

**Report of the Trustees and  
Financial Statements for the Year Ended 31 July 2017  
for  
WORCESTER STUDENTS' UNION**

Knox Cropper  
Chartered Accountants and Statutory Auditors  
153 -155 London Road  
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Hertfordshire  
HP3 9SQ



**KNOX CROPPER**  
chartered accountants

# **WORCESTER STUDENTS' UNION**

## **Contents of the Financial Statements for the Year Ended 31 July 2017**

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	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 to 20

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## **WORCESTER STUDENTS' UNION**

### **Report of the Trustees for the Year Ended 31 July 2017**

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The trustees present their report with the financial statements of the charity for the year ended 31 July 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The 2016/17 academic year was another one of significant change for Worcester Students' Union (WSU), with continued improvements in the Union's back office functions, as well as to its staff team. Continued activities to increase student engagement were undertaken by the dedicated team of Officer Trustees and staff in WSU, who remain grateful for the continued support received from the University.

##### **Status and Administration**

The Students' Union is constituted in accordance with its constitution and is administered and managed by the Trustees. Following the Charities Act 2006 and the withdrawal of this exempt status for organisations with annual turnover exceeding £100,000, the Students' Union considered its options and was, subsequently, registered with the Charity Commission in December 2011, Charity No. 1145192.

The Executive Committee members are elected by the membership to take office in early June in the year in which they are elected and hold office for one year until the second week of the following June. Members are able to run for re-election for a second year on the same terms.

##### **Charitable Objects**

WSU seeks to enhance the student experience by providing representation, welfare services, social events and opportunities for student development within the Union and the wider community.

Its Objects under its Constitution are:

- Promoting the interests and welfare of students at the University of Worcester during their course of study and representing, supporting and advising students
- Being the recognised representative channel between students and the University of Worcester and any other external bodies
- Providing social, cultural, sporting, and recreational activities and forums for discussions and debate for the personal development of its students

#### **ACHIEVEMENT AND PERFORMANCE**

##### **AIMS AND ACTIVITIES**

The Union exists to enhance the student experience and provide all c.10,000 students of the University of Worcester with opportunities to make the most out of their time at University. It aims to achieve this through services offering advice and support, democracy and representation, societies and sport, volunteering, and through student-focussed entertainment and events. To provide these, the Union has established departments and consults with its student staff and members to continuously improve. Executive Officers of the Union sit on every major committee of the University and regularly meet local organisations and authorities to represent the interests of all students at the University.

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;
- (iii) pursue equal opportunities by taking positive action within the law to facilitate participation of groups discriminated against by society.

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. Our Constitution has been structured to give the Board of Trustees reasonable authority to manage the affairs of the Union in a professional manner. The Board of Trustees will give the utmost consideration to the views of Members. The Union continued to work to the Vision, Values and Core Strategic Goals approved by the Trustee Board in 2015/16, as follows:

##### **Our Vision Statement:**

Representing and supporting students to develop and achieve

## **WORCESTER STUDENTS' UNION**

### **Report of the Trustees for the Year Ended 31 July 2017**

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#### **ACHIEVEMENT AND PERFORMANCE**

##### **Our Values:**

###### **Professional**

We will conduct and present ourselves to our students and stakeholders in a professional manner, ensuring we have sound organisational processes and procedures, as well as internal expertise to support the student leadership.

###### **Inspirational**

We will lead by example and provide our students with inspiration to reach their full potential and try new things.

###### **Accountable**

We will ensure that our students and stakeholders know how we utilise our funds and make decisions through our democratic structure, and how they can get involved.

###### **Student-centred**

We will ensure that the services and events we deliver achieve high levels of student satisfaction and that students are integral to our continuous improvement.

###### **Positive**

We will be positive about Worcester and what it can offer students, promoting how we can help and support them.

###### **Entertaining**

We will have fun and help students have great memories of their time at Worcester.

