

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Trustees' Report and Financial Statements

For the year ended 30 June 2021

Registered Charity Number - SC012506

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Contents

For the year ended 30 June 2021

Contents	Pages
Trustee Report	1 – 9
Independent Auditor's Report to the Trustee and Member	10 – 13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 – 29

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Trustee Report

For the year ended 30 June 2021

Directors' Report

In accordance with the Constitution of the Association, current statutory requirements and the Statement of Recommended Practice (SORP), the Board of Directors presents their report and the financial statements for the year ended 30 June 2021.

OBJECTS AND ACTIVITIES

Founded as a registered charity in 1992, ENSA serves all matriculated students of Edinburgh Napier University. ENSA exists to enable students to make the most of their university experience by representing, supporting and developing them to be successful in their studies; to try out new things; to engage in, and contribute to, university life; to be healthy and happy; to bring about positive change; and to have fun.

The objects of Edinburgh Napier Students' Association (ENSA), as defined in its Constitution are:

- To represent the interests of the membership (Edinburgh Napier students) within the University and the wider community
- To provide advice and support to the membership, collectively and individually, on issues affecting their education and welfare
- To provide safe social space and a range of services to cater for the needs of the membership
- To facilitate regular communication between the Association and its membership; and between the Association, its members, the University and the wider community as and when appropriate
- To provide opportunities for personal and professional development for its membership, through participation in Association and University committee structures and activities, and in the activities of ENSA Sports and Societies
- To foster an Edinburgh Napier student identity and culture within the University, across academic disciplines and campuses, and in the wider community

ENSA's three Elected Officers are champions for students and work on their behalf to ensure they have the best possible experience at university. The Association serves its members primarily through the following key areas:

Representation: we train over 300 Programme Reps, chosen by students, to represent concerns on education-related matters and effect change

Advice: we provide an independent and confidential welfare rights and education service

Campaigns: we run a range of campaigns throughout the year promoting equality and diversity, health and wellbeing, sustainability, and other issues important to students

Events: we put on a range of exciting events throughout the year, including Freshers' / Welcome Week

Sports and Societies: we support around 25 sports clubs and more than 30 societies

ACHIEVEMENTS AND PERFORMANCE

While Covid-19 restricted the number of in-person activities and events during 2020 – 2021, ENSA continued to innovate to meet the needs of students by delivering many programmes and activities online.

Campaigns

Central to ENSA's campaigns is empowering students to bring about positive change for themselves.

Throughout 2020-2021, the Elected Officers worked with, and on behalf of, its members to promote diversity, inclusion and wellbeing across the University through the following campaigns:

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Trustee Report

For the year ended 30 June 2021

- Black History Month
- Disability History Month
- LGBT+ History Month
- Interfaith Week
- Climate Change
- Mental Health Support
- Exam/Assessment Support
- International Women's Day

In addition:

The Student President was a finalist in the Green Gown Awards for his work with university staff and students to develop sustainable and nature-friendly spaces at all three campuses, securing project funding from Keep Scotland Beautiful.

The Vice President for Representation and Volunteering led on the creation of a new Buddy System with the support of QAA Enhancement Theme funds to help new students settle into university life.

All three Elected Officers contributed to ENSA's Feel Fab Feb campaign which inspired students to look after their mental and physical health, with 65 activities across the month of February, including live streams, drop-in events and healthy living tips and resources.

Sports and Societies

Many of ENSA's sports clubs and societies demonstrated resilience faced with Covid-19 restrictions and managed to keep their existing communities active and, in some cases, build new ones, with five new societies and two new sports clubs joining during the year.

Inevitably, a number of clubs suffered a sharp decline in membership due to limited activity and public health restrictions, leading to financial instability. In November 2020 there were 23 societies totalling 315 memberships and 14 sports clubs with 349 memberships, down from 36 societies with 853 memberships and 25 sports clubs with 1042 memberships in November 2019. In response, ENSA committed £5,000 of the £20,000 of additional funds it received from the Scottish Government to create a Sports and Societies Recovery Fund. This fund provides an opportunity for clubs and societies to apply for a grant to help them rebuild their membership and stabilise their finances.

Education and Welfare Advice

Demands on the Advice Service were high during the year with a total of 1,421 appointments (compared with 1,258 in 2019-2020). The global pandemic gave rise to new student issues, including digital poverty and isolation. It also exacerbated others, such as financial hardship and accommodation problems. Approximately 65% of ENSA Advice appointments were related to welfare issues with international students requiring the most support.

The Advice Team, consisting of four part time advisers, assisted students in crisis by helping them to access food banks, providing money advice and supporting them with funding applications, as well as representing and advocating for students on issues such as academic misconduct and fee payments.

Programme Representatives

ENSA shares ownership of the programme representation system with the University. ENSA's role is to promote the representative positions (or 'reps') to students, offer new rep induction training on their role and responsibilities and to provide ongoing support to individual reps.

A total of 332 Programme Representatives completed ENSA's training programme, which was reviewed and redeveloped in consultation with the University's Quality and Enhancement Team.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Trustee Report

For the year ended 30 June 2021

Elections

Each year Edinburgh Napier University students vote for their three Elected Officers to represent their interests. Election turnout in March 2021 was 7.8%, down from 9.9% in 2020. Covid restrictions do not seem to have had a significant impact on elections as this was still an increase on 2019 when turnout was very low at around 5%. Increasing election turnout is one of the priorities set out in ENSA's three-year Strategic Plan.

