

**UWE STUDENTS' UNION**

**TRUSTEES' REPORT &  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2011**

# UWE STUDENTS' UNION

## Trustees' Report & Financial Statements

For the year ended 31<sup>st</sup> July 2011

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# UWE STUDENTS' UNION

## Trustees' Report

for the year ended 31<sup>st</sup> July 2011

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### TRUSTEES' ANNUAL REPORT FOR MEMBERS

The trustees are pleased to present their annual report together with the financial statements for the year ended the 31<sup>st</sup> July 2011.

### REFERENCE & ADMINISTRATIVE DETAILS

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

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

#### Trustees:

##### 2011/12

President	Colin Offler
Vice President Education	Oliver Reid
Vice President Sports	Ariana Alexander-Sefre
Vice President Community & Welfare	Louise Goux-Wirth
Vice President Societies & Communication	Safiyyah Henderson
External Trustee	Peter Brasted
External Trustee	Craig Pocock
External Trustee	Ben Lock

##### 2010/11

President of the Student Representative Council	Colin Offler
Vice President of the Student Representative Council	Gail Wilson
President of the Activities Council	Terry Atkinson
President of the Sports Council	Nadia Harding
External Trustee (Ratified at AGM 25/11/ 10)	Peter Brasted
External Trustee (Ratified at AGM 25/11/ 10)	Craig Pocock
External Trustee (Ratified at AGM 25/11/ 10)	Ben Lock

**General Manager of UWE Students' Union:** Hugh Boyes

#### Advisers:

#### Bankers:

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

#### Solicitors:

TLT Solicitors  
One Redcliff Street  
Bristol  
BS99 7JZ

# UWE STUDENTS' UNION

## Trustees' Report

for the year ended 31<sup>st</sup> July 2011

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### Auditors:

Milsted Langdon LLP  
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 14<sup>th</sup> March 2005. The constitution was subsequently updated on 1<sup>st</sup> May 2011. The Union was originally an unincorporated association. UWE Students' Union, a company limited by guarantee, was incorporated on the 20<sup>th</sup> June 2011 and registered with the Charities Commission. The new incorporated charity has company number: 7675253 and registered charity number: 1143067. The entire assets, liabilities and staff of the unincorporated association were transferred to the new charitable company on the 31<sup>st</sup> July 2011.

### Appointment of Trustees

Up to five Officer Trustees shall be elected by secret ballot by the members of UWESU. In addition up to two Student Trustees, one Alumni Trustee and four External Trustees shall be appointed by the Appointments Committee. These appointments do not take effect until they have been ratified by the Student Council.

### Trustee Induction & Training

The Officer Trustees are given extensive in house training and inductions as well as attending relevant external and NUS run courses in the initial three months of their period of office. The Student Trustees are offered the opportunity to go on the three day NUS Trustee Academy training course.

### Organisation

The Union has a Student Council that is the main regular mechanism for members to make their views known to the Union. All the elected officers are members of the Executive Committee which acts in the absence of Student Council. In addition there are four committees that focus on distinct areas of activity, namely Student Representative Committee, Sports Committee, Community & Welfare Committee and Societies & Communication Committee. There is also the Annual General Meeting for the more formal annual 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 implementations of those decisions are carried out by those trustees who are appointed to 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.

# **UWE STUDENTS' UNION**

## **Trustees' Report**

**for the year ended 31<sup>st</sup> July 2011**

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### **OBJECTIVES & ACTIVITIES**

The Articles of Association of the Union state that:

The objects of the Union are the advancement of education of students at the University of the West of England for the public benefit by:

Promoting the interests and welfare of students at the University of the West of England during their course of study and representing, supporting and advising students;

Being the recognised representative channel between students and the University of the West of England and any other external bodies; and

Providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its students.

The objectives of the Union as agreed in the Strategic Plan for 2010 to 2013 are shown below:

- We will increase participation and forge strong and positive relationships with our members;
- We will develop the Union to secure its long term organisational, financial and environmental sustainability;
- We will implement and embed our new governance structure;
- We will continue to have a strong partnership with the University of the West of England and be seen to add value to their strategy; and
- We will continue to be an organisation that is passionate and encourages member and staff development.

