

Edinburgh University Students' Association
SC429897

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2024

Edinburgh University Students' Association is a charity (SC015800)
and a company limited by guarantee (SC429897) registered in Scotland.
Registered Office: Potterrow, 5/2 Bristo Square, Edinburgh, EH8 9AL

Edinburgh
University
Students'
Association



Contents of the Annual Report	Page
Annual Report on behalf of the Board of Trustees incorporating the Strategic Report	3-12
Education Act 1994 Reporting Requirement	13
Independent Auditor's Report to the Trustees & Members of Edinburgh University Students' Association	14-16
Statement of Financial Activities – Consolidated	17
Statement of Financial Activities – Charity	18
Consolidated and Charity Balance Sheets	19
Consolidated and Charity Statement of Cash Flows	20
Notes to the Accounts	21 – 39

Annual Report on behalf of the Board of Trustees incorporating the Strategic Report

1. Objectives and Activities

The charitable objectives of Edinburgh University Students' Association are:

- The advancement of education of students at the University of Edinburgh by representing, supporting and promoting the interests, health and welfare of students within the University and the wider community, and by promoting student participation in facilitating, co-ordinating and developing the services, projects and activities of the Association.
- The advancement of the arts, culture and science and the organisation of recreational activities through the services, projects and activities of the Association.
- The advancement of community development within the University and within the wider community through student participation in the Association and its services, projects and activities, and by facilitating the involvement of students in the wider community.
- To promote and support such similar and other charitable purposes, objects or institutions and in such proportions and manner as the Trustees shall think fit.

2. Structure, Governance and Management

Edinburgh University Students' Association ('the Association' / 'the Students' Association' / 'EUSA') is a charity registered with the Office of the Scottish Charity Regulator. The Association is a Company Limited by Guarantee which became active on the transfer, on 1 April 2014, of the entire assets, liabilities and undertakings of the former, unincorporated Edinburgh University Students' Association (which then ceased to exist). The 'old' Association was itself formed in July 1973 from the amalgamation of Edinburgh University Union, the Edinburgh Women's Union and the Students Representative Council of the University of Edinburgh.

The Association has a board of Trustees, led by the President which provides strategic oversight and direction to the key management personnel of the charity. The Association employs a Chief Executive and Senior Management Team to lead and develop the strategic direction of the charity as well as the day-to-day operations.

To aid governance, the Association operates four subcommittees and this subcommittee structure ensures the work of the Board can be dealt with efficiently. Our Delegation of Authority articulates the responsibilities of the Trustee board, its subcommittees, key management personnel and staff. Membership of each subcommittee is drawn from the Board, with staff and external advisors attending as appropriate. Our subcommittees are:

- Finance, Risk & Audit (FRA);
- People & Culture;
- Governance and
- Strategic Development.

The membership of each subcommittee has been designed to facilitate more substantive discussion at that level. The FRA and Strategic Development subcommittees also benefit from an external lay member to provide specific expertise and challenge, in addition to the external Trustees and the insight provided by student Trustees.

The Association has one wholly-owned subsidiary undertaking, EUSACO Ltd (Company No. SC084199) the results of which are consolidated with those of the Association, and together they are referred to as 'the Group'. EUSACO Ltd has a wholly-owned subsidiary, EUSACO Premises Ltd (Company No. SC341993) which has remained dormant throughout the current and prior reporting periods.

3. Management Team

The Senior Management Team (SMT), led by the Chief Executive, attend and report to the Trustee Board through regular board meetings. The SMT currently comprise:

Chief Executive	Stephen Hubbard
Director of Membership Engagement & People Development	Sarah Purves
Finance Director	Debra Smith (appointed Jan 2024)
Commercial Services Director	Alan Duff
Director of Marketing & Communications	Emma Robertson-Werner
Corporate Services Director Interim	Paul Greig (Feb 2023 – Mar 2024)
Director of Marketing & Communications – maternity cover	Darrell Williams (Sep 2022 – Sep 2023)

4. Appointment of Trustees

Unless they have requested to opt out, all full time and part time students enrolled at the University of Edinburgh, and postgraduate students within their prescribed period of study are regarded as ordinary student members of the Association, and are therefore eligible for election (in the case of sabbatical trustees) or appointment (in the case of student trustees) to the Board of Trustees. The Board of Trustees is made up of five elected sabbatical officer trustees, four appointed student trustees and three appointed external lay trustees. Vacancies for appointed trustees are advertised, and interviews conducted in accordance with processes agreed by the People & Culture subcommittee, with senior staff assisting. We aim to appoint a representative and diverse board of trustees with relevant skills through identifying and targeting student groups who may not otherwise participate, and by recruiting external trustees with relevant experience.

5. Trustee Induction and Training

All Trustees undertake a core National Council for Voluntary Organisations (NCVO) online training course. This is complemented with in-house training for all Trustees, covering principles of good governance, organisational and financial information, guidance on key processes and the responsibilities of the Trustees. The student Sabbatical Officers are given an induction with senior staff and external advisors to give, amongst other things, a detailed introduction to the Association and their responsibilities as Trustees. This is complemented by further in-house and external training early in the summer each year. In addition, a framework of Trustee induction, development and review, both for individual trustees and the board as a whole and based on NUS / charitable good governance practice, has been developed and implemented.

6. Statement of Trustee Responsibilities

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

The law applicable to charities in Scotland requires the Trustees to prepare financial statements which give a true and fair view of the state of affairs of the group and parent charity for each financial year, and of the incoming resources and application of resources of the group and parent charity 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 and FRS102;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

6. Statement of Trustee Responsibilities (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the group and parent charity 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 group and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

7. Trustees

The Trustees who served during the year to 31 March 2024 and up to the date of signing of these financial statements were as follows:

Trustees at 1 April 2023:

Maximillian Browning	(resigned 27 November 2023)
Adam Turner	(resigned 1 April 2023)
Isabella Deutsch	(resigned 31 May 2023)
Daniele Veronesi	
Zara Qadir	(resigned 31 May 2023)
Ameer Ibrahim	
Kirsteen Caldow	
Niamh Roberts	(Chair, resigned 13 June 2023)
Natalia Ellingham	(resigned 13 June 2023)
Isobel Williams	(resigned 13 June 2023)
Sam MacCallum	(resigned 13 June 2023)
Lauren Byrne	(resigned 7 June 2024)

Trustees subsequently appointed:

Lorenzo Martinico	(appointed 1 April 2023)
Katie Dubarry	(appointed 1 June 2023)
Elena Legarra	(appointed 1 June 2023)
Sharan Atwal	(Chair, appointed 13 June 2023, resigned 7 June 2024)
Katherine Hardwick	(appointed 12 June 2023, resigned 7 June 2024)
Alma Riessler	(appointed 12 June 2023, resigned 7 June 2024)
Carlotta Harper	(appointed 12 June 2023, resigned 7 June 2024)
Bhakti Wadehra	(appointed 25 January 2024, resigned 19 September, 2024)
Dora Herndon	(Chair, appointed 10 June 2024)
Indigo Williams	(appointed 10 June 2024)
Ruth Elliott	(appointed 10 June 2024)
John Rappa	(appointed 10 June 2024)
Dylan Walch	(appointed 10 June 2024)

8. Reference and administrative details

Company Number:	SC429897
Registered Charity Number:	SC015800
Registered Office:	5/2 Bristo Square, Edinburgh, EH8 9AL
Independent Auditor:	Saffery LLP, Edinburgh Quay, 133 Fountainbridge, Edinburgh EH3 9BA

8. Reference and administrative details (continued)

Bankers:	Santander UK plc, Bootle, Merseyside L20 3PQ
Solicitors:	Lindsays LLP, Caledonian Exchange, 19a Canning Street, Edinburgh EH3 8HE
	TLT LLP, 1 Redcliff Street, Bristol BS1 6TP
	Turcan Connell, Princes Exchange, 1 Earl Grey Street, Edinburgh EH3 9EE

9. Related Parties

The Association has a close working relationship with the University of Edinburgh, by virtue of the shared purpose of advancement of education and representation of students at the University and because of the University's responsibilities in relation to student union oversight as part of the 1994 Education Act. The University is the Association's major funder. The Association applies to the University as part of its Planning Round for a block grant each year, which is used to support the range of services and facilities that it delivers.

In addition, the University holds endowment funds on behalf of the Students' Association. The annual income from these funds is used for the general purposes of the Association.

