

**UWE STUDENTS' UNION**

**ANNUAL REPORT AND  
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 JULY 2013**



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**UWE STUDENTS' UNION**  
**Annual Report and Consolidated Financial Statements**  
**For the year ended 31 July 2013**

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## **Trustees' Report for the year ended 31 July 2013**

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### **TRUSTEES' ANNUAL REPORT FOR MEMBERS**

The trustees are pleased to present their annual report together with the accounts for the year ended the 31 July 2013

### **REFERENCE & ADMINISTRATIVE DETAILS**

**Charity Name:** UWE Students' Union  
**Company Number:** 07675253  
**Charity Number** 1143067  
**Principal Office:** Frenchay Campus, Coldharbour Lane, Bristol, BS16 1QY

#### **Trustees:**

##### **2013/14**

President	Charlie Roper #
Vice President Education	Megan Edmunds #
Vice President Sports & Health	Chris White #
Vice President Community & Welfare	Thomas Renhard #
Vice President Societies & Communication	Hannah Khan #
External Trustee	Peter Brasted #
External Trustee	Craig Pocock #
External Trustee (Ratified 22/11/12)	James Clune #
Student Trustee	Chris Nicholls #
Student Trustee (Ratified 21/02/13)	Holly Manners #

##### **2012/13**

President	Emmanuel Okon #
Vice President Education	Oliver Reid #
Vice President Sports	Nina Gizzie #
Vice President Community & Welfare	Louise Goux-Wirth #
Vice President Societies & Communication	Annie Turner #
External Trustee	Peter Brasted #
External Trustee	Craig Pocock #
External Trustee (Ratified 02/02/12, resigned 03/05/13)	Jonathan Bradley #
Student Trustee (Ratified 02/02/12)	Chris Nicholls #

The President and Vice President trustees hold post from the 1<sup>st</sup> July of the year they are elected to the 30<sup>th</sup> June of the following year. Elections are held for each position annually. The trustees identified with a # are directors of UWE Students' Union.

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

#### **Advisers:**

**Bankers:** National Westminster Bank Plc  
72 Gloucester Road  
Bishopston  
Bristol, BS99 5AF

**Solicitors:** Osborne Clark  
2 Temple Back East  
Temple Quay  
Bristol, BS1 6EG

**Auditor:** Baker Tilly UK Audit LLP  
Hartwell House  
55-61 Victoria Street  
Bristol, BS1 6AD

## **Trustees' Report for the year ended 31 July 2013**

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### **Structure, Governance & Management**

The Union has a written constitution that was approved by the Board of Governors of the University of the West of England on the 31 January 2012

UWE Students Union, a company limited by guarantee, was incorporated on the 20 June 2011 and registered with the Charities Commission. The Union moved from its traditional Unincorporated Association model which had served it in the past, to become incorporated into a Company Limited by Guarantee - a new model which more suitably serves the multi million pound organisation that the Union is today

The new incorporated charity has company number 7675253 and registered charity number 1143067. The entire assets, liabilities and staff of the previous unincorporated association were transferred to the new charitable company on the 31 July 2011

### **Appointment of Trustees**

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

### **Trustee Induction & Training**

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

### **Organisation**

The Union has a Student Council that is the main regular mechanism for members to make their views known to the Union. All the elected officers are members of the Executive Committee which acts in the absence of Student Council. In addition there are four committees that focus on distinct areas of activity, namely Student Representative Committee, Sports Committee, Community & Welfare Committee and Societies & Communication Committee. There is also the Annual General Meeting for the more formal annual communication with the membership. Strategic decisions and the setting of the Union's budget are made at the quarterly meetings of the Board of Trustees. The implementations of those decisions are carried out by those Trustees who are appointed to attend the monthly meetings of the Finance & General Purposes Committee and the Staff Committee. The day to day management of the Union is the responsibility of the senior member of staff, the General Manager.

### **Related Parties**

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

### **Risk Management**

The Union has examined the major strategic, business and operational risks and have put in place a Risk Management Strategy and a Risk Register. These are reviewed annually by both the senior staff and the Trustees of the Union and where appropriate systems or procedures have been implemented to mitigate the risks the Union faces. In addition procedures are in place to ensure that the activities of the Union are carried out with due regard to the health & safety of all participants.

## **Trustees' Report for the year ended 31 July 2013**

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### **OBJECTIVES & ACTIVITIES**

The Articles of Association of the Union state that

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

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

The principal activity of the Union is to represent its members and provide appropriate services. To this end the Union organises Student Representation, runs clubs, societies and networks, provides an Advice Centre, Job Shop, Student Letting, Nursery, bars, shops and entertainments. The commercial activities are provided through the Union's subsidiary, UWESU Services Limited.

The Union has been undertaking a strategic review and our new strategic plan will be released soon.

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.

### **ACHIEVEMENTS & PERFORMANCE**

The key achievements of the past year are detailed below. In addition the Union has produced an Impact Report that can be viewed at [www.uwesu.org/impactreport](http://www.uwesu.org/impactreport)

**To demonstrate that the value of the post of VP Community & Welfare is so successful that future funding for all five officer roles is secured;** We have been successful in demonstrating an increase in Network activity, along with Halls reps, volunteering and community activity, which has had a positive impact on students. The supporting evidence provided to the University has ensured that the funding for this post is now incorporated into the main Block Grant.