The Union's plan on how to further these objectives in 2011/12 is addressed in the Developments section.

### **ACHIEVEMENTS & PERFORMANCE**

Last year the Union identified in its report a number of objectives for 2010/11, the ones we successfully achieved were:

- Advice Centre & Job Shop unit; re-launch from the re-furbished unit;
- Print & Ticket Shop; set up a revised service from the new location;
- Freshers Fair; to move successfully to the ECC;
- Increase voter turnout across all campuses;
- Getting Active campaign to increase participation in sport;
- Constitution; to pass at AGM and implement in the following elections; and
- To ensure the Union makes a surplus in 2010/11.

In addition the Union continued with all its other activities and we have identified the progress made in the paragraphs that follow.

# **UWE STUDENTS' UNION**

## **Trustees' Report**

**for the year ended 31<sup>st</sup> July 2011**

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### **Student Representation**

Listening and acting to student feedback is a clear priority for the University and UWESU are key partners in delivering this. In 2010/11 the Students' Union has seen a record increase in the number of student reps to 1,035, of which 550 were trained. This year Student Reps have spent over 1,000 hours in the Students' Union organised meetings, including over 200 hours in the Student Representative Council discussing university wide issues.

Students have consistently raised issues with GDP, a programme introduced by UWE to increase employability and student skills. In 2010 UWE added in questions on GDP to both the NSS and SES, allowing all students to feedback on their experiences. In March the Students' Union produced a research report using this data, supplemented with qualitative data from student reps. The report was presented at the Learning, Teaching and Student Experience Exec and Academic Board.

The University has identified the development of an online submission and feedback tool for assessments, to be implemented in September 2011 as a key priority, partly thanks to student feedback. The Students' Union has been closely involved in the development and hopefully this will continue next year.

The 6<sup>th</sup> Annual Student Rep Awards was held on the 6<sup>th</sup> April at the Thistle Hotel. Record donations were received by the faculties, totalling £4,700. A video was commissioned to highlight the achievements of student and halls reps, which received excellent feedback and has been used since by various University staff members. All in all the night was a great success and feedback was overwhelmingly positive from students and staff alike.

### **Campaigns**

Over the last year elected sabbatical representative officers ran various campaigns with a common goal to enhance the student experience for our members. The priority campaign for the year was to promote the opportunity and support students who wanted to attend the National Demonstration against cuts to funding in the Higher Education Sector coordinated by the National Union of Students. On the day of the demonstration the Vice Chancellor of the University came down to see 140 students depart UWE Frenchay Campus for London and commended the great level of engagement with students that the Students' Union achieved to make the day successful.

### **UWESU building**

The long-standing campaign to secure investment for development of the Students' Union building has gained momentum this year with the master-planning project beginning to actively consider the redevelopment of Frenchay campus. UWESU is currently carrying out research into what stakeholders would like to see from the SU in terms of facilities. In addition several visits have been made to Warwick, Plymouth, Glamorgan, Winchester and Bath to look at the facilities there and any lessons that can be learnt. A paper outlining the position of the Students' Union and an initial functional specification was presented to the Learning, Teaching & Estates Requirement Group.

### **New Constitution**

In November 2010 the new constitution was ratified by AGM. Since then a great deal of work has already been undertaken to ensure a smooth transition. A key part of this was developing information for the 2011 elections, developing Terms of Reference for all of the new committees and councils and clear guidance has been issued to current societies that will be transferring to either sports clubs or

# **UWE STUDENTS' UNION**

## **Trustees' Report**

### **for the year ended 31<sup>st</sup> July 2011**

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networks for 2011/12. Support for the new structures was also incorporated into the recent staffing structure to ensure the new constitution works effectively.

An online policy database is also being developed to: better manage the policies passed by students, to make the process more transparent and to provide students with updates on what is happening with policies that have been passed.

In September 2010 three external trustees were recruited for the revised UWESU Board of Trustees, they were subsequently ratified in November 2010 at AGM. Two student trustees have now been recruited and a further external trustee has been identified, which subject to ratification will make-up the full Board of Trustees.