The properties used by the Association are owned by the University of Edinburgh and are occupied in accordance with the terms of Buildings Agreements between the two parties.

Edinburgh University Students' Association wholly owns EUSACO Ltd (SC084199), which operates the Association's activities in the Edinburgh Festival Fringe and other non-student facing catering and conference operations. At the discretion of the directors, EUSACO Ltd transfers via Gift Aid its taxable profits to the charity, as defined in its Articles of Association.

10. Employment of disabled persons

The Association welcomes applications for employment from people with disabilities. All applicants are asked whether they need any adjustments to enable them to attend and participate in an interview process. The Students' Association utilises an Occupational Health Service to support the provision of an appropriate working environment based on individual needs. The Association's Equal Opportunities policy outlines the organisational framework for ensuring that full training and promotion opportunities are offered to all employees regardless of their ability level.

The Association also includes an Equality and Diversity clause in contracts of employment, emphasising fairness, respect and equality of opportunity.

The Association operates an equal opportunities employment policy and always aims to give full and fair consideration to disabled persons for all vacancies. In the event of any employees becoming disabled, every effort is made to ensure their employment with the Association continues and that appropriate training is arranged for them.

11. Remuneration Policy

The remuneration of key management personnel in the Association is set at the time of appointment with agreement of the Board of Trustees. Any change to this, other than any increments applied as a general uplift to all staff, follows standard organisational policies on staff pay, in line with our Pay and Reward review, and requires approval by the Board and the People & Culture subcommittee.

We have in place a suite of policies intended to clarify and enhance an employee's experience of work at Edinburgh University Students' Association. This includes policies on flexible working, family leave and non-financial benefits. We regularly review these policies to ensure that our offer to staff remains valued and competitive.

11. Remuneration Policy (continued)

Edinburgh University Students' Association employs five Sabbatical Officer Trustees as members of staff. Each officer is paid a salary which is set annually in advance by the University of Edinburgh under its Laigh Year regulations. The funding for these positions is included in the Association's grant from the University.

12. Auditors

The Board of Trustees of Edinburgh University Students' Association agreed to appoint Saffery LLP as auditors at its meeting in September 2022. This was for a period of five years effective from the audit of the 2022/23 accounts.

13. Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors have taken all necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

14. Employee involvement & engagement

One of the key elements of our strategic plan is our 'Support and Empower all staff' principle, with a KPI of 90% of our staff recommending us as a place to work by April 2025. As part of this, we have had a focus on improving internal communications and creating a positive culture within the Association to improve overall employee engagement, motivation and morale which has been a particular challenge as we moved out of the pandemic. Last year was focussed predominantly on addressing long-term concerns and feedback through a large scale Pay and Reward review in order to create a new framework for pay, a more transparent approach, an increased opportunity for pay progression and to raise low pay, in line with our strategy to reach Real Living Wage as our base rate of pay from 2025. This year we have made significant steps on this journey by concluding our Pay and Reward process, to the extent that all staff are now paid under our new transparent pay framework, and we have decided to pay the real living wage rate of £12.00 per hour (an increase of 15%) for our lowest paid members of staff, from 1 April 2024, one year ahead of target.

We continue to offer a range of staff policies with enhanced benefits on leave and flexible working patterns as well as access to a suite of support via our Employee Assistance Programme and specific schemes like Cycle to Work and an Employee Loans scheme. We have continued to expand these schemes and from 1 April 2024 staff will be able to purchase additional annual leave entitlement as an optional salary sacrifice scheme. By doing this we are recognising that our staff are vitally important to us and we want to be there to support them finding the right work/life balance. Also, as part of this we have introduced a more formal hybrid working policy that requires office-based staff to be in the office for a minimum of 60% of their work week, whilst recognising this might not suit everyone's particular circumstance by also refreshing our flexible work policy.

We have introduced a staff wellbeing group who have organised several staff wellbeing events during the year which have been very well attended and staff have appreciated the time to focus on their wellbeing. We have also re-introduced a staff feedback scheme, to improve year-round staff input, and bi-annual staff awards to support staff recognition.

These measures have had significant impact with 90% of salaried staff now saying they would recommend us as a place to work. This is a 30% increase within four years and it means we have achieved our strategic target one year ahead of plan.

We have also focussed on our part-time frontline staff, predominantly students, to increase engagement and retention of these staff, and this has worked well. We have invested in employee support, training, communications and the wider benefits and incentives for this important cohort. 73% of this group would now recommend us as a place to work.

15. STRATEGIC REPORT

15.1 Achievements and performance

Our current strategic plan says...

"By 2026, we will be a high-performing students' union, valued by our members, delivering outstanding support and services for a vibrant, well-rounded time at university."

"We exist to enhance student life at the University of Edinburgh by providing representation, services, activities and support."

One of the priorities in the strategic plan is the "Historic Teviot reimagined for the 21st century" and the 12 months under review have been heavily impacted by the preparation and delivery of the closure of our largest venue, both in terms of service delivery and commercial revenue, Teviot Row House (TRH).

The building is owned by the University of Edinburgh and we have an occupation agreement whereby we run and maintain the building on a day-to-day basis. However, the building dates from the 19th century and it has been a number of decades since it last had any significant amount invested in it, hence why it was necessary to close for an extended period of time. The works will cost in the region of £18,000,000 and primarily addresses compliance issues around disabled access as well as the improvement in the energy efficiency of the building, the removal of asbestos, and the provision of new toilet facilities. The building closed on the 24 September 2023, with a planned project completion date of April 2025. As the project has progressed, additional work requiring a significant amount of rewiring has been identified. This is going to result in the project costing more and taking longer to complete. Detailed planning relating to this additional work is underway between the University and the building contractor. At the date of signing these accounts it is anticipated that the project completion date could extend to October 2025. Missing another Teviot Festival and start of the next academic year has a significant financial impact on the Association and discussions with the University about extending the available financial support is underway.

The development project has presented a challenge to the organisation in relation to the provision of our services to our members and the delivery of our charitable objectives.

The preparation for the closure included a significant remodelling of Potterrow, to include a redesign and rebranding of our bar into the "Bar & Kitchen at Potterrow". It also included the relocation of staff out of the offices and into alternative University space at Roxburgh Street with the vacated space being repurposed as a student community lounge for students and societies to meet, work and socialise together in an alcohol-free space. This remodelling work cost £230k and has proven extremely successful with over 2,000 students per day visiting Potterrow.

During the year, we have also taken the opportunity to invest in The Pleasance Theatre and Cabaret Bar with new seating and carpets in the Theatre and new lighting and décor in the Cabaret Bar. It is hoped these investments will support increasing usage of the Pleasance site by both student groups and other groups during the TRH closure, and beyond, and allow us to meet the needs of more of our membership in that part of the city.

The closure of TRH is expected to have a significant negative impact on our sales and profits during the closure period, and afterwards, until the new space is fully recognised and accepted by the student population. As part of the preparation for this, we have agreed with the University Court that EUSA will not be negatively impacted financially by the closure of TRH. Our early modelling suggests that the works will cost EUSA £1,100,000 in lost profit and we have already started drawing down from a fund the University have created to cover the lost profits. At the year end we had drawn down £182,000, significantly less than was originally forecast.

We have delivered our planned budget surplus for the year. This continues our financial recovery from the losses accumulated because of the covid pandemic. There has been a significant amount of work put in by our commercial teams in our remaining estate with year-on-year sales growth of over 22% achieved.

Most of the year-on-year growth can be attributed to the redesign of Potterrow however volume increases as a result of previous investments made in our retail shops and hospitality venues are beginning to bear fruit. That said, we also recognise that many of our members are struggling with the cost-of-living crisis and have tried to limit price rises to the minimum we are able to bear whilst covering our input cost inflation. Looking ahead this is going to be more challenging and to maintain our financial recovery trajectory we will require a mix of volume and price increases.

15.1 Achievements and performance (continued)

As noted above, we have made significant progress on our employee engagement and pay meaning we have achieved two of our strategic targets (paying the Real Living Wage and 90% of our salaried staff recommending us as a place to work) earlier than planned.

Our Annual Members' Survey results this year show positive increases in awareness and satisfaction in several areas. 82% of students feel we promote and support diversity and inclusivity – issues of importance for our members. Year-on-year, students have a better understanding of what we have achieved on their behalf and what we do on a day-to-day basis. Two thirds of our members believe we have the power to create change and make things happen at Edinburgh. There is still a lot to do to further increase our member satisfaction scores, but the results this year are promising and show we are on the right track.

