

WORCESTER STUDENTS' UNION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2013

WORCESTER STUDENTS' UNION

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WORCESTER STUDENTS' UNION

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2013**

| | |
|----------------------------------|--|
| Trustees | Kynton Swingle, Officer Trustee Lee Collyer, Officer Trustee Sumandeep Uppal, Officer Trustee (resigned 30 June 2013) Thomas Clarke, Officer Trustee (appointed 1 July 2013) Richard Jeynes, External Trustee (resigned 4 June 2013) Alice Reeve, External Trustee (resigned 31 March 2013) Kate Hall, External Trustee Abigail Bennett, Student Trustee (resigned 1 June 2013) Aidan Goundry, Student Trustee (resigned 1 June 2013) Christina Andrews, Student Trustee (resigned 1 June 2013) Saransh Agarwal, Student Trustee (resigned 1 June 2013) Catherine Lodge, Student Trustee (appointed 1 June 2013) Stephanie Johnston, Student Trustee (appointed 1 June 2013) Oliver Russell, Student Trustee (appointed 1 June 2013) Emily Saunders, Student Trustee (appointed 1 July 2013) |
| Charity registered number | 1145192 |
| Principal office | Henwick Grove Worcester WR2 6AJ |
| Independent auditors | Crowe Clark Whitehill LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG |
| Bankers | Co-operative Bank plc PO Box 82 118 - 120 Colmore Row Birmingham B3 3BA |
| Chief Executive Officer | Paul Johnston |

WORCESTER STUDENTS' UNION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2013

The 2012/13 academic year has been one of building relationships for Worcester Students' Union. With the previous year seeing the introduction of a national evaluation of Students' Unions in the form of Question 23 on the National Student Survey, it was more important than ever to build stronger relationships with our members through increasing our membership engagement. It was felt that we needed not only to create more opportunities for students to be involved within the Students' Union, but also for students to feel empowered to effectively direct their university experience. The Students Union would like to thank the University for its continued support.

Structure and Governance

Worcester Students Union was granted charitable status in December 2011 and continues to develop the governance structures required to ensure correct oversight of our activities to allow the SU to continue to develop its services for the benefit of its members. The Board of Trustees has been responsible for passing a great deal of policies and procedures to bring the Students Union up to date with changing legal requirements. The board has become more vocal than ever before in the strategic direction of the Union and in holding the Chief executive to account for the activities of the staff. Since the inception of the Board of Trustees the executive committee and council have had to come to terms with the changing dynamics of the organisation and the changing responsibilities that each committee has. In 2011 the executive committee took responsibility for club and society affiliations which used to lie with the council. This change has made the formation and organisation of new activities quicker and less bureaucratic than in previous years. Council is still used to hold the officers accountable for their actions and it also discusses major political issues such as fees and other government policies that affect students at Worcester.

The trustee board has worked well this year with many successful meetings and good oversight of the SU finances, strategy and reputation. The financial outturn has been better than expected allowing us to reduce our block grant by 1.5% in 2013/14 and the strategic plan will be passed at the trustees meeting in November providing there is little redrafting to be carried out. This strategic plan will take the Students' Union forward for the next three years with a mixture of challenging targets and retaining the flexibility to alter our operational plans to coincide with the diverse needs of our members.

Management of risk

The Board of Trustees reviews the risk factors that could affect the strategic, operational and business interests of Worcester Students Union. In light of the possible risks the Board has put in place a risk register which highlights the risks, assesses the importance and likelihood and placed management controls and reporting mechanisms within the document to ensure the risks are monitored and reported and staff and trustees can see how the chain of responsibility for the risks flows through the organisation. The risk register and its attendant checks and balances are designed to ensure the compliance with health and safety law, financial competencies and to have a close interest in the activities and financial position of our external funders (e.g. Tramps nightclub or McDonalds', to name two). The register is reviewed in its entirety annually but has various reporting mechanisms which require to be implemented throughout the year.

Aims, Objectives and Activities

Worcester Students' Union (the "Union") is a students' union within the meaning of the Education Act 1994. The Union is devoted to the educational interests and welfare of its Members.

The Union will seek at all times to:

- (i) ensure that the diversity of its membership is recognised and that equal access is available to all Members of whatever origin or orientation;
- (ii) pursue its aims and objectives independent of any political party or religious group; and
- (iii) pursue equal opportunities by taking positive action within the law to facilitate participation of groups discriminated against by society.