**To continue to work towards achieving a new building for the Union that will deliver excellent services for our members;** We have worked hard with the architects, the construction company and the University Estates team. The plans were finalised and planning consent has now been granted, but the building is currently over budget and we are working with the University to see how that issue can be addressed. The earliest the building could be ready is Easter 2015.

**To carry out the necessary preparatory work to compile the Student Written Submission for the QAA audit in 2014;** UWE's QAA Review is now likely to be in Spring 2015. Throughout 2012/13 the Students' Union contributed to the group preparing for the review looking at mapping the themes to UWE activity. The Students' Union Representation and Community Team have submitted student feedback reports to each Academic Board and also submitted an end of year Quality Report to map student feedback.

**To improve the effectiveness of the Student Reps at UWE;** During 2012/13 the Students' Union worked hard to increase the effectiveness of the elected Student Reps. This was done in a number of ways such as the introduction of Refresher Training for those students who had previously taken up the role, a number of skill based training sessions e.g. minute taking, the production of a self promotion guide and the first Student Rep Conference. We were also able to add to these initiatives by focusing on Student Rep retention and contacting students following key points in the year to ensure they were still in the role.

**To carry out a strategic review, along with relevant research, to enable the Union to clearly identify how best to prioritise the use of its limited resources over the next 3 to 5 years;** We have made significant progress with this, we carried out a survey of 2,278 students and 50 stakeholders in the Autumn of 2012 and we are now in the final stages of completing the strategic plan for the next four years.

## **Trustees' Report for the year ended 31 July 2013**

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**To improve communication with our members and other stakeholders;** The Media and Marketing team's main focus has been on increasing the use of the SU website and growing our reach and levels of engagement on our Social Media. As a result we've seen an 8% increase in visits to the website (377,670 visits), a 72% increase in followers on Facebook (total 7,680) and 68% increase of followers on Twitter (total 5,450). These are positive indications of our efforts to improving communications with our students and stakeholders during 2012/13.

**To review the Union provision at the Glenside campus once the long term plans of the University at that campus are clear;** This is still a priority, we did put in a request to move our operation to a more suitable location, but this was unsuccessful. We are currently trying to clarify the long term plans of the faculty and thus how we can best serve the requirements of the students at that campus.

**To ensure that the Union has a robust three year financial plan to meet the expected demands over that period;** The results of the past two years have strengthened our financial position. The uncertainty around the new building and how it will operate have meant that there are numerous possible financial scenarios. A plan will be completed in the current year.

**To successfully achieve outside accreditation for Union activities;** We achieved the following awards and accreditations - Green Impact, Silver Award, NUS Internationalisation Awards 2013- Innovation in Internationalising the Student Experience, Runner up and Highly Commended, Travelwest Sustainable Business Awards, UWESU and UWE Most Cycle Friendly Employer' for Cycletrain project, Bristol Business Fairtrade Awards 2013, Gold Award for UWESU Frenchay Shop & Best in Category for Full of Beans, Community Legal Services, Quality Mark for the UWESU Advice Centre, Best Bar None, Bronze Award, UWE Better Together Awards, Strategic Partnership Award – Mental Health Awareness & Student Experience Award – Feel Good February and Health Eating.

**To increase student engagement with the Union** We have seen increases in participation in Societies, up 35%, in Networks, up 53% and a small decrease in clubs, down 3%. Volunteering hours have increased by 54%, Student Reps by 7%, but more importantly trained Student Reps by 65%, albeit from a low base level.

In addition the Union has recorded the following achievements in the areas shown below

### ***Student Representation***

In 2012/13 the Students' Union had 1,100 identified Student Reps throughout UWE. The team trained over 600 of these during the year, which doesn't take into account students trained in previous years. These Student Reps were instrumental in providing a link between the University, Students' Union and the student body in ensuring that student feedback was given at every level. We were able to develop a Student Rep Database in conjunction with UWE to ensure that data was kept in a central place as not to replicate resource and improved our online resources for Student Reps.

### ***Networks***

In 2012/13 the Students' Union saw an increase in Student Networks, with the introduction of 3 newly created groups. Overall memberships for Networks increased by over 50% to over 550 members. The diversity of Network led events increased, showcasing the range of students involved in the Union. Networks were also able to feed into high level policy development and changes within UWE, offering a unique perspective from the student groups.

### ***Volunteering***

In 2012/13 the Students' Union had over 4,000 volunteers involved in over 3,500 hours of activity. The activities offered ranged from whole action days to quick five minute volunteering opportunities showing that volunteering is for all. Students across UWE raised over £17,000 for various charitable causes by taking part in various fundraising initiatives from a 24 hour cycle ride to cake sales on campus.

### ***Advice Centre & Job Shop***

The Advice Centre dealt with over 2,500 queries last academic year, with 66% of those being academic related. As the term ended we focussed our advice on those students leaving UWE halls, educating them on their rights as tenants entering private sector accommodation. We held the first Accommodation Fair, co-hosted the

## **Trustees' Report for the year ended 31 July 2013**

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International Student Welcome Fair, and participated in UWE's Get Set for HE and Arrange Your Accommodation events. The advisers attended UWE's mediation training. We were audited and pleased to report that we retained our Advice Services Alliance's Advice Quality Standard.

