

Registered number: 01639519

**NUS SERVICES LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

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**NUS SERVICES LIMITED**

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**COMPANY INFORMATION**

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**DIRECTORS**

E Beaver (appointed 1 July 2014)  
J Berry (appointed 1 July 2014)  
R Brooks (appointed 1 July 2015)  
R Burlton  
C Davies  
M Dunn (appointed 1 July 2015)  
D Lindlar (appointed 1 July 2015)  
A Parsons  
E Prout (appointed 1 July 2015)  
M Robinson  
A Siddiqi (appointed 1 July 2015)  
J Smith (appointed 1 July 2015)

**COMPANY SECRETARY** S Larmour

**REGISTERED NUMBER** 01639519

**REGISTERED OFFICE**

Snape Road  
Macclesfield  
Cheshire  
SK10 2NZ

**INDEPENDENT AUDITOR**

Crowe Clark Whitehill LLP  
The Lexicon  
Mount Street  
Manchester  
M2 5NT

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**NUS SERVICES LIMITED**

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## NUS SERVICES LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2015

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#### INTRODUCTION

The directors present the strategic report and the financial statements for the year ended 30 June 2015.

#### BUSINESS REVIEW

NUS Services Ltd exists to develop and maximise income opportunities for the student movement, and deliver a strong national infrastructure. There are three key areas to the Company's work:

- The Purchasing Consortium – drives better margins for members through negotiating bulk discounts on a vast range of goods and services, handling billing and payments as well as securing promotional offers and providing sales growth support.
- Marketing and Sponsorship – provides NUS Extra, the student discount card, as well as new income opportunities for students' unions, whilst maximising the commercial value from the national brand.
- Financial and Administrative support for the national organisations and individual students' unions

The Company delivers great benefit to the student movement through its revenue generating activities almost all of which provide significantly greater levels of income to the participating Students' Unions.

#### Purchasing

The purchasing consortium remains at the heart of the Company. Overall licensed trade purchasing values during 2015 fell by 11 per cent to £20m. This was driven changes in student habits and overall decline in the market. Catering saw an 8 per cent increase over the year to £6m and retail saw marginal decline, coming in just short of £30m.

Despite the decline in licensed trade, over the past two years, suppliers continue to support our two retail promotional programmes. We have seen increases in the number of retail promotions and more products included in the meal deal. Marketing revenues have remained steady with programme payments to the membership exceeding £1m for the third consecutive year.

#### NUS Extra

The Company produces and distributes the NUS Extra card. With 2014/15 being our most successful year ever, just under 700,000 card sales, NUS Extra is going from strength to strength as the definitive student discount card.

These successes have continued to be helped by the partnership brokered with The Co-Operative Food, providing a 10 per cent discount on groceries and more everyday essentials for cardholders, so supporting our national campaign to cut costs for students.

Commission payments to students' unions have never been higher, reaching £2.4m during the period. We will continue to add to the reach and quality of the card in 2015/16.

#### Insight

NUS Services' insight department works actively across a broad range of audiences to distil evidence into great insight. Following sustained and sustainable growth to the department, new strategies are being implemented to seek to engage tactically and in a targeted manner with powerful organisations within the sector.

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## NUS SERVICES LIMITED

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### STRATEGIC REPORT (continued) FOR THE YEAR ENDED 30 JUNE 2015

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#### **Ethical and Environmental practice**

NUS continues to be at the forefront of changing students and their institution's practices to deliver a more sustainable environment. Our ethical supply chain programme continues to monitor and influence the practices of suppliers. This work consists of an eight-step programme which includes the following elements: NUS Sound Sourcing Guide; product evaluation; ethical screening; Ethical and Environmental Accreditation; contract clauses; audits; constructive engagement; ethical plus retail programme.

These steps are designed to ensure that ethical and environmental considerations are embedded in commercial relationships through their entirety. All suppliers tendering for purchasing consortium contracts are required to complete the Ethical and Environmental Accreditation. 67 companies completed the accreditation when tendering for contracts during the period.

It is our vision to become an industry leader in the provision of ethical clothing, going beyond the scope of Fairtrade to deliver a product which provides a living wage and good conditions for workers at all stages of the supply chain.