### **Sports & Activities**

The sports teams had a very successful year in BUCS competitions and finished 29<sup>th</sup> in the league, the highest position ever by eight places.

The Varsity Series had a total of 26 Varsity's including Rugby and Football at the Memorial Stadium and Boat Varsity held at the docks. This year we successfully brought back Varsity Day, this has not happened for 10 years and allowed students to showcase their sporting abilities for one day, offering all students the time to shine in the limelight through Varsity. The sum raised for the varsity charity, PROPS, was £5,983.

The number of Societies has continued to grow and we now have 53, the highest number ever. Although the number of paid up members has declined, the activities in volunteering and RAG have continued to expand into a variety of events and overall the money raised for charity by RAG was £2,340.

This year the Sports President took on a project to promote a healthy and active lifestyle to under-represented members of the University sport societies. Participation in sport can often be a challenge for many individuals who have their own personal reasons for not being comfortable taking part. The campaign pioneered was called 'Body Beautiful', designed to give females the opportunity to try out a different sport every day for free throughout the whole of February 2011. The campaign offered free classes in different activities ranging from Zumba to Climbing, as well as offering free health advice and workshops to educate women on the importance of maintaining a healthy lifestyle. The campaign was sponsored by Hewlett Packard and 550 women took part over the course of the month. Other events throughout the year include developing and implementing ad hoc projects such as Free Sport Week, Feel Good February and various fundraising events for causes such as Comic Relief, Right To Play and Sue Ryder Cancer charity.

### **Advice & Job Shop**

The academic year 2010/11 saw the Advice Centre provide a consistent advice service on a weekly basis at Hartpury, Glenside and Bower Ashton campuses, and appointment only services at St Matthias campus during term time, in addition to the all year round service at the Frenchay campus.

The Advice Centre continued to provide their confidential and impartial service to over 3,000 students, with the most frequent advice categories being Academic (66%), Housing (16%) and Financial (6%).

# **UWE STUDENTS' UNION**

## **Trustees' Report**

**for the year ended 31<sup>st</sup> July 2011**

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It has been another challenging year with the global recession, but the Job Shop saw a small increase in business, advertising in excess of 3,900 vacancies from 490 job adverts during the last academic year. Yet again we have seen over 5,000 more students register with Job Shop each academic year and the last year was no exception.

### **Nursery**

The Frenchay Nursery has seen continuing high demand and has operated at close to full capacity throughout the year. There are 89 children on the register and a healthy waiting list. The Nursery continues to expand the activities offered and these now include regular music, dancing and foreign language sessions. In addition the Nursery has facilitated one off events such as hatching chickens, baby massage, clay and art workshops and Clonker board sessions. In addition we have ensured that staff continue with their professional education and development. The Nursery had an Ofsted inspection in February 2011 in which the Nursery was deemed to be good overall with several outstanding features. This was an improvement from our previous inspection and our target next time is to be outstanding overall.

### **Trading Activities**

Overall trading activities we have seen a decrease in sales of £137,747 (4.1%) to £3,243,272. However the overall surplus has risen to £158,678, an increase from last year of £34,986 (28.3%). Which is an encouraging result given the difficult trading conditions.

However the Licensed Trade business has continued to see a very competitive market with local and town centre venues all competing for the student pound. In addition students are increasingly choosing to stay in and party and the supermarkets continue to offer loss leaders at prices we cannot attempt to compete with. The deficit from Food & Beverage and the associated events and machine activities has decreased slightly by £1,299 (2.3%) to a deficit of £54,211.

The reasons for this are bar wet sales showed a decrease of 15.2%, but this year the margins were maintained. The bar food sales show an 8.0% decrease, negating the 8.1% increase in the previous year.

Retail showed a decline in sales of £82,458 (4.5%), the first time that this area has shown a reduction in sales. However the overall GPR of 33.8% was significantly better than last year and helped the shops to improve their surplus by 9.6%.

The joint trading with the University expanded this year to add the R Block café to the Full of Beans coffee cart. The combined turnover exceeded £129,000 and made the Union a surplus of £15,983.