The Job Shop helped over 4,000 students find part time employment, with over 175 different employers using the service. Despite wider employment problems, the Jobshop continued to be contacted by external employers, with a wide range of opportunities for UWE students. The latest feedback survey showed that 86% of students are happy with the service. The Jobshop met with UWE's Hospitality Services Manager as a big provider of student employment to understand how both departments can work better together. The Jobshop had a presence at the recent Frenchay and Hartpur Freshers' Fair, having already been open to new students over Welcome Weekend.

### ***Sports & Societies***

This year saw three UWE students compete in the World Student Games, Kazan, Russia. Jessie Barr, 400m Hurdles, Ireland – 6th place, James Cordy-Redden, Rugby Union Men's 7's, Great Britain – Bronze medal, Lucy Pascall, Rugby Union Women's 7's, Great Britain – 4th place. UWE this season attained a 31st national ranking in BUSC, with 57 teams, 7 league champions and 8 individual champions. The number of clubs and societies on offer at the Union has increased to 88, with more course related societies setting up, participation levels in sports & societies currently stands at over 4,151, the highest in our history, which equates to more than one active participant in every seven UWE students in a sport or society. The Midwifery Society won a national award from the Times, the first society to do so. The Varsity Series continues to develop and go from strength to strength in conjunction with UBU raising over £8,700 for the UWE Inspirational Friends Talisker Atlantic rowing crew, the most in the events history. The Series this year was the biggest to date with, over 1,500 students competing in over 90 teams in 30 different sports & saw the inaugural Polo Varsity match end six months of competition between UWE and Bristol. We continue to train the committee members and develop the membership where appropriate be it vehicle assessment, first aid, Power Boat Level II or Instructor & safety courses to name but a few. We are also in discussion to introduce disability access for canoe, sailing and rowing to open up those activities to a wider audience. This year saw the largest Sports Ball to date.

### ***Nursery***

The nursery is registered to look after 62 children, aged three months to five years. From the beginning of the academic term 2012/13, we observed an increase in the overall occupancy compared to last year. Due to the large number of employee parents utilising all year round places, occupancy remained stable throughout the year. On average there were 92-95 children in attendance every month. Our income increased compared to last year reflecting the increase in occupancy. The nursery continues to offer a variety of extracurricular activities, including music and dancing lessons and other workshops. The feedback from the parent survey circulated in April 2013 has been very positive. The Bristol Standard (internal qualitative scheme) was submitted to the local authority and we are awaiting verification.

### ***Freshers***

This year saw another successful Freshers Week with excellent participation although we did see a reduction in income for events of 19% to £110,537, partly due to reduced price of tickets. The Freshers Fair in the ECC continues to develop and improve with 195 stalls offering a variety of activities and opportunities to our new members. The overall contribution from all Freshers activities was £21,949, a reduction from last year, but comfortably exceeding the budget of £20,000.

### ***Trading Activities***

The scope of the trading activities have not changed significantly from the previous year. We did reduce the trading offer at the Glenside Student Centre and as a result saw the direct loss there drop from £25,030 down to a loss of £9,158. In addition this year we ran for the first time a Graduation Ball on the Vice Chancellors lawn. Although it was a good event for those who attended it did cost the Union £32,640. It has been a difficult trading year, there has been a reduction in the sales in retail of 4.0%, in the bar catering sales of 2.9% and bar drink sales of 11.3%. Despite the decreases we have managed to control costs and wastage and the net contribution in the bars was down only £8,171 and the retail contribution improved by £29,639. Overall the contribution, pre overhead recharges, from all of trading is down by £42,399 on last year at £201,678.

## **Trustees' Report for the year ended 31 July 2013**

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### **FINANCIAL REVIEW**

The Union has made a surplus this year of £135,960, against a budgeted surplus of £25,100. It should be noted that £73,254 of that surplus has been generated by the clubs, societies and networks and will be spent by them in the next year or two.

The principal funding sources are the Block Grant from the University of £840,800, the surplus generated from the Union's trading activities and the income raised by the individual clubs, societies and networks. There was a reduction of £44,300 (5.0%) in the Block Grant, also the trading surplus, pre overhead charges decreased by 17% to £201,678. This year we continued to generate significant income of £93,115 from the Sports & Societies Fees and the charge for members playing in BUSC competitions. The overall result was an increase in income from that area of £24,922. Added to which were increases in income generated by the individual clubs, societies and networks of £114,084.

On the expenditure side there was an increase in expenditure of £151,214. The non-trading staffing costs have increased by £59,694 (5.6%) and non-staff expenditure by £91,520 (9.8%). However it should be noted that overall the non-trading expenditure was underspent on the budget by £5,688.

Capital expenditure was kept to a minimum in the expectation that the Union would be moving into a new building. The overall expenditure was £41,851 with the only major cost being £18,687 spent on the refurbishment of the bar at the St Matthias campus. The Union is building up a capital reserve and the cash to go with it in the expectation that when the Union has a new building it will be necessary to invest in that building.

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

The Union has set a target for 2013/14 of a surplus of £6,300, pre the contribution from the nursery and movement on the club, society and network withdrawals and we are confident of achieving that budget.