Through the subsidiary clothing company, Epona, we are turning this vision a reality, identifying potential factories and partners to work with and the steps required to progress this work. This is a long-term vision, which will take time to achieve. It is important that our work in this area genuinely benefits the workers in our supply chain and is not at the cost of other factors such as environmental impacts.

#### **Business Development and Media Sales**

The Business development team exists to generate income through national advertising and sponsorship assets and increasingly through supporting unions on media sales both nationally and at a local level. The department continued to demonstrate an overall growth in revenue across multiple channels in the period with the team focused on developing new income streams with unions around on-campus opportunities for brands and suppliers.

#### **Financial Performance**

The results for the year show a good operating performance with revenues of £5.4m showing good growth despite tight trading conditions. The pre-tax profit was 20.0 per cent of revenues, which is up from 12.8 per cent in the prior year. This is primarily as a result of the expansion of the NUS extra card and income from new business opportunities for the company and students' unions.

#### **National Union of Students (United Kingdom) - ("NUS UK")**

NUS is the ultimate controlling party, and the Company operates in close co-operation with it. The Company provides a shared service centre for: personnel, finance, customer services, events and IT functions for NUS and other entities under NUS' control.

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## NUS SERVICES LIMITED

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### STRATEGIC REPORT (continued) FOR THE YEAR ENDED 30 JUNE 2015

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#### PRINCIPAL RISKS AND UNCERTAINTIES

As part of the annual business planning process, the major strategic and operational risks that NUS Services Limited faces and the ways in which they are being monitored, managed and mitigated, were assessed by the Board and the Audit and Risk Committee.

The Board monitors the performance of NUS Services Limited using a variety of Key Performance Indicators to ensure that the organisation is achieving at least the planned level of income and operating profit whilst maximising cash flow by efficient financial management.

The Company offered membership of the Student Union Superannuation Scheme ("SUSS"), a defined benefit pension scheme, to all employees until 30th September 2011, at which point the scheme closed to future accrual. The 2013 valuation SUSS of showed a funding deficit of around £74m shared between 69 employers. This represents an increase of c£25m in the deficit in comparison to the 2010 valuation and resulted in increased contributions from October 2014 onwards.

During the period the Company's contribution was £101,880, for the following 12 months it will increase by £14,439. This is set to increase by 5.0% per annum until the end of the recovery period.

Whilst the closure of the scheme to future accrual goes some way to mitigate the risk it does not eliminate it. The Company is required to make deficit contributions until 2030, which at current rates represents a liability of £2.0million. This is subject to fluctuations in fund performance, changes in apportionment methodology and the life expectancy of the individuals within the scheme.

The Board has assessed the main risks facing the Company as being on going changes in Higher Education, potential government spending cuts and their impact on student's unions; continued competition from both the high street and supermarkets resulting in continuing steady decline in licensed trade sales, together with the risk of certain students' unions ceasing to run their commercial services.

#### DONATIONS

During the year the Company did not make any charitable donations.

#### FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company finances its operations through a mixture of retained profits and operating cashflow.

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**NUS SERVICES LIMITED**

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**STRATEGIC REPORT (continued)  
FOR THE YEAR ENDED 30 JUNE 2015**

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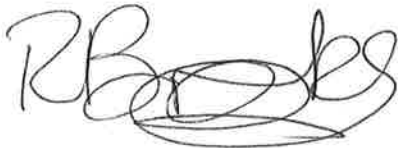
**FINANCIAL KEY PERFORMANCE INDICATORS**

The Board monitors the performance of NUS Services Limited using a variety of Key Performance Indicators to ensure that the organisation is achieving at least the planned level of income and operating profit whilst maximising cash flow by efficient financial management.

**FUTURE DEVELOPMENTS**

The Board believes that the on going work with NUS to achieve economies of scale, further expansion of Epona, and development of new activities within the UnionCloud and the digital arena will help mitigate these risks. The Board anticipates continued satisfactory trading results in the coming year. It also anticipates continued capital investments in the above to support students unions.

This report was approved by the board and signed on its behalf.



**R Brooks**  
Director

Date: 13/11/2015

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## NUS SERVICES LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2015

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The directors present their report and the financial statements for the year ended 30 June 2015.

#### DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### DIRECTORS

The directors who served during the year were:

P Batty (resigned 25 September 2014)  
E Beever (appointed 1 July 2014)  
J Berry (appointed 1 July 2014)  
R Burlton  
J Coe (appointed 1 July 2014, resigned 30 June 2015)  
E Connor (appointed 1 July 2014, resigned 30 June 2015)  
C Davies  
B Escorcio (appointed 1 July 2014, resigned 30 June 2015)  
R Matthey (resigned 30 June 2015)  
C Mcquire (resigned 30 June 2015)  
A Parsons  
T Pearce (resigned 30 June 2015)  
M Robinson

#### MATTERS COVERED IN THE STRATEGIC REPORT

Details of financial risks and future developments are given in the strategic report.



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**NUS SERVICES LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2015**

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**DISCLOSURE OF INFORMATION TO AUDITOR**

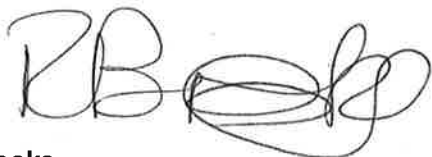
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**AUDITOR**

Under section 487(2) of the Companies Act 2006, Crowe Clark Whitehill LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.



**R Brooks**  
Director

Date: 13/11/2015

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## NUS SERVICES LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NUS SERVICES LIMITED

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We have audited the financial statements of NUS Services Limited for the year ended 30 June 2015, set out on pages 9 to 23. 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 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

#### OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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**NUS SERVICES LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NUS SERVICES LIMITED**

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**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 requires us to report to you if, in our opinion:

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



Michael Jayson (Senior statutory auditor)

for and on behalf of  
**Crowe Clark Whitehill LLP**

Statutory Auditor

The Lexicon  
Mount Street  
Manchester  
M2 5NT

Date: **24 FEB 2016**

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**NUS SERVICES LIMITED**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2015**

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	Note	2015 £	2014 £
<b>Turnover</b>	1,2	<b>5,363,102</b>	4,687,158
Cost of sales		<u>(670,760)</u>	<u>(761,872)</u>
<b>Gross profit</b>		<b>4,692,342</b>	3,925,286
Administrative expenses		<u>(3,615,137)</u>	<u>(3,325,217)</u>
<b>Operating profit</b>	3	<b>1,077,205</b>	600,069
Interest receivable and similar income		3,534	2,035
Interest payable and similar charges	6	<u>(9,310)</u>	<u>(1,134)</u>
<b>Profit on ordinary activities before taxation</b>		<b>1,071,429</b>	600,970
Tax on profit on ordinary activities	7	<u>(236,889)</u>	<u>(138,863)</u>
<b>Profit for the financial year</b>	16	<u><b>834,540</b></u>	<u>462,107</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

The notes on pages 11 to 23 form part of these financial statements.

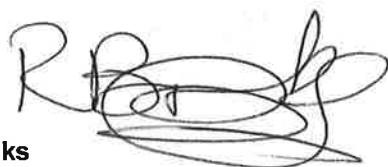
**NUS SERVICES LIMITED**  
**REGISTERED NUMBER: 01639519**

**BALANCE SHEET**  
**AS AT 30 JUNE 2015**

	Note	£	2015 £	£	2014 £
<b>Fixed assets</b>					
Tangible assets	8		419,458		587,947
Investments	9		469,172		549,172
			<u>888,630</u>		<u>1,137,119</u>
<b>Current assets</b>					
Debtors	10	4,024,057		4,125,198	
Investments	11	31,337		1,338	
Cash at bank and in hand		1,897,073		1,175,796	
		<u>5,952,467</u>		<u>5,302,332</u>	
<b>Creditors: amounts falling due within one year</b>	12		<u>(3,541,592)</u>		<u>(3,927,466)</u>
<b>Net current assets</b>			<u>2,410,875</u>		<u>1,374,866</u>
<b>Total assets less current liabilities</b>			<u>3,299,505</u>		<u>2,511,985</u>
<b>Creditors: amounts falling due after more than one year</b>	13		<u>(72,786)</u>		<u>(119,806)</u>
<b>Net assets</b>			<u><u>3,226,719</u></u>		<u><u>2,392,179</u></u>
<b>Capital and reserves</b>					
Called up share capital	15		280,400		280,400
Share premium account	16		17,072		17,072
Capital redemption reserve	16		40,520		40,520
Profit and loss account	16		2,888,727		2,054,187
<b>Shareholders' funds</b>	17		<u><u>3,226,719</u></u>		<u><u>2,392,179</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

13/11/2015



**R Brooks**  
 Director

The notes on pages 11 to 23 form part of these financial statements.