WORCESTER STUDENTS' UNION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 JULY 2013

This Constitution has been structured to give the Board of Trustees reasonable authority to manage the affairs of the Union in a professional manner. The Members enjoy the right, which must be exercised in accordance with charity law, to elect a proportion of the Trustees and to dismiss all of the Trustees. The Board of Trustees will give the utmost consideration to the views of Members.

Under the Education Act 1994, the University of Worcester has a statutory duty to ensure that the Union operates in a fair and democratic manner and is held to proper account for its finances. The Union therefore works alongside the University of Worcester in ensuring that the affairs of the Union are properly conducted and that the educational and welfare needs of the Union's Members are met.

When reviewing our objectives and planning our activities, we have given due consideration to the Charity Commission's general and relevant supplementary guidance on public benefit.

It was important to us that we as an organisation work on the relationship between the Students' Union and the University Senior Management, and create a culture of working in partnership on delivering what's best for the students of Worcester. The University's appointment of a Pro-Vice Chancellor Students has been a timely addition to the University, and through this channel a great source of help to the Students' Union in creating a partnership approach to solving student issues and developing our Student Academic Representation system (StARs) into one that is starting to receive national recognition. This year, through the excellent work of the Vice-President Education, we have been able to train 76% more StARs than in the previous year, through face-to-face training and the development of an online training programme to allow the training to be more accessible, creating better equipped student representatives. Add to this the introduction of the VP Forum, where StARs are invited to challenge key members of University staff on specific topics, and receive written and verbal feedback on the actions being taken from these discussions; students truly have the chance to directly affect their university experience. As an added incentive to ensure StARs are constantly striving to enhance their performance, an accreditation system was created, with varying levels of achievement depending on the amount of work undertaken. As this was the first year of introduction, the uptake of StARs undergoing accreditation was good and a solid foundation to build upon. The excellent work of our course reps was highlighted with Michael Anslow being selected as the National Course Rep of the Year by NUS.

Through the excellent work of our StARs and our relationship with the University, we were able to make real change to student's academic experience. This ranged from successfully lobbying the University on keeping Wednesday afternoons free of lectures to help increase participation in Sports and Societies and volunteering, something they have introduced for the 2013/14 academic year, to working with the University to increase computer provision in both the new University library and in the refurbished Peirson Study and Guidance centre. Not only this, but with the University library moving to a city centre location as opposed to the previous location being on the St. Johns campus, we again successfully lobbied the University to introduce a book drop off point on the St. John's campus, to allow students with either access-issues or time constraints to be able to drop books off without having to travel to and from the city centre. These are all important 'wins' for the Students' Union not only in ensuring our students have access to facilities and to participation in extra-curricular activity, but also in demonstrating to students that as a Union, we do have the influence to positively change their student experience.

In terms of increased participation, this year has been fantastic in several areas. A key priority was to attempt to engage with students that the Union has previously failed to do so such as students on professional courses such as nursing, teaching and paramedical courses where students are traditionally away on placement for extended periods of time. We started this through the introduction of a professional students welcome BBQ before Welcome week, allowing students from professional courses to socialise with each other, allowing them to meet more students from outside of their course as we know they can often feel isolated from the wider student body. This was a great success in not only attendance, but also in use of services we provided such as NUS card distribution and information on the advice service we offer. We repeated this service in January for students who start in semester two who are also often 'forgotten' about.

We also saw an increase of 20% of the number of nursing students who were joining sports and societies on

WORCESTER STUDENTS' UNION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 JULY 2013

the previous year. This figure scratches the surface of the hard-work the Union has done to increase membership in sports and societies, with an overall increase of 11.4% in membership this year than last year. This increase can be attributed to a whole host of factors, with a key contributor being the important steps taken by various bodies to not only remove barriers to participation but also in making sport take on a more professional approach. The introduction of the University's Sport Development Board has had a massive impact on the development of elite sport at the University of Worcester, with the University investing £50,000 worth of funding into student sport. This was to help subsidise gym memberships, provide sports science support and to fund qualified coaches for the Union's top competing teams and athletes, but most importantly subsidise sports club membership. Not only has this investment from the University being very much appreciated by the Students' Union, but also the involvement of Students' Union staff, officers and current students on the Sport Development Board reinforces the partnership approach the University and the Union are developing.