### **REVIEW OF TRADING SUBSIDIARY**

The trading subsidiary, UWESU Services Limited, was set up at the end of January 2012. The total turnover for the year to 31 July 2013 was £3,071,200 and the surplus of £50,215 was donated to UWE Students' Union to leave reserves of £1. The assets of the company are stock, debtors and cash and the main creditor of the company was with UWE Students' Union. The principal activity of the company was the running of bars, entertainments, shops and other commercial activities.

### **RESERVES POLICY**

As a sensible and professional organisation, we feel it is important to keep some monies held in reserve. These monies are either held to meet known future circumstances, meet unforeseen circumstances or for a situation where we need to wind up the organisation.

As we are a membership organisation we believe that in each year the majority of the income received by the Union should be spent in providing services to our members. However, it is prudent for us to budget to make a small surplus each year to ensure that we live within our means. This should mean that we will develop a reserve that can then be used in future years.

The Union currently holds £861,813 in its reserves, £13,047 in restricted funds, £118,125 in the unrestricted funds and £730,641 in the designated funds. However £112,882 of those reserves are held as tangible fixed assets and are thus not easily converted to usable cash.

### **INVESTMENT POLICY**

The key investment objective is to maintain and, where possible, grow the value of the Union's designated reserves whilst balancing risk with return. The Union must always ensure that the Union has sufficient cash to meet its operational needs, but must also obtain the best return possible on all funds deposited with our bankers. Any funds not required in the short term may then be invested in short term deposits and any funds not needed in the medium-long term can then be invested wisely in longer term investments to generate a greater yield. Funds



## **Trustees' Report for the year ended 31 July 2013**

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not needed for short term operational needs can be deposited with reputable institutions, provided that the risk ratings and limits specified below are adhered to. Deposits should always be split between UK based institutions with different banking licences, to reduce the risk from institutional failure.

At the year end the following Fixed Rate Bonds were held, £200,000 at Lloyds Bank and £150,000 at the Co-operative Bank. The remaining cash is held in instant access interest bearing accounts. The investment performance of the Union's funds is in line with the objectives set by the Trustees.

### **OBJECTIVES FOR 2013/14**

The main objectives for the current year are,

#### **Representing your voice**

- To research and plan to make our Academic Representation structure renowned,
- To increase participation in elections,

#### **Giving you opportunities**

- To improve scope and participation in Freshers 2013,
- To enhance the provision for Societies, Networks and International students,
- To increase membership in clubs, societies & networks,

#### **Building your community**

- To increase participation in social events,
- To review the Union provision at the campuses and agree sustainable plans for the future,

#### **Essential Foundations**

- To continue to improve our communication with our members and stakeholders,
- To have in place a robust three year financial plan
- To continue to strive towards achieving a new building that will be capable of providing the facilities and services that the students of UWE deserve,
- To finalise, communicate and implement the new strategic plan,

### **CUSTODIAN ACTIVITIES**

The Union acts as custodian for the monies raised through Raise & Give (RAG) fundraising activities organised by students during the year to raise monies for distribution to registered charities. During the course of the year funds were raised and paid out to charities of £4,725. At the year end the balance held was £1,050.

### **SUBSCRIPTIONS**

The following subscriptions were paid in the year ended 31 July 2013

National Union of Students	£47,259
British University & Colleges Sports	£10,962
NUS Services Limited	£300
Advice UK membership	£280

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

## **Trustees' Report for the year ended 31 July 2013**

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### **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The Trustees (who are also directors of UWE Students' Union for the purposes of company law) are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant audit information of which the Charity's auditor is unaware. The Trustees have each taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

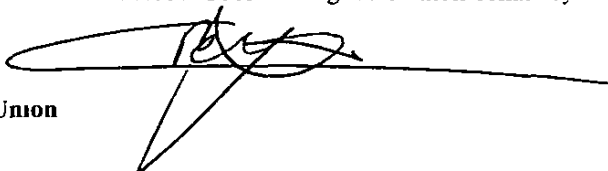
### **AUDITOR**

Our auditor, Baker Tilly, has indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

### **APPROVAL**

The Trustees' Report was approved on 17 October 2013 and signed on their behalf by

**Charlie Roper**  
**President of UWE Students' Union**



## **Independent Auditor's Report to the Members of UWE Students' Union**

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We have audited the group and parent charity financial statements of UWE Students' Union (the financial statements) for the year ended 31 July 2013 on pages 10 to 22. 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of Trustees' responsibilities, set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditors under the Companies Act 2006 and section 152 of the Charities Act 2011 and report in accordance with those Acts. 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 July 2013 and of the group's incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006 and the Charities Act 2011.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion

- the parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

*Baker Tilly UK Audit LLP*

KERRY GALLAGHER (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Hartwell House, 55-61 Victoria Street