Freshers events this year saw an turnover stay constant at £171,182, but the overall costs reduced by £30,961 (17.8%) and the surplus increased to £27,912. The main saving being on reducing the publications actually printed and moving more information on-line and moving the Fair out of marquees into the ECC.

Two new ventures were opened in the year, namely Student letting and the Print/Ticket Office, further information is given in the Financial Review section.

# UWE STUDENTS' UNION

## Trustees' Report

for the year ended 31<sup>st</sup> July 2011

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### FINANCIAL REVIEW

The Union has made a small surplus this year of £23,527, against a budgeted surplus of £25,400. This is a very welcome result following deficits in the previous two years of £12,115 and £23,436.

The principal funding sources are the University Block Grant and the surplus generated from the Union's trading activities. There was no increase in Block Grant from the University, which stayed at £931,700.

The trading surplus this year increased by 28.3% to £158,678, up from £123,692 in the previous year. This is still significantly below the result for 2008/09 of a surplus of £218,920. The Food & Beverage operations continue to operate at a loss due to the further drop in sales. Retail continues to be the major contributor and Freshers this year was very successful, making a significant surplus for the first time.

The main significant operational changes, from the previous year, were the opening of two new ventures at the Frenchay Campus. The Print/Ticket Office opened in the refurbished unit on the 2F patio and proved to be a success, showing a surplus of £15,395 for the year, much better than budget. The other venture was the Student Letting business. This was not such a success and posted a loss of £49,391, when it was anticipated that it would breakeven. The business plan was revised in the Spring and the operation given another 12 months to prove its viability.

Charitable & Governance salary costs have decreased by £85,323 (7.5%) to £1,058,144, due to the changes in the whole staffing structure being finalised in the Spring of 2011. Staffing costs excluding the nursery decreased by 12.4%. Charitable other expenditure increased by £70,374 (10.7%), partly matched by an increase in income of £40,365. Governance other expenditure increased by £36,014 (26.1%), due to increased pension deficit payments and the one off costs of incorporation.

It was agreed to continue to restrain expenditure on capital items. The net total for the year of £46,250, although greater than last year's expenditure of £36,910, is still considerably below the total of £144,782 for 2009. As a consequence the cash position has improved again. The only main item of expenditure was £33,131 for the refurbishment of the units on the 2F patio at Frenchay, to improve the Advice Centre, Job Shop and Print Shop facilities. The Union is building up a capital reserve and the cash to go with it in the expectation that when the Union has a new building it will be necessary to invest in that building.

The present level of funding is sufficient to support the charity's activities and the trustees consider the financial position of the Union to be comfortable.

The Union has set a target for 2011/12 of a surplus of £33,000 and are confident of achieving that budget.

# **UWE STUDENTS' UNION**

## **Trustees' Report**

**for the year ended 31<sup>st</sup> July 2011**

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### **DEVELOPMENTS FOR 2011/12**

The Union reviewed its strategic plan in the Spring of 2010 and the departments of the Union have set out their departmental plans and objectives for 2011/12 based on that plan. In addition the Officers of the Union have identified their own individual and team objectives based on both the strategic plan and their manifesto pledges. We have identified from the above the following objectives that are going to be the priorities for 2011/12:

1. Effective implementation of our new governance structures;
2. Demonstrate the value of the new officer post of VP Community & Welfare;
3. Consult with all stakeholders to ensure that any new building for the Union is the best we can achieve;
4. Consolidate the changes made last year as a result of incorporation, charity registration, staffing structure and staff benefits;
5. Following on from the surplus made in 2010/11 to ensure a stable financial basis for the future; and
6. Represent the views of students to the University and other stakeholders on matters regarding the student experience.

### **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.

# UWE STUDENTS' UNION

## Trustees' Report

for the year ended 31<sup>st</sup> July 2011

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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 31<sup>st</sup> July 2011:

National Union of Students	£49,426
British University & Colleges Sports	£11,152
NUS Services Limited	£300
Advice UK membership	£280
Pre-School Learning Alliance	£90

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

Approved by the Trustees on the 18<sup>th</sup> October 2011 and signed on their behalf by

.....  
**COLIN OFFLER**  
President of UWE Students' Union

# **UWE STUDENTS' UNION**

## **Independent Auditors' Report to the Members**

**for the year ended 31<sup>st</sup> July 2011**

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We have audited the financial statements of UWE Students' Union for the year ended 31 July 2011, 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 (United Kingdom Generally Accepted Accounting Policies) and for being satisfied that the financial statements give a true and fair view. The Trustees responsibilities are explained more fully within the statement of Trustees' responsibilities.

