

UWE STUDENTS' UNION

**TRUSTEES REPORT &
FINANCIAL STATEMENTS**

31 JULY 2008

UWE STUDENTS' UNION

Trustees Report & Financial Statements

For the year ended 31st July 2008

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Trustees Report

for the year ended 31st July 2008

TRUSTEES ANNUAL REPORT FOR MEMBERS

The trustees are pleased to present their annual report together with the financial statements for the year ended the 31st July 2008.

REFERENCE & ADMINISTRATIVE DETAILS

Charity Name: University of the West of England Students' Union, known as UWE Students' Union

Charity Registration Number: Not yet required to register

Principal Office: Frenchay Campus, Coldharbour Lane, Bristol, BS16 1QY

Trustees:

2008/09

President of the Student Representative Council	Dom Passfield
Vice President of the Student Representative Council	Katy Phillips
President of the Activities Council	Alice Bouquet
President of the Sports Council	Lily Priggs
Trustee from Board of Governors	Vacant
Trustee from University Academic Staff	Carole Agousti

2007/08

President of the Student Representative Council	Dom Passfield
Vice President of the Student Representative Council	Becca Danes
President of the Activities Council	Alice Bouquet
President of the Sports Council	Lily Priggs
Trustee from Board of Governors	Vacant
Trustee from University Academic Staff	Carole Agousti

General Manager of UWE Students' Union: Sarah-Jane Smith

Advisers:

Bankers:

National Westminster Bank Plc
72 Gloucester Road
Bishopston
Bristol
BS99 5AF

Solicitors:

TLT Solicitors
One Redcliff Street
Bristol
BS99 7JZ

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for the year ended 31st July 2008

Auditors:

Milsted Langdon
One Redcliff Street
Bristol
BS1 6NP

STRUCTURE, GOVERNANCE & MANAGEMENT

The Union has a written constitution that was approved by the Board of Governors of the University of the West of England on the 14th March 2005. The Union is an unincorporated association.

Appointment of Trustees

Four Trustees are the elected Presidents of the union and work full time for the union during their period of office. These Trustees are appointed for a year in office, by annual election by the membership of the Union. These Trustees can only be elected to office twice. The remaining two Trustees are a lay member of the University Board of Governors and member of University Academic staff. They are nominated by the relevant University body and ratified by the Student Representative Council. There is no limit placed on their period in office.

Trustee Induction & Training

The elected Trustees are given extensive in house training and inductions as well as attending relevant external and NUS run courses in the initial two months of their period of office.

Organisation

The Union has three Councils, Sports, Activities and Student Representative, that are the main regular mechanism for members to make their views known to the Union. There is also the Annual General Meeting for the more formal communication with the membership. Strategic decisions and the setting of the Union's budget are made at the quarterly meetings of the Board of Trustees. The implementation of those decisions are carried out by the Presidential Trustees who attend the monthly meetings of the Finance & General Purposes Committee and the Staff Committee. The day to day management of the Union is the responsibility of the senior member of staff, the General Manager.

Related Parties

The Union receives a substantial part of its income from the University of the West of England and therefore has a close working relationship with the University to enable the Union to best carry out its objectives and activities.

Risk Management

The Union has a Risk Management Strategy and Risk Register. The most significant risks identified for the Union are a reduction in income from either its trading activities or from the University or from a failure of the Union to maintain properly functioning membership related IT systems. The former risks are addressed by prudent setting of the budget and by

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Trustees Report

for the year ended 31st July 2008

maintaining a close dialogue with the University. The IT systems are being reviewed with the aim of achieving a long term plan by the end of the summer of 2009.

OBJECTIVES & ACTIVITIES

The constitution of the Union states;

“The Union has the legal persona of an unincorporated association. As such its purpose and values are expressed not as that of a single corporate body but as that of a group of people as follows:

Our purpose is to represent our views and to cultivate a community of the students of the University of the West of England that complements our academic experience and provides a focus for our extra curricular activities.

We value each and every one of us. We celebrate diversity and strive to deliver equality of treatment and opportunity irrespective of sex, sexuality, race, colour, creed, age or ability.