##### **Our Core, Strategic Goals:**

- Facilitate wider student involvement in decisions that affect our members
- Provide responsive, appropriate and accessible support and advice to students
- Create and promote opportunities for students to develop transferable skills
- Increase the number of students who know about and use our services
- Help students to be safe and to enjoy University life

#### **ACHIEVEMENTS AND PERFORMANCE**

In line with commitments made in the Union's annual report for the year ending July 2016/17 we:

- Increased our satisfaction rating amongst non-final year students in the University's Course Experience Survey to 70% from 59% in 2015/16;
- Reviewed the Union's Strategic Plan and developed annual objectives as well as commencing longer term planning;
- Saw a refurbishment of the welcome area of the Union, bringing all staff and offices together under one roof and increasing accessibility to our services for our members;
- Continued to increase the numbers of students accessing our Advice Service with 572 contacts and 245 individual cases (compared with 537 and 186 respectively in 2015/16), and raised its profile amongst academic staff through bespoke referral cards;
- Took the SU Out and About across the University estate, especially City Campus, speaking to over 800 students on 26 different occasions;
- Implemented a new 'Don't Duck out of Democracy' campaign for our Elections and increased turnout in our elections slightly on 2015/16, with 9 candidates standing for the Full Time Officer positions and 1159 students casting 4144 votes;
- Developed our relationship with a Postgraduate Research students' society and closer links with students on vocational courses, with the Educational Enhancement Society (for trainee teachers) winning New Society of the year with over 170 members;
- Increased our followers, likes, shares, and interactions from our members across all of our social media platforms and website;
- Reviewed and amended our entertainments programme from the Pear Tree and increased revenue in Semester 2 as compared with 2015/16;
- Prepared for the launch of our rebranding in 2017/18, together with a refurbishment of the bar and social space (the Pear Tree, which became The Hangar);
- Commenced a wholesale governance review of the organisation;
- Facilitated around 23,000 hours of volunteering by students;
- Trained 458 StARs face to face or on-line in Worcester and in London for our Partner Colleges and developed promotional videos;
- Implemented a new on-line system for Student Academic Reps (StARs) to engage with the Union;
- Increased student society membership by 34% (to 1,006) and individual sports club membership by 4% (to 1,314) from 2015/16;
- Came 60th overall in the British Universities and Colleges Sport (BUCS) League, having submitted 41 teams, with 574 points
- Paid student staff over £59,000 over the year. We proactively supported students to apply for jobs within the Union and developed an on-line guide to filling in application forms;
- Raised over £8,500 for charity through Raise and Give (RAG) activities, more than doubling the amount raised in 2015/16;
- Co-hosted the 13th Varsity encounter between Worcester and Gloucester but were defeated 10-14;
- Saw almost 500 students and staff attend our inaugural Union Awards and Colours Ball during Celebration Week;
- Recorded dealing with over 3,300 queries from our Welcome Desk, by phone, email or in person;

## **WORCESTER STUDENTS' UNION**

### **Report of the Trustees for the Year Ended 31 July 2017**

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#### **ACHIEVEMENT AND PERFORMANCE**

- Achieved 'Very Good' standard in the NUS Green Impact Students' Union accreditation scheme
- Campaigned on mental health, sexual health, safety, housing, and environmental issues, helped students understand how their degrees were classified, and had over 770 responses to our campaign around Personal Academic Tutors;
- Retained our Bronze Best Bar None accreditation;
- Achieved 56% satisfaction in the National Student Survey question 26 (in line with the national average);
- Delivered an impact report on the activities of the year.

#### **FINANCIAL REVIEW**

##### **Financial position**

Income from all sources totalled £918,115 (2016: £1,106,765). Total expenditure of £891,143 (2016: £1,327,825) on all the students' services we provide, which left a surplus for the year of £26,972 (2016 deficit £221,060).

The General Fund balance at the year end stood at £169,878 (2016: £92,851).

##### **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 WSU will be exercising their duty to oversee the finances of the organisation in a prudent and proper manner and to minimise risks to the organisation's viability.

The level of reserves needed at any one time was reviewed this academic year by the Trustee Board and was agreed to be sufficient and realistic at 3 months operating costs (as defined by the annual budgeted organisational expenditure), known as the 'operating reserve'.

Reserves in excess of the required reserves are held as 'free reserves' or 'designated reserves', in accordance with the Trustee Board. If reserves fall below 3 months' operating costs for more than 6 months, the Trustees should ask the management to formulate a recovery plan to be submitted to Trustee Board for approval. If there are surplus funds available above the minimum level, the Committee should plan to utilise these within three years.

