



Robert Gordon University Student Association

**Financial Statements for the Year Ended
31 July 2024**

Scottish Charity Number SC016639

DRAFT

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Legal and Administrative Information for the Year Ended 31 July 2024

Charity Name: Robert Gordon University Student Association

Charity Registration Number: SC016639

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

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

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

Bankers: Virgin Money
62 Union Street
Aberdeen
AB10 1WD

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

Members of the Student Association Trustee Board

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

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

	Name	Date of appointment	Date of resignation
Sabbatical Trustees	Phoebe Moncur (Vice Chair)	18 July 2023 (Elected Vice-Chair 18 July 2023)	5 July 2024
	Oluwatoyin Bolajoko	18 July 2023	5 July 2024
	Patricia Innocent	18 July 2023	5 July 2024
	Abhishek Kumar (Vice Chair)	8 July 2024 (Elected Vice-Chair 10 July 2024)	Still in post
	Bryan Uyiosi Igbini	8 July 2024	Still in post
	Seth Odei Asare	8 July 2024	Still in post
External Trustees	Ian Campbell (Chair, From 13 July 2023)	17 August 2020	Still in post
	Jo Hall	8 February 2021	Still in post
University Trustee	Jo Royle	1 July 2019	Still in post
Chief Executive Officer	Gregor Mailer	1 August 2020	Still in post

Legal and Administrative Information (continued) for the Year Ended 31 July 2024

Members of the Student Association Trustee Board Finance Sub-Committee

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

	Name	Date of appointment	Date of resignation
Sabbatical Trustees	Abhishek Kumar	8 July 2024	Still in post
	Bryan Uyiosi Igbinigie	8 July 2024	Still in post
	Seth Odei Asare	8 July 2024	Still in post
	Phoebe Moncur	10 July 2023	5 July 2024
	Patricia Innocent	10 July 2023	5 July 2024
	Oluwatoyin Bolajoko	10 July 2023	5 July 2024
University Trustee	Jo Royle	1 July 2019	Still in post
External Trustee	Ian Campbell	17 August 2020	Still in post
Chief Executive Officer	Gregor Mailer	1 August 2020	Still in post

Legal and Administrative Information (continued) for the Year Ended 31 July 2024

Members of the Student Association Executive Committee

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

Name	Position	Date of appointment	Date of resignation
Patricia Innocent	President (Communication & Democracy) (Executive Committee Chair)	10 July 2023	5 July 2024
Bryan Uyiosa Igbinigie	President (Communication & Democracy) (Executive Committee Chair)	8 July 2024	Still in post
Phoebe Moncur	President (Sport & Physical Activity)	10 July 2023	5 July 2024
Abhishek Kumar	President (Sport & Physical Activity)	8 July 2024	Still in post
Oluwatoyin Bolajoko	President (Education & Welfare)	10 July 2023	5 July 2024
Seth Odei Asare	President (Education & Welfare)	8 July 2024	Still in post
Johnson Oshodi	Vice-President (Education)	1 August 2023	31 July 2024
Rahul Krishnan RB	Vice-President (International)	1 August 2023	31 July 2024
Kingsley Ozor	Vice-President (International)	1 August 2024	Still in post
Ainsley Li	Vice-President (Societies)	1 August 2023	31 July 2024
Oluwanifemi Afolayan	Vice-President (Societies)	1 August 2024	Still in post
Jill Adam	Vice-President (Sport)	1 August 2023	31 July 2024
Warren McMurray	Vice-President (Sport)	1 August 2024	Still in post
Queen Ukawkwe	Vice-President (Community)	1 August 2023	31 July 2024
Mitchel Okosa	Vice-President (Community)	1 August 2024	Still in post
Milicent Akwuewanbhor	Vice-President (Welfare)	1 August 2023	31 December 2023
Agnes Yeboah Kwabua	Vice-President (Welfare)	1 August 2024	Still in post

Report of the Student Association Trustee Board for the Year Ended 31 July 2024

The Board of Trustees presents its report and audited financial statements for the year ended 31 July 2024. This report is prepared in accordance with the accounting policies set out in note 1 to the financial statements. They also comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing the financial statements in accordance with FRS102 applicable in the UK and Republic of Ireland.

