

Charity number 1147242

The University of Sussex Students' Union

Registered number 07695765

Trustees report and financial statements

For the year ended 31 July 2012

THURSDAY



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THE UNIVERSITY OF SUSSEX STUDENTS' UNION
(A Company Limited by Guarantee)

CONTENTS

	Page
Trustees	1
Reference and Administrative Details of the Charity and Advisers	1
Trustees' Report	2 - 8
Independent Auditors' Report	9 - 10
Consolidated Statement of Financial Activities	11
Consolidated Balance Sheet	12
Union Balance Sheet	13
Notes to the Financial Statements	14 - 25

THE UNIVERSITY OF SUSSEX STUDENTS' UNION
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE UNION AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2012

Company registered number

07695765

Charity registered number

1147242

Registered office

Falmer House, Falmer, Brighton, BN1 9QF

Auditors

Mazars LLP, 37 Frederick Place, Brighton, BN1 4EA

Bankers

Barclays Bank plc, 77 South Road, Haywards Heath, West Sussex, RH16 4LB

THE UNIVERSITY OF SUSSEX STUDENTS' UNION

(A Company Limited by Guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JULY 2012

The board of trustees presents the report and audited financial statements of the University of Sussex Students' Union (USSU) for the year ended 31 July 2012. The statements appear in the format required by the Statement of Recommended Practice (SORP) for accounting and reporting by charities.

The University of Sussex Students Union was incorporated on 6 July 2011.

Structure, governance and management

- **Constitution**

The Union and the group is registered as a charitable company limited by guarantee - charity number 1147242. The Union trades from the various University of Sussex locations, the main location being Falmer.

The Union and the group is constituted Under a Trust deed.

- **Method of appointment or election of trustees**

Under the Articles of Association there are 12 trustees: six full-time 'sabbatical' officers (who are either recent graduates or intermitting students), three student trustees, and three lay trustees appointed by the Board for their specialist knowledge, professional experience and independent expertise. The Sabbatical Officers are elected by cross-campus ballot of Union members each February and hold office for the following academic year, with the possibility of re-election for one further year. The three student trustees are elected by cross-campus ballot every October and hold office for one year, also with the possibility of re-election for one further year if they are still a student at the University.

- **Policies adopted for the induction and training of trustees**

All sabbatical trustees are given one week of training before taking office and a further three weeks of training once in office. The training covers basic governance and representation principles, such as legal requirements, constitutional protocols and lobbying. The first week also includes shadowing the outgoing officers in their day-to-day activities. Student trustees are trained once in office on basic governance and legal requirements of their role.

- **Organisational structure and decision making**

The trustee board is responsible for the good governance of the Students' Union. The overall policy of the Union is made by quorate Members Meetings and Referenda open to all members. Lapsed policy is reviewed by the members of the Union Council that consists of approximately 35 elected and representative students. The Council also maintains the Rules that govern the Students' Union.

The Articles of Association delegates most other decision making to the following committees:

Executive Committee
Activities Committee

All committees report to the Council along with the following committees and sub-committees:

Sports Management Committee
Societies Committee
Student Media Committee
Ethical and Environmental Committee
Equality & Diversity Panel

THE UNIVERSITY OF SUSSEX STUDENTS' UNION

(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 JULY 2012**

- **Risk management**

The trustees have assessed the major risks to which the Union is exposed, and in particular have highlighted those related to the Union's trading company's viability and its relationship with its core funder, the University of Sussex. Following a review of the trading company's future strategy the trustees are now satisfied that systems are in place to mitigate the organisation's exposure and are continuing to work with senior colleagues within the University to improve the dialogue between the two organisations.

Public benefit

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have regard to the Charity Commissions general guidance on public benefit.