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## NUS SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

##### 1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

##### 1.3 Turnover

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

##### 1.4 Tangible fixed assets and depreciation

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:

Leasehold property improvements-	Period of lease or 33.3% straight line
Fixtures and fittings	- 20% to 50% straight line
Computer equipment	- 20% to 33.3% straight line

##### 1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

##### 1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### 1.7 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

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## NUS SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

##### 1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

##### 1.10 Research and development

Research and development expenditure is written off in the year in which it is incurred.

##### 1.11 Pensions

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

The company participated in the Student Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Earnings Pension Scheme. The scheme closed to future accrual on 30 September 2011. After which time the only contributions the company makes are towards the scheme deficit.

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. In the intervening years, the actuary reviews the progress of the scheme. The scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. Under the terms of FRS 17, in these circumstances, contributions are accounted for as if the scheme were a defined contribution scheme based on actual contributions throughout the year.

The pension charge includes payments for both the defined benefit and defined contribution schemes.

**NUS SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**2. TURNOVER**

The whole of the turnover is attributable to the principal activities of the company.

All turnover arose within the United Kingdom.

**3. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2015	2014
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	209,930	262,145
- held under finance leases	46,827	22,229
Auditor's remuneration	12,000	11,800
Auditor's remuneration - non-audit	1,800	1,775
Operating lease rentals:		
- plant and machinery	-	14,054
- other operating leases	73,305	66,085
Difference on foreign exchange	(111)	67
	73,305	140,271

**4. STAFF COSTS**

Staff costs, including directors' remuneration, were as follows:

	2015	2014
	£	£
Wages and salaries	2,936,701	2,390,215
Social security costs	253,604	206,280
Other pension costs	232,710	160,261
	3,423,015	2,756,756

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

	2015	2014
	No.	No.
Directors	1	2
Senior Management	5	6
Administrative Staff	89	97
	95	105



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**NUS SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**SALARY BANDINGS**

During the year, staff were paid in the following salary bandings by the company:

	<b>2015 No.</b>
£0 - £10,000	2
£10,001 - £20,000	20
£20,001 - £30,000	44
£30,001 - £40,000	16
£40,001 - £50,000	8
£50,001 - £60,000	1
£60,001 - £70,000	2
£70,001 - £80,000	1
£80,001 - £90,000	1
£90,001 +	-

**5. DIRECTORS' REMUNERATION**

	<b>2015 £</b>	<b>2014 £</b>
Remuneration	<u>11,184</u>	<u>22,614</u>

**6. INTEREST PAYABLE**

	<b>2015 £</b>	<b>2014 £</b>
On finance leases and hire purchase contracts	<u>9,310</u>	<u>1,134</u>

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**NUS SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**7. TAXATION**

The Group taxation relief charge of £246,438 (2014 - £98,874) represents consideration paid to fellow subsidiary companies of the group headed by NUS UK Limited for utilisation of their tax losses.

	2015 £	2014 £
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit for the year	-	66,948
Adjustments in respect of prior periods	<b>8,060</b>	-
	<u>8,060</u>	<u>66,948</u>
Group taxation relief	<b>246,438</b>	98,874
	<u>254,498</u>	<u>165,822</u>
<b>Total current tax</b>		
<b>Deferred tax</b> (see note 14)		
Origination and reversal of timing differences	<b>(17,609)</b>	(26,959)
	<u>236,889</u>	<u>138,863</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2014 - *higher than*) the standard rate of corporation tax in the UK of 20.75% (2014 - 22.5%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<b>1,071,429</b>	600,970
	<u>1,071,429</u>	<u>600,970</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.75% (2014 - 22.5%)	<b>222,322</b>	135,218
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	14,022
Capital allowances for year in excess of depreciation	<b>16,193</b>	20,037
Fixed asset differences	<b>5,847</b>	-
Adjustments to tax charge in respect of prior periods	<b>8,060</b>	-
Short term timing difference leading to an increase (decrease) in taxation	<b>2,076</b>	(3,455)
	<u>254,498</u>	<u>165,822</u>
<b>Current tax charge for the year</b> (see note above)	<b>254,498</b>	165,822