15.2 Looking ahead

The focus for the next 12 months will be the continued development of the TRH reopening plans. This has been nominally titled "Teviot reimagined". The current design envisages a curated timetable of 35 to 45 events per week being held within the newly refurbished areas, of both ticketed and non-ticketed events and fairs. The new spaces give us an opportunity to reimagine the services we can deliver to the 49,000 students who make up our membership and try to reach out to the large number of students who do not engage with EUSA venues on a regular basis. As part of this we will employ someone specifically to look at and develop these plans as their core function, highlighting the importance we place on the development of these plans.

Part of this reimagining will be the role Potterrow plays after TRH re-opens. Having invested over £200,000 in Potterrow, our challenge will be to imagine how the two spaces can co-exist and both be "successful" student spaces whilst being financially self-sufficient at the same time.

Minimising the negative side effects of TRH being closed on the student experience will continue to be a key focus in the year ahead. Potterrow has a large part to play in this and we will continue to develop new ways through which students and student groups can use the spaces available, even though they may not be to the same specification of the space vacated in TRH.

We will also look to build on the success of the increase in students utilising our services on the King's Buildings campus. Both our retail shop and wrap bar have exceeded budget this year which is encouraging as these are spaces we have invested significant sums in over the last 24 months. We have re-opened our hot food service at King's Buildings House (KBH) on a trial basis and again this is proving very popular with our student members. We have also agreed to reopen a bar within KBH on a trial basis with support from the University for it to be targeted at postgraduate students and staff. It is hoped that this will build over time and help support the overall development of the campus community.

Our budget for 2024/25 envisages we will make a surplus of £122,000. This is in line with our financial recovery strategy and is the next step in rebuilding our balance sheet. For this to be achieved we will require ambitious sales targets to be met from our non-TRH estate. This will require a mix of both volume and price increases as well as maximising the commercial opportunities presented by our existing assets. We will draw down an additional £687k from the University TRH mitigation fund over the course of the year, noting that this figure can go up or down depending on the underlying organisational performance.

Cash will remain a key focus for the Association over the next 12 months. Our existing overdraft facility has expired and we will repay the majority of our outstanding loan to Santander during the year. We will undertake a review of our banking relationships as part of a review of our long-term funding requirement with the University.

15.3 Financial review

EUSA are a member organisation of the Universities Superannuation Scheme (USS). This is a pension scheme which both employers and employees pay into and accrues defined benefits for employees payable on retirement. The 2023 valuation showed the value of the scheme assets was now greater than the value of the scheme liabilities. As a result, we are able to eliminate the pension liability we have been carrying on our balance sheet since 2016 at the adoption of FRS102. The result is a group profit for the year of £1,864,000, including £1,698,000 one-off profit from the elimination of the pension liability. This gain on the defined benefit pension scheme has been allocated to both trading and charitable activities using the proportion of each category's direct staff costs.

A high-level categorization of income and expenditure is shown below:

	Income / (expenditure)	Central cost reallocation	Gain on defined benefit scheme reallocation	Net income / (expenditure)
	£'000	£'000	£'000	£'000
Grant & other income	4,119	-	-	4,119
Trading activity profit / (loss)	161	(1,075)	957	43
Charitable activity (loss)	(2,205)	(834)	741	(2,298)
Central costs	(1,909)	1,909		-
Gain on defined benefit pension scheme	1,698		(1,698)	-
	1,864	-	-	1,864

Excluding the movement in the pension liability, the Group made a surplus of £166,000 (2023 £104,000). Net cash generated from operating activities was £117,000 (2023: £383,000) which continues the trend of recent years and highlights the cash generative nature of the business model.

Grant and Other Income

The core block grant from the University continues to make up the biggest part of our grant and other income. This also includes some additional project grants received in the year and sponsorship income related to the Edinburgh Fringe Festival and student graduations.

We asked for a 6% inflationary uplift in our core grant and this was awarded during the year. We also worked with the University to highlight the impact utility price rises were having on our operations and were delighted to receive an additional grant to support with these price increases. We drew down £182,000 from the TRH mitigation fund, so that in total during the year we recorded grant and other income of £4,119,000 (2023: £3,663,000).

Trading Activity

This includes the Group's bars, catering and retail outlets and other activities such as student entertainments and the Festival Fringe activity. The Group's trading activities, which includes trading by the Charity and its subsidiary EUSACO Ltd, made a profit of £161,000 (2023: £494,000) before the allocation of support costs.

The group benefited from another successful Fringe Festival which recorded a profit of £395,000 (2023: £248,000) on sales of £2,597,000 (2023: £2,422,000). This was a 7% year on year increase in sales which together with lower costs has resulted in a significantly better Festival profit. Our term time hospitality offering recorded a loss of £192,000 (2023: profit of £259,000) on sales of £3,483,000 (2023: £3,820,000), which reflects the closure of TRH.

During the year the group invested £230,000 in Potterrow to help mitigate the impact of TRH being closed. The space has proven extremely successful with student members and has gone some way to offset the student experience impact of TRH being closed.

Charitable activity

This is the student support activity carried out by the Association and includes activities such as The Advice Place, student representation, peer support programmes, student society support and salaries of the Association's Sabbatical Officers. It also includes the cost of operating and maintaining the Association's buildings which are a core aspect of the student experience that we offer. Expenditure for the year totalled £2,205,000 before the apportionment of central costs (2023: £2,144,000).

15.3 Financial review (continued)

The Association's trading subsidiary, EUSACO Ltd, generated a full year surplus of £470,000 (2023: £354,000). A Gift Aid payment of £496,710 (2023: £222,000) will be made from EUSACO Ltd to EUSA within nine months of the year end date.

Cash balances at the end of the year were £751,000 (2023: £1,001,000). This decrease from the prior year reflects the increase in capital investments made in the year as well as the continuing repayment of our loan from Santander. The remaining loan outstanding at year end is £200,000 (2023: £367,000).

The overall balance sheet position remains fragile despite the second year of profits and the benefit of the reversal of the USS pension scheme liability. We continue to be financed by a loan from our main banking services provider Santander UK and grant payments from the University well in advance of when the revenue can be recognised in the statement of financial activity. The TRH mitigation funding is ensuring our financial recovery remains on track and the target of having net assets of £400,000 by the end of the 2027/28 financial year remains.

Capital investment in the year was £275,000 (2023: £217,000) which mainly comprised the significant refurbishment of Potterrow, replacing the seat coverings in the Pleasance Theatre, refurbishment of the Pleasance Cabaret Bar and an upgrade to our payment card terminals. Some smaller investments in equipment and self-service tills were also made in the year.

16. Reserves policy

At 31 March 2024, total reserves are negative £625,000 (2023: negative £2,489,000). This movement reflects the elimination of the USS pension deficit noted above and the profit made in the year, our second year of profit following the losses incurred as a result of the covid pandemic. The restricted element of these funds is £60,000 (2023: £53,000) and represents capital grants received which are being amortised in line with the assets it has been used to fund, and a grant given by the University to purchase a portable bandstand which was unspent at 31 March 2024.

Despite the on-going negative reserves position, the Association's strategic aim remains unchanged with a target of holding at least £1,000,000 of unrestricted reserves so that the Association can be financially resilient to any future catastrophic events, like the pandemic. The Trustee Board have agreed a medium-term target of having reserves equal to the pre-pandemic net assets of £400,000 by March 2027 and the profits earned in the previous two financial years are moving us towards that target. The longer-term target of having reserves of £1,000,000 is expected to be accomplished by March 2029.

17. Going concern basis of preparation of the accounts

These accounts have been prepared on a going concern basis. The charity has shown it is able to generate profits and free cash for the second consecutive year post covid and with the additional funding provided by the University of Edinburgh to mitigate the financial impact of Teviot Row House (TRH) closing, the Trustees believe there is sufficient resources available to meet the forecast requirements over at least the forthcoming 12 months. While additional support funding related to the extended closure of TRH has not yet been agreed, current forecasts to September 2025 indicate that the Association has sufficient cash reserves to maintain operations over this period, even without additional University support.

18. Risk management

Edinburgh University Students' Association has established risk management policies and processes in place, covering both operational and strategic risks. The Incident Management Group, which comprises a cross-section of key members of the organisation is designed to respond promptly to a high-risk scenario.