Objectives and Activities

- **Our mission**

To enable students at Sussex to make a positive difference to their University experience

Our Objects

The Union's objects (the "Objects") are the advancement of education of students at the University of Sussex for the public benefit by

- representing its members and their interests in the University and in the wider community
- promoting student participation in all areas of the Union and the University
- facilitating communication, in order to ensure Union members are well informed of any issues affecting students and their community
- promoting the welfare and individual development of members and providing advice services relating to educational and welfare issues
- providing, facilitating and developing educational, scientific, artistic, cultural, athletic, political, religious and social activities amongst its members including the formation, organisation and operation of clubs and societies
- promoting and facilitating students' involvement in their wider community
- promoting and maintaining links between its members and other students regionally, nationally and internationally
- establishing and operating commercial enterprises providing services and entertainment to its members
- raising funds for other charitable organisations

- **Our aims**

By 2014 we will become a leading organisation in the fields of student participation, representation, and engagement

THE UNIVERSITY OF SUSSEX STUDENTS' UNION

(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2012

- **Our values**

- Democratically-led
- Empowering
- Ethical
- Friendly
- Open
- Progressive

- **Our vision**

As a union we aim to be more than a purely representative body providing services. A students' union should be integral to all students' social lives, personal development and their educational experiences. Students should not be passive consumers but active participants providing services, experiences and complementary education for themselves. Together we will help to set the social agenda, ensuring that students are equipped and inspired to make a positive difference to their university experience and society.

- **Principal activities**

The Union's activities during the year supported the aims, objects and values given above. The Union provided advice to students, support to sports clubs and a wide range of societies, representation, both individual and collective to Union members, information through its student-run media, along with employment, development and volunteering opportunities.

Achievements and performance

- **Key achievements for the year**

2011/12 has been a mixed year for the Students' Union. During this year the Union became a registered charity, introduced a new governance structure and agreed a new funding model with its parent institution. However it was a challenging year commercially with outlets closing and the introduction of two new businesses. The year ended on a positive note with the Students' Union being shortlisted for NUS Higher Education Students' Union of The Year award.

These achievements would not be possible without the support and enthusiasm of our officers, permanent staff, volunteers and student staff. We currently have over 750 volunteers running sports clubs, societies, campaigning and community volunteering. We employ over 190 student staff on a part time basis and we employ 35 permanent staff.

The key achievements for the year included:

Awards

We retained our Gold accreditation in the Green Impact Students' Unions Awards this year, Achieved Best Bar None Bronze accreditation for Falmer Bar and East Slope Bar (the national standard for socially responsible alcohol retailing),

THE UNIVERSITY OF SUSSEX STUDENTS' UNION

(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2012

Achieved Investors in People accreditation demonstrating our best practice and continued commitment to supporting our staff and volunteers,

Governance and management

The Union made a deliberate effort to improve its participation in elections this year and has been very successful in delivering on that. Despite running elections for a number of different types of part time positions (Student Trustees, Part Time Officers, Student Reps, Representative Officers, PG and UG Union Councillors) simultaneously in October, we saw an increase in voting figures as well as in the candidates standing for these positions. The Union achieved a 30% increase in students voting for the Full Time Officer elections in February. These changes were partly due to a focus on elections resulting in improved online voting page, a dedicated marketing plan and increasing the profile of elected officers on campus and their interaction with the student body.

One of the toughest challenges the Union has overcome this year was ensuring sustainable funding and implementation of a new structure in order to be able to deliver on our highly ambitious strategic targets. Through the course of the year it was possible to negotiate a significant increase in the Unions funding for the coming year through sound strategic planning. A new structure has been implemented focusing on student engagement and improved social policy campaigning. With dedicated staff support Officers in their campaigns and ring fenced funding dedicated to the outreach and representation of postgraduate, international and mature students.

This year we also introduced a new governance structure with the Union having a Trustee Board for the first time.

Campaigning & Representation

This year we successfully lobbied the University for all family flats to be equipped with a washing machine and for the provision of appropriate housing for student parents with access needs. We have also worked hard with the University on improving the provision for childcare on campus and agreed to much needed changes to policies and procedures around the reporting of sexual violence on campus.

Our annual housing survey Rate Your Landlord was run in conjunction with the the University of Brighton Students' Union this year with almost 1800 students participating. The survey is now a recognised annual event within the city, helping us to eliminate bad practice within the private letting sector.

Membership Support & Activities

This year the Union has also seen the highest ever demand for sports membership with 923 Sports Club members. In total over 2,200 members of sports clubs and student societies were administered and funded by the Union.