##### **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**

### **Report of the Trustees for the Year Ended 31 July 2017**

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#### **FUTURE PLANS**

##### **In 2017/18 we will...**

- Progress the governance review of the Union in earnest to develop bespoke, accessible and appropriate means for our students to get involved and affect change;
- Increase satisfaction with the Union, particularly amongst final year students;
- With the University, conduct a wholesale review of the Student Voice system to increase engagement from students and our ability to demonstrate impact;
- Increase our engagement with students in University accommodation and our relationship with the Residential Ambassadors
- Agree some achievable and measurable longer term objectives for the Union;
- Continue to increase the number of students accessing our advice service and the number of students accessing it;
- Increase the role of students in our on-line platforms and activity;
- Maximise on the refurbished bar and social space, The Hanger bar, refreshing the ents package to increase student satisfaction and revenue;
- Increase the number of student societies and our volunteering brokerage within the local community;
- Increase turnout in our elections;
- Increase engagement from students based on City Campus and those on vocational courses with the Union;
- Improve the way in which we feedback student successes and outcomes, from Sport to Student Academic Reps;
- Drive a more positive and inclusive culture in Sport, working with national partners on initiatives and campaigns;
- Continue to develop the Union's role in supporting student employability and host a successful Employability Fair.

##### **Beyond July 2018 we will....**

- Increase our satisfaction score on Q26 of the National Student Survey (or any future alliteration) and in the University's Course Experience Survey, year on year;
- Have implemented a new governance structure that is bespoke to Worcester students
- Have a sector-leading Student Voice system;
- Ensure The Hangar is a highly popular and well-utilised venue for our students;
- Better demonstrate the impact engaging with the Union has on retention, progression, employability, and a sense of belonging;
- Achieve national recognition through the annual NUS Awards;
- Improve how we measure and demonstrate our impact on our diverse student body, as well as how we seek feedback;
- Continue to achieve high accreditation against the NUS Green Impact and Best Bar None standards;
- Benchmark ourselves against other Students' Unions nationally;
- Continuously improve our services to reflect the demography and needs of our members;

#### **FUTURE FUNDING**

We will continue to work with the University to negotiate on our annual block grant, based on the demonstration of impact. As we continue to build our on membership and engagement services, our aim is to minimise financial risk to the Union and to secure greater financial investment. We will continue to allocate as much resource as possible to student-facing services and have done a lot behind the scenes to review contracts and reduce costs wherever possible. We will, also, continue to source new and innovative, additional sources of income to enable reinvestment that further enhances our offer and, therefore, the student experience.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

## **WORCESTER STUDENTS' UNION**

### **Report of the Trustees for the Year Ended 31 July 2017**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Charity constitution**

The University of Worcester Students' Union (hereafter referred to as 'WSU' or 'the Union') falls under the definition of a "Students' Union" in section 20(1) of the Education Act 1994, and has charitable status. The University of Worcester (hereafter referred to as the University) exercises its duty under the Education Act 1994 to take such steps as are reasonably practicable to secure that the Union operates in a fair and democratic manner and is accountable for its finances.

Since becoming a registered charity, WSU has a dedicated Board of Trustees, consisting of up to three full time officers, up to four student trustees, and up to three external trustees. The Student and External Trustees are selected on the basis of their appropriateness, experience and expertise by a simple majority vote of an Appointments Panel. Appointments of student trustees need to be ratified by a majority vote of Student Council. The Board of Trustees has overall responsibility for the good governance and financial stability of the Union and has been responsible for passing policies and procedures to bring the Union up to date with changing legal requirements.

The Union is a democratic organisation, with the ultimate decision making power being its membership through Student Council, which is the sovereign body. Student Council agrees the Policy of the Union, discusses wider and national issues that affect students at Worcester, guides strategic campaigns, represents the voice of students, and makes, appeals and amends the Bye-Laws, jointly with Trustees. Student Council continued to hold the officers accountable for their actions this year through a number of meetings which were quorate and minuted.

Officers are elected into position by cross campus secret ballot, for a one-year term of office to an Executive Committee. The Executive Committee oversee the day to day running of the Union and are accountable to Student Council. All Executive Officers should receive an induction and training into their legal and administrative responsibilities, with an on-going programme of development during their term of office. The Executive Committee Members are able to run for re-election for a second year on the same terms.

The Union employs non-student professional staff to ensure effective management of its many activities and to implement the policy decisions made through the democratic process. There is delegated authority, through the Chief Executive Officer, for operational decision-making and accountability within the various areas of the Union, in accordance with agreed structures.