A Risk Register is maintained and a documented process is followed to review it bi-annually. It is subdivided into the following key risk areas: Strategy & Sustainability, Charity & Company, Trustees & Governance, Reputation, Financial, HR, Operational, IT Systems, Insurance and GDPR. Within each section, individual risks have been identified and a score apportioned using a matrix considering likelihood and impact.

The top risks identified, and how these are addressed, are:

Risk Area	Risk identified	Addressed through
Operational	Without additional financial support, the extended closure of Teviot Row House further impacts the Association's overall profitability and progress towards the rebuilding of reserves.	Discussions are already ongoing between the Association and the University looking at the potential P&L and cashflow impact of the closure on our financial recovery.
Strategy & Sustainability	Risk to business operations through key staff leaving or failing to recruit replacement staff.	Significant work already undertaken to offer a strong employee proposition - flexible working, spot-changes to salaries and Atkinson review of pay & benefits, values and behaviours.
Strategy & Sustainability	Risk of irrelevance: that the Students' Association does not respond to the changing needs of its members, student demographics and lifestyle or to market conditions.	The Association has developed its services and general offer to students, and despite competition is receiving high footfall in our spaces.
Operational	Risk that a failure to ensure adequate risk assessment or control results in serious injury or death to a student whilst participating in a Students' Association Group, Society or volunteering activity.	Category-based Risk Assessment template is in place and covers Volunteering and Social Enterprise Groups as well as Societies. Risk assessments are monitored and recorded by staff. Endsleigh Insurance act as advisors as to what is within the scope of public liability insurance cover.
Reputation	Risk of a student-led Group, Society or a student volunteer conducting themselves in such a way it harms the reputation of the Students' Association and/or University.	Category-based Risk Assessment templates are in place for Societies, Volunteering Groups and Social Enterprise Groups. Regular engagement with Endsleigh Insurance. Societies whose activities are outwith the scope of the Association's insurance are required to buy their own insurance. Media training provided to societies where required.

The Trustees confirm that these, and other major risks to which the charity is exposed, have been reviewed and systems and procedures have been established to manage these risks.

The Trustees thank all members of staff for their continued support of the Association's objectives during another very challenging, yet exciting, year.

Signed on behalf of the Trustees:



Dora Herndon,
President and Chair of the Board of Trustees

Date: 25 September 2024

Education Act 1994 Reporting Requirement

The major external organisation to which the Association is affiliated is the National Union of Students (NUS). The subscription paid for the 2023/24 year (July 2023 – June 2024) was £38,000 (2023: £40,000). In conjunction with this, the Association also maintained affiliation to the Russell Group and paid £2,000 (2023: £2,000) of subscriptions in the 2023/24 year.

The Association also has affiliations with Stop Climate Chaos, Right to Education Campaign and Friends of Birzeit University for which no affiliation fees are payable.

The Association made no other donations to external organisations during the year.

Under the terms of the Education Act (1994) a requisition may be made by 5% of the members that the question of continued affiliation to any external organisation shall be decided by a secret ballot, which would be held concurrently with the annual elections in March 2025. Such requisition must be received no later than 1 February 2025.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND THE TRUSTEES OF EDINBURGH UNIVERSITY STUDENTS' ASSOCIATION FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Edinburgh University Students' Association (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities (incorporating the Income and Expenditure Account), the Statement of Financial Activities of the Charity, Edinburgh University Students' Association (incorporating the Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statement of Cash Flows and the Notes on Edinburgh University Students' Association Accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2024 and of the group's 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

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 group or the parent 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.

Other information

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND THE TRUSTEES OF EDINBURGH UNIVERSITY STUDENTS' ASSOCIATION FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are 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 set out on page 4, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND THE TRUSTEES OF EDINBURGH UNIVERSITY STUDENTS' ASSOCIATION FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed 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. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the parent charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members and 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 parent charitable company, the parent charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Kenneth McDowell (Senior Statutory Auditor)
for and on behalf of Saffery LLP

133 Fountainbridge
Edinburgh
EH3 9BA

Statutory Auditors

Date: 30 October 2024

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Consolidated Statement of Financial Activities
(incorporating the Income and Expenditure Account)
for the year ended 31 March 2024

	Notes	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£'000	£'000	2024 £'000	2023 £'000
Income & endowments from:					
Charitable activities	2	3,622	169	3,791	3,379
Other trading activities:					
Commercial trading operations	4	6,860	-	6,860	6,982
Sponsorship		246	-	246	242
Investments	6	75	-	75	33
Other	3	7	-	7	9
Total		10,810	169	10,979	10,645
Expenditure on:					
Raising funds:					
Commercial trading operations	4	7,774	-	7,774	7,524
Charitable activities:					
Charitable expenditure	9	2,877	162	3,039	2,930
Total		10,651	162	10,813	10,454
Net income / (expenditure)		159	7	166	191
Other recognised gains/(losses)					
Actuarial gain on defined benefit pension scheme		1,698		1,698	-
Net movement in funds		1,857	7	1,864	191
Reconciliation of funds					
Total funds brought forward	17	(2,542)	53	(2,489)	(2,680)
Total funds carried forward	17	(685)	60	(625)	(2,489)

All amounts are derived from continuing activities.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

**Statement of Financial Activities of the charity, Edinburgh University Students' Association (incorporating the Income and Expenditure Account)
for the year ended 31 March 2024**

	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2024	Total Funds 2023
		£'000	£'000	£'000	£'000
Income & endowments from:					
Charitable activities	2	3,622	169	3,791	3,379
Other trading activities:					
Commercial trading operations	4	3,483	-	3,483	3,820
Investments	6	297	-	297	33
Other	3	135	-	135	132
Total		7,537	169	7,706	7,364
Expenditure on:					
Raising funds:					
Commercial trading operations	4	4,750	-	4,750	4,597
Charitable activities:					
Charitable expenditure	9	2,877	162	3,039	2,930
Total		7,627	162	7,789	7,527
Net expenditure		(90)	7	(83)	(163)
Other recognised gains/(losses)					
Actuarial gain on defined benefit pension scheme		1,698	-	1,698	-
Net movement in funds		1,608	7	1,615	(163)
Reconciliation of funds					
Total funds brought forward	17	(2,810)	53	(2,757)	(2,594)
Total funds carried forward	17	(1,202)	60	(1,142)	(2,757)

All amounts are derived from continuing activities.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

**Edinburgh University Students' Association
Consolidated and Charity Balance Sheets
As at 31 March 2024**

		Group		Charity	
	Notes	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Fixed assets					
Tangible assets	10	463	290	420	225
Investments	11	-	-	200	200
		<u>463</u>	<u>290</u>	<u>620</u>	<u>425</u>
Current assets					
Stock	12	157	167	157	167
Debtors	13	332	402	289	301
Cash at bank and in hand		<u>751</u>	<u>1,001</u>	<u>742</u>	<u>998</u>
		1,240	1,570	1,188	1,466
Current liabilities					
Creditors: amounts falling due within one year	14	<u>(2,295)</u>	<u>(2,406)</u>	<u>(2,917)</u>	<u>(2,705)</u>
Net current liabilities		<u>(1,055)</u>	<u>(836)</u>	<u>(1,729)</u>	<u>(1,239)</u>
Total assets less current liabilities		(592)	(546)	(1,109)	(814)
Provisions for liabilities:					
Pension provision	15	-	(1,743)	-	(1,743)
Long Term liabilities:					
Loan funding	16	<u>(33)</u>	<u>(200)</u>	<u>(33)</u>	<u>(200)</u>
Total net liabilities		<u><u>(625)</u></u>	<u><u>(2,489)</u></u>	<u><u>(1,142)</u></u>	<u><u>(2,757)</u></u>
The funds of the charity					
Restricted funds	17	60	53	60	53
Unrestricted funds excluding pension reserve	17	(685)	(799)	(1,202)	(1,067)
Pension reserve	17	<u>-</u>	<u>(1,743)</u>	<u>-</u>	<u>(1,743)</u>
Total charity funds		<u><u>(625)</u></u>	<u><u>(2,489)</u></u>	<u><u>(1,142)</u></u>	<u><u>(2,757)</u></u>

The notes on pages 21 to 39 form part of these accounts.

These financial statements were approved by the Trustees and authorised for issue on 25 September 2024.

Signed on behalf of the Trustees



**Dora Herndon
President**



**Ruth Elliott
Vice President Community**

Edinburgh University Students' Association is a charity (SC015800) and a company limited by guarantee (SC429897) registered in Scotland.