A total of 14 candidates ran for election; only the President role was uncontested.

Position	Votes Cast
Education & Employability	870
Sport & Wellbeing	807
Societies & Community	575
Grand Total	2,252

Totals	2021	2020
Unique Voters	1,059	1,340
Turnout	7.8%	9.9%

Social

As part of our virtual Freshers' / Welcome Week, we hosted over 30 online events, including quizzes, 'watch parties', and live streams, as well as drop-in sessions hosted by our sports clubs and student societies. In January, we offered a further 15 online events during Welcome Back Week, providing students with a range of opportunities to engage and interact.

Transformational Change

There were many changes to the organisation in 2020 - 2021: a new CEO started in October 2020, followed by the appointment of a new Chair of the Board in January 2021; a new strategic plan was approved; and a Referendum was held seeking a change of Constitution.

After consultation with students, ENSA staff and University senior managers, the Strategic Plan 2021 – 2024 was adopted by the Board. The plan focuses on increasing student participation and engagement, extending ENSA's reach through social media and on-campus presence, driving up commercial income through marketing and events and developing staff capacity using digital technologies.

Between December 2020 and early June 2021, ENSA held a Referendum seeking approval from its student members to adopt a new Constitution which would benefit the organisation by redefining and enhancing the roles of the Elected Officers and enabling the appointment of a Corporate Trustee to limit the liability of individual trustees. After attaining the required numbers (10%) from student members in the Referendum and gaining the approval of University Court and ENSA's own Board, the Association changed its Constitution at the start of the new financial year in July 2021 appointing the Corporate Trustee and registering with Companies House. No changes were made to the charity's Objects with the adoption of the new Constitution or appointment of the Corporate Trustee; however, there were some significant changes to ENSA's governance and democratic structures with the removal of the Student Executive roles and the introduction of the 'ENSA 50', essentially the Association's student council with representatives elected from forums representing a wide range of students across the University, including those studying online and with TNE partners.

University – Students' Association Relationship

The many changes in ENSA in 2020 - 2021 brought about the opportunity to re-set the relationship with

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Trustee Report

For the year ended 30 June 2021

the University. ENSA now enjoys a more positive partnership with Edinburgh Napier University, while maintaining its independence and ability to challenge. As evidenced by a multi-year Student Partnership Agreement developed in 2021 and the formation of the University and Students' Association Forum (USAF), we are now working in a more collaborative manner on a number of projects and programmes which directly benefit our members.

STRUCTURE, GOVERNANCE AND MANAGEMENT

ENSA is a charity registered in Scotland and subject to the Charities and Trustee Investment (Scotland) Act 2005. The strategic and overall management of the charity is the responsibility of the Board.

Board of Trustees

The Trustee Board (known as the Board of Directors from July 2021) may have up to 12 members, including three ex officio places for the Elected Officers, six places for external lay trustees recruited on the basis of their skills and experience, and three further places for student lay trustees.

Management and Decision Making

The key management personnel in 2020 – 2021 were the Chief Executive Officer and Deputy Manager. Recruitment for a Chief Executive Officer commenced at the end of the financial year 2019 – 2020 after the General Manager had advised an intention to retire on 31 August 2020. An interim CEO of ENSA was recruited to cover the period until the CEO came into post in October 2020. The interim CEO later took up the post of Chair of the Board.

There are three elected full time student officers (FTOs) who are remunerated and employed for a one-year term of office, with possible re-election for a second year. They are trustees and employees of ENSA, but they are also student leaders and representatives of the student body. The FTO team share a workplace with the rest of the ENSA staff team and work in close collaboration with them, coming together on a weekly basis to establish work priorities in the sabbaticals (FTOs) and managers operations group (SMOG), which links both strategy and student-facing policy and activities with operational delivery.

The Trustees have the legal responsibility of being the employer of ENSA's staff and have a duty of care towards them. Due to the loss of commercial income during the year caused by Covid-19 restrictions, the Board took the decision at its meeting in March 2021 to delay any staff pay increase until after the start of term in September 2021. Staff were informed that the Board was 'minded' to award an increase as soon as ENSA's financial position had improved.

Trustee Recruitment and Training

Other than the three elected FTOs who are ex officio trustees, membership is through open recruitment, and potential candidates are interviewed by a panel of existing Board members and the CEO. In 2021 all trustees received induction training. Two FTOs are members of the University's governing body, the Court, and they access professional training on their trustee role through university provision. New trustees are provided with an ENSA Trustee Handbook and are encouraged to read OSCR materials, such as Guidance for Charity Trustees.