Bristol, BS1 6AD

Date *24 October 2013*

# UWE STUDENTS' UNION

## Consolidated Statement of Financial Activities (inc Income and Expenditure accounts) for the year 31 July 2013

		Unrestrict ed Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
<b>Incoming Resources</b>					
<b>Incoming resources from generated funds:</b>					
Voluntary income					
Block grant		840,800	-	840,800	885,100
Activities for generating funds					
Nursery and other trading	2	605,072	-	605,072	566,785
Investment income		17,278	-	17,278	9,124
<b>Incoming resources from charitable activities:</b>					
Freshers, student shops and bars	3	2,924,191	-	2,924,191	3,091,342
Union services, sports and other activities	4	540,235	255,909	796,234	610,827
<b>Total incoming resources</b>		<b>4,927,666</b>	<b>255,909</b>	<b>5,183,575</b>	<b>5,163,178</b>
<b>Resources Expended</b>					
<b>Costs of generating funds:</b>					
Nursery and other trading	5	686,642	-	686,642	601,395
<b>Charitable activities:</b>					
Freshers, student shops and bars	6	2,840,582	-	2,840,582	2,976,873
Union services, sports and other activities	7	1,236,090	250,078	1,486,168	1,428,419
<b>Governance costs</b>		<b>34,223</b>	<b>-</b>	<b>34,223</b>	<b>21,906</b>
<b>Total resources expended</b>	<b>8</b>	<b>4,797,537</b>	<b>250,078</b>	<b>5,047,615</b>	<b>5,028,593</b>
<b>Net incoming resources before transfers</b>		<b>130,129</b>	<b>5,831</b>	<b>135,960</b>	<b>134,585</b>
Transfer (from)/to funds		-	-	-	-
<b>Net incoming resources after transfers being net movement in funds</b>		<b>130,129</b>	<b>5,831</b>	<b>135,960</b>	<b>134,585</b>
Fund balances brought forward		718,637	7,216	725,853	591,268
<b>Funds Balance at 31 July</b>		<b>848,766</b>	<b>13,047</b>	<b>861,813</b>	<b>725,853</b>

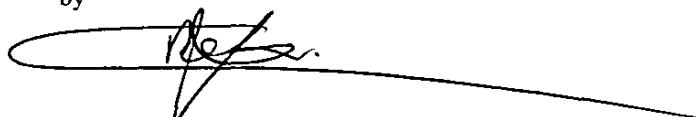
There are no recognised gains or losses other than those passing through the consolidated statement of financial activities. All trading activities of the Union and its subsidiary are classed as continuing.

**UWE STUDENTS' UNION**  
**Consolidated & Charity Balance Sheets**  
**as at 31 July 2013**

		Group 2013 £	Group 2012 £	Charity 2013 £	Charity 2012 £
<b>Fixed Assets</b>					
Tangible assets	11	122,882	153,000	122,882	153,000
Investments	12	358,321	158,321	358,322	158,322
<b>Total Fixed Assets</b>		<u>481,203</u>	<u>311,321</u>	<u>481,204</u>	<u>311,322</u>
<b>Current Assets</b>					
Stocks	13	166,661	165,818	18,854	17,707
Debtors	14	111,110	150,771	243,520	265,886
Cash at bank and in hand		386,620	473,771	313,101	429,087
<b>Total Current Assets</b>		<u>664,391</u>	<u>790,360</u>	<u>575,475</u>	<u>712,680</u>
<b>Creditors: Amounts falling due within one year</b>	15	<u>(283,781)</u>	<u>(375,828)</u>	<u>(194,866)</u>	<u>(298,149)</u>
<b>Net Current Assets</b>		<u>380,610</u>	<u>414,532</u>	<u>380,609</u>	<u>414,531</u>
<b>Net Assets</b>		<u><u>861,813</u></u>	<u><u>725,853</u></u>	<u><u>861,813</u></u>	<u><u>725,853</u></u>
<b>Funds of the charity:</b>					
Unrestricted funds					
General funds	16	118,125	113,765	118,125	113,765
Designated funds	16	730,641	604,872	730,641	604,872
Restricted funds	18	13,047	7,216	13,047	7,216
<b>Total funds</b>		<u><u>861,813</u></u>	<u><u>725,853</u></u>	<u><u>861,813</u></u>	<u><u>725,853</u></u>

The notes on pages 10 to 22 form part of these accounts

These Financial Statements were approved by the Trustees on 17 October 2013 and are signed on their behalf by



**Charlie Roper**  
**President of UWE Students' Union**

Company Registration Number 07675253

**UWE STUDENTS' UNION**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2013**

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**1 Accounting Policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost accounting rules and in accordance with Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2005), applicable UK Accounting Standards and the Companies Act 2006

**Group Financial Statements**

The financial statements consolidate the results of the charity and its wholly owned subsidiary UWESU Services Limited on a line by line basis. A separate Statement of Financial Activities and income and expenditure account, for the charity are not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The unconsolidated surplus for the year of the charity was £135,960 (2012 £134,585)

**Income**

The Block Grant from the University of the West of England is dealt with on a financial year basis. Other income is included in the SoFA account on a cash received basis or on a receivables basis where there is reasonable certainty of receipt.

**Resources Expended**

Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds. Charitable activities include both the direct costs and support costs relating to those activities.

Governance costs include those incurred in the governance of the charity and its assets. Support costs, being indirect staff and overhead costs, are apportioned on a usage basis across each area.

**Cash Flow Statement**

The Trustees have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the basis that the Union is small.

**Stocks**

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

**Investments**

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

**Tangible fixed assets**

Fixed assets are stated at cost less accumulated depreciation. Tangible fixed assets with a cost below £500 are not capitalised. Depreciation is provided at the following annual rates in order to write the cost of assets off over their estimated useful lives -

Fixtures and fittings	10% - 33% of cost
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**UWE STUDENTS' UNION**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2013**

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**1 Accounting Policies (continued)**

**Pension costs**

The Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary.

The scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union.

Under the terms of FRS17, in these circumstances contributions are accounted for as if the scheme were a defined contribution scheme based on actual contributions paid through the year.

**Taxation**

No provision is made in these accounts from corporation tax as UWE Students' Union is exempt from such taxes, provided the income is applied for charitable purposes.

**Operating lease agreements**

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

**Grants**

The Union receives grants which are recognised as incoming resources in the Statement of Financial Activities on a receivable basis when they meet the three recognition criteria set out in the SORP.

**Fund Accounting**

Unrestricted Funds represent unspent income which may be used for any activity. Designated Funds are set aside by the Union to be spent on specific projects and areas. Restricted Funds raised and administered by the Union are for specific purposes, such as Clubs and Societies.

**2. Commercial Activities Income**

	2013	2012
	£	£
Nursery	458,063	421,929
Other Trading	161,096	144,856
	<u>619,159</u>	<u>566,785</u>

**UWE STUDENTS' UNION**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2013**

**3. Charitable Activities - Trading Income**

	2013	2012
	£	£
Freshers	185,932	208,557
Retail	1,680,593	1,747,545
Food & Beverage	1,057,666	1,135,240
	<u>2,924,191</u>	<u>3,091,342</u>

**4. Charitable Activities - Charitable Income**

	2013	2012
	£	£
Sports & Other Activities	673,661	538,233
Union Services	122,573	72,594
	<u>796,234</u>	<u>610,827</u>

**5. Analysis of expenditure on Commercial Activities**

	2013	2012
	£	£
Nursery	506,239	478,122
Other Trading	180,403	123,273
	<u>686,642</u>	<u>601,395</u>

**6 Analysis of expenditure on Charitable Activities - Trading**

	2013	2012
	£	£
Freshers	190,237	201,774
Retail	1,496,692	1,583,998
Food & Beverage	1,153,653	1,190,908
	<u>2,840,582</u>	<u>2,976,873</u>

**7 Analysis of expenditure on Charitable Activities - Charitable**

	2013	2012
	£	£
Sports & Other Activities	820,312	745,919
Union Services	665,856	682,500
	<u>1,486,168</u>	<u>1,428,419</u>



**UWE STUDENTS' UNION**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2013**

**8. Charitable and Commercial Costs**

	Usage	Direct £	Staff £	Support £	2013 Total £	2012 Total £
<b>Charitable</b>						
Clubs, Societies & Networks	(16%)	627,310	127,464	64,927	819,701	745,919
Student Rep & Officers	(12%)	91,665	247,268	50,108	389,041	362,580
Advice Centre / Job Shop	(4%)	10,430	65,485	11,606	87,521	107,974
Campus Support	(4%)	16,799	34,658	8,217	59,674	98,385
Communications	(5%)	38,813	72,103	18,712	129,628	113,561
<b>Commercial</b>						
Nursery	(15%)	77,040	363,325	65,345	505,710	478,122
Commercial activities	(44%)	1,920,633	950,023	151,461	3,022,117	3,100,146
<b>Governance</b>		25,281	8,942	-	34,223	21,906
<b>Overheads recharged</b>		(208,449)	208,449	-	-	-
<b>Pensions deficit</b>		(59,813)	59,813	-	-	-
		<u>2,539,709</u>	<u>2,137,530</u>	<u>370,376</u>	<u>5,047,615</u>	<u>5,028,593</u>

Governance costs are those incurred for compliance with constitutional and statutory requirements, such as the annual audit, professional fees and election costs

The support costs were looked at on a detailed basis. Where individual costs could be allocated to specific areas they were. Otherwise costs were allocated by comparison to either salaries, non salary expenditure or a combination of the two, depending on which method gave the most reasonable allocation.

**Net movement of funds**

Net movement in funds is arrived at after charging/(crediting)

	2013 £	2012 £
Depreciation post grant amortisation – owned assets	71,738	89,531
(Profit)/loss on disposal of fixed assets	(1,614)	6,872
Operating lease charges – plant & machinery	13,226	7,098
<b>Auditor's remuneration</b>		
Fees payable to the Charity auditor for the audit of the financial statements and consolidation	7,225	7,225
Fees payable to the Charity auditor and its associates for other services		
The audit of the Charity's subsidiary pursuant to legislation	1,250	1,250
Tax compliance services	775	775
Other services	-	4,500

The auditor's remuneration was payable to Baker Tilly UK Audit LLP in both years

**UWE STUDENTS' UNION**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2013**

**9 Staff Costs**

The number of staff employed by the Union amounted to

	2013	2012
	No	No
Permanent Staff	77	78
Student Staff	302	317
	<u>379</u>	<u>395</u>

The full time equivalent number of staff employed by the Union amounted to

	2013	2012
	No	No
Permanent Staff	64	63
Student Staff	36	36
	<u>100</u>	<u>99</u>

The costs of the above were

	2013	2012
	£	£
Wages & salaries	1,847,477	1,812,824
Social security	118,134	113,746
Pension costs	143,121	130,996
	<u>2,108,732</u>	<u>2,057,566</u>

Pension costs include deficit payments of £59,813 (2012 £58,166)