With the introduction of our volunteering initiative the V-Records halfway through the 2011/12 academic year, this year was our first full academic year with volunteering as a key objective. Through the promotion of the V-Records and the engagement of our core group of volunteers that we developed during Freshers Week, we were able to encourage and promote volunteering to the wider student body. By the time our Volunteering and Societies Awards night came round our students had amassed 5,846 hours of voluntary work, and we had increased our charitable giving by 400%. With this being the first full year, it was an outstanding achievement on very limited resources, and is a credit to the hard-work and dedication of not only our students who contributed to the total, but also to our Student Advisor, Kate Gynn, who has led on volunteering over the last year in a very part-time capacity.

The knock on effect of the Sport Development Board's investment has meant that the Union can now focus more on recreational sport, and increasing participation at a non-elite level. This has been achieved by finding out what the barriers of participation are for students, and working through appropriate ways to counter this. For example, with many students unable to take part in sport due to Wednesday afternoon lectures clashing with sports fixtures, through the work of the Vice-President Student Experience, the Union has been able to challenge the University on this, and have subsequently reintroduced a no Wednesday afternoon lecture policy across the University for the incoming year. The Union has also worked on removing barriers to participation internally, through passing motions at Student Council that allow membership fees for sports to be subsidised for members in the lower competing teams, to ensure their fees aren't being used to pay for the cost of success in their society such as increased travel costs that come with an extended run in a cup competition.

Passing motions like this were only possible through having a strong Student Council, something that in previous years has been a struggle. This year however, Student Council has come on leaps and bounds with Council averaging 24 members per meeting, with all but one Council being quorate. This is a complete change from the previous year, with no quorate Councils being able to take place. Not only have they been well attended, but they have been hotly debated with more motions being discussed and passed this year than in the previous three years combined.

Financial Review

Income from all sources totalled £1,127,017. Total expenditure of £1,141,114 on all the students' services we provide, within a broadly balanced budget, as well as other fundraising and trading activities we undertake left a deficit for the year of £14,097 and therefore a reduction in reserves.

The General Funds balance of £211,031 more than covers 3 months activity costs.

Reserves Policy

The primary aim of the policy is to ensure that sufficient reserves are in place to provide funds for investment in the Union and its activities, thus enhancing the experience of students at this University. With a secure base of reserves, the Trustees of Worcester Students' Union will be exercising their duty to oversee the finances of the organisation in a prudent and proper manner and to minimise risks to the organisations' viability.

WORCESTER STUDENTS' UNION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 JULY 2013

The level of reserves needed at any one time shall be determined by the costs associated with the situations above and shall be calculated as six months core expenditure plus any costs associated with dissolution. This should be determined each year by the trustee board.

Surpluses will normally go to reserves rather than being set against subsequent years' funding, unless the fundraised income is for a specific project.

Future Development

The Union has taken steps forward in engaging more students than ever at University and that in the year to come; students will be better represented, engaged and supported by its Students' Union.

Another area the Union has been looking to improve with the help of the University is sport. Currently student competitive sport is administered and developed by the Union with the University providing facilities and advice on coaching and storage of equipment. The Union envisages this to change with the University supporting sport through coaching, nutrition and sport science expertise to develop student sport. Not only will this professionalise student sport but also the Union can engage more students in participatory sport at the same time. The current system does not allow all students to get involved in sport; however a new joint system with the University would create opportunity for students who find it difficult to participate (nursing, teachers, mature, parents). In the coming year a pilot scheme will be introduced which allow a number of our "Elite" teams to be administered through the Institute of Sport and Exercise Science freeing up time for the Students Union to develop participation strategies in sport. Even in this pilot year it is envisaged that we will attract new students into sports and increase the number of sports clubs being formed

It is planned that during 2013/14 Worcester Students Union will continue to develop volunteering and by the end of the year should be able to provide opportunities from projects that are developed in house (a volunteer hit squad) and we shall continue to work on sourcing funding to pay for the expansion.

The Sabbatical officers have prioritised the need to communicate better with our members in the coming year and will embark on a series of opportunities for students to tell the SU which direction it should be heading in and also will allow students to take charge of some key moments throughout the year, such as varsity to ensure we have reached agreement with the clubs before making policy decisions on how varsity should be approached.

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

TRUSTEES' RESPONSIBILITIES STATEMENT

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;

WORCESTER STUDENTS' UNION

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2013**

- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 10 December 2013 and signed on their behalf by:



Kynton Swingle
Trustee

WORCESTER STUDENTS' UNION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WORCESTER STUDENTS' UNION

We have audited the financial statements of Worcester Students' Union for the year ended 31 July 2013 set out on pages 9 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 145 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2013 and of its incoming resources and application of resources 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 Act 2011.