We value the opportunities available to us as students of the University of the West of England. We endeavour to provide the University with representative and reliable information as to the student view, and to work in concert with the University to continue to enhance the student experience at UWE.

We value the knowledge and skills of the people that we employ to support us in the pursuit of our goals. We seek to provide a work environment that encourages a shared sense of purpose, high morale and sense of attainment.

We value our relations with the wider community. We seek to operate in harmony with that community and to minimise any negative impact on the natural environment.

We value the resources that support our activities and seek always to obtain best value from the use of those resources.”

The objectives of the Union as agreed in the Strategic Plan are shown below;

- We will increase participation and forge strong and positive relationships with our members
- We will be an association that is passionate and encourages member and staff development, so that we become a learning organisation
- We will build a strong partnership with the University of the West of England and be seen to add value to their strategy
- We will hold a governance review, fully engaging with the democratic process and implement its findings
- We will provide and be recognised as providing excellent customer service for all users

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for the year ended 31st July 2008

- We will develop policies and be recognised leaders in the areas of ethical, environmental and social responsibility.
- We will have a reserve of £600k
- We will have an improved Students' Union facility to better serve the needs of our members and stakeholders

The Union's plan on how to achieve these objectives is addressed in the Future Developments section.

ACHIEVEMENTS & PERFORMANCE

Students' Union Strategic review

During academic year 2007/08 the Union finalised its Strategic Plan and clearly identified the values, aspirations and goals for the next three years. Individual department plans were developed to ensure the implementation of the goals identified. The plan will be reviewed in January 2009, using the outcomes from Outreach 2008, a simplistic consultation process undertaken to ensure the Union's direction remains relevant to the student requirement.

Student Representation Council (SRC)

In 2007/08 the SRC met on five occasions, discussing a wide range of issues affecting the students at UWE. The Council mandated the Union to produce reports to present to the University on Time Tabling and the University Charter. The SRC have been active in consulting and considering feedback from the student population through the committee structure of Faculty Student Councils and have engaged with many departments of the University, raising issues and suggesting solutions to matters that affect the academic and educational experiences of the students. SRC look forward to consulting with the University in the forthcoming year to ensure that the views of the students are fully considered and also working with the University on such projects as National Student Survey awareness and the Quality Assurance Agency's Audit.

Advice & Job Shop

During the Academic year 2007/08 the Advice Centre recruited an additional part time adviser and now offers regular service at all the Bristol Campuses. During the year 4,286 cases were opened by the Advice Centre, with the most frequent advice categories as a percentage of the total being 46% Academic, 25% Housing and 11% Financial.

The Job Shop has had another successful year in finding part time jobs for our members, it has seen over 20,000 students registered with it and had 630 adverts for a total of 6,364 jobs.

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for the year ended 31st July 2008

Sports & Activities

Due to the outstanding success of last year the situation this year has been one of stabilisation. We now have 74 sports clubs and societies, a small reduction on last year, with just over 4,000 members. Nine teams were winners of their league, however our BUSA ranking fell 3 places to 38th in the country which is still very impressive.

The Volunteering Accreditation Scheme, Ave it!, has developed significantly in the year with the number of volunteer hours more than trebling to 4,909 volunteer hours. Raise & Give (RAG) has built on the progress last year and now has a solid base from which to develop.

Media

2007/08 was an excellent year for the growth in the levels of student participation in UWE's student media based in the Student Media Centre. The reasons for this were the big relaunch and promotion of the Hub radio station under the station managers Alex Bright & Rob Green, which generated a lot of interest and increased numbers of station volunteers. In the Spring term the radio station began promoting a successful weekly club night in the city centre.

The Publications Editor, Tom Pountney, also prioritised team building for his Western Eye and Westworld teams, with more meetings around the campuses and more social events to help bind the volunteers together. He also improved the distribution of the paper and its profile around the campuses. The Westworld magazine was edited by Sarah Pusey and it was also nominated for Best Publication Design in the Guardian's Student Media Awards. There continues to be a great deal of interaction between the radio station and the publications creating a real sense of a combined Student Media team.