Governance and Constitutional Review

As outlined above, ENSA sought approval from its student members in a Referendum to change its Constitution. When the Referendum on the Constitution closed on 4 June 2021, a total of 1,400 votes had been cast with 1,337 in favour and 63 opposed. The Constitution (2021), which had been approved by ENSA's Board of Trustees on 10 February 2021, was then put to the University Court, which granted its approval at a meeting on 21 June 2021.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Trustee Report

For the year ended 30 June 2021

The Appointment of the Corporate Trustee

After gaining consent from both student members and Court, the ENSA Trustee Board re-confirmed the new Constitution at an Extraordinary Meeting held on 5 July 2021 and Trustees agreed that the new Constitution should be adopted from the date of this meeting. The Trustees then discussed the appointment of Edinburgh Napier Students' Association Ltd as the Trustee of ENSA. The Chair asked Trustees to approve the appointment of the Corporate Trustee. The Trustees agreed to appoint Edinburgh Napier Students' Association Ltd as the sole Trustee of ENSA. Immediately following this, the existing trustees of ENSA formally resigned and were subsequently appointed as directors of the Corporate Trustee.

Related Parties.

The Association receives an annual block grant from Edinburgh Napier University as described in note 18 to the financial statements.

Resources held for a third party

The Association holds funds on behalf of its clubs and societies. These are funds raised by clubs and societies to support their activities or the purchase of kit and equipment. These are held in a separate bank account which is not included in the financial statements. The balance at the year-end was £88,586 (2019/20: £79,715).

FINANCIAL REVIEW

Overall income for the year is £637,509 compared to income of £661,737 for 2019/20.

The balance sheet shows net current assets at 30 June 2021 of £147,639 (2020: 129,697) and unrestricted general funds of £201,323 (2020: £179,977). This excludes the pension deficit liability of £969,960 (2020: £1,020,788) which is repayable over the coming 15 years, bringing the total funds of the charity to a net liabilities position of £768,637 (2020: £840,811).

Key Financial Concerns:

- **Continued Financial Dependence on the University:** While the relationship with our partner University has improved, ENSA remains overly reliant on its income from ENU. ENSA is committed to securing commercial income going forward, as the easing of Covid-19 restrictions allow.
- **Impact of the Covid-19 pandemic.** The Covid 19 pandemic has had a significant impact on ENSA's commercial income since March 2020 which continued into financial year 2020 – 2021. It is anticipated that more in-person activity will be permitted from early 2022 which should enable the Association to generate more income. Also, the appointment of a Marketing and Events Coordinator focused on income generation should support recovery.
- **Pension Liability.** This is set to be a significant and ongoing cost for the next 15 years as the repayment period for the SUSS pension deficit, agreed with the Pensions Regulator, has been extended to 2035. The triennial revaluation of the SUSS pension fund received in September 2020 and relating to 30 June 2019 shows the liability to have risen from £119.7 million to £140.9 million. ENSA's monthly instalments to offset liability were £3,987 in 2020/21 based on the 2019 valuation and are scheduled to rise to £4,984 by 2022/23. ENSA's annual payment of £9,249 in 2020/21 to the Pension Protection Fund will decrease to £4,315 in 2020/21.
- **Going concern.** The University has indicated that a request for funding to (at least) the same level in 2022-2023 will be favourably considered. Thus, while the Covid-19 pandemic has had and continues to have an adverse impact on ENSA's total commercial income, ENSA is confident that it is, and will remain, a going concern.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Trustee Report

For the year ended 30 June 2021

Income

The block grant funding from the University was £460,000 with an additional £80,000 of strategic funding to support ENSA during the pandemic and to support the Association during a time of transition. The University provided a further £30,000 of funding towards the salaries of the Interim CEO of ENSA and the incoming CEO. In addition, the Scottish Government via the Scottish Funding Council awarded funding to support student mental health and wellbeing. ENSA received £20,000 of additional funding which it used to enhance its advice service, provide support for clubs and societies in the form of grants and employ a social media intern.

Income from Freshers' / Welcome Week Events was severely impacted by Covid-19 restrictions with most activities taking place online. Total income from Freshers' came to £4,077.

Expenditure

Charitable expenditure decreased relative to 2019/20 but the reduction was not proportionate to ENSA's fall in income. No pay rise was paid in 2020/21. The expenses decreased from £645,395 in 2019/20 to £566,942 in 2020/21.

Reserves Policy

The Board maintains a general reserves policy of four to six months expenditure, equivalent to between £189,633 and £284,449 at 2020/21's reduced levels. Although ENSA's reserves remain below the four month minimum at pre-Covid-19 levels of expenditure, our income has improved during the financial year and continues to improve in 2021 – 2022. The easing of Covid-19 restrictions and the improving relationship with the University should enable the Association to move to a healthier financial position in 2022 – 2023.

Risk Management

The Board periodically assesses risk and initiates appropriate steps to avoid or mitigate its impact. It is responsible for health and safety at work and ensures that student clubs and societies have the skills to risk assess their activities and develop appropriate policies in line with those of sports governing bodies.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Trustee Report

For the year ended 30 June 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Number: SC012506

Reference and Administrative Information

Corporate Trustee

Edinburgh Napier Students' Association Limited (appointed 5 July 2021).