We had our most successful year ever in sport, coming 41st out of 145 institutions in the British Universities and Colleges Sport (BUCS) League and winning the Varsity Cup against the University of Brighton for only the second time in 15 years. Achieving one of the most notable successes was the Ultimate Frisbee club, whose Open/Men's team (Mohawks) and Women's team (Squaws) were crowned UK champions for the second year running. A Sussex team also won the top prize in the men's badminton cup. In league competition, Sussex's men's basketball, fencing and table tennis teams as well as the first teams from the men's hockey, table tennis and tennis teams all won their respective groups.

This past year 149 students went on to volunteer directly with community groups and we ran 14 projects with 134 volunteers in our Link Up scheme putting in almost 900 hours of volunteering within the local community.

This year also saw the expansion of our volunteer-run services within the Union, noticeably in Advice &

THE UNIVERSITY OF SUSSEX STUDENTS' UNION

(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2012

Representation, the Students' Union Reception, and Union Computers - our computer repair and support service run entirely by student volunteers. We also facilitated the creation of a volunteer-run bicycle repair shop and provided dedicated staff support for our volunteers in student media.

The Advice Centre provided almost 900 students with welfare or academic advice this year and trained our student volunteers to be able to provide a free tenancy checking service.

Trading

We had a very challenging year within the Trading Company, as we created two new major areas of business. At the beginning of the year we lost a major source of revenue, as two of our outlets were closed. However we formed a partnership with the Southern Co-operative to supply all their staffing needs, in return for a fixed sum and a percentage of turnover. The second new business centre was the Lettings Agency. We bore substantial set up costs, and as yet this has not produced the significant revenue that we had hoped for.

Overall, the Trading Company made a surplus of £77,000, which is £58,000 short of target.

FINANCIAL REVIEW

• Reserves policy

The Union's reserves policy is to maintain sufficient level of reserves to enable operating activities to be maintained, taking account of potential risks and contingencies that may arise from time to time. Our current intention is to increase our reserves to £400,000 over the next three years. The policy is reviewed annually by the trustees. Reserves at the balance sheet date were £209,287 of which £32,181 were restricted.

Union Affiliations

During the year USSU paid affiliation fees of £37,431 (2011 £38,935) to the NUS, £4,622 (2011 £5,612) to BUCS and a total of £2,559 (2011 £5,730) to other bodies.

• Material investments policy

There are no material investments.

Plans for future periods

Embedding the new organisational structure

As part of our funding agreement with the University we have restructured the union to create a new department responsible for membership engagement. In doing this we have also restructured the management of existing areas and combined our membership services into one department, Membership Support & Activities.

Developing and implementing a new commercial strategy

With the University's planned expansion comes new challenges. More of our outlets will be lost over the next three years and the University plans to outsource its own food retail to an outside provider, which will increase competition. As such the trading company is developing a new strategy to ensure it remains sustainable going forward and reframe its purpose to meet the needs of the Students' Union.

THE UNIVERSITY OF SUSSEX STUDENTS' UNION

(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 JULY 2012**

Complete our governance review

We began looking at our internal governance and how we increase student engagement with our decision making and campaigning two years ago. This year we intend to finish this process and put new systems in place in time for the next academic year.

Secure ongoing development funding

This year we agreed project funding from the University of £110,000 a year for a three year period. The project's aim is to increase the levels of engagement from postgraduate, international and mature students within the Union. We have agreed an initial review after the first year in order to secure the funding for the next two years.

Meeting the needs of more students

Ultimately the decisions that have been taken over the last year was all about the Students' Union being able to meet the needs of an expanding student population. Student numbers are due to reach 15,000 at the University over the next three years and we need to be able to continue to offer the level of service, support and activities that they require.

Trustees

The trustees set out below have held office during the whole of the period from 1 August 2011 to the date of this report, unless otherwise stated.