Structure, Governance and Management

Legal Status

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

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

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

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

Induction and Training of Trustee Board and Executive Committee Members

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

Organisational Structure

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

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

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

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

Report of the Student Association Trustee Board (continued) for the Year Ended 31 July 2024

Structure, Governance and Management (continued)

Organisational Structure (continued)

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

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

Key management personnel

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

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

Risk Management

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

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

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

Related party transactions

The Association is financially and materially supported by Robert Gordon University receiving unrestricted income of £528k (2023 - £531k) and accommodation from which the Association operates.

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

Objectives and Activities

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

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

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

Report of the Student Association Trustee Board (continued) for the Year Ended 31 July 2024

Objectives and Activities (continued)

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

Achievements and performance

The 2023/24 academic session saw the Students' Union continue the development and enhancement of a number of core projects, services, and events while also reacting to ongoing issues to introduce new student support initiatives.

Much of the Union's work is led by three priority areas: activities, voice and welfare, with each guiding the service that is offered to the charity's student membership.

Student Activities

Freshers Week 2023 delivered around 80 events and activities throughout the week, arranged by the Students' Union, University departments, external event promoters, student-led societies, sports clubs and student groups/networks, and hosted on campus, online, and at a number of partner venues throughout the city centre. The Union's late night partnership expanded, on this occasion working with TGC Leisure and their associated venues including AURA Nightclub, Club Tropicana, AB10, and Three Mad Hatters. This provided students with increased choice regarding their late-night Freshers Week offering, enhancing the diversity of the Union's events line-up in the process. Following on the successful introduction of a joint social activity hosted with the team from Aberdeen University Students' Union in 2022, this continued for 2023 as both institutions aim to welcome new cohorts of international students to Scotland, and to Aberdeen. The surprise hit of Freshers Week, a Pizza & Paint event delivered in partnership with Domino's Pizza, attracted around 100 attendees and has since been rolled out to become a regular monthly social activity hosted within the Union and regularly generating attendances of 50-80 students.

The Union's annual Freshers Fayre, recognised as the flagship event of each Freshers Week, was again held across the University campus, with around 120 exhibitors including student societies, clubs, groups and networks; commercial partners; national brands; local businesses; charities; and community groups based in RGU SPORT, the Riverside Building, the Students' Union, and externally on campus. Around 3000 students visited the event throughout the day, representing a 20% increase in footfall year on year.

The Union supports and funds around 40 student-led societies, 30 sports clubs, plus a range of student groups and networks each focused on a key area of student life. Total membership for 2023/24 across all student-led activity groups reached over 2700 students, with approximately 1600 registered with societies, groups and networks, and just over 1100 involved with a sports club. A number of new societies were introduced, including Tourism, Hospitality & Events (THE) Society, Pakistan Society, K-Pop Society, Engineering Society, and Ghanaian Society. New sports clubs in development include Parkour and Table Tennis.

Following the relocation of the student-led Go Green group's second-hand shop to a temporary area within the Union in 2022/23, a permanent location was secured on level 4 of the Union space, which provides an enclosed and secure space in which to operate, alongside a small meeting and workshop space for Go Green's activities. Go Green's BikePad project continues to operate from a base at Woolmanhill Student Accommodation, with weekly bike maintenance workshops operating alongside an affordable student bike rental scheme. With support from the Transport team within the University's Estates & Property Services, funding was secured to enable the purchase of a number of new bikes to support the project.