Edinburgh University Students' Association
Consolidated and Charity Statement of Cash Flows
For the year ended 31 March 2024

		Group		Charity	
	Notes	2024	2023	2024	2023
		£'000	£'000	£'000	£'000
Net cash generated from / (used in) operating activities	19	117	383	(111)	300
Cash flow from investing activities					
Purchase of tangible fixed assets		(275)	(217)	(275)	(134)
Bank & other interest received		75	33	75	33
Gift Aid received		-	-	222	-
Net cash (used in) / generated from investing activities		(200)	(184)	22	(101)
Cash flow from financing activities					
Repayments of borrowings		(167)	(466)	(167)	(466)
Net cash used in financing activities		(167)	(466)	(167)	(466)
Net decrease in cash and cash equivalents in the reporting period		(250)	(267)	(256)	(267)
Cash and cash equivalents at beginning of year		1,001	1,001	998	1,265
Cash and cash equivalents at end of year		751	1,001	742	998

Notes on Edinburgh University Students' Association Accounts for the year ended 31 March 2024

1. Accounting Policies

Legal Status

Edinburgh University Students' Association is a charity (SC015800) and a private company limited by guarantee (SC429897) registered in Scotland. The Students' Association meets the definition of a Public Benefit Entity. Refer to the Board of Trustees' Report for details of the registered address and principal activities of the Association.

Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – (Charities SORP (FRS 102)), UK Generally Accepted Accounting Practice (UK GAAP) including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Accounts (Scotland) Regulations 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

All financial information has been presented to the nearest whole thousand pounds Sterling except where otherwise stated.

Going Concern

The financial statements have been prepared on a going concern basis. The Association has had a second year of generating profits following the pandemic and is demonstrating its ability to operate successfully. The additional financial support provided by the University to mitigate the financial impact of Teviot Row House (TRH) closing is helping to protect our underlying financial recovery. While additional support funding related to the extended closure of TRH has not yet been agreed, current forecasts to September 2025 indicate that the Association has sufficient cash reserves to maintain operations over this period, even without additional University support. The Trustees therefore believe there is sufficient resources available to meet the forecast requirements over at least the forthcoming 12 months which has allowed the accounts to continue to be prepared on a going concern basis.

Despite the closure of Teviot Row House, the trustees believe that a going concern basis is appropriate based on the following factors:

- continued core grant funding from the University of Edinburgh
- additional grant funding from the University of Edinburgh specifically related to the Teviot closure
- the remaining bank loan finance obtained through the CBILS scheme and Santander UK

The Trustees have prepared budgetary information and cash flow forecasts for the 12 months following approval of these financial statements. On the basis of this information the Trustees believe that the group and charity remain in a position to continue operating and to meet all liabilities as they fall due.

Group Accounts

These financial statements consolidate the results of the charity Edinburgh University Students' Association and its wholly owned subsidiary EUSACO Limited at 31 March 2024. EUSACO Premises Limited, a wholly owned subsidiary of EUSACO Limited, has not been consolidated in these financial statements as the company has been dormant since its incorporation and as such, its results and net assets are immaterial for the purposes of showing a true and fair view, and it is exempt from audit by virtue of section 479A of Companies Act 2006.

Critical Accounting Estimates and Areas of Judgement

Preparation of the financial statements requires management to make critical judgements and estimates concerning the future. Estimates and judgements are continually evaluated and are based on historical experience, advice from qualified experts and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1. Accounting Policies (continued)

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

Critical accounting estimates / areas of judgement	Basis of Estimate
Pension provision discount rate	The rate used to discount the past service deficit defined benefit obligations to their present value is based upon market yields for high quality corporate bonds with terms consistent with those of the benefit obligations. The 2023 USS pension scheme valuation showed that the overall fund was in a significant surplus compared to the deficit position of the previous year (deficit of £1,743,000 at 31 March 2023). This has resulted in lower employer and employee contributions being payable from 1 st January 2024 and the reversal of the remaining provision at that date as there is no longer a past service deficit to fund.

Income

Income is recognised when the charity has entitlement to funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Income includes:

Grants Receivable

Grants receivable are credited to the Statement of Financial Activities in the year in which they are receivable, being when the charity is entitled to the income and it is probable it will be received. Deferred income represents amounts received for future periods and is released in the period for which it has been received.

Trading Income

Turnover represents total sales receivable for goods and services provided to customers in the course of normal trading and is stated net of value added tax.

Investment & Other Income

Investment income and other income is recognised when receivable.

Rents receivable

Rents receivable under operating leases is recognised on a straight line basis over the term of the lease.

Tangible Fixed Assets

All assets individually costing more than £2,500 are capitalised and are stated at cost of acquisition less depreciation provided to date. Where undertaken as a single project, property improvement works would be capitalised as a single asset even though individual elements would not otherwise be. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life, as follows:

Property Alterations	3-10 years	straight line
Plant & Equipment	3-10 years	straight line
Office Equipment	3-10 years	straight line
Furnishings & Fittings	3-10 years	straight line
Ents Equipment	3-10 years	straight line
Computer Software	3 years	straight line

The Trustees have deemed that there is no market value applicable to the space agreement with the University of Edinburgh for the use of its buildings and therefore this has not been capitalised.

USS Pension Scheme

The Association participates in the Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

1. Accounting Policies (continued)

Because of the mutual nature of the scheme, the assets are not attributed to individual members and a scheme-wide contribution rate is set. The Association is therefore exposed to actuarial risks associated with other members' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by Section 28 of FRS 102 "Employee benefits", the Association therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the scheme. Since the Association has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the Association recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the Statement of Financial Activities.

All financial obligations of the Students' Association in relation to the USS pension scheme are guaranteed by the University of Edinburgh.

Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense. Employees were entitled to carry forward up to five days of any unused holiday entitlement at the reporting date. The expected cost of holiday entitlement is recognised in profit or loss in the period in which the employees' services are received. Any unused entitlement is recognised as a liability.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Investments

The Association has a wholly owned subsidiary company, EUSACO Limited, which has been set up to trade with the wider public. The group invests any cash which is surplus to immediate requirements to maximise income. Investments are stated at cost less any provision for permanent diminutions in value.

Stock

Stock is valued at the lower of average cost and net realisable value, after making due allowance for obsolete and slow-moving items.

Funds

Restricted funds are funds which are to be used in accordance with the defined uses as laid down by the donor. Unrestricted funds are available for use at the discretion of the Board of Trustees in furtherance of the objects of the Association.

Recognition of Liabilities

Liabilities are recognised when goods and services have been received which represent legally enforceable obligations which require financial settlement beyond the balance sheet date. Where the amount of the liability cannot be factually determined by reference to third party supplier documentation, best estimates of such accrued liabilities are included.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accrual basis. Expenditure comprises:

Costs of Generating Funds are the costs of goods bought for resale and the directly attributable expenses of running the trading activities of the Association (Note 4 to the accounts).

Charitable Activities Costs are the direct costs of providing welfare and representational services for students and the maintenance of buildings used to provide study space and promote social interaction (Note 9 to the accounts).

Governance Costs are the costs incurred in meeting constitutional and statutory requirements. These costs include audit and legal fees plus any costs directly associated with Trustees such as training or expenses (Note 9 to the accounts).

1. Accounting Policies (continued)

Support Costs are those central overhead costs incurred in directing and monitoring the Association's activities which cannot be directly attributable to specific operational functions. The central overheads are allocated between Trading Activities (Note 4) and Charitable Expenditure (Note 9) based on an assessment of each department's activity. The central overheads are then apportioned to functions based on the proportion of each function's directly attributable staff costs.

Leases

Rents payable under operating leases are charged against income on a straight-line basis over the lease term.

Financial Instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument, and are offset only when the Charity has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial Assets

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

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.

Financial Liabilities

Trade and other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade or other creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Long term financial liabilities are measured at amortized cost less any repayments of the principal amount.