David Cichon (resigned 29 June 2012)
James Hickie (resigned 29 June 2012)
Becca Melhuish (resigned 29 June 2012)
Ariel Cohen (resigned 29 June 2012)
Poppy Firmin (resigned 29 June 2012)
Indi Hicks (appointed 8 July 2011)
Kelly McBride (appointed 29 June 2012)
Carl Salton-Cox (appointed 29 June 2012)
Kit Bradshaw (appointed 29 June 2012)
Richard Mashiter (appointed 29 June 2012)
Maria da Silva (appointed 29 June 2012)
Elsie Whittingham (appointed 21 Oct 2011 and resigned 22 August 2012)
Alon Avrian (appointed 21 Oct 2011 and resigned 22 August 2012)
Adam Cantwell Corn (appointed 21 Oct 2011 and resigned 22 August 2012)
Rachel Owhin (appointed 22/08/12)
Ben Perkins (appointed 22/08/12)
Roman Labbe (appointed 22/08/12)
Christian Heeger (appointed 11/05/13)
Matt Knight (appointed 11/05/13)
Sally Hunt (appointed 11/05/13)

Auditors

During the year Mazars LLP continued to act as the independent auditor to the company.

THE UNIVERSITY OF SUSSEX STUDENTS' UNION

(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2012

Trustees' responsibilities statement

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

Company and charity 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group 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.


Provision of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable group's auditors in connection with preparing their report and to establish that the charitable group's auditors are aware of that information

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 22/2/13 and signed on their behalf, by


Kelly McBride
Trustee

THE UNIVERSITY OF SUSSEX STUDENTS' UNION

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE UNIVERSITY OF SUSSEX STUDENTS' UNION

We have audited the financial statements of The University of Sussex Students' Union for the year ended 31 July 2012 which comprise the Statement of Financial Activities, the Union Balance Sheet, the consolidated balance sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity's trustees as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the Union members 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 Union's members for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement, the Union sabbatical officers are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under the Companies Act 2006 and section 43 of the Charities Act 1993 and report to you 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. This report is made solely to the charity's trustees as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the Union members 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 Union's members for our audit work, for this report, or for the opinion we have formed.

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 group's and the parent Union's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Sabbatical officers, and the overall presentation of the financial statements.

THE UNIVERSITY OF SUSSEX STUDENTS' UNION
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE UNIVERSITY OF
SUSSEX STUDENTS' UNION

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of affairs of the group and the Union as at 31 July 2012 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 applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 1993

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 1993 requires us to report to you if, in our opinion

- the parent charitable Union has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable Union 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

Richard Hopkins (Senior Statutory Auditor)

for and on behalf of

Mazars LLP

Chartered Accountants

Statutory Auditor

37 Frederick Place

Brighton

BN1 4EA

Date

27 March 2013

THE UNIVERSITY OF SUSSEX STUDENTS' UNION
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 JULY 2012

		Restricted funds	Unrestricted funds	Total funds	Total funds Proforma 2011
	Note	2012 £	2012 £	2012 £	2011 £
Incoming resources					
Incoming resources from generated funds	3	21,698	991,961	1,013,659	1,024,744
Activities for generating funds	4	-	2,723,057	2,723,057	4,229,959
Incoming resources from charitable activities	5	-	450,914	450,914	312,768
Other incoming resources		-	46,729	46,729	39,184
Total incoming resources		21,698	4,212,661	4,234,359	5,606,655
Resources expended					
Costs of generating funds					
Trading activities	6	-	2,636,587	2,636,587	4,039,414
Charitable activities	7	10,602	1,666,548	1,677,150	1,502,760
Governance costs	8	-	24,540	24,540	28,870
Total resources expended		10,602	4,327,675	4,338,277	5,571,044
Movement in total funds for the year - Net income/(expenditure) for the year		11,096	(115,014)	(103,918)	35,611
Total funds at 1 August 2011 - transferred in		21,085	292,120	313,205	277,594
Total funds at 31 July 2012		32,181	177,106	209,287	313,205

The notes on pages 14 to 25 form part of these financial statements

THE UNIVERSITY OF SUSSEX STUDENTS' UNION

Registered number 07695765

(A Company Limited by Guarantee)