Report of the Student Association Trustee Board (continued) for the Year Ended 31 July 2024

Achievements and performance (continued)

Student Welfare

The Union's Student Advice Service provides hybrid support to students through the delivery of advisory meetings on campus and online via Microsoft Teams. While most meetings are booked in advance, a drop-in service also operates at defined points throughout the week. During the 2023/24 academic session over 350 students utilised the service, which is delivered by the Union's full-time Advice & Representation Co-ordinator and supported by the Student President (Education & Welfare). Some cases may close following a single meeting however it is common for many, depending on their complexity, to require two, three, or more meetings with a member of the Union team, therefore it is estimated that approximately 600 student advice meetings took place during the 2023/24 session, covering issues such as academic misconduct, appeals, extensions/deferral, and signposting to support services offered by the University's Student Life Department.

Following the successful introduction of a number of projects to support students amid the cost of living crisis during the 2022/23 academic session, efforts were made to expand or enhance these further in 2023/24 due to increasing demand. The Breakfast Club, hosted in the Union and delivered in partnership with the University Executive and campus catering contractor, Aramark, provides a free weekly breakfast service open to all staff and students. Launched in November 2022, the service has delivered over 6000 free breakfasts across Tuesday mornings. Following feedback from students, and with further support from Aramark, the Union launched a weekly Supper Club, serving a free hot meal to students every Thursday evening, often with a social activity such as quiz or performance included. Throughout semester two 650 free meals were served. Additionally, following news of the closure of a local food bank service at Inchgarth Community Centre, the Union explored the possibility of bringing a similar service in-house, and with the support of Cfine and donations provided by staff and students at fixed points across the campus, an Emergency Food Parcel service was launched. This service aims to support students who are hit the hardest financially, and provides a weekly food parcel distributed on Monday afternoons. To date over 2 tonnes of food and clothing donations have been received through the campus-based fixed donations points, and distributed between Aberdeen Cyrenians, Inchgarth Community Centre, Go Green's Kaim Shop and now the Union's own Emergency Food Parcel Project.

Student Voice

The student voice drives all Union projects and initiatives, and 2023/24 saw continued growth and success with two of the charity's set piece democratic activities.

The Union's annual Student Elections took place in March, with a record breaking 34 students submitting nominations to become an elected Student President or Vice President. Following on from the successful return of on campus polling booths during the March 2022 Student Elections, this setup returned for 2023 and a total of 1713 students turned out to cast votes for their preferred candidates, ranking this election marginally outside the Union's top five for voter turnout.

At the charity's Annual General Meeting, held in February within the Union in the Riverside Building, members were updated on core Union activities and achievements, while also debating and voting to pass a series of motions submitted by students to improve their Union and University experience. These included ensuring the Union delivers all core forums and democratic meetings in a hybrid manner; representing student parents at a local and national level; introducing a programme to ensure financial issues are not a barrier to student engagement with sports clubs and societies; working with the University to provide greater visibility for financial support services; and working with the University to provide flexibility for international student fee payment structures. The AGM was again delivered in a hybrid manner, with students attending in person and also online via Microsoft Teams.

Report of the Student Association Trustee Board (continued) for the Year Ended 31 July 2024

Financial review

The total income generated by the Union for the year was £793k (2023 - £814k) which includes £528k of a grant from the University (2023 - £531k).

Income generation decreased following a £2k drop in the university grant donation, fundraising went down with smaller than hoped for trade sales from the online shop, whilst other trading activities, namely the union balls improved on last year.

Closer inspection saw fundraising fall by £24k. This mainly identified the rowing activity receiving nothing from the lottery fund as opposed to £10k during 22/23. Additionally, the new online shop and print-on-demand merchandise procedure launched during 2022, only generated £12k thus comparing less than favourably with an income of £16k in the previous year. Pop-up shops at the Graduation campaign in December did not perform as hoped due to venue-related issues, and performance/promotion of new customised school and course ranges have been limited due to the University wide academic restructure.

Other trading activities fared slightly better with a £5k uplift on the previous 12 months. Included here the Student Achievement and Graduation Ball tickets continue to experience better than expected results with both events returning a small surplus overall. Sports memberships almost mirrored exactly the same result as last year, although Club fundraising dropped significantly, yet as usual the annual Blues Ball sold out immediately.