WORCESTER STUDENTS' UNION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WORCESTER STUDENTS' UNION

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires 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
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Grove Clark Whitehill LLP

Grove Clark Whitehill LLP

Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG
10 December 2013

WORCESTER STUDENTS' UNION

**STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 JULY 2013**

| | Note | Restricted Funds 2013 £ | Unrestricted funds 2013 £ | Total funds 2013 £ | Total funds 2012 £ |
|---|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| INCOMING RESOURCES | | | | | |
| Incoming resources from generated funds: | | | | | |
| Voluntary income | 2 | - | 364,000 | 364,000 | 364,000 |
| Activities for generating funds | 3 | - | 114,039 | 114,039 | 101,420 |
| Incoming resources from charitable activities | 4 | 153,438 | 495,540 | 648,978 | 640,501 |
| TOTAL INCOMING RESOURCES | | 153,438 | 973,579 | 1,127,017 | 1,105,921 |
| RESOURCES EXPENDED | | | | | |
| Costs of generating funds: | | | | | |
| Fundraising expenses and other costs | | - | 57,102 | 57,102 | 52,300 |
| Charitable activities | 7 | 208,953 | 836,473 | 1,045,426 | 1,051,937 |
| Governance costs | | - | 38,586 | 38,586 | 31,790 |
| TOTAL RESOURCES EXPENDED | 5 | 208,953 | 932,161 | 1,141,114 | 1,136,027 |
| MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME/(EXPENDITURE) FOR THE YEAR | | | | | |
| | | (55,515) | 41,418 | (14,097) | (30,106) |
| <i>Total funds at 1 August 2012</i> | | | | | |
| | | 644,084 | 169,613 | 813,697 | 843,803 |
| TOTAL FUNDS AT 31 JULY 2013 | | 588,569 | 211,031 | 799,600 | 813,697 |

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 11 to 21 form part of these financial statements.

WORCESTER STUDENTS' UNION

**BALANCE SHEET
AS AT 31 JULY 2013**

| | Note | £ | 2013 £ | £ | 2012 £ |
|---|------|----------------|----------------|----------------|----------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 11 | | 582,698 | | 651,859 |
| Investments | 12 | | 3,843 | | 3,843 |
| | | | <u>586,541</u> | | <u>655,702</u> |
| CURRENT ASSETS | | | | | |
| Stocks | 13 | 22,952 | | 23,922 | |
| Debtors | 14 | 21,821 | | 14,443 | |
| Cash at bank | | 202,359 | | 170,069 | |
| | | <u>247,132</u> | | <u>208,434</u> | |
| CREDITORS: amounts falling due within one year | 15 | (34,073) | | (49,632) | |
| NET CURRENT ASSETS | | | <u>213,059</u> | | <u>158,802</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>799,600</u> | | <u>814,504</u> |
| PROVISIONS FOR LIABILITIES | | | | | |
| Other provisions | 16 | | - | | (807) |
| NET ASSETS | | | <u>799,600</u> | | <u>813,697</u> |
| CHARITY FUNDS | | | | | |
| Restricted funds | 17 | | 588,569 | | 644,084 |
| Unrestricted funds | 17 | | 211,031 | | 169,613 |
| TOTAL FUNDS | | | <u>799,600</u> | | <u>813,697</u> |

The financial statements were approved by the Trustees on 10 December 2013 and signed on their behalf, by:



Kynton Swingle

Trustee

The notes on pages 11 to 21 form part of these financial statements.

WORCESTER STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005 and applicable accounting standards.

1.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.5 Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

WORCESTER STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

There is no set de minimis level for the capitalisation of tangible fixed assets and each case is dealt with on an individual basis.

The policy with respect to impairment reviews of fixed assets is that reviews will be carried out if events indicate that the carrying value of any fixed asset may not be recoverable. Impairment losses are recognised in the SOFA.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|------------------------------------|---|--|
| Retail fixtures and fittings | - | 10 to 20% per annum straight line and 20% reducing balance |
| Administration fixtures & fittings | - | 20% per annum reducing balance |
| Improvements to premises | - | 10% per annum straight line and 20% reducing balance |

1.7 Investments

Investments are stated at market value at the balance sheet date. The Statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

1.8 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.10 Pensions

The Union participates 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 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.