The operation of the UWESU website is also managed in the student media centre. In 2007/08 our student web team were responsible for making a number of infrastructure improvements including managing the migration to a new webserver and implementing a version control and back up server.

Student Media also includes a student photography & video team who capture events and sporting occasions and publish the results both in print and online.

In total over 240 students have participated throughout the year in the above mentioned student media teams. This is an increase of over 100 students from 2006/07.

Nursery

This was an exciting year for the Halley Nursery as a brand new 50 place nursery was opened on the Frenchay Campus to complement the existing nursery at St. Matthias. This collaborative scheme, with the University providing the building and the Union running the nursery has been a great success. In the first year over 70 children have been cared for in the nursery, overall occupancy was over 85% and Ofsted rated the nursery as good in their inspection in June.

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for the year ended 31st July 2008

Trading Activities

The beneficial effects on the trading activities of the new village at the Frenchay Campus continued this year, but the smoking ban did have an adverse affect on the sales of alcoholic drinks, which decreased by 13%. However this was partially compensated for by the increase in coffee and food sales of 21% and improvements in Entertainments. Thus the overall Food & Beverage & Entertainments operations saw a 7% increase in contribution compared to the previous year. On the retail side despite sales remaining static the contribution from these operations has increased by 56% due to better cost and stock control and increased margins. Overall the contribution from the Union's trading areas increased by 41%.

FINANCIAL REVIEW

The increase in the block grant funding from the University was 3% and the trading areas contribution saw an increase of 41%. Charitable & governance salary costs, excluding the nursery staff increase, were around 1.5%. Charitable other expenditure increased by around 25% and Governance other expenditure increased by around 14%. There were no significant changes from the previous year in the areas of expenditure, except for the obvious increase due to the new nursery.

There was reduced expenditure on capital items of £87,124, significantly less than the previous year's total of £266,160. This was a conscious decision to restore the Union's cash reserves for future demands.

The Union made a comfortable surplus of £80,343 and the present level of funding is adequate to support the charity's activities and the trustees consider the financial position to be satisfactory.

The principal funding sources are the University block grant and the Union's normal trading activities.

FUTURE DEVELOPMENTS

The Union has the following projects that it wishes to pursue in the coming year, namely;

- UWE Federation; to improve the representation of students within the UWE Federation.
- Equality & Diversity; to encourage disabled students take positive action and improve accessibility for their university experience.
- Student Voices; to probe and explore under-represented student opinion.
- NUS; to work more closely with NUS.
- Constitution; to finalise the review and implement.
- Union Policies; to review and modernise all policies.
- Student Led Projects; to facilitate students organising the Self Defence and Awareness week projects.

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Trustees Report

for the year ended 31st July 2008

- QAA Submission; to write a well informed practical student written submission;
- SUEI; to successfully complete the first year of this evaluation
- Officer & C&S Training; to develop and implement the new training for all relevant students.
- Intramural Programme; to assist the Centre for Sport to ensure that a good value for money programme is run this year.

In addition the Union has recently been granted a licence to occupy the two units adjacent to the Job Shop. The Advice Centre has moved into one of the units and over the coming year it is planned to fully develop this area into a friendly student facing service. In addition the old Advice Centre will be transformed into a more useable space for the Student Representation team.

The Union has secured funding from Timebank for the coming year to fund a part time member of staff to further develop the volunteering opportunities for students.

The Union has spent significant sums improving the kitchen facilities and equipment at St. Matthias, Bower Ashton and Frenchay with the aim of providing a quicker, healthier and more varied menu to customers at those sites.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees are responsible for providing effective management of the Union's facilities, activities and services and to ensure appropriate allocation and usage of the Union's resources.

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Union and of its financial activities for that period. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with applicable accounting standards, 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 assume that the Union will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Union. They are also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

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Trustees Report

for the year ended 31st July 2008

In so far as the Trustees are aware:

- There is no relevant audit information of which the Union's auditors are unaware and;
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

SUBSCRIPTIONS

The following subscriptions were paid in the year ended 31st July 2008.