CONSOLIDATED BALANCE SHEET AS AT 31 JULY 2012

	Note	£	2012 £	Proforma 2011 £
Fixed assets				
Tangible assets	11		78,053	98,630
Investments	12		1,260	1,260
			<u>79,313</u>	<u>99,890</u>
Current assets				
Stocks		65,456	79,765	
Debtors	13	213,880	112,218	
Cash at bank and in hand		268,072	525,850	
		<u>547,408</u>	<u>717,833</u>	
Creditors amounts falling due within one year	14	(417,434)	(504,518)	
Net current assets			129,974	213,315
Total assets less current liabilities			<u>209,287</u>	<u>313,205</u>
Funds				
Restricted funds	15		32,181	21,085
Unrestricted funds	15		177,106	292,120
			<u>209,287</u>	<u>313,205</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Trustees on 22/2/13
behalf, by

and signed on their



Kelly McBride

The notes on pages 14 to 25 form part of these financial statements

THE UNIVERSITY OF SUSSEX STUDENTS' UNION

Registered number 07695765

(A Company Limited by Guarantee)

UNION BALANCE SHEET AS AT 31 JULY 2012

	Note	£	2012 £	Proforma 2011 £
Fixed assets				
Tangible assets	11		19,819	21,519
Investments	12		1,262	1,262
			<u>21,081</u>	<u>22,781</u>
Current assets				
Debtors	13	138,405	218,400	
Cash at bank and in hand		164,649	197,325	
		<u>303,054</u>	<u>415,725</u>	
Creditors amounts falling due within one year	14	(114,847)	(125,301)	
Net current assets			<u>188,207</u>	<u>290,424</u>
Total assets less current liabilities			<u>209,288</u>	<u>313,205</u>
Funds				
Restricted funds	15		32,181	21,085
Unrestricted funds	15		177,107	292,120
			<u>209,288</u>	<u>313,205</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Trustees on 22/2/13 and signed on their behalf, by



Kelly McBride

The notes on pages 14 to 25 form part of these financial statements

THE UNIVERSITY OF SUSSEX STUDENTS' UNION

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2012

1 Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 2006.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the Union and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Union alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

The new incorporated entity started trading as at 1 August 2011. On this date the assets of the unincorporated entity, University of Sussex Students Union were transferred at book value. The members were the same for both entities. Proforma figures have been shown for 2011 which are the figures for the unincorporated entity and the group then headed by it.

1.2 Company status

The Union is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Union being wound up, the liability in respect of the guarantee is limited to £- per member of the Union.

1.3 Fund accounting

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

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

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Union is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the Union where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

THE UNIVERSITY OF SUSSEX STUDENTS' UNION

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2012

1 Accounting Policies (continued)

1.5 Resources expended

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

Support costs are those costs incurred directly in support of expenditure on the objects of the Union and include project management carried out at Headquarters.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

Expenditure on commercial trading operations includes the total expenditure of the wholly-owned subsidiary, University of Sussex Students Union Trading Limited.

1.6 Going concern

The Union has prepared forecasts up to the period 31 July 2015. The Trustees have reviewed the forecasts and consider the going concern basis of preparing financial statements to be appropriate.

1.7 Basis of consolidation

The financial statements consolidate the accounts of The University of Sussex Students' Union and all of its subsidiary undertakings ('subsidiaries').

The Union has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

The income and expenditure account for the year dealt with in the accounts of the Union was a loss of £103,918 (2011 - proforma profit £35,611).

1.8 Turnover

Turnover comprises revenue recognised by the Union in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

THE UNIVERSITY OF SUSSEX STUDENTS' UNION (A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2012

1 Accounting Policies (continued)

1 9 Tangible fixed assets and depreciation

The accounting policy adopted by the Union in respect of capital expenditure is as follows

- (i) Capital expenditure is treated as additions to fixed assets each year
- (ii) Where capital expenditure is authorised in respect of societies and clubs for equipment, this is capitalised and treated as additions to fixed assets being held in a separate category

All assets costing more than £500 are capitalised

The policy with respect to impairment reviews of fixed assets is to carry out a review where there is an indication that impairment has taken place

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

Fixtures & fittings	-	20-33% straight line
Office equipment	-	20-33% straight line
Computer equipment	-	20-33% straight line
Societies and clubs equipment	-	20-33% straight line

1 10 Investments

Investments are stated at cost at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year

Investments in subsidiaries are valued at cost less provision for impairment

1 11 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1 12 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

1 13 Pensions

The Union operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Union to the fund in respect of the year

THE UNIVERSITY OF SUSSEX STUDENTS' UNION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012

