

**WORCESTER STUDENTS' UNION
HENWICK GROVE
WORCESTER
WR2 6AJ**

Knox Cropper
153- 155 London Road
Hemel Hempstead
Herts
HP3 9SQ

17th January 2017

Dear Sir

**WORCESTER STUDENTS UNION ACCOUNTS FOR THE YEAR ENDED 31ST
JULY 2016**

This representation letter is provided in connection with our audit of the financial statements of Worcester Students' Union for the year ended 31 July 2016, for the purpose of expressing an opinion as to whether the financial statements give a true and fair view as at 31 July 2016, and of the results of its operations for the year then ended.

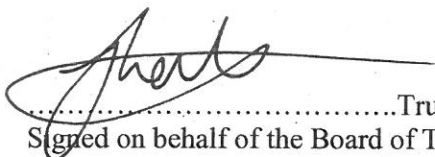
We acknowledge our responsibility as Trustees for the fair presentation of the financial statements.

We confirm, to the best of our knowledge and belief, the following representations:

- There have been no irregularities involving management or employees who have a significant role in internal control or that could have a material effect on the accounts.
- We have made available to you all books of accounts and supporting documentation and all minutes of meetings of the Board of Trustees.
- We confirm the completeness of the information provided regarding the identification of related parties.
- The financial statements are free of material misstatements, including omissions.

- The Union has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
- The following have been properly recorded and when appropriate, adequately disclosed in the financial statements;
 - a. The identity of, and balances and transactions with, related parties; and
 - b. Losses arising from sales and purchase commitments.
- We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- We have no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realisable value.
- The Union has satisfactory title to all assets and there are no liens or encumbrances on the Union's assets.
- We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent.
- There have been no events subsequent to period end, which require adjustment of or disclosure in the financial statements or notes thereto.
- No claims in connection with litigation have been or are expected to be received.

Yours faithfully


Trustee
 Signed on behalf of the Board of Trustees

Henwick Grove
 Worcester WR2 6AJ

REGISTERED CHARITY NUMBER: 1145192

**Report of the Trustees and
Financial Statements for the Year Ended 31 July 2016
for
WORCESTER STUDENTS' UNION**

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

WORCESTER STUDENTS' UNION

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WORCESTER STUDENTS' UNION

Report of the Trustees for the Year Ended 31 July 2016

The trustees present their report with the financial statements of the charity for the year ended 31 July 2016. 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 2015/16 academic year was a formative and exceptional year for Worcester Students' Union (WSU) and one of significant change. An overhaul was seen within the Union's back office functions, as well as to its Trustee Board, staff team and working relationship with the University. 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 developed a new Vision, Values and Core Strategic Goals over the academic year, which were approved by the Trustee Board, as follows:

Our Vision Statement:

WORCESTER STUDENTS' UNION

Report of the Trustees for the Year Ended 31 July 2016

ACHIEVEMENT AND PERFORMANCE

Representing and supporting students to develop and achieve

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 2015/16 we:

- Re-established the Executive committee so that it meets regularly, understands its role, and functions effectively;
- Reviewed and reduced the membership of Student Council to ensure it is fit for purpose and effective and ensured quoracy at every meeting;
- Established some core values and aims for the Union, in consultation with our Trustees and Members;
- Reviewed the Union's Strategic Plan for progress and start the process for planning beyond 2017;
- Reviewed our social, office, and service spaces to establish if they are fit for purpose, accessible and appealing;
- Improved the way we record and measure the impact of our advice service and increased the numbers of students accessing the service;
- Established an SU on Tour program to take the Union out and about to where our members are across the University, to find out what is important to them, speaking to over 600 students on 24 different occasions across the campuses;
- Developed our activities in helping students to understand their rights when renting private accommodation;
- Established better communication between the Institute Reps and Executive Committee;
- Reviewed and improved the Human Resources processes and procedures within the Union;
- Reviewed and improved the financial processes and procedures within the Union and strengthened the finance and administration resource within the Union;
- Facilitated around 30,000 hours of volunteering by students;
- Supported and trained the Student Academic Reps in the Learning Institute in Cornwall;
- Supported 14 new societies and increased society membership to 819 (from 696 in 2014/15);
- Increased the number of student staff we employed, paying 50 student staff over £84,000 over the year;
- Supported 1263 SU Sports club individual members, an increase of 11% on 2014/15;
- Achieved 1361 total sports club memberships, an increase of 123 on 2014/15;
- Came 61st overall in the British Universities and Colleges Sport (BUCS) League, having submitted 36 teams, with 611 points;
- Co-hosted the 12th Varsity encounter between Worcester and Gloucester and won 15-11;
- Saw 533 students attend our Celebration Week;
- Increased our social media following with 5,597 followers on Twitter, 4,961 Likes on the general SU Facebook page, 2,037 on Pear Tree Facebook, and 2,001 on #TeamWorc Facebook;
- Had 87,638 individual sessions on our website, with 5.4 average pages per session, and 43,656 users;

WORCESTER STUDENTS' UNION

Report of the Trustees for the Year Ended 31 July 2016

ACHIEVEMENT AND PERFORMANCE

- Saw 12 candidates stand for the 3 Full time Officer positions with 1112 students casting 4043 votes, securing more votes than ever from students on City Campus (18% of the voters).
- Received Bronze Accreditation from NUS Green Impact;
- Campaigned on mental health, housing and environmental issues, and helped students understand how their degrees were classified;
- Retained our Bronze Best Bar None accreditation;
- Achieved 68% satisfaction in the National Student Survey;
- Had the NUS President attend our Annual General Meeting;
- Held a student competition to design a new WSU logo;
- Delivered an impact report on the activities of the year.

FINANCIAL REVIEW

Financial position

Income from all sources totalled £1,106,765 (2015: £1,278,916). Total expenditure of £1,327,825 (2015: £1,396,274) on all the students' services we provide, which left a deficit for the year of £221,060 (restated 2015 deficit £117,358).

During the year the student union shop experienced difficult trading conditions. This meant that, after apportioning overhead costs to the shop, the shop had an operating deficit of £109k for the year. As a result of the difficulties with the shop an agreement was reached with the University to transfer the operation of the shop to them from the middle of August 2016. As part of this agreement the University took over the majority of the remaining stock the Union shop had which resulted in a write off of stock of £4k. Furthermore, the remaining assets the Union had in the shop have now been written off which resulted in an additional £30k being charged to the Statement of Financial Activities this year. Therefore the total deficit of the shop this year has been £143k.

The General Fund balance at the year end stood at £92,851 (2015: £200,607). Despite the decrease in the General Fund there is still a sound margin of solvency in the Union with unrestricted cash and bank balances alone being sufficient to cover Creditors by a factor of 1.40:1.

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 2016

FUTURE PLANS

In 2016/17 we will...

- Review our democratic structures to bring them up to date and ensure they are more accessible to students;
- Increase satisfaction with the Union, particularly amongst first and second year students;
- Develop annual objectives, feeding into a 5-year plan, under our core, strategic goals;
- Raise the profile of our advice service and the number of students accessing it;
- Improve our on-line platforms and profile;
- Improve the offer within the Pear Tree bar to increase student satisfaction and revenue;
- Increase the number of student societies and our volunteering brokerage within the local community;
- Rebrand the Union using the winning student design;
- Develop better means of communicating with and supporting student reps in partner colleges;
- Increase awareness amongst the student body of opportunities available to them within the Union, including the part-time and full-time posts;
- Increase turnout in our elections;
- Increase engagement from students based on City Campus with the Union;
- Improve the way in which we feedback student successes and outcomes, from Sport to Student Academic Reps;
- Increase engagement with postgraduate students and those on vocational courses;
- Develop the Union's role in supporting student employability.