From 5 July 2021 the existing trustees of ENSA formally resigned and were subsequently appointed as directors of the Corporate Trustee. The appointments below represent the combined position:

Sabbatical Directors

Ankit Duggal (term started 1 July 2019; reappointed 1 July 2020 and completed 30 June 2021)
Heloisa Fyfe (term started 1 July 2020; reappointed 1 July 2021)
Nikhil Reddem (term started 1 July 2020 and completed 30 June 2021)
Matthew Akinpelu (term started 2 July 2021)
Emily Divine (term started 2 July 2021)

Student Lay Directors

Tom Clark (appointed September 2018; interim convenor from 12 February 2020; resigned 31 December 2020)
Euan Henderson (appointed 2 March 2020; resigned 30 June 2021)
Aiden Kremin-Pacey (appointed 9 December 2020)
Olivia Gardner (appointed 8 October 2021)
Brodie Sutton (appointed 8 October 2021)

External Directors

Rachael Donovan (appointed 13 May 2020)
Angela Moodie (appointed 13 May 2020)
Julie Reynolds (appointed 7 May 2018; resigned 9 December 2020)
Amanda Kindness (appointed 2 March 2020; resigned 15 March 2021)
Jennifer Rees (appointed Chair 1 January 2021)
Dr Ailsa Crum (appointed 2 July 2021)
Isobel Hall (appointed 2 July 2021)
Andrew Haughton (appointed 2 July 2021)

General Manager / CEO

Ann Whannell (General Manager, retired 31 August 2020)
Jennifer Rees (Interim CEO from 1 July 2020 to 11 December 2020)
Darlene Bird (CEO from 1 October 2020)

MAIN OFFICE:

ROOM B34, MERCHISTON CAMPUS
EDINBURGH NAPIER UNIVERSITY
10 COLINTON ROAD
EDINBURGH
EH10 5DT

BANKERS

The Royal Bank of Scotland plc
206 Bruntsfield Place
Edinburgh
EH10 4DF

SOLICITORS

Turcan Connell
Princes Exchange
1 Earl Grey Street
Edinburgh
EH3 9EE

AUDITOR

Azets Audit Services
Chartered Accountants
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Trustee Report

For the year ended 30 June 2021

Statement of Trustees' responsibilities

The Constitution requires the accounts to be authorised by the Board of Trustees (or Board of Directors) which is responsible for the running of the charity. The financial responsibilities of the Association are exercised through the Board of Trustees with delegated responsibilities to the Finance and Risk Committee, which is a sub-committee of the Board, chaired by a non-Executive member of the Board. The financial statements go before Student Council (or ENSA 50), made up of student representatives and the Executive, which may ask questions and raise concerns it has with the Board of Trustees. Official authorisation of the financial statements rests with the Board of Trustees.

The law applicable to charities in Scotland requires the Board of Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Association and the incoming resources and application of resources, including income and expenditure for that period. In preparing those financial statements, the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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 Association will continue in operation.

The Board of Trustees is responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association and enable it to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Statement of disclosure of information to auditor

To the knowledge and belief of each of the persons who are members of the Board of Trustees at the time the report is approved:

- so far as the member of the Board of Trustees is aware, there is no relevant information of which the Association's auditor is unaware; and
- he/she has taken all the steps that he/she ought to have taken as a member of the Board of Trustees in order to make himself/herself aware of any relevant audit information, and to establish that the Association's auditor is aware of the information.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Trustee Report

For the year ended 30 June 2021

Auditor

This report has been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Approved by the Board of Trustees on 16 March 2022

And signed on its behalf by



Dr Jennifer Linda Rees, Chair of the Trustee Board

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Independent Auditor's Report to the Trustee and Member

For the year ended 30 June 2021

Opinion

We have audited the financial statements of Edinburgh Napier Students' Association (the charity) for the year ended 30 June 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charity's affairs as at 30 June 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and the provisions applicable for small entities, in the circumstances set out in note 19 to the financial statements, and we have fulfilled our 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 audit opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the directors 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 Directors' Report, other than the financial statements and our Auditor's Report thereon. The trustees are responsible for the other information contained within the Directors' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Independent Auditor's Report to the Trustee and Member

For the year ended 30 June 2021

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.

Matters on which we are required to report by exception

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

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity 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 auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Independent Auditor's Report to the Trustee and Member

For the year ended 30 June 2021

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the charity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the charity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with the trustees, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and taxation, data protection, anti-bribery, environmental, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

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

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

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

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Independent Auditor's Report to the Trustee and Member

For the year ended 30 June 2021

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charity's trustees, as a body, those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

**Azets Audit Services
Statutory Auditor
Exchange Place 3
Sempie Street
Edinburgh
EH3 8BL**

16 March 2022

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Statement of Financial Activities

For the year ended 30 June 2021

	Notes	Unrestricted 2021 Total £	Unrestricted 2020 Total £
Income and endowments from:			
Donations and legacies	3	594,244	471,397
Other trading activities	4	1,793	82,976
Charitable activities	5	13,053	90,655
HMRC JRS		28,403	16,269
Investments		16	440
Total		<u>637,509</u>	<u>661,737</u>
Expenditure on:			
Raising funds – events and entertainment		1,956	55,611
Charitable activities	6	566,942	645,395
Other – pension scheme costs	15	(3,563)	362,966
Total		<u>565,335</u>	<u>1,063,972</u>
Net income/(expenditure)		72,174	(402,235)
Reconciliation of funds:			
Total funds brought forward		<u>(840,811)</u>	<u>(438,576)</u>
Total funds carried forward	12	<u><u>(768,637)</u></u>	<u><u>(840,811)</u></u>

All of the results relate to continuing activities.