Our responsibility is to audit and express an opinion on 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 have been properly prepared in accordance with United Kingdom Accounting Standards, and give a true and fair view. We also report to you, whether in our opinion, the information given in report of the Trustees is consistent with the financial statements.

In addition, we report to you if, in our opinion, the Union has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Trustees' remuneration specified by law are not made.

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.

**UWE STUDENTS' UNION**

**Independent Auditors' Report to the Members**

**for the year ended 31<sup>st</sup> July 2011**

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**OPINION**

In our opinion:

- The financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accountancy Practice;
- The financial statements give a true and fair view of the state of the Union's affairs as at 31 July 2011 and of the Union's surplus for the year then ended; and
- The information given in the Trustees' Report is consistent with the financial statements.

.....  
**Sarah Jenkins (Senior Statutory Auditor)**  
**For and on behalf of Milsted Langdon LLP**  
**Chartered Accountants and Registered Auditors**  
**Bristol, .....**

**UWE STUDENTS' UNION**  
**Statement of Financial Activities**  
**for the year ended 31<sup>st</sup> July 2011**

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	Unrestricted Funds £	Designated Funds £	Total 2011 £	Total 2010 £
<b>Incoming Resources</b>				
Block Grant	931,700	-	931,700	931,700
Investment Income	6,637	-	6,637	6,902
Income from Trading Activities	3,243,272	-	3,243,272	3,381,019
Other Income	489,688	428,910	918,598	895,833
<b>Total Incoming Resources</b>	<b>4,671,297</b>	<b>428,910</b>	<b>5,100,207</b>	<b>5,215,454</b>
<b>Resources Expended</b>				
Charitable Activities	1,190,710	415,654	1,606,364	1,565,027
Costs of Generating Funds	3,084,594	-	3,084,594	3,257,327
Governance Costs	326,132	59,590	385,722	405,215
<b>Total Resources Expended</b>	<b>4,601,436</b>	<b>475,244</b>	<b>5,076,680</b>	<b>5,227,569</b>
<b>Net Movement in Funds</b>	<b>69,861</b>	<b>(46,334)</b>	<b>23,527</b>	<b>(12,115)</b>
Funds balance at 1 <sup>st</sup> August 2010	42,642	502,984	545,626	557,741
Net movement in funds	69,861	(46,334)	23,527	(12,115)
Transfer (from)/to funds	(51,590)	51,590	-	-
<b>Funds Balance at 31<sup>st</sup> July 2011</b>	<b>60,913</b>	<b>508,240</b>	<b>569,153</b>	<b>545,626</b>

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 14 to 20 form part of these Financial Statements.**

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# UWE STUDENTS' UNION

## Balance Sheet

for the year ended 31<sup>st</sup> July 2011

	Note	2011 £	£	2010 £	£
<b>Fixed Assets</b>					
Tangible assets	4	153,177		233,868	
Investments	5	108,321		58,321	
		-----		-----	
			261,498		292,189
<b>Current Assets</b>					
Stocks	6	153,793		123,079	
Debtors	7	78,578		113,795	
Cash at bank and in hand		279,949		200,157	
		-----		-----	
		512,320		437,031	
<b>Creditors:</b> Amounts falling due within one year	8	(204,665)		(183,594)	
		-----		-----	
<b>Net Current Assets</b>			307,655		253,437
			-----		-----
<b>Net Assets</b>			569,153		545,626
			=====		=====
<b>Funds</b>					
Unrestricted funds	9		60,913		42,642
Designated funds	10		508,240		502,984
			-----		-----
			569,153		545,626
			=====		=====

These Financial Statements were approved by the Trustees on 18<sup>th</sup> October 2011 and are signed on their behalf by:

.....  
**COLIN OFFLER**  
President of UWE Students' Union

The notes on pages 14 to 20 form part of these Financial Statements.