No employee earned over £60,000 per annum in either year

**10. Trustees' Remuneration and Expenses**

The SU President and each of the four Vice-Presidents received £19,099 for the year as authorised by the Union's governing document for the representation, campaigning and support work they undertake as distinct from their Trustee responsibilities. This work includes voicing student opinion with the institution and local community, defending and extending the rights of students through petitions, discussions with MPs, organising and supporting student volunteers and service provision for them. The total salary and NI costs for the sabbatical officers amounted to £100,795 (2012 £100,472)

There were no other Trustee benefits for the year

Travel expenses of £2,352 (2012 £2,211) were paid out to Trustees

**UWE STUDENTS' UNION**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2013**

**11. Tangible Fixed Assets**

<b>Group and Charity</b>	<b>Fixtures &amp; Fittings £</b>
<b>Cost</b>	
At 1 August 2012	951,657
Additions	41,851
Disposals	(333)
At 31 July 2013	<u>993,175</u>
<b>Depreciation</b>	
At 1 August 2012	798,657
Charge for the year	71,738
On disposals	(102)
At 31 July 2013	<u>870,293</u>
<b>Net Book Value</b>	
At 31 July 2013	<u>122,882</u>
At 31 July 2012	<u>153,000</u>

**12. Investments**

<b>Group</b>	<b>Shares £</b>	<b>Deposits £</b>	<b>Total £</b>
<b>At Cost</b>			
At 1 August 2012	1,860	156,461	158,321
Additions	-	200,000	200,000
At 31 July 2013	<u>1,860</u>	<u>356,461</u>	<u>358,321</u>
<b>Charity</b>			
<b>At Cost</b>			
At 1 August 2012	1,861	156,461	158,322
Additions	-	200,000	200,000
At 31 July 2013	<u>1,861</u>	<u>356,461</u>	<u>358,322</u>

1,860 shares are for NUS Services Limited and are £1 ordinary shares. NUS Services Limited is an unlisted company and this amount is held at cost. The remaining share, for £1, is the investment in UWESU Services Limited, a wholly owned subsidiary company.

**UWE STUDENTS' UNION**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2013**

**12. Investments (continued)**

At 31 July 2013 the Union held investments in the following companies which are incorporated in the United Kingdom

Name of Company	Main Trading Activity	Equity Held
NUS Services Limited	Purchasing Services	
A Shares		0.35%
B Shares		0.68%
UWESU Services Limited	Commercial activities of the Union	100%

A summary of the subsidiary's results for the year ended 31 July 2013 and the balance sheet position at 31 July 2013 is shown below

	2013 £	2012 £
<b>UWESU Services Ltd – Profit and loss account</b>		
Turnover	3,071,200	1,390,110
Expenditure	(3,020,985)	(1,368,951)
Profit on ordinary activities before Gift Aid payment	50,215	21,159
Gift Aid payment to UWESU	(50,215)	(21,159)
Retained profits brought forward	-	-
Retained profits carried forward	-	-
<b>UWESU Services Ltd – Balance sheet</b>		
Current assets	288,305	268,399
Current liabilities	(288,304)	(268,398)
	1	1
Called up share capital	1	1
Profit and loss account	-	-
	-	-

**13. Stocks**

	Group		Charity	
	2013 £	2012 £	2013 £	2012 £
Goods for own use	2,631	4,708	2,631	4,708
Goods for resale	164,030	161,110	16,223	12,999
	166,661	165,818	18,854	17,707

**UWE STUDENTS' UNION**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2013**

**14. Debtors**

	Group		Charity	
	2013	2012	2013	2012
	£	£	£	£
Trade and sundry debtors	53,949	131,709	36,972	69,918
Prepayments and accrued income	57,161	19,062	7,161	5,747
Amount due from subsidiary	-	-	199,387	190,221
	<u>111,110</u>	<u>150,771</u>	<u>243,520</u>	<u>265,886</u>

**15. Creditors** Amounts falling due within one year

	Group		Charity	
	2013	2012	2013	2012
	£	£	£	£
Trade creditors	131,521	178,861	56,984	115,890
Social security and other taxes	50,657	62,081	50,657	62,580
Other creditors	61,441	98,239	58,721	97,764
Accruals and deferred income	40,162	36,647	28,504	21,915
	<u>283,781</u>	<u>375,828</u>	<u>194,866</u>	<u>298,149</u>

**16. Unrestricted Funds**

	2012	Income	Costs	Transfers	2013
	£	£	£	£	£
General Funds	113,765	4,469,603	(4,231,485)	(233,758)	118,125
<i>Designated Funds</i>					
Halley Nursery	20,060	458,063	(506,239)	67,691	39,575
Pension Deficit	202,000	-	(59,813)	92,813	235,000
Capital Reserve	350,000	-	-	-	350,000
Clubs, Soc's & Networks	32,812	-	-	73,254	106,066
Total Designated Funds	<u>604,872</u>	<u>458,063</u>	<u>(566,052)</u>	<u>233,758</u>	<u>730,641</u>
Total Unrestricted Funds	<u>718,637</u>	<u>4,927,666</u>	<u>(4,797,537)</u>	<u>-</u>	<u>848,766</u>

The Designated Funds of £730,641 (2012 - £604,872) are for the replacement of existing capital items and providing towards the costs of any future new facilities, meeting the costs of the pension fund deficit, the separation of surpluses generated by the Clubs, Societies and Networks and the separation of the Halley Nursery funds. Transfers are set aside from or charged to the General Fund each year in accordance with the principles below