National Union of Students	£43,816
Association of Managers of Student Unions	£700
British University Sports Association	£7,077
Advice UK membership	£280
Pre-School Learning Alliance	£92

In addition there are subscriptions by some of the sports clubs to their relevant governing body.

Approved by the Trustees on the 28th of October 2008 and signed on their behalf by

Dom Passfield
President of the Student Representative Council

UWE STUDENTS' UNION

Independent Auditors Report to the Members

For the year ended 31st July 2008

We have audited the financial statements of UWE Students' Union for the year ended 31 July 2008, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITORS

The Trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view. We also report to you, if, in our opinion, the Trustees' report is not consistent with the financial statements, if the Union has not kept proper accounting records and if we have not received all the information and explanations we require for our audit.

We read the Trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Union's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion:

- The financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accountancy Practice of the state of the Union's affairs as at 31 July 2008 and of its surplus for the year then ended;
- The information given in the Trustees' Report is consistent with the financial statements;

MILSTED LANGDON LLP
Chartered Accountants and Registered Auditors
Bristol, 28th October 2008

UWE STUDENTS' UNION
Statement of Financial Activities
for the year ended 31st July 2008

	Note	Unrestricted Funds £	Designated Funds £	Total 2008 £	Total 2007 £
Incoming Resources					
Block Grant		890,300	-	890,300	864,300
Investment Income		24,223	-	24,223	21,729
Income from Trading Activities		3,184,096	-	3,184,096	3,223,977
Other Income		319,587	338,508	658,095	433,667
Total Incoming Resources		4,418,206	338,508	4,756,714	4,543,673
Resource Expended					
Charitable Activities		984,497	358,255	1,342,752	975,689
Costs of Generating Funds		2,918,845	-	2,918,845	3,078,748
Governance Costs		373,151	41,623	414,774	418,772
Total Resources Expended		4,276,493	399,878	4,676,371	4,473,209
Net movement in funds		141,713	(61,370)	80,343	70,464
Funds balance at 1 st August 2007		60,834	440,000	500,834	430,370
Transfer to / (from) funds		(142,623)	142,623	-	-
Funds balance at 31st July 2008		59,924	521,253	581,177	500,834

There are no restricted funds. There are no recognised gains or losses other than those passing through the summary income and expenditure account. All trading activities of the Union are classed as continuing.

The notes on pages 12 to 18 form part of these Financial Statements.

UWE STUDENTS' UNION

Balance Sheet

at the 31st July 2008

	Note	2008	2007
		£	£
Fixed Assets			
Tangible assets	5	317,440	356,546
Investments	6	8,321	6,269
		325,761	362,815
Current Assets			
Stocks	7	111,033	93,491
Debtors	8	101,397	69,850
Cash at bank and in hand		252,197	171,018
		464,627	334,359
Creditors: Amounts falling due within one year	9	(209,211)	(196,340)
Net current Assets		255,416	138,019
Net Assets		581,177	500,834
Funds			
Unrestricted funds	10	59,924	60,834
Designated funds	11	521,253	440,000
		581,177	500,834

These Financial Statements were approved by the Trustees on 28th October 2008 and are signed on their behalf by:

Dom Passfield
President of the Student Representative Council

The notes on pages 12 to 18 form part of these Financial Statements.

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Notes to the financial statements

for the year ended 31st July 2008

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Stocks

All stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Investments

Investments are stated in the balance sheet at cost. There are no movements in value arising from investment changes or revaluations. Provision is made for any permanent impairment in the carrying value.

Depreciation

Fixed assets are capitalised and depreciated over their useful lives. Rates of depreciation range from 10% to 33% on the straight-line basis depending on the type of asset, as shown in the Fixed Asset Register.

Income

The Block Grant from the University of the West of England is dealt with on a financial year basis. Income from the other activities is dealt with on an accruals basis.

Pension costs *(see note 13)*

The Union participates in the Student 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 the underlying assets and liabilities can be directly attributed to the Union. Under the terms of FRS17, in these circumstances contributions are accounted for as if the scheme were a defined contribution scheme based on actual contributions paid through the year.