# UWE STUDENTS' UNION

## Notes to the financial statements

for the year ended 31<sup>st</sup> July 2011

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### 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 12*)

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 31<sup>st</sup> July 2011

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### 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 Funds *(see note 10)*

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 2010 the level of this funding necessary has remained constant. 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):

	2011	2010
	£	£
Depreciation	155,619	161,228
Amortisation of capital grants	(28,678)	(26,768)
(Profit)/loss on disposal of fixed assets	(701)	222
Auditors' fees	5,200	5,050
Amounts payable under operating lease agreements	18,317	9,032
	=====	=====

# UWE STUDENTS' UNION

## Notes to the financial statements

for the year ended 31<sup>st</sup> July 2011

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### 3. EMPLOYMENT COSTS

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

	2011 No.	2010 No.
Administration and Trading Staff	82	76
Trustees	5	4
	-----	-----
	87	80
	=====	=====

The aggregate payroll costs of the above were:

	2011 £	2010 £
Administration and Trading Staff Costs	1,573,184	1,576,071
Trustees' Costs	81,618	79,953
	=====	=====

In addition to the above, temporary staff costs in the year amounted to £409,751 (2010 - £441,779). No employee earned over £60,000 per annum.

### 4. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £
<b>COST</b>	
At 1 August 2010	1,093,125
Additions	64,865
Capital Grants	(18,615)
Disposals	(39,237)
	-----
At 31 July 2011	1,100,138
	-----
<b>DEPRECIATION</b>	
At 1 August 2010	859,257
Charge for the year	155,619
Amortisation of grants	(28,678)
On disposals	(39,237)
	-----
At 31 July 2011	946,961
	-----
<b>NET BOOK VALUE</b>	
At 31 July 2011	153,177
	=====
At 31 July 2010	233,868
	=====

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# UWE STUDENTS' UNION

## Notes to the financial statements

for the year ended 31<sup>st</sup> July 2011

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### 5. INVESTMENTS

	Shares £	Deposits £	Total £
<b>COST</b>			
At 1 August 2010	1,860	56,461	58,321
Additions	-	50,000	50,000
	-----	-----	-----
At 31 July 2011	1,860	106,461	108,321
	-----	-----	-----
<b>DEPRECIATION</b>			
At 1 August 2010 and 31 July 2011	-	-	-
	-----	-----	-----
<b>NET BOOK VALUE</b>			
At 31 July 2011	1,860	106,461	108,321
	=====	=====	=====
At 31 July 2010	1,860	56,461	58,321
	=====	=====	=====

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

### 6. STOCKS

	2011 £	2010 £
Goods for own use	4,781	5,119
Goods for resale	149,012	117,960
	-----	-----
	153,793	123,079
	=====	=====

### 7. DEBTORS

	2011 £	2010 £
Trade and sundry debtors	19,377	50,527
Prepayments and accrued income	59,201	63,268
	-----	-----
	78,578	113,795
	=====	=====

# UWE STUDENTS' UNION

## Notes to the financial statements

for the year ended 31<sup>st</sup> July 2011

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### 8. CREDITORS: Amounts falling due within one year

	2011		2010	
	£	£	£	£
Trade creditors		55,877		82,541
Other creditors including tax and social security:				
PAYE and social security	29,490		33,806	
VAT	21,913		22,925	
	-----		-----	
		51,403		56,731
Accruals and deferred income		97,385		44,322
		-----		-----
		204,665		183,594
		=====		=====

### 9. UNRESTRICTED FUNDS

	2011	2010
	£	£
Funds brought forward	42,642	41,774
Movement in Funds for the year	69,861	(4,916)
Transfers (from)/to Designated Funds	(51,590)	5,784
	-----	-----
Funds carried forward	60,913	42,642
	=====	=====

### 10. DESIGNATED FUNDS

	2011	2010
	£	£
Funds brought forward	502,984	515,967
Movement in Funds for the year	(46,334)	(7,199)
Transfers to/(from) Unrestricted Funds	51,590	(5,784)
	-----	-----
Funds carried forward	508,240	502,984
	=====	=====

The Designated Funds of £508,240 (2010 - £502,984) are for the replacement of existing capital items, meeting the costs of the pension fund deficit, the requirements of the Halley Nursery and providing towards the costs of any future new facilities.