The Scottish Funding Council, in recognition of the challenges contributed a grant of £18k during 20/21 and this is expected to continue to be utilised in the following academic year for wellbeing and welfare projects. The Board, Union and management will continue to look for additional sources of revenue to support the objectives of the Association.

The total expenditure of £781k rose £15k from 22/23 (£766k).

The main cost increase within charitable activities refers to salaries, namely the recruitment of 2 previously unfulfilled full time union staff roles, coupled with maintaining the annual real living wage rises as an accredited employer. The most conspicuous savings were made on mobiles, training and premises. Sports Expenditure during the year was similar to last year in totality, with facility hire growth being offset by lower than expected travel costs.

Other expenditure differentials from previous year on cost of raising funds include Events, Student Groups and the Student Voice. Freshers costs reducing from £18k to close to meeting the budgetary expectation of £9k, Student Achievements Awards costs were slightly overbudget due to venue hire and associated banqueting and the developmental costs of Societies were within £6k of budget of anticipated Student Group expenditure for the year. Total Student Voice costs recorded were £16k against a budget of £18k, the majority of the savings here being on Campaigning and Representatives, with a small overage due to the higher number of candidates applying during the elections.

The net surplus of £12k will be integrated into the existing available funds to create more projects for student welfare.

Continuing the adoption of accounting legislation (FRS 102) the Union is required to project the pension deficit and account for it on the balance sheet as a long-term liability. Nevertheless, the overall governance and aim of the Trustees is to uphold and sustain the smooth flow of the operation and to create more favourable projects for the University's students. Note 10 demonstrates our continued payments to SUSS under this scheme. The current deficit will be evaluated again when the next actuarial valuation takes place on 30 June 2025. The recovery plan is anticipated to end in May 2037.

Report of the Student Association Trustee Board (continued) for the Year Ended 31 July 2024

Reserves policy

The reserves at the year end are in deficit by £374k (2023 - £385k). This is after the inclusion of the pension liability of £605k (2023 - £637k). Were this excluded, the reserves would be £231k (2023 - £251k).

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

The reserves at the year end are in excess of this because the Union has been in a position to accumulate substantial reserves, in recent years. The rationale behind this has been the ability to source external income, predominantly from partnerships with local businesses. We must recognise though that this was unbudgeted income, and hence not sustainable, particularly as we have witnessed fluctuations in the local economy. It is therefore imperative that spending and investment decision making processes are informed and vigilant, with particular regard to ongoing pension commitments. The pension deficit is expected to cost the Association approximately £50k pa (increasing annually by 5% thereafter) and this cost is currently being met out of unrestricted funds.

Future Plans & Developments

Looking ahead, the Union will continue in its efforts to develop services under its three priority areas: activities, voice, and welfare. Additionally, the charity will focus attention on three major projects: revenue and fundraising development to reduce reliance on the block grant received by the University; a democratic review to ensure all elected Student President and Vice President roles are relevant and fit for purpose alongside the Union's student forum and representative structures; and a review and refresh of the Union's brand and visual identities. It is anticipated that recommendations from the democratic review will be presented to members for approval at the AGM 2025, with a rollout of a new visual identity scheduled for Summer 2025, ahead of the 2025/26 academic session

Provision of information to auditor

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

Independent Auditor

The auditor, Hall Morrice, is appointed by the Board of Trustees of Robert Gordon University Student Association until after the year ending 31 July 2024.