Beyond July 2017 we will....

- Commit to increasing our satisfaction score from Q23 of the National Student Survey (or any future alliteration of this question) year on year;
- Work with the University to improve the Union's physical spaces;
- Continuously improve our services to reflect the demographic and needs of our members;
- Have a sector-leading Student Voice system;
- Improve how we measure and demonstrate our impact on our diverse student body, as well as how we seek feedback;
- Achieve the Investors in People Standard;
- Continue to achieve high accreditation against the NUS Green Impact standard;
- Benchmark ourselves against other Students' Unions nationally.

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 move to focus more on membership and engagement services, rather than commercial, we will aim to reduce financial risk to the Union and increase the University's confidence in the Union, to secure greater financial investment. We will continue to allocate as much resource as possible to student-facing services by reviewing contracts, investigating ways of reducing back office costs, and seeking 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 2016

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 of value to the overall student experience at the University.

Less than budgeted income generation from WSU's commercial services, particularly in retail, meant some difficult and fundamental decisions were made around the future of those services. Following strategic discussions with the Trustee Board and senior management from the University, the contract with the Berry's catering outlet, which came to an end in May 2016, was not renewed and the management of the Campus shop, which performed poorly throughout the academic year, was handed over to Aramark, the University's catering supplier, to improve the student experience.

The Union remains grateful to the University for their support over a difficult year and looks forward to continued collaboration as it implements its new visions, values and core, strategic goals. It is also, particularly appreciative of the agreement by the University to refurbish the main space within the Union on St John's campus, to enable all of its student engagement services to come together under one roof and improve accessibility for students.

WORCESTER STUDENTS' UNION

Report of the Trustees for the Year Ended 31 July 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 twice 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 became 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 and contracts. The Union must still source additional income, for example, from its bar operation, advertising and sponsorship but is moving to focus less on non-core activities such as retail, to concentrating on representation, advice and support, and student development.
- Establishment of a subsidiary limited company for non-core trading activity exceeding £50k. This had been a recommendation contained within successive annual external audits but had not been implemented by the previous management of the Union. This has now been actioned to take effect from the 2016/17 financial year.

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

W Hudson	- resigned 17.6.16
D Noble	- resigned 31.5.16
N Hanson	- resigned 31.5.16
A Gentle	- resigned 31.5.16
R Bishop	- resigned 4.12.15
L Arnold	- resigned 17.6.16
H K Pathirana	
W Pritchard	- resigned 2.2.16
P Kellard	
F Wolfenden	
J Wilson	- appointed 7.9.15
E Spalding	
M Jolley	
J Haley	- appointed 6.6.16
J Gunther	- appointed 6.6.16

Auditors

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

WORCESTER STUDENTS' UNION

Report of the Trustees for the Year Ended 31 July 2016

STATEMENT OF TRUSTEES RESPONSIBILITIES

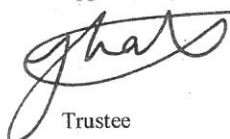
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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;
- 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.

Approved by order of the board of trustees on 17 January 2017 and signed on its behalf by:



Trustee

Report of the Independent Auditors to the Trustees of Worcester Students' Union

We have audited the financial statements of Worcester Students' Union for the year ended 31 July 2016 on pages nine to nineteen. 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.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page seven, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report 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 Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 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.

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.