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**NUS SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**8. TANGIBLE FIXED ASSETS**

	Leasehold Property improve- ments £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 July 2014	101,881	81,369	1,461,791	1,645,041
Additions	-	-	284,182	284,182
Disposals	-	-	(250,811)	(250,811)
At 30 June 2015	<u>101,881</u>	<u>81,369</u>	<u>1,495,162</u>	<u>1,678,412</u>
<b>Depreciation</b>				
At 1 July 2014	101,830	41,784	913,480	1,057,094
Charge for the year	51	15,572	240,218	255,841
On disposals	-	-	(53,981)	(53,981)
At 30 June 2015	<u>101,881</u>	<u>57,356</u>	<u>1,099,717</u>	<u>1,258,954</u>
<b>Net book value</b>				
At 30 June 2015	<u>-</u>	<u>24,013</u>	<u>395,445</u>	<u>419,458</u>
At 30 June 2014	<u>51</u>	<u>39,585</u>	<u>548,311</u>	<u>587,947</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2015 £	2014 £
Computer equipment	<u>121,013</u>	<u>159,560</u>

**9. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 July 2014	549,172
Amounts written off	(80,000)
At 30 June 2015	<u>469,172</u>
<b>Net book value</b>	
At 30 June 2015	<u>469,172</u>
At 30 June 2014	<u>549,172</u>

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**NUS SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. FIXED ASSET INVESTMENTS (continued)**

**Subsidiary undertakings**

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Epona Limited	Ordinary shares	100%

The aggregate of the share capital and reserves as at 30 June 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Epona Limited	<u>(669,594)</u>	<u>(128,920)</u>

**10. DEBTORS**

	2015 £	2014 £
<b>Due after more than one year</b>		
Amounts owed by group undertakings	1,363,767	2,400,000
<b>Due within one year</b>		
Trade debtors	1,319,704	1,254,698
Amounts owed by group undertakings	1,224,355	393,056
Other debtors	916	13,892
Prepayments and accrued income	70,747	36,593
Deferred tax asset (see note 14)	44,568	26,959
	<u>4,024,057</u>	<u>4,125,198</u>

**11. CURRENT ASSET INVESTMENTS**

	2015 £	2014 £
Unlisted investments	<u>31,337</u>	<u>1,338</u>

**NUS SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**12. CREDITORS:**

**Amounts falling due within one year**

	2015 £	2014 £
Payments received on account	1,515,524	1,519,605
Net obligations under finance leases and hire purchase contracts	47,951	42,373
Trade creditors	960,417	1,507,577
Amounts owed to group undertakings	96,361	81,986
Corporation tax	-	66,948
Other taxation and social security	220,022	151,586
Other creditors	249	42,991
Accruals and deferred income	701,068	514,400
	<b>3,541,592</b>	<b>3,927,466</b>

Payments received on account are amounts held for redistribution to members of the purchasing consortium for retrospective volume related payments.

**13. CREDITORS:**

**Amounts falling due after more than one year**

	2015 £	2014 £
Net obligations under finance leases and hire purchase contracts	72,786	119,806
	<b>72,786</b>	<b>119,806</b>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2015 £	2014 £
Between one and five years	72,786	119,806
	<b>72,786</b>	<b>119,806</b>

**14. DEFERRED TAX ASSET**

	2015 £	2014 £
At beginning of year	26,959	-
Movement during year (P&L)	17,609	26,959
	<b>44,568</b>	<b>26,959</b>

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**NUS SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**14. DEFERRED TAX ASSET (continued)**

The deferred tax asset is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	42,567	26,959
Short term timing differences	2,001	-
	<u>44,568</u>	<u>26,959</u>

**15. SHARE CAPITAL**

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
17,200 Ordinary A Shares shares of £1 each	17,200	17,200
13,160 Ordinary B Shares shares of £20 each	263,200	263,200
	<u>280,400</u>	<u>280,400</u>

The Ordinary A and Ordinary B shares can be redeemed at the company's option at any time after their date of issue and before 31 December 2090. On redemption, the price to be paid by the company for the shares shall be the lower of the net asset value if the same as shown in the audited accounts of the company for the last accounting period ending prior to the giving of the relevant Redemption Notice and the net asset value if the same as shown in the audited accounts of the company for the accounting period ending next after the giving of the Relevant Redemption Notice.