1 Accounting Policies (continued)

1.14 Taxation

In the opinion of the Sabbatical Officers, any surplus that arises on activities of the Union is considered to be exempt from taxation under Section 505 of the Income and Corporation Taxes Act 1988

2 Net income / (Expenditure)

This is stated after charging

	2012 £	Proforma 2011 £
Depreciation of tangible fixed assets - owned by the charitable group	57,554	66,419
Governance auditors' remuneration	14,370	14,100
	<u>71,924</u>	<u>80,519</u>

3 Incoming resources from generated funds

	Restricted funds	Unrestricted funds	Total funds	Total funds Proforma
	2012 £	2012 £	2012 £	2011 £
University grant - general funds	-	666,293	666,293	680,367
Other grants - restricted funds	-	-	-	23,150
University - accommodation, utilities and cleaning	-	325,668	325,668	296,227
University grant - restricted funds	21,698	-	21,698	25,000
	<u>21,698</u>	<u>991,961</u>	<u>1,013,659</u>	<u>1,024,744</u>
Incoming resources from generated funds	21,698	991,961	1,013,659	1,024,744

THE UNIVERSITY OF SUSSEX STUDENTS' UNION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012

4 Incoming resources from trading activities

	Restricted funds	Unrestricted funds	Total funds	Total funds Proforma
	2012 £	2012 £	2012 £	2011 £
Subsidiary trading income				
Sales	-	2,229,104	2,229,104	3,796,783
Fees receivable - UK	-	1,252	1,252	-
Other operating income	-	492,701	492,701	433,176
	-	2,723,057	2,723,057	4,229,959
Income from trading activities	-	2,723,057	2,723,057	4,229,959

5 Incoming resources from charitable activities

	Restricted funds	Unrestricted funds	Total funds	Total funds Proforma
	2012 £	2012 £	2012 £	2011 £
Publications/advertising	-	70,659	70,659	76,294
Activities, clubs and societies	-	304,756	304,756	180,175
Catering and management charges	-	10,531	10,531	9,526
Membership fees	-	64,968	64,968	46,773
	-	450,914	450,914	312,768

6. Outgoing resources for trading activities

	Restricted funds	Unrestricted funds	Total funds	Total funds Proforma
	2012 £	2012 £	2012 £	2011 £
Trading company costs	-	2,598,720	2,598,720	3,997,725
Trading company costs - depreciation	-	37,867	37,867	41,689
	-	2,636,587	2,636,587	4,039,414

THE UNIVERSITY OF SUSSEX STUDENTS' UNION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012

7 Expenditure by charitable activity

Summary by fund type

	Restricted funds	Unrestricted funds	Total funds	Total funds Proforma 2011
	2012 £	2012 £	2012 £	2011 £
Representation and democracy	-	339,285	339,285	319,435
Publications	-	130,556	130,556	83,591
Student advice centre	-	220,241	220,241	216,010
Activities, clubs and societies	10,602	976,466	987,068	883,724
	<u>10,602</u>	<u>1,666,548</u>	<u>1,677,150</u>	<u>1,502,760</u>

Summary by expenditure type

	Depreciation	Other costs	Total	Total Proforma 2011
	2012 £	2012 £	2012 £	2011 £
Representation and democracy	3,937	335,348	339,285	319,435
Publications	192	130,364	130,556	83,591
Student advice centre	1,076	219,165	220,241	216,010
Activities, clubs and societies	14,321	972,747	987,068	883,724
	<u>19,526</u>	<u>1,657,624</u>	<u>1,677,150</u>	<u>1,502,760</u>

8 Governance costs

	Restricted funds	Unrestricted funds	Total funds	Total funds Proforma 2011
	2012 £	2012 £	2012 £	2011 £
Governance Auditors' remuneration	-	14,370	14,370	14,100
Direct costs - Governance	-	10,008	10,008	14,523
Direct costs - Governance - depreciation	-	162	162	247
	<u>-</u>	<u>24,540</u>	<u>24,540</u>	<u>28,870</u>

THE UNIVERSITY OF SUSSEX STUDENTS' UNION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012