Taxation

No liability for taxation is recognised by the Union. A large proportion of the Union's trading activities consist of mutual trading with members of the Union on which no liability to tax arises. Any element of taxable income relating to non-mutual trading activities is recognised other than when it is covered by charges on income.

UWE STUDENTS' UNION

Notes to the financial statements

for the year ended 31st July 2008

1. ACCOUNTING POLICIES *(continued)*

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Grants

The Union receives three forms of grant funding from The University of the West of England, Block Grant, Sports Hall Grant and capital grants. The Block Grant and Sports Hall Grant are released to the Income & Expenditure account over the period to which it relates. Capital grants are amortised at the same rate as the assets purchased.

Designated Fund *(see note 11)*

The Union has a policy of maintaining a fund for the replacement of the capital assets of the Union and also recognises that the building of the student village on the Frenchay campus will necessitate the further improvements of its facilities on that campus. Therefore the Union has to ensure that it has sufficient funds to replace and improve its capital assets in the normal course of its activities. In addition in October 2006 the funding of the SUSS pension fund deficit was separated from the on-going funding of the scheme. Following the latest valuation of the scheme in October 2007 the level of this funding necessary has increased significantly. Given its historic nature this liability is best met from the designated fund and the Union has set aside an estimate of the cost for the next three years. This will be reviewed based on the results of the next valuation. In addition by agreement between the Union and the University the funds generated or required from the running of the Halley Nurseries have been assigned a separate designated fund.

2. SURPLUS / (DEFICIT) FOR THE YEAR

Surplus / (Deficit) for the year is stated after charging/(crediting):

	2008	2007
	£	£
Depreciation	140,324	133,120
Amortisation of capital grants	(27,385)	(28,303)
Loss / (Profit) on disposal of fixed assets	(2,401)	(14,841)
Auditors' fees	4,300	4,000
Amounts payable under operating lease agreements	9,220	9,984

3. EXCEPTIONAL ITEM

There were no exceptional items this year.

UWE STUDENTS' UNION

Notes to the financial statements

for the year ended 31st July 2008

4. EMPLOYMENT COSTS

The number of staff employed by the Union at the end of the financial year amounted to:

	2008 No.	2007 No.
Administration and Trading Staff	77	65
Trustees	4	4

The aggregate payroll costs of the above were:

	2008 £	2007 £
Administration and Trading Staff Costs	1,317,854	1,157,105
Trustees' Costs	72,578	70,368

In addition to the above, temporary staff costs in the year amounted to £456,075 (2007 - £426,970).

5. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £
COST	
At 1 August 2007	949,511
Additions	87,124
Disposals	(78,004)
At 31 July 2008	958,631
DEPRECIATION	
At 1 August 2007	592,965
Charge for the year	140,324
Amortisation of grants	(27,385)
On disposals	(64,713)
At 31 July 2008	641,191
NET BOOK VALUE	
At 31 July 2008	317,440
At 31 July 2007	356,546

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Notes to the financial statements

for the year ended 31st July 2008

6. INVESTMENTS

	NUS Services Limited	
	Shares	Deposits
	£	£
COST		
At 1 August 2007	1,860	4,409
Additions	-	2,052
At 31 July 2008	1,860	6,461
DEPRECIATION		
At 1 August 2007 and 31 July 2008	-	-
NET BOOK VALUE		
At 31 July 2008	1,860	6,461
At 31 July 2007	1,860	4,409

The shares in NUS Services Limited are £1 ordinary shares. NUS Services Limited is an unlisted company.