2. Incoming Resources from Charitable Activities – Group and Charity

	2024 Unrestricted £'000	2024 Restricted £'000	2024 Total £'000	2023 Unrestricted £'000	2023 Restricted £'000	2023 Total £'000
University of Edinburgh - core grant	3,408	145	3,553	3,105	138	3,243
University of Edinburgh - other grants	182	11	193	-	84	84
Other Grants & Donations	-	13	13	-	15	15
Property Rental Income	30	-	30	35	-	35
Other Charitable Income	2	-	2	2	-	2
	<u>3,622</u>	<u>169</u>	<u>3,791</u>	<u>3,142</u>	<u>237</u>	<u>3,379</u>

3. Incoming Resources from Other Activities – Group and Charity

	Group			Charity		
	2024 Unrestricted £'000	2024 Restricted £'000	2024 Total £'000	2024 Unrestricted £'000	2024 Restricted £'000	2024 Total £'000
Management Charge	-	-	-	130	-	130
Other Income	7	-	7	5	-	5
	<u>7</u>	<u>-</u>	<u>7</u>	<u>135</u>	<u>-</u>	<u>135</u>

Notes on Edinburgh University Students' Association Accounts for the year ended 31 March 2024

4. Trading Activities – Group & Charity

Support costs within trading activities are the share of the Association's central overhead costs which have been apportioned to general trading activities. An analysis of the support costs is provided in Note 5.

EUSACO Ltd is the non-charitable trading subsidiary of the Charity. An analysis of its activities is shown in Note 11.

All Trading Activities income and expenditure is unrestricted in the current and comparative year.

	Trading Operations	Shops	Other Activities	Charity Total	EUSACO Ltd	2024 Group Total	2023 Group Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income	1,660	1,543	280	3,483	3,377	6,860	6,982
Cost of Sales	553	1,015	2	1,570	850	2,420	2,322
Gross Profit	1,107	528	278	1,913	2,527	4,440	4,660
Expenses:							
Staff Costs	1,157	280	236	1,673	1,310	2,983	2,782
Other Direct Costs	208	94	130	432	864	1,296	1,384
	1,365	374	366	2,105	2,174	4,279	4,166
Trading Profit / (Loss)	(258)	154	(88)	(192)	353	161	494
Support Costs (Note 5)	742	179	154	1,075	-	1,075	1,036
Net Profit / (Loss)	(1,000)	(25)	(242)	(1,267)	353	(914)	(542)
Total costs of trading activities	2,660	1,568	522	4,750	3,024	7,774	7,524

5. Support Costs – Charity

	Trading	Estates & Buildings	Representation & Welfare	Student Opportunities	2024 Total	2023 Total
	£'000	£'000	£'000	£'000	£'000	£'000
People & Development	181	44	67	30	322	321
Marketing & Communications	235	57	87	38	417	385
Finance & Business Reporting	133	32	49	22	236	213
IT	138	34	51	22	245	250
Management	239	59	89	39	426	397
Other costs	149	35	54	24	262	256
	1,075	261	397	175	1,908	1,822

Support costs are apportioned to Charitable Activities and Governance based on the proportion of each category's direct staff costs.

6. Investment Income

All Investment Income is unrestricted in the current and comparative year.

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank & Other Interest Received	75	33	75	33
Gift Aid Received	-	-	222	-
	<u>75</u>	<u>33</u>	<u>297</u>	<u>33</u>

7. Expenditure

Expenditure includes:

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Depreciation	102	104	80	86
Payments made under terms of operating leases	100	91	96	87
Auditor's Remuneration	23	22	15	14
Tax compliance services from Saffery	2	2	-	-
Tax advisory services from Saffery	<u>3</u>	<u>1</u>	<u>3</u>	<u>1</u>

8. Employees and Key Management Personnel – Group & Charity

The average number of full-time equivalent staff employed by the Group during the year was 164 (2023: 164). This is split into the following groupings:

Full Time Equivalent Staff	2024	2023
Administration / Management	60	55
Student Representation	20	20
Commercial activity	<u>84</u>	<u>89</u>
	<u>164</u>	<u>164</u>
Average number of employees	463	444

8. Employees and Key Management Personnel – Group and Charity (continued)

Total wages and salaries paid in the year were:

	2024	2023
	£'000	£'000
Wages and Salaries	4,484	4,222
Employer's National Insurance Contributions	305	296
Pension Contributions	346	340
	<u>5,135</u>	<u>4,858</u>
(Decrease) / Increase in past service deficit contribution	-	9
	<u>5,135</u>	<u>4,867</u>

There were no payments made to employees on termination of their employment through redundancy (2023: Nil).

The 2023 valuation of the USS pension fund has been completed in the current financial year. The scheme assets are now in excess of the scheme liabilities which has resulted in the remaining provision at 1 January 2024 being released to the income and expenditure accounts. More details relating to the pension fund are included in Note 22.

Key management personnel are the Chief Executive and executive directors of the Association. The aggregate gross remuneration of the key management personnel during the year was £277,000 (2023: £302,000). The number of employees and key management personnel earning in excess of £60,000 per annum were:

	2024	2023
£90,000 - £100,000	-	1
£100,000 - £110,000	<u>1</u>	<u>-</u>

Pension contributions paid on behalf of these employees amounted to £48,000 (2023: £55,000).

Included in the wages and salaries line above is £159,000 (2023: £139,000) in respect of Laigh Year Office Bearers who are Trustees of the Charity. These five Office Bearers, who sit on the Board, are students elected annually by secret ballot of the Members of the Association to the positions of President, Vice President Activities & Services, Vice President Education, Vice President Welfare and Vice President Community. The students so elected take a sabbatical year out from their studies to perform the duties required of them by the Association's Constitution.

The annual remuneration in return for these duties is notified annually by The Academic Affairs Office of the University of Edinburgh.

During the year there was £1,000 of reimbursements to one external Trustee in connection with travel expenses incurred (2023: £3,000).

In the year ended 31 March 2024 the following payments were made to Trustees in their full-time capacities as Sabbatical Office Bearers:

	2022/23	£'000	2023/24	£'000
President	Niamh Roberts	7	Sharan Atwal	25
VP Activities & Services	Natalia Ellingham	7	Katherine Hardwick	25
VP Education	Sam MacCallum	7	Carlotta Harper	25
VP Welfare	Lauren Byrne	8	Lauren Byrne	23
VP Community	Isobel Williams	7	Alma Riessler	25
		<u>36</u>		<u>123</u>

8. Employees and Key Management Personnel – Group and Charity (continued)

In the year ended 31 March 2023 the following payments were made to Trustees in their full-time capacities as Sabbatical Office Bearers:

2021/2022			2022/2023	
		£'000		£'000
President	Ellen Macrae	5	Niamh Roberts	23
VP Activities & Services	Reka Siro	5	Natalia Ellingham	23
VP Education	Tara Gold	5	Sam MacCallum	23
VP Welfare	Aisha Janki Akinola	4	Lauren Byrne	23
VP Community	Beth Simpson	5	Isobel Williams	23
		<u>24</u>		<u>115</u>

Employer's National Insurance costs on the above were £15,000 (2023: £10,000) and employer's pension contributions were £22,000 (2023: £28,000) to give a total Laigh Year cost to the Association of £196,000 (2023: £177,000). The Vice President Welfare, Lauren Byrne, was re-elected for a second term. The remaining Sabbatical Office Bearers resigned in June 2023 at the same time as the new 2023/24 officers were appointed.

9. Charitable Expenditure – Group & Charity

Unrestricted Funds	Charity Governance £'000	Estates & Other £'000	Representation & Welfare £'000	Student Opportunities £'000	2024 Total £'000	2023 Total £'000
Staff Costs	-	408	618	257	1,283	1,144
Other Direct Costs	24	582	38	116	760	758
	24	990	656	373	2,043	1,902
Support Costs (Note 5)	-	262	397	175	834	777
Total Charitable Expenditure	24	1,252	1,053	548	2,877	2,679

Restricted Funds	Charity Governance £'000	Estates & Other £'000	Representation & Welfare £'000	Student Opportunities £'000	2024 Total £'000	2023 Total £'000
Staff Costs	-	-	-	21	21	79
Other Direct Costs	-	4	8	129	141	163
	-	4	8	150	162	242
Support Costs (Note 5)	-	-	-	-	-	9
Total Charitable Expenditure	-	4	8	150	162	251

9. Charitable Expenditure – Group & Charity (continued)

Analysis of Governance Costs – Group and Charity:

	2024		2023	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Audit Fee	23	15	23	15
Legal & Professional Fees	5	5	4	4
Trustee Training & Expenses	3	3	3	3
	<u>31</u>	<u>23</u>	<u>30</u>	<u>22</u>

Governance costs are those costs which are incurred to meet statutory requirements and those costs allocated to meet the Association's strategic objectives. These are all unrestricted.