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

17 January 2017

WORCESTER STUDENTS' UNION

Statement of Financial Activities for the Year Ended 31 July 2016

		Unrestricted funds	Restricted funds	Total 2016 funds	Total 2015 funds as restated
	Not es	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	403,000	-	403,000	473,039
Charitable activities	5				
Representation		3,338	-	3,338	-
Student activities		-	175,898	175,898	198,544
Bar		136,535	-	136,535	133,610
Shop		244,649	-	244,649	306,900
Entertainments		2,360	-	2,360	3,346
Transport		-	-	-	12,405
Other		7,988	-	7,988	11,981
Other trading activities	3	132,758	-	132,758	139,091
Investment income	4	239	-	239	-
Total		930,867	175,898	1,106,765	1,278,916
EXPENDITURE ON					
Raising funds	6	80,771	-	80,771	62,205
Charitable activities	7				
Representation		80,450	-	80,450	109,174
Commercial activities		607,254	-	607,254	598,488
Advice and welfare		174,008	-	174,008	149,433
Student activities		159,773	173,797	333,570	423,402
Entertainments		29,368	-	29,368	1,560
Other		22,404	-	22,404	52,012
Total		1,154,028	173,797	1,327,825	1,396,274
NET INCOME/(EXPENDITURE)		(223,161)	2,101	(221,060)	(117,358)
Transfers between funds	18	106,679	(106,679)	-	-
Net movement in funds		(116,482)	(104,578)	(221,060)	(117,358)
RECONCILIATION OF FUNDS					
As previously reported		200,607	453,760	654,367	515,085
Prior year adjustment	12	(256,640)	-	(256,640)	-
As Restated		(56,033)	453,760	397,727	515,085
TOTAL FUNDS CARRIED FORWARD		(172,515)	349,182	176,667	397,727

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 2016

		Unrestricted funds	Restricted funds	2016 Total funds	2015 Total funds
	Notes	£	£	£	as restated £
FIXED ASSETS					
Tangible assets	13	9,084	309,875	318,959	423,481
CURRENT ASSETS					
Stocks	14	13,403	-	13,403	16,703
Debtors	15	29,207	-	29,207	26,364
Cash at bank and in hand		<u>144,526</u>	<u>39,307</u>	<u>183,833</u>	<u>231,288</u>
		187,136	39,307	226,443	274,355
CREDITORS					
Amounts falling due within one year	16	(103,369)	-	(103,369)	(43,469)
NET CURRENT ASSETS		<u>83,767</u>	<u>39,307</u>	<u>123,074</u>	<u>230,886</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		92,851	349,182	442,033	654,367
PROVISIONS FOR LIABILITIES	17	(265,366)	-	(265,366)	(256,640)
NET ASSETS/(LIABILITIES)		<u>(172,515)</u>	<u>349,182</u>	<u>176,667</u>	<u>397,727</u>
FUNDS	18				
Unrestricted funds				(172,515)	(56,033)
Restricted funds				<u>349,182</u>	<u>453,760</u>
TOTAL FUNDS				<u>176,667</u>	<u>397,727</u>

The financial statements were approved by the Board of Trustees on 17 January 2017 and were signed on its behalf by:

Trustee

The notes form part of these financial statements

WORCESTER STUDENTS' UNION

Notes to the Financial Statements for the Year Ended 31 July 2016

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.

WORCESTER STUDENTS' UNION

Notes to the Financial Statements - continued for the Year Ended 31 July 2016

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

	2016	2015
		as restated
	£	£
Grants	370,000	370,094
Donated services and facilities	33,000	33,000
Other grants	-	69,945
	<u>403,000</u>	<u>473,039</u>

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

	2016	2015
		as restated
	£	£
University of Worcester	<u>370,000</u>	<u>370,094</u>

WORCESTER STUDENTS' UNION

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2016**

3. OTHER TRADING ACTIVITIES

	2016	2015 as restated
	£	£
Fundraising events	686	-
Marketing	82,747	93,777
Other	10,821	70
NUS Extra	19,818	27,003
Commissions receivable	6,986	7,043
Room hire	880	-
Ball income	10,820	11,198
	<u>132,758</u>	<u>139,091</u>