9 Charitable activities

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total 2012 £	Total Proforma 2011 £
Representation and democracy				
Permanent staff costs	-	79,357	79,357	53,576
Sabbatical officers	-	101,851	101,851	112,334
NUS affiliation	-	37,431	37,431	38,935
Campaigns and conferences	-	6,451	6,451	7,241
Support costs	-	114,195	114,195	107,349
Sub total	-	339,285	339,285	319,435
Publications				
Permanent staff costs	-	60,292	60,292	34,302
Administrative costs	-	572	572	535
Badger	-	15,164	15,164	19,815
Pulse	-	1,500	1,500	-
Union Marketing	-	5,894	5,894	9,819
Website	-	293	293	543
Support costs	-	46,841	46,841	18,577
Sub total	-	130,556	130,556	83,591
Student advice centre				
Permanent staff costs	-	117,011	117,011	121,595
Administration	-	2,213	2,213	8,696
Publications	-	5,394	5,394	4,899
Membership/Affiliations	-	1,878	1,878	1,705
Support costs	-	93,745	93,745	79,115
Sub total	-	220,241	220,241	216,010
Total c/f to next page	-	690,082	690,082	619,036

THE UNIVERSITY OF SUSSEX STUDENTS' UNION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012

Charitable activities (continued)

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total 2012 £	Total Proforma 2011 £
Activities, clubs and societies				
Permanent staff costs	-	193,479	193,479	198,756
Administration	-	50,433	50,433	30,522
Entertainments expenditure and events	-	44,786	44,786	27,204
Freshers' week events	-	58,756	58,756	48,585
Sport club expenditure	-	98,539	98,539	107,961
Sport club fundraising expenditure	-	49,842	49,842	35,945
Project V	-	1,285	1,285	2,660
Club and society expenditure	10,602	69,022	79,624	81,942
Club and society fundraising expenditure	-	82,235	82,235	24,005
BUSA and regional affiliation	-	7,068	7,068	4,605
Support costs	-	321,021	321,021	321,539
Sub total	10,602	976,466	987,068	883,724
Total b/f from prior page	-	690,082	690,082	619,036
Total	10,602	1,666,548	1,677,150	1,502,760

10 Staff costs

	2012 £	2011 £
Salaries	1,518,135	1,246,551
National insurance	90,849	90,751
Pensions	66,720	62,279
	1,675,704	1,399,581

The average number of employees during the year was 35. There are no employees that earn greater than £60,000. No expenses were paid to trustees.

Trustees remuneration in the year was £101,851.

THE UNIVERSITY OF SUSSEX STUDENTS' UNION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012

11 Tangible fixed assets

Group	Fixtures and fittings and equipment £	Societies and club equipment £	Total £
Cost			
Transferred in at 1 August 2011	655,139	123,346	778,485
Additions	35,537	1,440	36,977
Disposals	(62,292)	-	(62,292)
At 31 July 2012	628,384	124,786	753,170
Depreciation			
Transferred in at 1 August 2011	560,670	119,185	679,855
Charge for the year	53,262	4,292	57,554
On disposals	(62,292)	-	(62,292)
At 31 July 2012	551,640	123,477	675,117
Net book value			
At 31 July 2012	76,744	1,309	78,053
At 31 July 2011	94,469	4,161	98,630

Union	Fixtures, fittings and equipment £	Other fixed assets £	Total £
Cost			
Transferred in at 1 August 2011	200,567	123,346	323,913
Additions	16,547	1,440	17,987
At 31 July 2012	217,114	124,786	341,900
Depreciation			
Transferred in at 1 August 2011	183,209	119,185	302,394
Charge for the year	15,395	4,292	19,687
At 31 July 2012	198,604	123,477	322,081
Net book value			
At 31 July 2012	18,510	1,309	19,819
At 31 July 2011	17,358	4,161	21,519

THE UNIVERSITY OF SUSSEX STUDENTS' UNION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012

12 Fixed asset investments

	Group		Union	
	2012	Proforma	2012	Proforma
	£	2011	£	2011
		£		£
Shares in sailing yacht Marabu	-	600	-	600
Shares in NUS Services Limited	1,260	1,260	1,260	1,260
Shares at cost in USSU Trading Limited	-	-	2	2
Total	1,260	1,860	1,262	1,862

All the fixed asset investments are held in the United Kingdom. The 100% subsidiary, University of Sussex Students Union Trading Limited, is registered in England and Wales and has capital and reserves of £2. All profits the company makes are paid by covenant to the University of Sussex Students' Union and consequently the profit for the year is £0. Profits of £77,035 were gift aided in the year. All investments are held at cost. The investment in NUS Services Limited is held by University of Sussex Students Union Trading Limited.