There were no recognised gains or losses for the period other than those stated in the above statements.

The notes on pages 17 to 29 form part of these financial statements.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Balance Sheet

As at 30 June 2021

	Notes	2021	2020
		£	£
Fixed assets	9	15,673	18,102
Current assets			
Debtors	10	2,019	36,588
Cash at bank and in hand		207,262	155,805
		<hr/>	<hr/>
Total current assets		209,281	192,393
Liabilities			
Creditors: Amounts falling due within one year	11	(23,631)	(30,518)
Pension liability	15	(38,011)	(32,178)
		<hr/>	<hr/>
Net current assets		147,639	129,697
		<hr/>	<hr/>
Total assets less current liabilities		163,312	147,799
Pension liability	15	(931,949)	(988,610)
		<hr/>	<hr/>
Total net assets	14	(768,637)	(840,811)
		<hr/> <hr/>	<hr/> <hr/>
Funds			
Unrestricted funds			
General fund	12	201,323	179,977
Pension fund	12	(969,960)	(1,020,788)
		<hr/>	<hr/>
Total charity funds		(768,637)	(840,811)
		<hr/> <hr/>	<hr/> <hr/>

The financial statements were approved and authorised for issue by the Board of Trustees on 16 March 2022 and signed on their behalf by:



.....
Dr Jennifer Linda Rees
Chair of the Trustee Board

The notes on pages 17 to 29 form part of these financial statements.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Balance Sheet

As at 30 June 2021

	Notes	2021	2020
		£	£
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	16	51,494	(117,331)
Cash flows from investing activities:			
Interest		16	440
Purchase of property, plant and equipment		(886)	(2,744)
Sale of property, plant and equipment		833	-
Net cash provided by/(used in) investing activities		<u>(37)</u>	<u>(2,304)</u>
Change in cash and cash equivalents in the reporting period		51,457	(119,635)
Cash and cash equivalents at the beginning of the period		<u>155,805</u>	<u>275,440</u>
Cash and cash equivalents at the end of the reporting period		<u><u>207,262</u></u>	<u><u>155,805</u></u>

The notes on pages 17 to 29 form part of these financial statements.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 30 June 2021

1. Accounting policies

General Information

Edinburgh Napier Students' Association is a charitable trust established under the university charter and registered in Scotland. The charity's registered number is SC012506, and its registered office is B34 Edinburgh Napier University, 10 Colinton Road, Edinburgh, EH10 5DT.

The continuing activity of the Association is to represent the students of Edinburgh Napier University.

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102, as issued by the Financial Reporting Council, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Edinburgh Napier Student's Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the Association's transactions are denominated.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires trustees to exercise their judgements in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

Going concern

The trustees are of the opinion that the charity can continue to meet its obligations as they fall due for the foreseeable future.

The Board have considered their key financial concerns including the impact of Covid 19 and the SUSS pension liability within the trustees' report, at page 5. They have assurance of funding from the University in 2021/22 that returns to the level of 2018/19 and expect that it will remain at that level into 2022/23.

Income recognition

Income is recognised when the Association has legal entitlement to the funds, the receipt is probable, and the amount can be measured reliably. Where there are performance conditions attached to any grants and donations, income is recognised when the conditions have been met or when meeting the conditions are within the Association's control and there is sufficient evidence that they have been met or will be met.

Income from charitable activities and other trading activities includes event and event sponsorship income and is recognised when the Association earns the right to consideration by its performance.

Gifts in kind

The value of gifts in kind provided to the Association is recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Association can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 30 June 2021

1. Accounting policies (continued)

Expenditure

Expenditure is recognised when a legal or constructive obligation arises. Where possible, expenditure has been charged direct to charitable expenditure. Where this is not possible, the expenditure has been allocated on the basis of time spent by staff on each activity.

- Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the Association in the delivery of its activities and services.
- Support costs are allocated directly to charitable activities where applicable. Other support costs are allocated to charitable activities based on the proportion of income generated by each activity:

Representation	80%
Engagement	19%
Clubs, Societies & Sports Unions	1%

- Governance costs, included within support costs, are those costs associated with meeting the constitutional and statutory requirements of the Association and include costs linked to the strategic management of the Association.

VAT

The Association is registered for VAT and is partially exempt. Income and expenditure is stated net of VAT. Irrecoverable VAT is charged as an expense to the Statement of Financial Activities in the year in which it occurs.

Fixed assets

Fixed assets are included in the Balance Sheet at cost, less accumulated depreciation and any impairment.

Depreciation

Depreciation is provided in the period in which the fixed assets are purchased. The rates of depreciation are calculated so as to write off the cost less residual value of each asset over its expected useful life as follows:

Furniture & fittings	20% reducing balance
Motor vehicles	25% reducing balance
Volunteer base	10% reducing balance

Debtors

Short term debtors are measured at the undiscounted amount of cash receivable, which is normally the invoiced amount, less any allowance for doubtful debts.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 30 June 2021

1. Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with banks and investment managers which are readily convertible, being those with maturities of three months or fewer from inception.