7. STOCKS

	2008	2007
	£	£
Goods for own use	4,602	4,646
Goods for resale	106,431	88,845
	111,033	93,491

8. DEBTORS

	2008	2007
	£	£
Trade and sundry debtors	68,739	35,256
Prepayments and accrued income	32,658	34,595
	101,397	69,851

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Notes to the financial statements

for the year ended 31st July 2008

9. CREDITORS: Amounts falling due within one year

	2008		2007	
	£	£	£	£
Trade creditors		72,063		95,506
Other creditors including tax and social security:				
PAYE and social security	38,297		25,880	
VAT	21,423		5,589	
		59,720		31,469
Accruals and deferred income		77,428		69,365
		209,211		196,340

10. UNRESTRICTED FUNDS

	2008	2007
	£	£
Funds brought forward	60,834	69,370
Movement in Funds for the year	141,713	93,742
Transfers to Designated Funds	(142,623)	(102,278)
Funds carried forward	59,924	60,834

11. DESIGNATED FUNDS

	2008	2007
	£	£
Funds brought forward	440,000	361,000
Movement in Funds for the year	(61,370)	(23,278)
Transfers from Unrestricted Funds	142,623	102,278
Funds carried forward	521,253	440,000

The Designated Funds of £521,253 (2007 £440,000) are for the replacement of existing capital items, meeting the costs of the pension fund deficit, the requirements of the Halley Nurseries and providing towards the costs of any future new facilities.

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Notes to the financial statements

for the year ended 31st July 2008

12. COMMITMENTS UNDER OPERATING LEASES

At 31 July 2008 the Union had aggregate annual commitments under non-cancellable operating leases as set out below.

	2008 Equipment & vehicles £	2007 Equipment & vehicles £
Operating leases which expire:		
Within 1 year	-	9,984
Within 1 to 2 years	9,220	-
Within 2 to 5 years	-	-
	9,220	9,984

13. PENSION COSTS

The Union 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 onwards accruing on a Career Average Revalued Earnings (CARE) basis.

The most recent valuation of the scheme was carried out as at 1 October 2004 and showed that the market value of the scheme's assets was £32,522,000 with these assets representing 51% of the benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £30,594,000.

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 salaries and pensions.

The following assumptions applied at 1 October 2004:-

- The investment return would be 7.0% per annum before retirement and 5.5% per annum after retirement
- Salaries would increase at 5.0% per annum, equivalent to 2% per annum above inflation. Pensions accruing on the CARE basis would revalue at 3.0% per annum.
- Present and future pensions would increase at rates specified by scheme rules with appropriate assumptions where these are dependent on inflation.

The 2004 valuation recommended the continuation of the contribution rate previously agreed at the time of the introduction of the CARE basis i.e. 22.5% of Earnings for the majority of members (with higher rates in certain circumstances). However it proposed an increase of 1% of Earnings from 1 October 2006, with a further 1% increase from 1 October 2007, unless there was an increase in the membership in the meantime. In practice, instead of these 1%

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Notes to the financial statements

for the year ended 31st July 2008

increases being introduced, a revised contribution rate was introduced with effect from 1 October 2006. From that date, the contribution rate was to be expressed in two parts: a rate of 15.7% of Earnings (with higher rates in certain circumstances) paying for future accrual, with additional monthly contributions expressed in monetary terms, with the aim of clearing the historic scheme deficit over a period of 20 or so years. These rates will be reviewed as part of a new valuation being carried out as at 1 October 2007. It is anticipated that this will lead to a shorter period for aiming to clear the deficit being adopted than previously, and so is likely to give rise to higher overall rates from 1 October 2008. Surpluses or deficits which arise at future valuations may also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the scheme's levy to the Pension Protection Fund.

The contribution rate for the year ended 31 July 2008 applicable to this Union for the majority of members is 7.0% of Earnings for members and 8.95% of Earnings for the Union (15.95% in aggregate).

The total contributions paid into the scheme in respect of eligible employees for the year ended 31 July 2008 amounted to £83,237 (2007 - £71,079), of this amount £41,623 (2007 - £23,278) was the Union's contribution towards the pension fund deficit and PPF levy.

14. RELATED PARTY TRANSACTIONS

The controlling party of the Union are the Trustees by virtue of their position under the constitution.

The Union receives a substantial part of its income by means of grant funding from The University of the West of England. This funding amounted to £890,300 (2007 - £864,300) in the year under review plus an additional £65,000 (2007 - £55,000) in respect of Sports Hall charges. The Trustees are of the opinion that this financial assistance is not an influencing factor with regards to the formulation of Union policy nor does it have any effect on the internal management and decision making of the Union.