By order of the Board of Trustees on

Ian Campbell
Chair

Abhishek Kumar
Vice Chair

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting statements have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed and rules, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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

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

Opinion

We have audited the financial statements of Robert Gordon University Student Association (the 'charity') for the year ended 31 July 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis of opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

- Ensured that the engagement team had the appropriate competence, capabilities and skills to identify or recognise non-compliance with laws and regulations;
- Identified the laws and regulations applicable to the entity through discussions with directors and management and through our own knowledge of the sector;
- Focused on the specific laws and regulations we consider may have a direct effect on the financial statements, including FRS 102, the Charities SORP, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charity Accounts (Scotland) Regulations 2006 (as amended) and tax compliance regulations;
- Focused on the specific laws and regulations we consider may have an indirect effect on the financial statements that are central to the entity's ability to trade including those relating to Health and Safety regulations, Employment regulations and GDPR.
- Reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with applicable laws and regulations;

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

- Made enquiries of management and inspected correspondence with the charity's regulator OSCR and legal correspondence;
- Reviewed minutes of meetings of those charged with governance; and
- Ensured the engagement team remained alert to instances of non-compliance throughout the audit.

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

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

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

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

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

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

Use of our report

This report is made solely to the trustees, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body for our audit work, for this report, or for the opinions we have formed.

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

**Statement of Financial Activities
for the Year Ended 31 July 2024**

	Note	2024 Unrestricted Funds	2024 Designated Funds	2024 Total Funds	2023 Unrestricted Funds	2023 Designated Funds	2023 Total Funds
		£	£	£	£	£	£
Income from:							
Donations and legacies	2	528,000	-	528,000	530,500	-	530,500
Income from fundraising activities	2	14,732	-	14,732	38,131	-	38,131
Other trading activities	2	249,942	-	249,942	244,930	-	244,930
Total	2	792,674	-	792,674	813,561	-	813,561
Expenditure on:							
Charitable activities	3	(703,362)	(5,706)	(709,068)	(670,096)	(3,496)	(673,592)
Raising funds	3	(72,075)	-	(72,075)	(92,452)	-	(92,452)
Total	3	(775,437)	(5,706)	(781,143)	(762,548)	(3,496)	(766,044)
Net income/(expenditure) before transfers		17,237	(5,706)	11,531	(51,013)	(3,496)	47,517
Transfers		-	-	-	-	-	-
Net movement in funds		17,237	(5,706)	11,531	51,013	(3,469)	47,517
Reconciliation of funds:							
Total (deficit)/surplus brought forward	9	(400,710)	15,252	(385,458)	(451,723)	18,748	(432,975)
Total (deficit)/surplus carried forward	9	(383,473)	9,546	(373,927)	(400,710)	15,252	(385,458)

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

Expenditure on charitable activities of £709,068 includes a credit of £31,580 (2023: credit of £41,869) for provision of pension deficit obligations. Further details are included in note 10 to the financial statements. All activities relate to continuing operations.

**Balance Sheet
at 31 July 2024**

	Notes	Year ended 31 July 2024		Year ended 31 July 2023
		£	£	£
Fixed assets				
Tangible assets	6		29,654	35,371
Current assets				
Stock		1,355	-	
Debtors	7	33,686	34,402	
Cash held on behalf of clubs and societies		67,019	65,177	
Cash at bank and in hand		251,584	244,699	
Total current assets		353,644	344,278	
Creditors – amounts falling due within one year	8	(151,943)	(128,245)	
Net current assets		201,701		216,033
Total assets less current liabilities		231,355		251,404
Provisions: pension liability	10	(605,282)		(636,862)
Net liabilities		(373,927)		(385,458)
The deficit of the charity Unrestricted funds	9			
General funds		221,809		236,152
Pension reserve		(605,282)		(636,862)
		(383,473)		(400,710)
Designated funds		9,546		15,252
		(373,927)		(385,458)
Total charity deficit		(373,927)		(385,458)

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

Ian Campbell
Chair

Abhishek Kumar
Vice Chair

The notes on pages 18 to 30 form part of the financial statements.

