

Cultural exemption – Admission to SU events***Keele University Student Union TC00082***

Keele University Student Union argued it was an eligible body for the purposes of the cultural exemption. If successful this would have allowed the Union to exempt admission fees to cultural entertainments. There were three tests, which all had to be met, for exemption to apply. These were:

- 1) That it was precluded from distributing, and did not distribute any profits;
- 2) That it applied any profits from cultural admissions to the continuance or improvement of the cultural facilities it made available;
- 3) That it was managed and administered on a voluntary basis by persons having no direct or indirect financial interest in its activities.

The Tribunal was content that the first two tests were met even though the constitution had no specific clause precluding distribution of profits. The Union had no external shareholders and if it was dissolved Keele University would assume control of its assets. Surpluses from admissions were allocated to the entertainments sub section of capital reserves and used to improve the entertainments facilities. However, the Tribunal did not think the third test was met as the Union was managed by four sabbatical officers, elected annually by the students, and these officers took decisions of last resort. They were entitled to a bursary equivalent to the salary of senior bar staff. The bursary was not results based nor was it a profit share, so the officers had no financial interest in the activities of the Union, but because they were paid, the Union was not managed on a voluntary basis and so the exemption failed.

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