#### **RELATIONSHIP WITH THE UNIVERSITY OF WORCESTER**

The Union receives a Block Grant from the University and occupies buildings owned by the University, which also pays for utilities. This support is intrinsic to the relationship between the University and Union. Although the Union seeks to supplement and diversify its income where possible, through commercial and trading activities, it continues to be dependent on the support of the University. The Union is confident that this support will continue for the foreseeable future as it believes the Union is an integral part of the University structure and strategic plans and of value to the overall student experience at the University.

The Union remains grateful to the University for their ongoing support over another formative year and looks forward to continued collaboration as it progresses its strategic goals. It is also, particularly appreciative of the financial investment (and staff time) from the University to refurbish and rebrand the Pear Tree to realise The Hangar, creating a more modern and inviting venue for students.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Board of Trustees reviews the risk factors that could affect the strategic, operational and business interests of the Union. In light of the possible risks, the Board has put in place a risk register with attendant checks and balances to ensure compliance with health and safety, employment law and financial competency. The register was reviewed during the academic year, in light of significant change taking place. The key areas of risk highlighted are listed below, with associated actions to mitigate or remove that risk:

- The level of block funding which the Union receives from the University was discussed over the academic year and the Union was an integral part of the University's budget process. Through developing a new vision, values, and core, strategic goals, the Union was able to secure a modest increase in the block grant for 2016/17, which accounted for the Union's decrease in commercial operations (namely retail) and contracts. The Union must still source additional income, for example, from its bar operation, advertising and sponsorship and attempt to secure innovative new funding streams going forward.
- That the Union could be adversely affected by a demise of the Co-operative Bank. As a result, discussions are underway with alternative banks to spread the Union's cash and reserves.

## **WORCESTER STUDENTS' UNION**

### **Report of the Trustees for the Year Ended 31 July 2017**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Pay policy for senior staff**

The level of remuneration agreed for senior members of staff recruited for the academic year, was based on benchmarking with equivalent position in other Unions nationally, whilst taking into consideration the size and turnover of the Union, as well as the location of the institution and the size of the Union's membership.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

1145192

##### **Principal address**

Henwick Grove  
Worcester  
Worcestershire  
WR2 6AJ

##### **Trustees**

H K Pathiranage	- resigned 16.6.17
P Kellard	
F Wolfenden	- resigned 31.5.17
J Wilson	
E Spalding	
M Jolley	
J Haley	
J Gunther	
A Toon	- appointed 14.3.17
I Steblyuk	- appointed 14.3.17
S Glenny	- appointed 5.6.17
E Morrison	- appointed 5.6.17

##### **Auditors**

Knox Cropper  
Chartered Accountants and Statutory Auditors  
153 -155 London Road  
Hemel Hempstead  
Hertfordshire  
HP3 9SQ

#### **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees are responsible for preparing the Report of the Trustees 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 and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and 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.

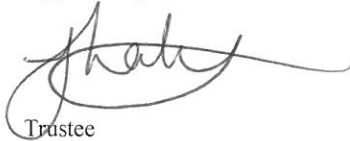


**WORCESTER STUDENTS' UNION**

**Report of the Trustees  
for the Year Ended 31 July 2017**

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Approved by order of the board of trustees on 3 October 2017 and signed on its behalf by:



Trustee

### **Opinion**

We have audited the financial statements of Worcester Students' Union (the 'charity') for the year ended 31 July 2017 on pages ten to twenty. 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 144 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2017 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees 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.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on page six, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

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

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

Knox Cropper  
Chartered Accountants and Statutory Auditors  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
153 -155 London Road  
Hemel Hempstead  
Hertfordshire  
HP3 9SQ