The union also contributes to the NUS Aegon Pension Scheme. The annual contributions payable are charged to the income and expenditure account.

WORCESTER STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

2. VOLUNTARY INCOME

| | Restricted Funds 2013 £ | Unrestricted funds 2013 £ | Total funds 2013 £ | <i>Total funds 2012 £</i> |
|---------------------------------|----------------------------------|------------------------------------|-----------------------------|---------------------------------------|
| University grants and donations | - | 364,000 | 364,000 | 364,000 |

3. ACTIVITIES TO GENERATE FUNDS

| | Restricted Funds 2013 £ | Unrestricted funds 2013 £ | Total funds 2013 £ | <i>Total funds 2012 £</i> |
|-----------|----------------------------------|------------------------------------|-----------------------------|---------------------------------------|
| Marketing | - | 83,957 | 83,957 | 76,091 |
| Other | - | 30,082 | 30,082 | 25,329 |
| | - | 114,039 | 114,039 | 101,420 |

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

| | Unrestricted income £ | Restricted income £ | Total £ | <i>2012 £</i> |
|------------------------------|-----------------------------|---------------------------|------------|-------------------|
| Charitable activities | | | | |
| Bar | 123,758 | - | 123,758 | 93,155 |
| Shop | 317,692 | - | 317,692 | 377,813 |
| Entertainments | 2,472 | - | 2,472 | 2,399 |
| Student Activity Membership | 8,096 | 153,438 | 161,534 | 144,078 |
| Transport bookings | 24,894 | - | 24,894 | 11,682 |
| Other | 18,628 | - | 18,628 | 11,374 |
| Total | 495,540 | 153,438 | 648,978 | 640,501 |

WORCESTER STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

5. EXPENDITURE BY CHARITABLE ACTIVITY - BY FUND TYPE

| | Unrestricted Funds £ | Restricted Funds £ | 2013 £ | 2012 £ |
|--|----------------------------|--------------------------|-------------------------|-------------------------|
| Activities for Generating Funds | | | | |
| Marketing | 57,102 | - | 57,102 | 52,300 |
| Sub total | <u>57,102</u> | <u>-</u> | <u>57,102</u> | <u>52,300</u> |
| Charitable Activities | | | | |
| Representation | 98,674 | 8,738 | 107,412 | 113,295 |
| Commercial activities | 522,808 | 43,686 | 566,494 | 558,168 |
| Advice and welfare | 83,198 | 8,738 | 91,936 | 97,429 |
| Student activities | 126,678 | 147,791 | 274,469 | 271,112 |
| Assets retired early | - | - | - | 5,816 |
| Entertainments | 5,115 | - | 5,115 | 6,117 |
| Sub total | <u>836,473</u> | <u>208,953</u> | <u>1,045,426</u> | <u>1,051,937</u> |
| Governance | | | | |
| Governance | 38,586 | - | 38,586 | 31,790 |
| Total | <u><u>932,161</u></u> | <u><u>208,953</u></u> | <u><u>1,141,114</u></u> | <u><u>1,136,027</u></u> |

CENTRAL OVERHEAD COSTS INCLUDED ABOVE

| | Staff costs £ | Other costs £ | 2013 £ |
|------------------------------|----------------------|----------------------|-----------------------|
| Charitable Activities | | | |
| Representation | 9,909 | 19,332 | 29,241 |
| Commercial activities | 19,818 | 38,665 | 58,483 |
| Advice and welfare | 9,909 | 19,332 | 29,241 |
| Student activities | 9,909 | 19,332 | 29,241 |
| Entertainments | 991 | 1,933 | 2,924 |
| Total | <u><u>50,536</u></u> | <u><u>98,594</u></u> | <u><u>149,130</u></u> |

WORCESTER STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

6. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

| | Staff costs 2013 £ | Depreciation 2013 £ | Other costs 2013 £ | Total 2013 £ | Total 2012 £ |
|----------------------------------|--------------------------|---------------------------|--------------------------|--------------------|--------------------|
| Marketing costs | 57,102 | - | - | 57,102 | 52,300 |
| Costs of generating funds | 57,102 | - | - | 57,102 | 52,300 |
| Commercial activities | 228,088 | 50,607 | 287,799 | 566,494 | 558,168 |
| Advice & welfare | 68,357 | 10,122 | 13,457 | 91,936 | 97,429 |
| Student activities | 19,332 | 10,122 | 245,015 | 274,469 | 271,112 |
| Representation | 34,416 | 10,122 | 62,874 | 107,412 | 113,295 |
| Other | 4,124 | - | 991 | 5,115 | 11,933 |
| Charitable activities | 354,317 | 80,973 | 610,136 | 1,045,426 | 1,051,937 |
| Governance | 30,169 | - | 8,417 | 38,586 | 31,790 |
| | 441,588 | 80,973 | 618,553 | 1,141,114 | 1,136,027 |

7. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

| | Activities undertaken directly 2013 £ | Support costs 2013 £ | Total 2013 £ | Total 2012 £ |
|-----------------------|---|-------------------------------|--------------------|--------------------|
| Commercial activities | 508,011 | 58,483 | 566,494 | 558,168 |
| Advice & welfare | 62,695 | 29,241 | 91,936 | 97,429 |
| Student activities | 245,228 | 29,241 | 274,469 | 271,112 |
| Representation | 78,171 | 29,241 | 107,412 | 113,295 |
| Other | 2,191 | 2,924 | 5,115 | 11,933 |
| Total | 896,296 | 149,130 | 1,045,426 | 1,051,937 |

WORCESTER STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

8. NET INCOME / (EXPENDITURE)

This is stated after charging:

| | 2013 £ | 2012 £ |
|--|---------------|---------------|
| Depreciation of tangible fixed assets: - owned by the charity | 80,973 | 84,074 |
| Auditors' remuneration | 6,850 | 6,775 |
| | <u>87,823</u> | <u>90,849</u> |

3 Trustees received reimbursement of expenses amounting to £727 in the current year, (2012 - 5 Trustees - £525).

9. STAFF COSTS

Staff costs were as follows:

| | 2013 £ | 2012 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 387,655 | 385,138 |
| Social security costs | 28,813 | 28,293 |
| Other pension costs | 25,120 | 15,815 |
| | <u>441,588</u> | <u>429,246</u> |

The average monthly number of employees during the year was as follows:

| | 2013 No. | 2012 No. |
|--------------------------|-------------|-------------|
| Full time | 9 | 8 |
| Part Time | 0 | 6 |
| Students - Semester only | 39 | 35 |
| | <u>48</u> | <u>49</u> |

No employee received remuneration amounting to more than £60,000 in either year.

10. TRUSTEES' REMUNERATION

| | 2013 £ | 2012 £ |
|--------------|-----------|-----------|
| Remuneration | 48,368 | 46,427 |

WORCESTER STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

| Trustee name | 2013 | 2012 |
|---------------------|---------------|---------------|
| | £ | £ |
| Sam Lewis | - | 13,140 |
| Helen Anglin | - | 13,140 |
| Richard Dean | - | 13,348 |
| Lee Collyer | 16,046 | 2,211 |
| Sam Uppal | 14,940 | 2,294 |
| Kynton Swingle | 16,046 | 2,294 |
| Thomas Clarke | 1,336 | - |
| Total | 48,368 | 46,427 |

Each of the Executive Committee's sabbatical officers received remuneration as authorised in the Union's governing document, for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities.

11. TANGIBLE FIXED ASSETS

| Cost | Fixtures & fittings |
|-----------------------|--------------------------------|
| | £ |
| At 1 August 2012 | 950,036 |
| Additions | 11,812 |
| At 31 July 2013 | 961,848 |
| Depreciation | |
| At 1 August 2012 | 298,177 |
| Charge for the year | 80,973 |
| At 31 July 2013 | 379,150 |
| Net book value | |
| At 31 July 2013 | 582,698 |
| At 31 July 2012 | 651,859 |

The net book value of fixed assets represents;

| | 2013 | 2012 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Assets used for charitable activities | 582,698 | 651,859 |

WORCESTER STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

12. FIXED ASSET INVESTMENTS

| | £ |
|-----------------------------------|---------------------|
| At cost | |
| At 1 August 2012 and 31 July 2013 | <u><u>3,843</u></u> |

The investments held are in NUS Services Limited.

In order to continue receiving retrospective discounts through the Central Billing System Worcester Students' Union has minority holdings of 60 'A' and 180 'B' voting shares in this company.