4. INVESTMENT INCOME

	2016	2015 as restated
	£	£
Deposit account interest	<u>239</u>	<u>-</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2016	2015 as restated
		£	£
Volunteering	Representation	3,338	-
Student Activity Membership	Student activities	175,898	198,544
Bar	Bar	136,535	133,610
Shop	Shop	244,649	306,900
Entertainments	Entertainments	2,360	3,346
Transport bookings	Transport	-	12,405
Other	Other	7,988	11,981
		<u>570,768</u>	<u>666,786</u>

6. RAISING FUNDS

Raising donations and legacies

	2016	2015 as restated
	£	£
Staff costs	68,939	62,205
Marketing costs	8,476	-
Travel	158	-
Machine rentals	3,198	-
	<u>80,771</u>	<u>62,205</u>

WORCESTER STUDENTS' UNION

Notes to the Financial Statements - continued for the Year Ended 31 July 2016

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Representation	-	80,450	80,450
Commercial activities	446,354	160,900	607,254
Advice and welfare	93,557	80,451	174,008
Student activities	253,119	80,451	333,570
Entertainments	21,158	8,210	29,368
Other	22,404	-	22,404
	<u>836,592</u>	<u>410,462</u>	<u>1,247,054</u>

8. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Representation	63,367	17,083	80,450
Commercial activities	126,738	34,162	160,900
Advice and welfare	63,372	17,079	80,451
Student activities	63,372	17,079	80,451
Entertainments	6,466	1,744	8,210
	<u>323,315</u>	<u>87,147</u>	<u>410,462</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

	2016	2015 as restated
	£	£
Trustees' salaries	54,389	51,060
Trustees' social security	<u>3,552</u>	<u>3,335</u>
	<u>57,941</u>	<u>54,395</u>

Each of the Executive Committee's sabbatical officers received remuneration of £18,130 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

	2016	2015 as restated
	£	£
Trustees' expenses	<u>1,000</u>	<u>-</u>

WORCESTER STUDENTS' UNION

Notes to the Financial Statements - continued for the Year Ended 31 July 2016

10. STAFF COSTS

	2016	2015 as restated
	£	£
Wages and salaries	487,957	478,316
Social security costs	25,691	29,932
Other pension costs	14,874	16,919
	<u>528,522</u>	<u>525,167</u>

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

	2016	2015
	8	7
Full time	30	15
Students - Semester only	<u>38</u>	<u>22</u>

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

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	403,094	69,945	473,039
Charitable activities			
Student activities	-	198,544	198,544
Bar	133,610	-	133,610
Shop	306,900	-	306,900
Entertainments	3,346	-	3,346
Transport	12,405	-	12,405
Other	11,981	-	11,981
Other trading activities	<u>139,091</u>	<u>-</u>	<u>139,091</u>
Total	1,010,427	268,489	1,278,916
EXPENDITURE ON			
Raising funds	62,205	-	62,205
Charitable activities			
Representation	59,174	50,000	109,174
Commercial activities	458,485	140,003	598,488
Advice and welfare	149,433	-	149,433
Student activities	228,211	195,191	423,402
Entertainments	1,560	-	1,560
Other	<u>52,012</u>	<u>-</u>	<u>52,012</u>
Total	1,011,080	385,194	1,396,274
NET INCOME/(EXPENDITURE)	(653)	(116,705)	(117,358)
Transfers between funds	(158)	158	-

WORCESTER STUDENTS' UNION

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2016**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
Net movement in funds	(811)	(116,547)	(117,358)
RECONCILIATION OF FUNDS			
Total funds brought forward	(55,222)	570,307	515,085
TOTAL FUNDS CARRIED FORWARD	<u>(56,033)</u>	<u>453,760</u>	<u>397,727</u>

12. PRIOR YEAR ADJUSTMENT

The Union has had to comply with the requirements of Charities SORP 2015 (FRS 102) for the first time this year. Previously the Union had to comply with the requirements of Charities SORP 2005. As a result the accounting policy on multi-employer defined benefit pension schemes that are in deficit has been changed. The comparative figures for the year ended 31 July 2015 have been restated in line with the new policy. The changes made have been set out below.