Cash and cash equivalents are measured at amortised cost, based on the relevant exchange rates at the reporting date.

Creditors

Short term creditors are obligations to pay for goods or services that have been acquired. Accounts payable are classified as creditors falling due within one year if payment is due within one year or less and are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

Financial Instruments

Financial instruments are recognised in the Statement of Financial Activities when the charity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price. Subsequent to initial recognition they are accounted for as set out below.

The charity only enters into basic financial instruments. At the end of each reporting period basic financial instruments are measured at amortised cost using the effective interest rate method.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the charity has transferred substantially all the risks and rewards of ownership. Financial assets are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Pension costs

During the period the Association participated in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of underlying assets and liabilities can be directly attributed to the Association. Under the terms of FRS 102, in these circumstances' contributions are accounted for as if the scheme were a defined contribution scheme. The contractual liability to repay past funding deficits has been recognised on the balance sheet at the net present value of future cash flows, as required by FRS 102. An effective interest cost is charged to the Statement of Financial Activities as the discounting to present value unwinds over time.

The Association also operates two defined contribution schemes in respect of its employees. The assets of these schemes are held separately from those of the charity. The pension costs charge represents the amount of contributions payable to the schemes in the period.

Unrestricted and designated funds

General funds are to be used to carry out the core activities of the Association. Designated funds are to be used for specific purposes as laid down by the Association.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 30 June 2021

2. Critical judgements and estimates

In preparing the financial statements trustees make estimates and assumptions which affect reporting results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Critical judgments are made in the timing of the recognition of income in accordance with the Charities SORP (FRS 102) and in the present value discount rate applied to the long-term pension deficit liability.

3. Donations and legacies

2021	Representation Engagement		Clubs, Societies & Sports Unions	Total 2021
	£	£	£	£
Edinburgh Napier University Block Grant	460,000	-	-	460,000
Ring-fenced Funding	-	110,000	-	110,000
Gifts and services in kind	-	-	-	-
Other funding	24,244	-	-	24,244
	<u>484,244</u>	<u>110,000</u>	<u>-</u>	<u>594,244</u>

2020	Representation Engagement		Clubs, Societies & Sports Unions	Total 2020
	£	£	£	£
Edinburgh Napier University Block Grant	460,000	-	-	460,000
Ring-fenced Funding	-	-	-	-
Gifts and services in kind	-	-	9,047	9,047
Other funding	2,350	-	-	2,350
	<u>462,350</u>	<u>-</u>	<u>9,047</u>	<u>471,397</u>

4. Other trading activities

	Total (Engagement) 2021	Total (Engagement) 2020
	£	£
Freshers events	1,000	38,120
Partnership income	560	40,774
Sports & Societies Awards Ball	-	1,082
Other Income	233	3,000
	<u>1,793</u>	<u>82,976</u>

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 30 June 2021

5. Income from charitable activities

2021	Representation	Engagement	Clubs, Societies & Sports Unions	Total 2021
	£	£	£	£
Sports Unions	-	-	7,040	7,040
Sundry income	1,326	-	-	1,326
Freshers'	-	3,077	-	3,077
Clubs and societies	-	-	1,610	1,610
	<u>1,326</u>	<u>3,077</u>	<u>8,650</u>	<u>13,053</u>
	<u><u>1,326</u></u>	<u><u>3,077</u></u>	<u><u>8,650</u></u>	<u><u>13,053</u></u>

2020	Representation	Engagement	Clubs, Societies & Sports Unions	Total 2020
	£	£	£	£
Sports Unions	-	-	24,940	24,940
Sundry income	4,289	-	-	4,289
Freshers'	-	57,116	-	57,116
Clubs and societies	-	-	4,310	4,310
	<u>4,289</u>	<u>57,116</u>	<u>29,250</u>	<u>90,655</u>
	<u><u>4,289</u></u>	<u><u>57,116</u></u>	<u><u>29,250</u></u>	<u><u>90,655</u></u>

6. Charitable activities

2021	Representation	Engagement	Clubs, Societies & Sports Unions	Total 2021
	£	£	£	£
Staff wages	270,897	-	-	270,897
Student training and development	884	-	-	884
Executive expenses	1,202	-	-	1,202
NUS Affiliation Fees	11,423	-	-	11,423
Other costs	12,133	-	-	12,133
Sports Union	-	-	14,166	14,166
Support costs (note 7)	198,441	51,271	3,535	253,247
Bad debt	-	-	-	-
Depreciation	2,715	-	-	2,715
SIF Expenditure	-	275	-	275
	<u>497,695</u>	<u>51,546</u>	<u>17,701</u>	<u>566,942</u>
	<u><u>497,695</u></u>	<u><u>51,546</u></u>	<u><u>17,701</u></u>	<u><u>566,942</u></u>

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 30 June 2021

6. Charitable activities (continued)

2020	Representation	Engagement	Clubs, Societies & Sports Unions	Total 2020
	£	£	£	£
Staff wages	371,233	-	-	371,233
Student training and development	4,357	-	(964)	3,393
Executive expenses	3,672	-	-	3,672
NUS Affiliation Fees	23,757	-	-	23,757
Other costs	7,001	-	-	7,001
Sports Union	-	-	22,577	22,577
Support costs (note 7)	148,807	49,003	12,211	210,021
Bad debt	170	-	-	170
Depreciation	2,776	-	-	2,776
SIF Expenditure	-	795	-	795
	<u>561,773</u>	<u>49,798</u>	<u>33,824</u>	<u>645,395</u>

