SUSS

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

The most recent valuation of the scheme was carried out as at 30 June 2019 and showed that the market value of the scheme's assets was £119.1m with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £140.9m.

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

The following assumptions applied at 30 June 2019:-

- The investment return would be 4.0% per annum before retirements and 2.0% per annum after retirement
- Pensions accruing on post 1997 basis would revalue at 3.7% per annum and 3.4% per annum on the post 2000 basis
- Present and future pensions would increase at rates specified by Scheme rules with appropriate assumptions where these are dependent on inflation.

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

The 2019 valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 15 years and increased by 5% in October 2020, 14.2% from October 2021 and at least 5% each year thereafter. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme. These rates will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2022. Surpluses or deficits which arise at future valuations will also impact on the Guild's future contribution commitment. In addition to the above contributions, the Guild also pays its share of the scheme's levy to the Pension Protection Fund.

In accordance with FRS 102, the net present value of the future contributions required over 15 years to clear the funding deficit is £3,139,327 (2020 - £3,323,648). In calculating this net present value, annual increases of 14.2% in November 2021 and annual increases of 5% thereafter have been made and a discount rate of 1.75% representing the typical yield of high quality corporate bonds has then been applied.

NUSPS

As a consequence of the SUSS scheme closing to future accrual on the 30 September 2011 the Guild has made available to permanent staff the National Union of Students Pension Scheme (NUSPS) with Scottish Equitable PLC which is a money purchase scheme. Eligible jobholders are automatically enrolled into the scheme after a postponement period of 3 months and can choose their level of contributions between 4% and 6%. The employer contribution was 3% and 6% for former members of the SUSS scheme to March 2019 and 4% and 6% thereafter. The total contributions paid into the scheme by the Guild for the year to 31 July 2021 amounted to £104,078 (2020 - £91,920).

NEST

As a consequence of auto-enrolment, a National Employment Savings Trust has been set up in order to auto enrol any applicable Casual staff.

To date no payments have been made to the scheme.

29 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of winding up the liability of each member is limited to £1.

**LIVERPOOL GUILD OF STUDENTS
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 July 2021

30 Comparative statement of financial activity

	Note	Unrestricted Funds			2020
		General Funds	Designated Funds	Restricted Funds	Total
		£	£	£	£
Income from:					
Donations and legacies	2	1,764,447	-	-	1,764,447
Charitable Activities	3	1,481,515	-	31,163	1,512,678
Other Trading Activities	4	315,615	-	-	315,615
Investments	5	11,562	-	-	11,562
Other Income	6	87,286	-	311,709	398,995
		<u>3,660,425</u>	<u>-</u>	<u>342,872</u>	<u>4,003,297</u>
Expenditure on:					
Raising Funds		340,968	6,784	-	347,752
Charitable Activities		3,265,733	109,943	828	3,376,504
Pension deficit costs	28	1,081,771			1,081,771
Total resources expended	7	<u>4,688,472</u>	<u>116,727</u>	<u>828</u>	<u>4,806,027</u>
Net Income/(expenditure)	8	(1,028,047)	(116,727)	342,044	(802,730)
Transfers between funds	22	(56,898)	368,607	(311,709)	-
Net Movement in Funds		<u>(1,084,945)</u>	<u>251,880</u>	<u>30,335</u>	<u>(802,730)</u>
Reconciliation of funds:					
Total funds brought forward	30	(873,701)	249,045	190,475	(434,181)
Total funds carried forward	22	<u>(1,958,646)</u>	<u>500,925</u>	<u>220,810</u>	<u>(1,236,911)</u>