UWE STUDENTS' UNION

Management information

for the year ended 31 July 2008

The following pages do not form part of the financial statements which are the subject of the independent auditors' report on page 8.

UWE STUDENTS' UNION

Detailed Income & Expenditure Account

for the year ended 31st July 2008

	Freshers	Machines	Ents & Marketing	Retail	F&B	Total of Trading
	£	£	£	£	£	£
Turnover	141,114	40,189	118,135	1,659,614	1,225,044	3,184,096
Cost sales	-	-	-	(1,109,997)	(419,728)	(1,529,725)
Total	141,114	40,189	118,135	549,617	805,316	1,654,371
Salaries	(19,942)	-	(33,605)	(271,120)	(542,501)	(867,168)
Direct Exp	(143,696)	(7,392)	(105,531)	(75,168)	(110,189)	(441,976)
	(22,524)	32,797	(21,001)	203,329	152,626	345,227
Depr'n	-	-	(8,756)	(38,454)	(32,766)	(79,976)
Total costs	(163,638)	(7,392)	(147,892)	(1,494,739)	(1,105,184)	(2,918,845)
Overall Totals	<u>(22,524)</u>	<u>32,797</u>	<u>(29,757)</u>	<u>164,875</u>	<u>119,860</u>	<u>265,251</u>

	Nursery	S & A	Union Services	Total of Charitable	Governance	Overall Totals
	£	£	£	£	£	£
Turnover	338,508	266,465	33,527	638,500	934,118	4,756,714
Cost sales	-	-	-	-	-	(1,529,725)
Total	338,508	266,465	33,527	638,500	934,118	3,226,989
Salaries	(290,145)	(81,147)	(361,646)	(732,938)	(246,401)	(1,846,507)
Direct Exp	(67,428)	(389,167)	(123,267)	(579,862)	(162,959)	(1,184,797)
	(19,065)	(203,849)	(451,386)	(674,300)	524,758	195,685
Depr'n	(682)	(8,255)	(21,015)	(29,952)	(5,414)	(115,342)
Total costs	(358,255)	(478,569)	(505,928)	(1,342,752)	(414,774)	(4,676,371)
Overall Totals	<u>(19,747)</u>	<u>(212,104)</u>	<u>(472,401)</u>	<u>(704,252)</u>	<u>519,344</u>	<u>80,343</u>

UWE STUDENTS' UNION

Movement on Designated Funds

for the year ended 31st July 2008

	£	£	£	£
	Nursery Fund	Pension Deficit	Capital Reserve	Total
Balance at 1/8/07	0	120,000	320,000	440,000
Movement in the year	(19,747)	(41,623)	0	(61,370)
Transfer to Fund	0	62,623	80,000	142,623
Transfer from Fund	0	0		0
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31/07/08	<u>(19,747)</u>	<u>141,000</u>	<u>400,000</u>	<u>521,253</u>

UWE STUDENTS' UNION

Cash Flow Statement

for the year ended 31st July 2008

	2008		2007	
	£	£	£	£
Cash at bank and in hand brought forward	171,018		332,645	
Bank overdraft, loans and advances brought forward	-		-	
		171,018		332,645
Returns on investments and servicing of finance				
Interest received	24,223		21,729	
Interest paid	-		-	
		24,223		21,729
Capital cash flows				
Sale of fixed assets	10,890		632	
Purchase of fixed assets	(87,124)		(266,161)	
Repayment of capital	-		-	
		(76,234)		(265,529)
Cash inflow from commercial activities		270,715		222,386
Non-commercial activities				
Income and grants	1,548,395		1,297,967	
Expenditure	(1,685,920)		(1,438,180)	
		(137,525)		(140,213)
Overall cash carried forward		252,197		171,018
Cash at bank and in hand carried forward		252,197		171,018
Bank overdraft, loans and advances carried forward		-		-
Overall cash carried forward		252,197		171,018