# UWE STUDENTS' UNION

## Notes to the financial statements

### for the year ended 31<sup>st</sup> July 2011

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#### 11. COMMITMENTS UNDER OPERATING LEASES

At 31 July 2011 the Union had aggregate annual commitments under non-cancellable operating leases as set out below.

	2011 Equipment & vehicles £	2010 Equipment & vehicles £
Operating leases which expire:		
Within 1 year	-	3,367
Within 1 to 2 years	7,098	5,665
Within 2 to 5 years	8,935	-
	-----	-----
	16,033	9,032
	=====	=====

#### 12. 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. With effect from 30 September 2011 the scheme will close to future accrual.

The most recent valuation of the Scheme was carried out as at 1 October 2010 and showed that the market value of the Scheme's assets was £67,141,000 with these assets representing 58% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £47,869,000.

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 2010:-

The investment return would be 6.6 % per annum before retirement and 4.6% per annum after retirement. Salaries would increase at 3.2% per annum. Pensions accruing on the CARE basis would revalue at 3.2% per annum. Present and future pensions would increase at rates specified by Scheme rules with appropriate assumptions where these are dependent on inflation.

The 2010 valuation recommended a contribution requirement of monthly contributions expressed in monetary terms intended to clear the ongoing funding deficit over a period of 20 years. These rates applied with effect from 1 October 2011 and will be reviewed following completion of the next valuation due with an effective date of 1 October 2013.

# UWE STUDENTS' UNION

## Notes to the financial statements

### for the year ended 31<sup>st</sup> July 2011

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#### 12. PENSION COSTS *(continued)*

Surpluses or deficits which arise at future valuations will 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 (excluding deficit payments) for the year ended 31<sup>st</sup> July 2011 applicable to this Union for the majority of members is 7.8% of Earnings for members and 9.75% of Earnings for the Union (17.55% in aggregate).

The total contributions paid into the scheme in respect of eligible employees for the year ended 31<sup>st</sup> July 2011 amounted to £118,628 (2010 - £97,788), of this amount £59,590 (2010 - £44,216) was the Union's contribution towards the pension fund deficit and PPF levy.

The scheme closed to all future accrual on the 30<sup>th</sup> September 2011.

#### 13. RELATED PARTY TRANSACTIONS

During the year, the Union received £931,700 (2010 - £931,700) grant funding from The University of the West of England plus an additional £120,000 (2010 - £120,000) in respect of Sports Hall charges.

During the year, the Union made sales to The University of the West of England of £458,463 (2010 - £361,804). At the year end the Union was owed £21,516 (2010 - £28,306).

During the year, the Union purchased services from The University of the West of England of £566,290 (2010 - £514,715). At the year end the Union owed The University of the West of England £6,876 (2010 - £13,744).

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.

#### 14. ULTIMATE CONTROLLING PARTY

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

**UWE STUDENTS' UNION**

**Management information**

**for the year ended 31 July 2011**

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The following pages do not form part of the financial statements which are the subject of the independent auditors' report on pages 10-11.

# UWE STUDENTS' UNION

## Detailed Income & Expenditure Account

for the year ended 31<sup>st</sup> July 2011

	<b>Freshers</b>	<b>Machines &amp; Ents.</b>	<b>Other Trading</b>	<b>Retail</b>	<b>F&amp;B</b>	<b>Total of Trading</b>
	£	£	£	£	£	£
Turnover	171,182	57,016	119,266	1,746,091	1,149,717	<b>3,243,272</b>
Cost sales	-	(5,801)	(1,883)	(1,155,117)	(425,964)	<b>(1,588,765)</b>
<b>Total</b>	<b>171,182</b>	<b>51,215</b>	<b>117,383</b>	<b>590,974</b>	<b>723,753</b>	<b>1,654,507</b>
Salaries	(35,654)	(34,107)	(91,068)	(283,117)	(562,463)	<b>(1,006,409)</b>
Direct Exp	(107,607)	(37,061)	(35,958)	(77,114)	(139,071)	<b>(396,811)</b>
	27,921	(19,953)	(9,643)	230,743	22,219	<b>251,287</b>
Depr'n	(9)	(6,746)	(1,315)	(34,808)	(49,731)	<b>(92,609)</b>
<b>Total costs</b>	<b>(143,270)</b>	<b>(83,715)</b>	<b>(130,224)</b>	<b>(1,550,156)</b>	<b>(1,177,229)</b>	<b>(3,084,594)</b>
<b>Overall Totals</b>	<b>27,912</b>	<b>(26,699)</b>	<b>(10,958)</b>	<b>195,935</b>	<b>(27,512)</b>	<b>158,678</b>