13. Debtors

	Group		Union	
	2012	Proforma	2012	Proforma
	£	2011	£	2011
		£		£
Due after more than one year				
Other debtors	4,077	4,077	-	-
Due within one year				
Trade debtors	107,939	51,319	18,228	12,018
Amounts owed by group undertakings	-	-	87,518	166,548
Other debtors	71,455	45,398	25,351	33,679
Prepayments and accrued income	30,409	11,424	7,308	6,155
	213,880	112,218	138,405	218,400

The balance owed by the group undertaking is a trading balance and not a loan. Therefore no interest is applied unless it falls outside arms length credit terms.

THE UNIVERSITY OF SUSSEX STUDENTS' UNION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012

14 Creditors
Amounts falling due within one year

	Group		Union	
	2012	Proforma	2012	Proforma
	£	2011	£	2011
		£		£
Bank loans and overdrafts	3,920	5,629	3,920	5,629
Trade creditors	53,554	200,722	878	9,615
Social security and other taxes	59,680	64,688	4,059	1,383
Other creditors	114,705	109,503	85,025	98,174
Accruals and deferred income	185,575	123,976	20,965	10,500
	<u>417,434</u>	<u>504,518</u>	<u>114,847</u>	<u>125,301</u>

15 Statement of funds

	Reserves	Incoming	Resources	Carried
	transferred	resources	Expended	Forward
	in	£	£	£
	£			
Unrestricted funds				
Other general funds	292,120	4,212,661	(4,327,675)	177,106
	<u>292,120</u>	<u>4,212,661</u>	<u>(4,327,675)</u>	<u>177,106</u>
Restricted funds				
Restricted Funds - all funds	21,085	21,698	(10,602)	32,181
	<u>21,085</u>	<u>21,698</u>	<u>(10,602)</u>	<u>32,181</u>
Total of funds	<u>313,205</u>	<u>4,234,359</u>	<u>(4,338,277)</u>	<u>209,287</u>

The reserves transferred in relate to the reserves of the group headed by the unincorporated entity University of Sussex Students Union that were transferred to the new incorporated charity on 1 August 2011

Summary of funds

	Reserves	Incoming	Resources	Carried
	transferred	resources	Expended	Forward
	in	£	£	£
	£			
General funds	292,120	4,212,661	(4,327,675)	177,106
Restricted funds	21,085	21,698	(10,602)	32,181
	<u>313,205</u>	<u>4,234,359</u>	<u>(4,338,277)</u>	<u>209,287</u>

The reserves transferred in relate to the reserves of the group headed by the unincorporated entity University of Sussex Students Union that were transferred to the new incorporated charity on 1 August 2011

THE UNIVERSITY OF SUSSEX STUDENTS' UNION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012

16 Analysis of net assets between funds

	Restricted funds	Unrestricted funds	Total funds	Total funds Proforma
	2012	2012	2012	2011
	£	£	£	£
Tangible fixed assets	-	78,053	78,053	98,630
Fixed asset investments	-	1,260	1,260	1,260
Debtors due after more than 1 year	-	4,077	4,077	4,077
Current assets	32,181	511,149	543,330	713,756
Creditors due within one year	-	(417,433)	(417,433)	(504,518)
	<u>32,181</u>	<u>177,106</u>	<u>209,287</u>	<u>313,205</u>

17 Operating lease commitments

At 31 July 2012 the group had annual commitments under non-cancellable operating leases as follows

Group	2012	Proforma
Expiry date	£	2011
		£
Within 1 year	-	383
After more than 5 years	32,000	32,000
	<u>32,000</u>	<u>32,000</u>

At 31 July 2012 the Union had annual commitments under non-cancellable operating leases as follows

Union		
Expiry date		
Within 1 year	-	383
	<u>-</u>	<u>383</u>

18 Related party transactions

The Union has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related Party Disclosures' not to disclose transactions with members of the group