3 October 2017

# WORCESTER STUDENTS' UNION

## Statement of Financial Activities for the Year Ended 31 July 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	480,385	-	480,385	403,000
<b>Charitable activities</b>	5				
Representation		-	-	-	11,326
Student activities		-	176,944	176,944	175,898
Bar		118,619	-	118,619	136,535
Shop		10,654	-	10,654	244,649
Entertainments		-	-	-	2,360
Other trading activities	3	129,449	-	129,449	132,758
Investment income	4	2,064	-	2,064	239
<b>Total</b>		<b>741,171</b>	<b>176,944</b>	<b>918,115</b>	<b>1,106,765</b>
<b>EXPENDITURE ON</b>					
Raising funds	6	70,210	-	70,210	80,771
<b>Charitable activities</b>	7				
Representation		79,844	-	79,844	80,449
Advice and welfare		99,009	-	99,009	174,005
Student activities		184,988	161,260	346,248	333,570
Bar		250,384	-	250,384	217,528
Shop		16,551	-	16,551	389,730
Entertainments		-	-	-	29,368
Affiliations		28,897	-	28,897	22,404
<b>Total</b>		<b>729,883</b>	<b>161,260</b>	<b>891,143</b>	<b>1,327,825</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>11,288</b>	<b>15,684</b>	<b>26,972</b>	<b>(221,060)</b>
<b>Transfers between funds</b>	18	<b>56,468</b>	<b>(56,468)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>67,756</b>	<b>(40,784)</b>	<b>26,972</b>	<b>(221,060)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>(172,515)</b>	<b>349,182</b>	<b>176,667</b>	<b>397,727</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>(104,759)</b>	<b>308,398</b>	<b>203,639</b>	<b>176,667</b>

### CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

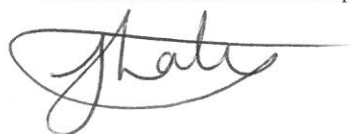
The notes form part of these financial statements

**WORCESTER STUDENTS' UNION**

**Balance Sheet  
At 31 July 2017**

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	12	-	253,406	253,406	318,959
<b>CURRENT ASSETS</b>					
Stocks	13	2,542	-	2,542	13,403
Debtors	14	11,411	-	11,411	29,207
Cash at bank and in hand		199,888	54,991	254,879	183,833
		<u>213,841</u>	<u>54,991</u>	<u>268,832</u>	<u>226,443</u>
<b>CREDITORS</b>					
Amounts falling due within one year	15	(43,963)	-	(43,963)	(103,369)
<b>NET CURRENT ASSETS</b>		<u>169,878</u>	<u>54,991</u>	<u>224,869</u>	<u>123,074</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>169,878</u>	<u>308,397</u>	<u>478,275</u>	<u>442,033</u>
<b>PROVISIONS FOR LIABILITIES</b>	17	(274,636)	-	(274,636)	(265,366)
<b>NET ASSETS/(LIABILITIES)</b>		<u>(104,758)</u>	<u>308,397</u>	<u>203,639</u>	<u>176,667</u>
<b>FUNDS</b>	18				
Unrestricted funds				(104,758)	(172,515)
Restricted funds				<u>308,397</u>	<u>349,182</u>
<b>TOTAL FUNDS</b>				<u>203,639</u>	<u>176,667</u>

The financial statements were approved by the Board of Trustees on 3 October 2017 and were signed on its behalf by:



Trustee

## 1. ACCOUNTING POLICIES

### Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice' applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

### Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

### Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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.

### Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of 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.

### Allocation and apportionment of support costs

The bases on which support costs have been allocated is set out in note 8 of the accounts.

### Tangible fixed assets

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

### Stocks

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

### Taxation

The charity is exempt from tax on its charitable activities.

## 1. ACCOUNTING POLICIES - continued

### Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### Pension costs and other post-retirement benefits

The Union participates in the Students' Union Superannuation Scheme (SUSS), 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 most recent valuation of the Scheme was carried out as at 30 June 2013 and showed that the market value of the Scheme's assets was £80,191,000 with these assets representing 52% 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 £73,849,000.

Under the terms of a recovery plan between the Trustees of SUSS and NUS dated 30 June 2014 participating Unions must make monthly deficit funding contribution for a period of 17 years starting on 1 October 2014.

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 FRS 102, where a scheme participates in a multi-employer defined benefit pension scheme that is in deficit and the employer has entered into an agreement to fund the deficit the entity shall recognise a liability for the contributions payable that arise from the agreement. As the agreement runs for a period of 17 years a discount rate of 3.4% has been applied in determining the net present value of the contributions made in the period.