  

	<b>Nursery</b>	<b>S &amp; A</b>	<b>Union Services</b>	<b>Total of Charitable</b>	<b>Governance</b>	<b>Overall Totals</b>
	£	£	£	£	£	£
Turnover	428,910	433,203	42,149	<b>904,262</b>	952,673	<b>5,100,207</b>
Cost sales	-	-	-	-	-	<b>(1,588,765)</b>
<b>Total</b>	<b>428,910</b>	<b>433,203</b>	<b>42,149</b>	<b>904,262</b>	<b>952,673</b>	<b>3,511,442</b>
Salaries	(339,338)	(124,858)	(395,345)	<b>(859,541)</b>	(198,603)	<b>(2,064,553)</b>
Direct Exp	(75,282)	(535,496)	(115,088)	<b>(725,866)</b>	(173,957)	<b>(1,296,634)</b>
	14,290	(227,151)	(468,284)	<b>(681,145)</b>	580,113	<b>150,255</b>
Depr'n	(1,034)	(7,786)	(12,137)	<b>(20,957)</b>	(13,162)	<b>(126,728)</b>
<b>Total costs</b>	<b>(415,654)</b>	<b>(668,140)</b>	<b>(522,570)</b>	<b>(1,606,364)</b>	<b>(385,722)</b>	<b>(5,076,680)</b>
<b>Overall Totals</b>	<b>13,256</b>	<b>(234,937)</b>	<b>(480,421)</b>	<b>(702,102)</b>	<b>566,951</b>	<b>23,527</b>

Note: The areas included in Other Trading are Marketing & Student Letting.

## UWE STUDENTS' UNION

### Movement on Designated Funds

for the year ended 31<sup>st</sup> July 2011

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	<b>Nursery Fund</b> £	<b>Pension Deficit</b> £	<b>Capital Reserve</b> £	<b>Total</b> £
Balance at 1 August 2010	8,984	234,000	260,000	<b>502,984</b>
Movement in the year	13,256	(59,590)	-	<b>(46,334)</b>
Transfer to Fund	-	11,590	40,000	<b>51,590</b>
<b>Balance at 31 July 2011</b>	<b>22,240</b>	<b>186,000</b>	<b>300,000</b>	<b>508,240</b>

# UWE STUDENTS' UNION

## Cash Flow Statement

for the year ended 31<sup>st</sup> July 2011

	2011		2010	
	£	£	£	£
Cash at bank and in hand brought forward	200,157		140,044	
	-----		-----	
		200,157		140,044
<b>Returns on investments and servicing of finance</b>				
Interest received	6,637		6,902	
	-----		-----	
		6,637		6,902
<b>Capital cash flows</b>				
Sale of fixed assets	701		-	
Purchase of fixed assets	(46,250)		(36,910)	
Investments	(50,000)		50,000	
	-----		-----	
		(95,549)		13,090
<b>Cash inflow from commercial activities</b>		219,393		215,178
<b>Non-commercial activities</b>				
Income and grants	1,850,298		1,827,533	
Expenditure	(1,900,987)		(2,002,590)	
	-----		-----	
		(50,689)		(175,057)
Overall cash carried forward		279,949		200,157
		=====		=====
Cash at bank and in hand carried forward		279,949		200,157
		-----		-----
Overall cash carried forward		279,949		200,157
		=====		=====
Cash increase in the year		79,792		60,113
		=====		=====