Cash flow statement for Year Ended 31 July 2024

	2024	2023
	£	£
Cash flows from operating activities		
Surplus for the year	11,531	47,517
<i>Adjustments for:</i>		
Depreciation for the year	9,157	8,182
Increase in stocks	(1,355)	-
Decrease in debtors	716	6,816
Increase in cash held on trust	(1,842)	(5,777)
Increase in trade and other creditors	23,698	2,763
Decrease in pension provision	(31,580)	(41,869)
Net cash from operating activities	10,325	17,632
Cash flows used by investing activities		
Acquisition of tangible assets	(3,440)	(19,207)
Disposal of tangible assets	-	-
Net cash used by investing activities	(3,440)	(19,207)
Net decrease in cash and cash equivalents	6,885	(1,575)
Cash and cash equivalents at 1 August 2023	244,699	246,274
Cash and cash equivalents at 31 July 2024	251,584	244,699

Notes to the Financial Statements for the Year Ended 31 July 2024

1. Accounting Policies

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

a) Basis of Preparation

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

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

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

b) Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment.

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

The Student Association has significant long term pension deficit contributions to settle for its employees' participation in the Students' Union Superannuation Scheme, as well as current service payments. The present value of the deficit payments is recognised as a provision in the balance sheet in these financial statements of £605,282 (2023: £636,862). The full liability is long term, payable over a period of 13 years and is taken into account by the Trustees when budgeting annual income and expenditure. The Student Association continues to make adequate cash provision for its annual cash pension contributions. Cash contributions in the year ended 31 July 2024 are £49,764.

Grant funding from RGU has been confirmed for 2024-25 as a 0% increase from 2023-24.

c) Income

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

d) Interest receivable

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

Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)

1. Accounting Policies (continued)

e) Fund accounting

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

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

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

f) Expenditure

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

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

Irrecoverable VAT is charged as a cost against the related activity expenditure. The total cost of this for the year is £4 (2023 - £5,443).

g) Taxation

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

h) Allocation of support and governance costs

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

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

i) Costs of raising funds

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

Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)

1. Accounting Policies (continued)

j) Charitable activities

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

k) Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised and valued at historical cost. Depreciation is charged on fixtures, fittings and equipment on a straight line basis over the estimated useful life of five years from the date of acquisition or at 25% reducing balance.

l) Stock

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

m) Debtors

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

n) Cash at bank and in hand

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

o) Cash held on behalf of societies

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

p) Creditors

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

q) Pensions

The Robert Gordon Student Association participates in the Students' Union Superannuation Scheme (SUSS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate.

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

Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)

1. Accounting Policies (continued)

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

r) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

s) Leases

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

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

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

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

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

There are no material sources of estimation within the charity.

2. Analysis of Income

	Total 2024 £	Total 2023 £
Donations and legacies		
Donations from the Robert Gordon University	528,000	530,500
Income from fundraising activities		
Fundraising activities	14,732	38,131
Other trading activities		
Events and other student services	249,942	244,930
Total	<u>792,674</u>	<u>813,561</u>

Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)

3. Analysis of Expenditure

3a. Analysis of charitable expenditure

	Direct expenditure £	Support and governance costs £	Total 2024 £
Student services	654,910	54,158	709,068
	Direct expenditure £	Support and governance costs £	Total 2023 £
Student services	617,774	55,818	673,592

3b. Analysis of expenditure on raising funds

	Direct expenditure £	Support and governance costs £	Total 2024 £
Expenditure on raising funds	56,321	15,754	72,075
	Direct expenditure £	Support and governance costs £	Total 2023 £
Expenditure on raising funds	76,937	15,515	92,452

Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)