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

### 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.

## 2. DONATIONS AND LEGACIES

	2017	2016
	£	£
Grants	476,000	370,000
Donated services and facilities	-	33,000
Other grants	4,385	-
	<u>480,385</u>	<u>403,000</u>

Grants received, included in the above, are as follows:

	2017	2016
	£	£
University of Worcester	<u>476,000</u>	<u>370,000</u>

# **WORCESTER STUDENTS' UNION**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 July 2017**

## **3. OTHER TRADING ACTIVITIES**

	2017	2016
	£	£
Fundraising events	-	686
Marketing	75,705	82,747
Other	10,904	10,821
NUS Extra	18,994	19,818
Commissions receivable	4,754	6,986
Room hire	-	880
Ball income	9,453	10,820
Varsity income	8,085	-
Varsity merchandise	1,554	-
	<u>129,449</u>	<u>132,758</u>

## **4. INVESTMENT INCOME**

	2017	2016
	£	£
Deposit account interest	<u>2,064</u>	<u>239</u>

## **5. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	2017	2016
		£	£
Other	Representation	-	7,988
Volunteering	Representation	-	3,338
Student Activity Membership	Student activities	176,944	175,898
Bar	Bar	118,619	136,535
Shop	Shop	10,654	244,649
Entertainments	Entertainments	-	2,360
		<u>306,217</u>	<u>570,768</u>

## **6. RAISING FUNDS**

### **Raising donations and legacies**

	2017	2016
	£	£
Staff costs	52,043	68,939
Marketing costs	17,767	8,476
Travel	-	158
Machine rentals	-	3,198
	<u>69,810</u>	<u>80,771</u>

### **Other trading activities**

	2017	2016
	£	£
Bad debts	<u>400</u>	<u>-</u>



# **WORCESTER STUDENTS' UNION**

## **Notes to the Financial Statements - continued for the Year Ended 31 July 2017**

### **6. RAISING FUNDS - continued**

Aggregate amounts	<u>70,210</u>	<u>80,771</u>
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### **7. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Representation	11,758	68,086	79,844
Advice and welfare	64,970	34,039	99,009
Student activities	244,132	102,116	346,248
Bar	121,031	129,353	250,384
Shop	9,744	6,807	16,551
Affiliations	28,897	-	28,897
	<u>480,532</u>	<u>340,401</u>	<u>820,933</u>

### **8. SUPPORT COSTS**

	Management	Governance costs	Totals
	£	£	£
Representation	51,563	16,523	68,086
Advice and welfare	25,778	8,261	34,039
Student activities	77,333	24,783	102,116
Bar	97,960	31,393	129,353
Shop	5,155	1,652	6,807
	<u>257,789</u>	<u>82,612</u>	<u>340,401</u>

Activity	Basis of allocation
Management	Based on estimated usage of resources
Governance costs	Based on estimated usage of resources

### **9. TRUSTEES' REMUNERATION AND BENEFITS**

	2017	2016
	£	£
Trustees' salaries	53,908	54,389
Trustees' social security	3,690	3,552
	<u>57,598</u>	<u>57,941</u>

Each of the Executive Committee's sabbatical officers received remuneration of £17,291 as authorised in the Union's governing document, for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities.

#### **Trustees' expenses**

	2017	2016
	£	£
Trustees' expenses	<u>260</u>	<u>1,000</u>

# **WORCESTER STUDENTS' UNION**

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2017

## **10. STAFF COSTS**

	2017 £	2016 £
Wages and salaries	381,945	487,957
Social security costs	20,883	25,691
Other pension costs	11,519	14,874
	<u>414,347</u>	<u>528,522</u>

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

	2017	2016
Full time	12	8
Students - Semester only	29	30
	<u>41</u>	<u>38</u>

No employees received emoluments in excess of £60,000.

## **11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	403,000	-	403,000
<b>Charitable activities</b>			
Representation	11,326	-	11,326
Student activities	-	175,898	175,898
Bar	136,535	-	136,535
Shop	244,649	-	244,649
Entertainments	2,360	-	2,360
Other trading activities	132,758	-	132,758
Investment income	239	-	239
<b>Total</b>	<u>930,867</u>	<u>175,898</u>	<u>1,106,765</u>
<b>EXPENDITURE ON</b>			
Raising funds	80,771	-	80,771
<b>Charitable activities</b>			
Representation	80,449	-	80,449
Advice and welfare	174,005	-	174,005
Student activities	159,773	173,797	333,570
Bar	217,528	-	217,528
Shop	389,730	-	389,730
Entertainments	29,368	-	29,368
Affiliations	22,404	-	22,404
<b>Total</b>	<u>1,154,028</u>	<u>173,797</u>	<u>1,327,825</u>
<b>NET INCOME/(EXPENDITURE)</b>	<u>(223,161)</u>	<u>2,101</u>	<u>(221,060)</u>
<b>Transfers between funds</b>	<u>106,679</u>	<u>(106,679)</u>	<u>-</u>
<b>Net movement in funds</b>	<u>(116,482)</u>	<u>(104,578)</u>	<u>(221,060)</u>