7. Support costs

2021	Representation	Engagement	Clubs, Societies & Sports Unions	Total 2021
	£	£	£	£
Staff wages	158,540	37,429	2,825	198,794
Irrecoverable VAT	4,846	1,144	86	6,076
Office costs	4,292	1,013	76	5,381
Other costs	13,062	3,084	233	16,379
MSL Database costs	-	4,422	-	4,422
<i>Governance costs</i>				
Audit fee	4,506	1,064	80	5,650
Governance review and HR	13,195	3,115	235	16,545
	<u>198,441</u>	<u>51,271</u>	<u>3,535</u>	<u>253,247</u>

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 30 June 2021

7. Support costs (continued)

2020	Representation	Engagement	Clubs, Societies & Sports Unions	Total 2020
	£	£	£	£
Staff wages	88,457	26,556	7,260	122,273
Irrecoverable VAT	7,892	2,369	648	10,909
Office costs	9,644	2,895	791	13,330
Other costs	35,430	10,637	2,907	48,974
MSL Database costs	-	4,329	-	4,329
<i>Governance costs</i>				
Audit fee	3,726	1,119	305	5,150
Governance review and HR	3,658	1,098	300	5,056
	<u>148,807</u>	<u>49,003</u>	<u>12,211</u>	<u>210,021</u>

8. Staff costs and numbers

	2021 £	2020 £
Wages and salaries	411,172	399,179
Social security costs	33,389	30,046
Pensions	14,535	18,218
Death in service	4,566	2,993
Termination expenditure	-	30,383
Holiday pay accruals	4,529	12,687
Employee expenses	1,500	-
	<u>469,691</u>	<u>493,506</u>
	2021 Number	2020 Number
Staff numbers		
Management and administration	18	18
	<u>18</u>	<u>18</u>

There were no employees with emoluments above £60,000 (2020: none).

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 30 June 2021

8. Staff costs and numbers (continued)

Executive remuneration

They key management personnel of the charity comprise of the executive members:

During the course of their employment, 3 members (2020: 3) of the Executive received sabbatical remuneration, as outlined in the Constitution.

	2021				2020			
	Salary	Pension	Er NI	Total	Salary	Pension	Er NI	Total
Ankit Duggal	18,795	-	1,379	20,174	18,845	-	1,404	20,249
Georgia Moran	-	-	-	-	19,501	585	1,495	21,581
Jonathan Fraser	-	-	-	-	19,456	584	1,489	21,529
Heloisa Fyfe	19,301	423	1,449	21,173	-	-	-	-
Nikhel Reddem	19,301	-	1,449	20,750	-	-	-	-
	<u>57,397</u>	<u>423</u>	<u>4,277</u>	<u>62,097</u>	<u>57,802</u>	<u>1,169</u>	<u>4,388</u>	<u>63,359</u>

3 members (2020: 3) of the Executive were reimbursed a total of £730 for travel and expenses incurred during the period (2020: £847). Nil members (2020: 4) of the Trustees were reimbursed a total of £Nil for travel and expenses incurred during the period (2020: £100).

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 30 June 2021

9. Fixed assets

	Volunteer Base	Furniture & Fittings	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 July 2020	17,348	14,619	6,000	37,967
Additions	-	886	-	886
Disposals	-	-	(6,000)	(6,000)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2021	17,348	15,505	-	32,853
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 July 2020	7,152	7,513	5,200	19,865
Charge for year	1,020	1,495	200	2,715
Eliminated on disposal	-	-	(5,400)	(5,400)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2021	8,172	9,008	-	17,180
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 30 June 2021	9,176	6,497	-	15,673
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 1 July 2020	10,196	7,106	800	18,102
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

10. Debtors

	2021	2020
	£	£
Trade debtors	2,019	22,721
Prepayments and accrued income	-	12,942
Other debtors	-	925
	<hr/>	<hr/>
	2,019	36,588
	<hr/> <hr/>	<hr/> <hr/>

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 30 June 2021

11. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,771	2,153
Social security and other taxes	1,614	-
Other creditors and accruals	20,246	28,365
	<hr/>	<hr/>
	23,631	30,518
	<hr/> <hr/>	<hr/> <hr/>

12. Funds

2021	Balance at 1 July 2020	Income	Expenditure	Transfers	Balance at 30 June 2021
	£	£	£	£	£
Unrestricted funds					
General fund	179,977	637,509	(568,898)	(47,265)	201,323
Pension fund	(1,020,788)	-	3,563	47,265	(969,960)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(840,811)	637,509	(565,335)	-	(768,637)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

2020	Balance at 1 July 2019	Income	Expenditure	Transfers	Balance at 30 June 2020
	£	£	£	£	£
Unrestricted funds					
General fund	264,268	661,737	(701,006)	(45,022)	179,977
Pension fund	(702,844)	-	(362,966)	45,022	(1,020,788)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(438,576)	661,737	(1,063,972)	-	(840,811)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The transfer between funds relates to the pension deficit payments.