10. Fixed Assets – Group and Charity

	Property Alterations £'000	Plant & Equipment £'000	Office Equipment £'000	Furnishings & Fittings £'000	Ents Equipment £'000	Computer Software £'000	Charity Total £'000	EUSACO Ltd £'000	Group Total £'000
Cost:									
At beginning of period	2,202	364	9	312	189	9	3,085	254	3,339
Additions	92	88	-	90	5	-	275	-	275
Disposals	(132)	(33)	-	(27)	-	-	(192)	-	(192)
At end of period	<u>2,162</u>	<u>419</u>	<u>9</u>	<u>375</u>	<u>194</u>	<u>9</u>	<u>3,168</u>	<u>254</u>	<u>3,422</u>
Accumulated depreciation:									
At beginning of period	2,131	319	9	211	187	3	2,860	189	3,049
Disposals	(132)	(33)	-	(27)	-	-	(192)	-	(192)
Charge for period	27	22	-	25	3	3	80	22	102
At end of period	<u>2,026</u>	<u>308</u>	<u>9</u>	<u>209</u>	<u>190</u>	<u>6</u>	<u>2,748</u>	<u>211</u>	<u>2,959</u>
Net Book Value									
At 31 March 2024	<u>136</u>	<u>111</u>	<u>-</u>	<u>166</u>	<u>4</u>	<u>3</u>	<u>420</u>	<u>43</u>	<u>463</u>
At 1 April 2023	<u>71</u>	<u>45</u>	<u>-</u>	<u>101</u>	<u>2</u>	<u>6</u>	<u>225</u>	<u>65</u>	<u>290</u>

There were capital commitments of £20,000 at 31 March 2024 (2023: Nil).

Notes on Edinburgh University Students' Association Accounts for the year ended 31 March 2024

11. Investment

EUSACO Ltd, which is a private company limited by shares whose company number is SC084199 and whose registered address is 5/2 Bristo Square, Edinburgh EH8 9AL, is the non-charitable trading subsidiary of the Charity. The company provides function and conference services throughout the year and also provides food and beverage services during the Edinburgh Fringe Festival.

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
EUSACO Ltd - Shares of £1 each	-	-	200	200
	-	-	200	200

Edinburgh University Students' Association wholly owns the ordinary share capital of EUSACO Limited, consisting of 200,000 ordinary shares of £1 each. EUSACO Limited has made an operating profit of £470,000 (2023: £354,000) in the 2023/24 financial year and has agreed to distribute £496,710 (2023: £222,000) to Edinburgh University Students' Association by way of Gift Aid within 9 months of the year end. The trading results of EUSACO Limited for the year to 31 March 2024, as extracted from the audited financial statements, are summarised below.

	2024	2023
	£'000	£'000
Turnover	3,622	3,404
Cost of Sales	(849)	(749)
Gross Profit	2,773	2,655
Other Operating Income	2	2
Administration Expenses	(2,305)	(2,303)
Profit on Ordinary Activities before Taxation	470	354
Tax on Profit	-	-
Retained Profit for year	470	354
Opening reserves	267	(87)
Retained Profit for year	470	354
Distribution to holding charity	(222)	-
Closing reserves	515	267

The figures above are unconsolidated and therefore differ from those shown in the Group Trading Activities statement.

At 31 March 2024, the Net Assets of the company totalled £715,000 being total assets of £767,000 less total liabilities of £52,000:

	2024	2023
	£'000	£'000
Tangible Fixed Assets	43	64
Current Assets	724	460
	767	524
Creditors: Due within one year	(52)	(57)
	715	467
Representing:		
Share Capital	200	200
Profit and Loss Account	515	267
	715	467

12. Stock – Group & Charity

	2024	2023
	£'000	£'000
Liquor	54	65
Food	16	15
Retail	87	87
	<u>157</u>	<u>167</u>

13. Debtors

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade Debtors	57	96	36	35
Other Debtors	63	92	63	82
Accrued Income	122	68	120	53
Prepayments	90	146	70	131
	<u>332</u>	<u>402</u>	<u>289</u>	<u>301</u>

14. Creditors: amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade Creditors	413	508	413	508
Other Creditors	104	96	104	89
NEST Pension	1	1	1	1
Taxes and Social Security	50	101	62	101
Deferred income	1,292	1,185	1,271	1,170
Accruals	268	348	238	313
Bank Loans (Note 16)	167	167	167	167
Due to Subsidiary Undertakings	-	-	661	356
	<u>2,295</u>	<u>2,406</u>	<u>2,917</u>	<u>2,705</u>

No interest is charged on any inter-company balances over which there is no security held and with no specified repayment term.

Included in deferred income is an amount of £1,219,000 which is an advance on the 2024/25 grants receivable from Edinburgh University (2023: £1,114,000). This deferred income will be released in the 2024/25 financial year as the grant relates to activities provided in that year.

Reconciliation of Deferred Income:

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Opening balance	1,185	1,153	1,170	1,142
Released in year	(3,983)	(3,663)	(3,781)	(3,596)
Deferred in year	4,090	3,695	3,882	3,624
Closing balance	<u>1,292</u>	<u>1,185</u>	<u>1,271</u>	<u>1,170</u>

15. Provision for liabilities – Group & Charity

	2024	2023
	£'000	£'000
USS Pension		
NPV at 1 April	1,743	1,830
Unwinding of discount factor	61	38
Deficit contributions paid	(106)	(134)
(Decrease) / Increase in past service deficit contribution	<u>(1,698)</u>	<u>9</u>
NPV at 31 March	<u>-</u>	<u>1,743</u>

The USS pension provision represents the net present value (NPV) of the commitment to the multi-employer pension scheme in respect of past deficits. The financial obligation in relation to the part service deficit is guaranteed by the University of Edinburgh.

16. Long Term Liabilities: Loan Funding – Group & Charity

	2024	2023
	£'000	£'000
Bank loans and overdrafts	<u>33</u>	<u>200</u>
Due in one year or less	167	167
Due in two to five years	33	200
Due in more than five years	<u>-</u>	<u>-</u>
	<u>200</u>	<u>367</u>

As a result of the pandemic, the Association required additional funding to continue its operations. It applied for a £1,000,000 loan under the UK Government Coronavirus Business Interruption Loan Scheme (CBILS). The loan was approved and paid in February 2021. The loan was free of interest payments for the first 12 months and thereafter a 3.8% interest margin on base rate on the outstanding balance will be payable. The capital sum is repayable over 6 years with quarterly repayments of £42,000 starting in May 2021. Capital repayments totalling £167,000 (2023: £466,000) were made during the 2023/24 financial year. In 2022/23 a payment of £300,000 was made as a one-off additional capital repayment in order to reduce the interest payments that were due. This early repayment means the loan will be full repaid more than a year earlier, in May 2025.

In addition to the loan funding, a £500,000 overdraft facility was also approved under the same scheme, however this facility has now expired.

Notes on Edinburgh University Students' Association Accounts for the year ended 31 March 2024

17. Funds: Movements in Year

Group	Balance at 1 April 2023	Income	Expenditure	Balance at 31 March 2024
	£'000	£'000	£'000	£'000
Restricted Funds				
University of Edinburgh & other specific grants	5	158	(143)	20
University of Edinburgh bandstand grant	25	-	-	25
University of Edinburgh capital grant	23	11	(19)	15
	<u>53</u>	<u>169</u>	<u>(162)</u>	<u>60</u>
Unrestricted Funds				
University of Edinburgh Block Grant, trading and other activity	(799)	9,067	(8,953)	(685)
Pension reserve	(1,743)	1,743	-	-
	<u>(2,542)</u>	<u>10,810</u>	<u>(8,953)</u>	<u>(685)</u>
Total Funds	<u>(2,489)</u>	<u>10,979</u>	<u>(9,115)</u>	<u>(625)</u>

Charity	Balance at 1 April 2023	Income	Expenditure	Balance at 31 March 2024
	£'000	£'000	£'000	£'000
Restricted Funds				
University of Edinburgh & other specific grants	5	158	(143)	20
University of Edinburgh bandstand grant	25	-	-	25
University of Edinburgh capital grant	23	11	(19)	15
	<u>53</u>	<u>169</u>	<u>(162)</u>	<u>60</u>
Unrestricted Funds				
University of Edinburgh Block Grant, trading and other activity	(1,067)	5,794	(5,929)	(1,202)
Pension reserve	(1,743)	1,743	-	-
	<u>(2,810)</u>	<u>7,537</u>	<u>(5,929)</u>	<u>(1,202)</u>
Total Funds	<u>(2,757)</u>	<u>7,706</u>	<u>(6,091)</u>	<u>(1,142)</u>

Restricted funds are those grants given for specific purposes and include grants from the University of Edinburgh separate to the Block Grant, covering individual projects. Amounts are transferred from unrestricted to restricted funds to cover any deficit on restricted funds.