3. Analysis of Expenditure

3c. Support and governance costs

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

Cost type	Basis of apportionment	Expenditure on raising funds		Expenditure on charitable activities:	2024 Total
		£	£	student services	
				£	£
Support costs					
Staff related expenses	Staff Cost		88	1,162	1,250
Travel and subsistence	Staff Cost		5	65	70
NUS fees	Staff Cost		889	11,811	12,700
Insurances	75%/25%		11,979	3,992	15,971
Cleaning and hygiene	Staff Cost		9	119	128
Computer expenses	Staff Cost		840	11,161	12,001
Advertising and promotion	75%/25%		1,264	421	1,685
Postage	Staff Cost		62	829	891
Telephones	Staff Cost		124	1,641	1,765
Stationery	Staff Cost		197	2,629	2,826
Training	Staff Cost		277	3,688	3,965
Credit card charges	Staff Cost		3	36	39
Health and safety	Staff Cost		17	223	240
			15,754	37,777	53,531
Governance costs					
	Direct to expenditure on charitable activities			16,381	16,381
			15,754	54,158	69,912

Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)

3. Analysis of Expenditure (continued)

3c. Support and governance costs (continued)

Cost type	Basis of apportionment	Expenditure on raising funds	Expenditure on charitable activities: student services	2023 Total
	£	£	£	£
Support costs				
Staff related expenses	Staff Cost	87	1,163	1,250
Travel and subsistence	Staff Cost	14	190	204
NUS fees	Staff Cost	906	12,035	12,941
Insurances	75%/25%	10,592	3,528	14,120
Cleaning and hygiene	Staff Cost	20	268	288
Computer expenses	Staff Cost	844	11,215	12,059
Advertising and promotion	75%/25%			2,289
Postage	Staff Cost	22	289	311
Telephones	Staff Cost	265	3,527	3,792
Stationery	Staff Cost	130	1,728	1,858
Subscriptions and donations	Staff Cost			6,960
Training	Staff Cost	405	5,386	1,867
Credit card charges	Staff Cost	131	1,736	1,867
Health and safety	Staff Cost	17	223	240
		15,515	41,983	57,498
Governance costs	Direct to expenditure on charitable activities			
		-	13,835	13,835
		15,515	55,818	71,333

Governance costs	2024	2023
	£	£
Audit fee	9,600	8,685
Legal and professional charges	6,781	5,150
	16,381	13,835
Audit and non-audit remuneration	2024	2023
	£	£
Audit remuneration	9,600	5,750
Non-audit remuneration	-	2,935
	9,600	8,685

Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)

4. Employee Information

	Year ended 31 July 2024	Year ended 31 July 2023
	£	£
Staff costs:		
Wages and salaries	359,155	317,329
Social Security costs	31,622	28,273
SUSS Scheme pension provision change (note 10)	(31,580)	(41,868)
Other pension costs	68,243	66,405
	427,440	370,139
Redundancy payments made or committed	-	-

The average number of employees during the year, based on headcount, was 15 (2023: 17).

The Trust considers its key management personnel comprise Trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £145,525 (2023: £145,111). No employees had employee benefits in excess of £60,000 (2023: nil).

5. Executive Committee Members' Remuneration

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

	Year ended 31 July 2024	Year ended 31 July 2023
	£	£
Abhishek Kumar (Sport & Physical Activity)	2,839	-
Bryan Igbinigie (Communication & Democracy)	2,839	-
Seth Asare (Education & Welfare)	2,839	-
Phoebe Moncur (Sport & Physical Activity)	26,140	25,757
Patrica Innocent (Communication & Democracy)	24,613	26,189
Olawayotin Bolajoko (Education & Welfare)	24,641	25,106

During the year no members of the Student Association Executive Board received reimbursement of expenses (2023 - nil).

Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)

6. Tangible Fixed Assets

	Fixtures, Fittings & Equipment £
Cost:	
At 1 August 2023	102,548
Additions in the year	3,440
At 31 July 2024	105,988
Accumulated Depreciation:	
At 1 August 2023	67,177
Charge for year	9,157
At 31 July 2024	76,334
Net book value:	
At 31 July 2024	29,654
At 31 July 2023	35,371

7. Debtors

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Trade debtors	11,165	20,076
Other debtors	6,197	6,537
Prepayments and accrued income	16,324	7,789
	33,686	34,402

8. Creditors: Amounts Falling Due Within One Year

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Trade creditors	40,731	34,067
Creditors & accruals	111,212	94,178
	151,943	128,245

Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)

9. Statement of funds

	As at 01 August 2023 £	Income £	Expenditure £	Transfers £	As at 31 July 2024 £
Unrestricted funds					
General funds	236,152	792,674	(807,017)	-	221,809
Pension reserve	(636,862)	-	31,580	-	(605,282)
	(400,710)	792,674	(775,437)	-	(383,473)
Designated					
Scottish Funding Council reserve	15,252	-	(5,706)	-	9,546
	15,252	-	(5,706)	-	9,546
Total reserves	(385,458)	792,674	(781,143)	-	(373,927)
<hr/>					
	As at 01 August 2023 £	Income £	Expenditure £	Transfers £	As at 31 July 2023 £
Unrestricted funds					
General funds	227,008	813,561	(804,417)	-	236,152
Pension reserve	(678,731)	-	(41,869)	-	(636,862)
	(451,723)	813,561	(762,548)	-	(400,710)
Designated					
Video wall reserve	748	-	(748)	-	-
Scottish Funding Council reserve	18,000	-	(2,748)	-	15,252
	18,748	-	(3,496)	-	15,252
Total reserves	(432,975)	813,561	(766,044)	-	(385,458)

Unrestricted funds

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

Designated funds

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

Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)

10. Pension Schemes

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

The most recent valuation of the scheme was carried out as at 30 June 2022 and showed that the market value of the scheme's assets was £106.7m with these assets representing 44% 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 £136.6m.

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 2022 valuation recommended a contribution requirement by each Union expressed in monetary terms intended to clear the on-going funding deficit over a period of 14 years and will increase by at least 5% each year. These contributions also include an allowance for cost of the on-going administrative and operational expenses of running the scheme. These rates applied with effect from 1 October 2023.

In accordance with FRS 102 provision has been made for the discounted value of contributions payable. The discount rate applied was 4.74%. Surpluses and deficits which arise at future valuations will also impact on the Unions future contribution commitment. In addition to the above contributions, the Union also pays its share of the schemes levy to the Pension Protection Fund.

The present value of the deficit payments is recognised as a provision in the balance sheets in these financial statements as set out below. The full liability is long term, payable over a period of 13 years to June 2037:

	Pension provision
	£
Balance brought forward at 1 August 2022	(678,731)
Discount rate change and accretion	41,869
Balance carried forward 1 August 2023	<u>(636,862)</u>
Discount rate change and accretion	<u>31,580</u>
Balance carried forward at 31 July 2024	<u>(605,282)</u>

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

Cash contributions for the year ended 31 July 2024 are £49,764.

Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)

11. Operating lease commitments

Lessee

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

	Year ended 31 July 2024 £	Year ended 31 July 2023 £
Within one year	1,718	1,718
Between two and five years	3,742	5,442
	5,442	7,160

The operating lease represents a lease of a photocopier from a third party. The lease term is over 4 years and rentals are fixed for the full term of the lease. Expenditure for the year in respect of this lease amounts to £1,718 (2023: £1,718).

12. Related party transactions

The Union is in receipt of a recurrent grant from the Robert Gordon University of £528,000 (2023: £530,500). At the year end £32,893 was due to Robert Gordon University (2023: £23,357).

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

Executive Committee Members remuneration is disclosed in note 5.

13. Analysis of funds

	Unrestricted funds Designated funds £	General Funds £	Funds at 31 July 2024 £
Tangible fixed assets	-	29,654	29,654
Net current assets	9,546	192,155	201,701
Pension liability	-	(605,282)	(605,282)
	9,546	(383,473)	(373,927)
	Unrestricted funds Designated Funds £	General Funds £	Funds at 31 July 2023 £
Tangible fixed assets	-	35,371	35,371
Net current assets	15,252	200,781	216,033
Pension liability	-	(636,862)	(636,862)
	15,252	(400,710)	(385,458)

14. Control

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

DRAFT