13. STOCKS

| | 2013 £ | 2012 £ |
|------|----------------------|----------------------|
| Bar | 3,223 | 5,069 |
| Shop | 19,729 | 18,853 |
| | <u><u>22,952</u></u> | <u><u>23,922</u></u> |

14. DEBTORS

| | 2013 £ | 2012 £ |
|--------------------------------|----------------------|----------------------|
| Trade debtors | 14,232 | 3,572 |
| Other debtors | 1,699 | 8,321 |
| Prepayments and accrued income | 5,890 | 2,550 |
| | <u><u>21,821</u></u> | <u><u>14,443</u></u> |

15. CREDITORS:
Amounts falling due within one year

| | 2013 £ | 2012 £ |
|------------------------------------|----------------------|----------------------|
| Trade creditors | 6,225 | 16,749 |
| Other taxation and social security | 12,436 | 18,675 |
| Other creditors | 1,258 | 2,657 |
| Accruals and deferred income | 14,154 | 11,551 |
| | <u><u>34,073</u></u> | <u><u>49,632</u></u> |

WORCESTER STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

16. PROVISIONS

| | Computer provision £ |
|--------------------|-------------------------------------|
| At 1 August 2012 | 807 |
| Provision utilised | (807) |
| At 31 July 2013 | - |

Computer provision

A provision had been set aside for the replacement of computer equipment for use within the Union. This provision has been utilised in the year.

17. STATEMENT OF FUNDS

| | Brought Forward £ | Incoming resources £ | Resources Expended £ | Carried Forward £ |
|-----------------------------|----------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| Unrestricted funds | | | | |
| General Funds | 169,613 | 973,579 | (932,161) | 211,031 |
| Restricted Funds | | | | |
| Clubs and Societies Funds | 24,534 | 153,438 | (139,053) | 38,919 |
| Capital Grant | 619,550 | - | (69,900) | 549,650 |
| | 644,084 | 153,438 | (208,953) | 588,569 |
| Total of funds | 813,697 | 1,127,017 | (1,141,114) | 799,600 |

SUMMARY OF FUNDS

| | Brought Forward £ | Incoming resources £ | Resources Expended £ | Carried Forward £ |
|------------------|----------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| General funds | 169,613 | 973,579 | (932,161) | 211,031 |
| Restricted Funds | 644,084 | 153,438 | (208,953) | 588,569 |
| | 813,697 | 1,127,017 | (1,141,114) | 799,600 |

WORCESTER STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Restricted Funds 2013 £ | Unrestrict- ed funds 2013 £ | Total funds 2013 £ | <i>Total funds 2012 £</i> |
|--|--|--|---------------------------------------|---------------------------------------|
| Tangible fixed assets | 549,650 | 33,048 | 582,698 | 651,859 |
| Investments | - | 3,843 | 3,843 | 3,843 |
| Current assets | 38,919 | 208,213 | 247,132 | 208,434 |
| Creditors due within one year | - | (34,073) | (34,073) | (49,632) |
| Provisions for liabilities and charges | - | - | - | (807) |
| | <u>588,569</u> | <u>211,031</u> | <u>799,600</u> | <u>813,697</u> |

19. CAPITAL COMMITMENTS

At 31 July 2013 the charity had capital commitments as follows:

| | 2013 £ | <i>2012 £</i> |
|---|-------------------|-------------------|
| Contracted for but not provided in these financial statements | - | 11,812 |

20. PENSION COMMITMENTS

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 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the Scheme closed 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
- 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 monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 20 years and will increase by at least 3.2% each year. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme. These rates applied with effect from 1 October 2011 and will be formally reviewed following completion of the next valuation due with an effective date of 1 July 2013. Surpluses or deficits which arise at future valuations will also impact on the

WORCESTER STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

20. PENSION COMMITMENTS (continued)

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 Union also has members in the NUS Pension Scheme which is a defined contribution scheme.

The total contributions paid into the Schemes by the Union in respect of eligible employees for the year ended 31 July 2013 are disclosed in the staff costs note.

21. RELATED PARTY TRANSACTIONS

The union is in receipt of a recurrent grant from the parent body to cover salaries and overheads. The amount received for the year ended 31 July 2013 was £331,000 (2012: £331,000).

During the year the union received free services for rent which have been valued at £33,000 (2012: £33,000).

At the year end the total due to the union from the University of Worcester was £4,372.

22. CONTROLLING PARTY

The union is controlled by the executive committee which is subject to democratic election by the voting membership of the union. The ultimate control of the union is vested under the constitution in the membership in General meeting. As such no single person or entity controls the union as defined by Financial Reporting Standard 8.