	SOFA £	Balance Sheet(see note 18) £	Total £
Restatement of opening reserves at 1 August 2014 for SUSS pension liability		292,435	292,435
Adjustments for the year ended 31 July 2015			
Deficit funding contributions made to SUSS	45,738	(45,738)	-
Finance cost	(9,943)	9,943	-
Effect on prior years results	<u>35,795</u>	<u>256,640</u>	<u>292,435</u>

In addition to the above Governance Costs of £113,838, in the comparative year and previously reported separately on the SOFA, are now reported as part of Charitable Activities and disclosed separately in the notes to the accounts.

WORCESTER STUDENTS' UNION

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2016**

13. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 August 2015	961,848
Additions	7,182
Disposals	<u>(84,235)</u>
At 31 July 2016	<u>884,795</u>
DEPRECIATION	
At 1 August 2015	538,367
Charge for year	81,629
Eliminated on disposal	<u>(54,160)</u>
At 31 July 2016	<u>565,836</u>
NET BOOK VALUE	
At 31 July 2016	<u>318,959</u>
At 31 July 2015	<u>423,481</u>

14. STOCKS

	2016	2015 as restated
	£	£
Stocks	<u>13,403</u>	<u>16,703</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015 as restated
	£	£
Trade debtors	26,007	12,811
Other debtors	<u>3,200</u>	<u>13,553</u>
	<u>29,207</u>	<u>26,364</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015 as restated
	£	£
Trade creditors	13,884	14,937
Taxation and social security	7,119	10,341
Other creditors	<u>82,366</u>	<u>18,191</u>
	<u>103,369</u>	<u>43,469</u>

WORCESTER STUDENTS' UNION

Notes to the Financial Statements - continued for the Year Ended 31 July 2016

17. PROVISIONS FOR LIABILITIES

	2016	2015 as restated
	£	£
Provisions	<u>265,366</u>	<u>256,640</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 1.8.15 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.7.16 £
Unrestricted funds					
General fund	200,607	-	(214,435)	106,679	92,851
Pension deficit	-	(256,640)	(8,726)	-	(265,366)
	<u>200,607</u>	<u>(256,640)</u>	<u>(223,161)</u>	<u>106,679</u>	<u>(172,515)</u>
Restricted funds					
Clubs and societies	43,910	-	2,101	(6,704)	39,307
Capital grant	409,850	-	-	(99,975)	309,875
	<u>453,760</u>	<u>-</u>	<u>2,101</u>	<u>(106,679)</u>	<u>349,182</u>
TOTAL FUNDS	<u>654,367</u>	<u>(256,640)</u>	<u>(221,060)</u>	<u>-</u>	<u>176,667</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	930,867	(1,145,302)	(214,435)
Pension deficit	-	(8,726)	(8,726)
	<u>930,867</u>	<u>(1,154,028)</u>	<u>(223,161)</u>
Restricted funds			
Clubs and societies	175,898	(173,797)	2,101
TOTAL FUNDS	<u>1,106,765</u>	<u>(1,327,825)</u>	<u>(221,060)</u>

See note 12 for an explanation of the prior year adjustment.

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.

WORCESTER STUDENTS' UNION

Notes to the Financial Statements - continued for the Year Ended 31 July 2016

19. PENSION COMMITMENTS - continued

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.

At 31 July 2016, the liability provided for in respect of the SUSS pension deficit amounted to £265,366 (2015: £256,640) (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 2016 are disclosed in the staff costs note.

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 2016 was £370,000 (2015: £339,040).

During the year the union received free services for rent which have been valued at £33,000 (2015: £33,000).

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.

22. FIRST YEAR ADOPTION

With effect from 1st August 2015, the charity adopted the Charities SORP (FRS 102) "Accounting and Reporting by Charities". Please see note 12 for an explanation of how this affected the Union.