13. Commitments

	2021	2020
	£	£
The Association has pledged the following resources for the year to 30 June		
- Sports Union	-	46,000
- Clubs and societies	-	9,200
- Crisis loans	-	3,000
	<hr/>	<hr/>
	-	58,200
	<hr/> <hr/>	<hr/> <hr/>

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 30 June 2021

14. Analysis of net assets between unrestricted funds

2021	General funds £	Pension fund £	2021 Total £
Balances at 30 June 2021 represented by:			
- Tangible assets	15,673	-	15,673
- Current assets	209,281	-	209,281
- Amounts falling due within one year	(23,631)	(38,011)	(61,642)
- Amounts falling due after more than one year	-	(931,949)	(931,949)
	201,323	(969,960)	(768,637)
	201,323	(969,960)	(768,637)

2020	General funds £	Pension fund £	2020 Total £
Balances at 30 June 2020 represented by:			
- Tangible assets	18,102	-	18,102
- Current assets	192,393	-	192,393
- Amounts falling due within one year	(30,518)	(32,178)	(62,696)
- Amounts falling due after more than one year	-	(988,610)	(988,610)
	179,977	(1,020,788)	(840,811)
	179,977	(1,020,788)	(840,811)

15. Pension costs

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

The most recent valuation of the scheme was carried out as at 30 June 2019 and showed that the market value of the scheme's assets was £119,103,000 with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an on-going funding basis amounted to £140,907,000.

The assumptions which have the most significant effect upon the results of the valuation are those relating to the rate of return on investments and the rates of increase in pensions over the period up to retirement and once in payment.

The following assumptions applied at 30 June 2019:

- The investment return would be 4.0% per annum before retirement and 2.0% per annum after retirement.
- Pensions accrued on the CARE basis would revalue in line with RPI at 3.6% per annum and pensions accrued on the final salary basis would revalue in line with CPI at 2.6% per annum.

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 30 June 2021

15. Pension costs (continued)

- Present and future pensions would increase at rates specified by scheme rules with appropriate assumptions where these are dependent on inflation.

The 2019 valuation set out recommended monthly contributions expressed in monetary terms intended to clear the on-going funding deficit over a period of 14 years and 10 months. These amounts are applied with effect from 1 October 2020 and will increase each year by 5%. They will be formally reviewed following completion of the next valuation due with an effective date no later than 30 June 2022. In addition to these contributions, the Association also pays its share of the scheme's levy to the Pension Protection Fund. This cost of £9,249 (2020: £5,753) is also included in the accounts.

The funding deficit contributions paid into the scheme by the Association for the year ended 30 June 2021 amounted to £47,265 (2020: £45,022). The Association will be obligated to pay deficit contributions of £54,696 for the year ended 30 June 2022. As it is not possible to identify individual employers' share of the assets and liabilities in the scheme, the contributions are recognised as if it were a defined contribution scheme. The total commitment for funding deficit contributions at 30 June 2020, discounted to present value at a rate of 1.75% (2020: 1.5%) per annum was £969,960 (2020: £1,020,788).

The Association also operates two defined contribution schemes in respect of its employees during the period. The assets of the schemes are held separately from those of the Association. The pension cost charge represents the amount of contributions payable to the scheme in the year and amounted to £14,535 (2020: £18,218).

16. Notes to the cash flow statement

Reconciliation of net income to net cash flow from operating activities

	2021	2020
	£	£
Surplus/(deficit) for the year	72,174	(402,235)
Depreciation	2,715	2,776
Gain on sale of assets	(233)	-
Interest	(16)	(440)
Decrease/(increase) in debtors	34,569	(32,377)
Decrease in creditors	(6,887)	(2,999)
(Decrease)/increase in provisions	(50,828)	317,944
	<hr/>	<hr/>
Cash provided by/(used in) operating activities	51,494	(117,331)
	<hr/> <hr/>	<hr/> <hr/>

EDINBURGH NAPIER STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 30 June 2021

17. Controlling party

From 5 July 2021 the Association is controlled by Edinburgh Napier Students' Association Limited (registered company number SC703175), a corporate trustee representing the board of Directors. There is no ultimate controlling party.

18. Related parties

Napier Students' Association received £460,000 (2020: £460,000) in core grant income from Edinburgh Napier University. Income of £110,000 (2020: £Nil) was also received from Edinburgh Napier University to support the delivery of strategic priorities.

Napier Students' Association has use of an office suite on the Edinburgh Napier University campus. Napier Students' Association paid £Nil for use of this accommodation during the year ended 30 June 2021 (2020: £Nil).

During the year, Edinburgh Napier Students' Association received £Nil (2020: £9,047) worth of gifts and services in kind from Edinburgh Napier University. These related to sports related training and event costs.

Edinburgh Napier Students' Association received £Nil (2020: £12,227) from Edinburgh Napier University for the organisation of a Freshers' Fayre.

At the year-end the amount receivable from Edinburgh Napier University was £332 (2020: £18,098).

19. Non-audit services

In common with many other organisations of its size, the Association uses its auditor to assist with the preparation of the financial statements and to provide general VAT advice.