Notes on Edinburgh University Students' Association Accounts for the year ended 31 March 2024

18. Analysis of Net Assets between funds

Group	2024			2023		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	463	-	463	290	-	290
Current assets	1,180	60	1,240	1,517	53	1,570
Current liabilities	(2,295)	-	(2,295)	(2,406)	-	(2,406)
Creditors due after more than one year	(33)	-	(33)	(1,943)	-	(1,943)
Total funds	(685)	60	(625)	(2,542)	53	(2,489)

Charity	2024			2023		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	620	-	620	425	-	425
Current assets	1,128	60	1,188	1,413	53	1,466
Current liabilities	(2,917)	-	(2,917)	(2,705)	-	(2,705)
Creditors due after more than one year	(33)	-	(33)	(1,943)	-	(1,943)
Total funds	(1,202)	60	(1,142)	(2,810)	53	(2,757)

19. Reconciliation of Surplus to Net Cash Generated from / used in Operations

	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Profit / (Loss) for the year	166	191	(83)	(163)
Adjustments for non-cash items:				
Depreciation of tangible fixed assets	102	104	80	86
Decrease in pension provision	(1,743)	(87)	(1,743)	(87)
Gain on defined benefit pension scheme	1,698	-	1,698	-
Bank & other interest received	(75)	(33)	(75)	(33)
Gift Aid received	-	-	(222)	-
Operating cash flows before movements in working capital	148	175	(345)	(197)
Decrease / (Increase) in stock	10	(37)	10	(37)
Decrease in debtors	70	84	12	40
(Decrease) / Increase in creditors	(111)	161	212	494
Cash generated from operations	117	383	(111)	300

20. Analysis of net debt

	As at 1 April 2023 £'000	Cash flows £'000	As at 31 March 2024 £'000
Group			
Cash	1,001	(250)	751
Loans: falling due within one year	(167)	-	(167)
Loans: falling due outwith one year	(200)	167	(33)
Total Net Cash	634	(83)	551
Charity			
Cash	998	(256)	742
Loans: falling due within one year	(167)	-	(167)
Loans: falling due outwith one year	(200)	167	(33)
Total Net Cash	631	(89)	542

21. Commitments under operating leases

At 31 March 2024 the group and charity had total commitments under non-cancellable operating leases as follows:

	Other equipment £'000	Property Rental £'000	Total 2024 £'000	2023 £'000
Group as a lessee				
Amounts due:				
Within one year	1	86	87	99
Between one and five years	-	31	31	115
Over five years	-	-	-	-
	1	117	118	214
Group as a lessor				
Amounts due:				
Within one year	28	28	34	
Between one and five years	135	135	137	
Over five years	70	70	105	
	233	233	276	

Amounts due to the Association relate to premises rental costs for office space that the Association leases to tenants. A new lease with Edinburgh Smiles was entered into on 1 April 2023 and runs until the 31 March 2031. The lease with Due North Print was cancelled by the Association during the 2023/24 financial year as a result of Teviot Row House closing.

22. Pension Costs

The total cost charged to the SOFA is £346,000 (2023: £340,000) as shown in Note 8.

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2023 (the valuation date), which was carried out using the projected unit method.

Since the Association cannot identify its share of Retirement Income Builder Section of the Scheme assets and liabilities, it accounts for the scheme as a defined contribution scheme, and the following disclosures reflect those relevant for the section as a whole.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the Scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030
Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement 2.5% p.a. Post-retirement 0.9% p.a.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

2023 Valuation

Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

The current life expectancies on retirement at age 65 are:

	2024	2023
Males currently aged 65 (years)	23.7	24.0
Females currently aged 65 (years)	25.6	25.6
Males currently aged 45 (years)	25.4	26.0
Females currently aged 45 (years)	27.2	27.4

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate was to increase to 6.3%. No deficit recovery plan is required under the 2023 valuation because the scheme is in surplus. The company is no longer required to make deficit recovery contributions from 1 January 2024 and has accordingly released the outstanding provision to the statement of income and expenses.

23. Related Party Transactions

Edinburgh University Students' Association wholly owns and controls EUSACO Limited. Transactions are made between the two companies, and any surplus funds from EUSACO Ltd are invested by the Students' Association. Any such sums are unsecured, repayable on demand and no income has been recognised by EUSACO Ltd in connection with it.

The total value of transactions between the two entities is shown below:

	2024	2023
	£'000	£'000
Transactions in Charity accounts transferred to EUSACO Ltd	<u>40</u>	<u>185</u>
Transactions in EUSACO Ltd accounts transferred to Charity	<u>345</u>	<u>561</u>

At 31 March 2024 EUSACO Ltd is owed £661,000 by Edinburgh University Students' Association (2023: £356,000). EUSACO Ltd pays an annual management fee to the Students' Association, to cover the costs incurred by the Association on behalf of EUSACO Ltd. The management charge in the year was £130,000 (2023: £125,000).

Trustees of the Students' Association were remunerated a total of £196,000 (2023: £180,000) during the year in respect of Laigh Year salaries and the refund of travel expenses, as detailed in Note 8.

24. Funds held as Custodian

Through our Student Opportunities team, the Students' Association encourages and facilitates the establishment of societies which enhance the student experience whilst at the University of Edinburgh. For academic year 2023/24 there were over 300 active registered societies. To help these societies operate effectively, the Students' Association acts as custodian of cash balances generated by the societies by managing a bank account on their behalf and encouraging best practice in financial management.

At the balance sheet date, the Students' Association held in total £717,000 (2023: £732,000) as custodian, in a non-interest bearing instant access account at Santander UK plc. During the year ended 31 March 2024, the Students' Association received funds of £2,346,083 and paid funds of £2,361,170 in respect of funds held as custodian.

These balances are not consolidated within the assets of the Students' Association as they do not represent amounts due to, or from, the Students' Association.

None of the individual balances held as custodian on behalf of any individual society are regarded as material to the financial position of the Students' Association.

25. Consolidated Statement of Financial Activities (incorporating the Income and Expenditure Account) for the year ended 31 March 2023

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022 (as restated)
	£'000	£'000	£'000	£'000
Income & endowments from:				
Charitable activities	3,142	237	3,379	3,422
Other trading activities:				
Commercial trading operations	6,982	-	6,982	3,551
Sponsorship	242	-	242	122
Investments	33	-	33	14
Other	9	-	9	271
Total	10,408	237	10,645	7,380
 Expenditure on:				
Raising funds:				
Commercial trading operations	7,524	-	7,524	5,697
Charitable activities:				
Charitable expenditure	2,679	251	2,930	2,790
Total	10,203	251	10,454	8,487
 Net income / (expenditure)	205	(14)	191	(1,107)
 Net movement in funds	205	(14)	191	(1,107)
 Reconciliation of funds				
Total funds brought forward	(2,747)	67	(2,680)	(1,573)
 Total funds carried forward	(2,542)	53	(2,489)	(2,680)

Notes on Edinburgh University Students' Association Accounts for the year ended 31 March 2024

26. Statement of Financial Activities of the charity, Edinburgh University Student's Association (incorporating the Income and Expenditure Account) for the year ended 31 March 2023

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022 (as restated)
	£'000	£'000	£'000	£'000
Income & endowments from:				
Charitable activities	3,142	237	3,379	3,422
Other trading activities:				
Commercial trading operations	3,820	-	3,820	3,109
Investments	33	-	33	14
Other	132	-	132	313
Total	7,127	237	7,364	6,858
Expenditure on:				
Raising funds:				
Commercial trading operations	4,597	-	4,597	5,091
Charitable activities:				
Charitable expenditure	2,679	251	2,930	2,790
Total	7,276	251	7,527	7,881
Net expenditure	(149)	(14)	(163)	(1,023)
Net movement in funds	(149)	(14)	(163)	(1,023)
Reconciliation of funds				
Total funds brought forward	(2,661)	67	(2,594)	(1,571)
Total funds carried forward	(2,810)	53	(2,757)	(2,594)