**WORCESTER STUDENTS' UNION**

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2017

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>			
As previously reported	200,607	453,760	654,367
Prior year adjustment	(256,640)	-	(256,640)
<b>As Restated</b>	(56,033)	453,760	397,727
<b>TOTAL FUNDS CARRIED FORWARD</b>	(172,515)	349,182	176,667

**12. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £
<b>COST</b>	
At 1 August 2016 and 31 July 2017	884,795
<b>DEPRECIATION</b>	
At 1 August 2016	565,836
Charge for year	65,553
At 31 July 2017	631,389
<b>NET BOOK VALUE</b>	
At 31 July 2017	253,406
At 31 July 2016	318,959

**13. STOCKS**

	2017 £	2016 £
Stocks	2,542	13,403

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Trade debtors	9,712	26,007
Other debtors	1,699	3,200
	11,411	29,207

# WORCESTER STUDENTS' UNION

## Notes to the Financial Statements - continued for the Year Ended 31 July 2017

### 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Bank loans and overdrafts (see note 16)	2,320	-
Trade creditors	7,638	13,884
Taxation and social security	9,423	7,119
Other creditors	24,582	82,366
	<u>43,963</u>	<u>103,369</u>

### 16. LOANS

An analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year on demand:		
Bank overdraft	<u>2,320</u>	<u>-</u>

### 17. PROVISIONS FOR LIABILITIES

	2017 £	2016 £
Provisions	<u>274,636</u>	<u>265,366</u>

The above provision relates to the deficit funding contributions the Union is required to make to SUSS (see notes 1 and 19).

### 18. MOVEMENT IN FUNDS

	At 1.8.16 £	Net movement in funds £	Transfers between funds £	At 31.7.17 £
<b>Unrestricted funds</b>				
General fund	92,851	20,559	56,468	169,878
Pension deficit	(265,366)	(9,270)	-	(274,636)
	<u>(172,515)</u>	<u>11,289</u>	<u>56,468</u>	<u>(104,758)</u>
<b>Restricted funds</b>				
Clubs and societies	39,308	15,683	-	54,991
Capital grant	309,874	-	(56,468)	253,406
	<u>349,182</u>	<u>15,683</u>	<u>(56,468)</u>	<u>308,397</u>
<b>TOTAL FUNDS</b>	<u>176,667</u>	<u>26,972</u>	<u>-</u>	<u>203,639</u>

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	741,171	(720,612)	20,559
Pension deficit	-	(9,270)	(9,270)
	<u>741,171</u>	<u>(729,882)</u>	<u>11,289</u>
<b>Restricted funds</b>			
Clubs and societies	176,944	(161,261)	15,683
	<u>176,944</u>	<u>(161,261)</u>	<u>15,683</u>
<b>TOTAL FUNDS</b>	<u><u>918,115</u></u>	<u><u>(891,143)</u></u>	<u><u>26,972</u></u>

19. 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 30 June 2013 and showed that the market value of the Scheme's assets was £80,191,000 with these assets representing 52% 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 £73,849,000.

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 2013:-

- The investment return would be 6.1% per annum before retirement and 4.1% per annum after retirement.
- Pensions accruing on the CARE basis would revalue at 3.6% per annum.
- Present and future pensions would increase at rates specified by scheme rules with appropriate assumptions where these are dependent on inflation.

The 2013 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 17 years and will increase by at least 5% 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 2014. 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 preliminary actuarial valuation at 30 June 2016 indicates that deficit has increased to £119.7m and that the scheme has enough assets to cover 46% of the value of benefits accruing to members.

At 31 July 2017, the liability provided for in respect of the SUSS pension deficit amounted to £274,636 (2016: £265,366) (see note 17).

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

The total contributions due to the Schemes by the Union in respect of eligible employees for the year ended 31 July 2017 are disclosed in the staff costs note.

## **WORCESTER STUDENTS' UNION**

### **Notes to the Financial Statements - continued for the Year Ended 31 July 2017**

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#### **20. RELATED PARTY DISCLOSURES**

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 2017 was £476,000 (2016: £370,000).

At the year end the total due to the union from the University of Worcester was Nil.

#### **21. ULTIMATE 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.