The Capital Reserve Fund is for the replacement of the capital assets of the Union and also recognises that the redevelopment of the Frenchay campus and possible new building will necessitate the further improvements of its facilities on that campus. Therefore the Union has to ensure that it has sufficient funds to replace and improve its capital assets in the normal course of its activities

**UWE STUDENTS' UNION**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2013**

**16. Unrestricted Funds (continued)**

In October 2006 the funding of the SUSS pension fund deficit was separated from the on-going funding of the scheme. Following the latest valuation of the scheme in October 2010 the level of funding necessary has been fixed for three years. Given its historic nature, this liability is best met from the designated fund and the Union has set aside an estimate of the cost for the next three years. This will be reviewed based on the results of the next valuation.

In addition, by agreement between the Union and the University the direct funding generated from or required for the running of the Halley Nursery have been assigned a separate designated fund.

Finally surpluses generated by Clubs, Societies and Networks are set aside by the Union to be spent specifically in these areas.

**18. Restricted Funds**

	2012 £	Income £	Costs £	Transfers £	2013 £
Clubs, Soc's & Networks	-	194,748	(194,748)	-	-
Restricted donations	7,216	61,161	(55,330)	-	13,047
	<u>7,216</u>	<u>255,909</u>	<u>(250,078)</u>	<u>-</u>	<u>13,047</u>

The Restricted Funds of £13,047 (2012 £7,216) relate to donations and income raised for specific projects and as such is held pending future spending. The Club, Society and Network funds represent monies raised by those bodies either by donation or from membership fees.

**19. Analysis of Net Assets between Funds**

Group	Restricted funds	Designated fund	General funds	Total
<b>Fund balances at 31 July 2013</b>	£	£	£	£
Represented by:				
Tangible fixed assets	-	738	122,144	122,882
Investments	-	78,559	279,762	358,321
Current assets	13,047	651,344	-	664,391
Current liabilities	-	-	(283,781)	(283,781)
<b>Total net assets</b>	<u>13,047</u>	<u>730,641</u>	<u>118,125</u>	<u>861,813</u>

Charity	Restricted funds	Designated fund	General funds	Total
<b>Fund balances at 31 July 2013</b>	£	£	£	£
Represented by:				
Tangible fixed assets	-	738	122,144	122,882
Investments	-	167,475	190,847	358,322
Current assets	13,047	562,428	-	575,475
Current liabilities	-	-	(194,866)	(194,866)
<b>Total net assets</b>	<u>13,047</u>	<u>730,641</u>	<u>118,125</u>	<u>861,813</u>

**UWE STUDENTS' UNION**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2013**

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**20. Commitments Under Operating Leases**

At 31 July 2013 the Union had aggregate annual commitments under non-cancellable operating leases as set out below

	2013 Equipment & vehicles £	2012 Equipment & vehicles £
Operating leases which expire:		
Within 1 year	3,454	7,098
Within 1 to 2 years	-	8,935
Within 2 to 5 years	-	-
	<u>3,454</u>	<u>16,033</u>

**21. Pensions**

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 scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. Under the terms of FRS17, in these circumstances contributions are accounted for as if the scheme were a defined contribution scheme based on actual contributions paid through the year.

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

The assumptions which have the most significant effect upon the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumptions applied at 1 October 2010 -

The investment return would be 6.6% per annum before retirement and 4.6% per annum after retirement.

Pensions accruing on the CARE basis would revalue at 3.2% per annum.

Present and future pensions would increase at rates specified by scheme rules with appropriate assumptions where these are dependent on inflation.

The 2010 valuation recommended a monthly contribution requirement by each Union expressed in monetary terms intended to clear the ongoing funding deficit over a period of 20 years and will increase by at least 3.2% each year. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme. These rates applied with effect from 1 October 2011 and will be formally reviewed following completion of the next valuation due with an effective date of 1 October 2013. 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.

**UWE STUDENTS' UNION**  
**Notes to the Financial Statements**  
**for the year ended 31 July 2013**

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**21. Pensions (*continued*)**

The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 31 July 2013 amounted to £59,813 (2012 - £71,458), 2012 included some contributions in respect of future accrual as well as deficit contributions

Under the new charity SORP, which will be effective from the 1<sup>st</sup> January 2015 the Union would have to recognise a pension liability equal to £1.1m, which is the amount anticipated to be paid under the current recovery plan

**22. Related Party Transactions**

During the year, the Union received £840,800 (2012 - £885,100) grant funding from The University of the West of England plus an additional £120,000 (2012 - £120,000) in respect of Sports Hall charges

During the year, the Union made sales to The University of the West of England of £382,833 (2012 - £350,162). At the year end the Union was owed £17,046 (2012 - £49,573)

During the year, the Union purchased services from The University of the West of England of £996,198 (2012 - £703,281). At the year end the Union owed The University of the West of England £20,919 (2012 - £82,364)

The Trustees are of the opinion that this financial assistance is not an influencing factor with regards to the formulation of Union policy nor does it have any effect on the internal management and decision making of the Union

Transactions with subsidiary undertakings are shown in note 12 and 14

**23. Ultimate Controlling Party**

The controlling party of the Union are the Trustees by virtue of their position under the Articles of Association