The profits which the company may determine to distribute in respect of any financial period shall be distributed amongst the holders of A and B shares directly in proportion to the nominal value of A and B shares held.

On a winding up of the company, the surplus assets of the company remaining after payment of its liabilities shall be applied:

Firstly, in paying to the holders of the B shares; secondly in paying to the holders of the A shares; and thirdly, in paying to the holders of the A shares and B shares.

Each of the A and B shares has one voting right each.

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**NUS SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**16. RESERVES**

	Share premium account £	Capital redempt'n reserve £	Profit and loss account £
At 1 July 2014	17,072	40,520	2,054,187
Profit for the financial year	-	-	834,540
	<u>17,072</u>	<u>40,520</u>	<u>2,888,727</u>
At 30 June 2015	<u>17,072</u>	<u>40,520</u>	<u>2,888,727</u>

**17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2015 £	2014 £
Opening shareholders' funds	2,392,179	1,930,072
Profit for the financial year	834,540	462,107
	<u>3,226,719</u>	<u>2,392,179</u>
Closing shareholders' funds	<u>3,226,719</u>	<u>2,392,179</u>

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## NUS SERVICES LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

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#### 18. PENSION COMMITMENTS

NUS Services Limited participated 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 NUS Services Limited. Under the terms of FRS 17, 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 30 June 2013 and showed that the market value of the Scheme's assets was £80,910,623 with these assets representing 52% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £73,849,000.

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

The following assumptions applied at 30 June 2013:

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

The 2013 Valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit. These contributions will be made until 2030 and will increase by at least 5% each year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates applied with effect from 1 October 2014 and will be formally reviewed following completion of the next Valuation due with an effective date of 30 June 2016. Surpluses or deficits which arise at future valuations will also impact on the future contribution commitment. In addition to the above contributions, NUS Services Limited also pays its share of the Scheme's levy to the Pension Protection Fund.

The contributions paid into the scheme in respect of eligible employees for the year ended 30 June 2015 amounted to £101,880 (2014 - £81,906).

Since 1 October 2011 the Company has operated a defined contribution scheme where the Company contributes either 3% or 6% of salary depending upon each member's level of contribution.



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**NUS SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

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**19. OPERATING LEASE COMMITMENTS**

At 30 June 2015 the company had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
<b>Expiry date:</b>		
Within 1 year	-	14,140
Between 2 and 5 years	<u>49,693</u>	<u>49,693</u>

**20. RELATED PARTY TRANSACTIONS**

During the year ending 30 June 2015, NUS Services Limited made sales totalling £918,768 to the National Union of Students (UK), £584,664 to NUS Students' Union Charitable Services, £49,588 to Epona Limited, £36,264 to NUS Media Limited and sales totalling £163,633 to NUS Scotland Charitable Services.

In addition purchases totalling £153,380 were made from NUS Holdings Limited, £8,516 from NUS Media Limited and £2,880 from Epona Limited.

At the year end the following amounts were due from / (to) related parties in the NUS UK group:

	2015 £	2014 £
National Union of Students (UK) Ltd	164,277	277,459
NUS Holdings Limited	874,364	51,848
Epona Limited	1,368,850	1,061,749
NUS Students' Union Charitable Services Limited	1,711	(7,350)
NUS Scotland Charitable Services	178,920	2,000
NUS Media Limited	<u>(96,361)</u>	<u>1,325,364</u>

**21. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The National Union of Students (UK) Limited is the ultimate parent undertaking ("NUS UK"). In the opinion of the directors, there is no ultimate controlling party of NUS UK.

The immediate parent undertaking is NUS Holdings Limited due to its control of 96.9% of the issued share capital of the Company. The largest group of which the company is a member and for which group accounts are drawn up is that headed by the National Union of Students.

Copies of the group accounts for the National Union of Students can be obtained by writing to the Finance Director, National Union of Students, Snape Road, Macclesfield, Cheshire, SK10 2NZ.

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**NUS SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. CASH AT BANK**

Included within the cash balance is an amount of £1,515,524 (2014 - £1,519,605) of payments received on account, being amounts held for redistribution to members of the purchasing consortium for retrospective volume related payments.