

CHARITY REGISTRATION NO.1151576

**UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

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UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

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UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

LEGAL AND ADMINISTRATIVE INFORMATION

External Trustees	D Barrett Chair S Lowe R Firth
Executive Trustees	O Aladegbamigbe J Stowell N Hemmings O Olasebikan A Beckman-Whelan
Chief Executive Officer	M Wigg
Charity number	1151576
Principal address	Campus Centre Luton Bedfordshire LU1 3JU
Auditors	Foxley Kingahm Prospero House 46-48 Rothsay Road Luton LU1 1QZ
Bankers	National Westminster Bank PLC PO Box No 33 31 George Street Luton Bedfordshire LU1 2AH

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

Trustees Report

For the Year Ended June 2016

The trustees present their report and financial statements for the year ended 30 June 2016

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Unions Constitution, the Charities Act 2011 and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (revised 2015), applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS102)).

Structure, governance and management

Status

The University of Bedfordshire Students' Union ("the Union") is an unincorporated charity established under the Education Act 1994 and registered with the Charity Commission (No 1151576) on 9th April 2013. In line with the requirements of the Education Act 1994, The University of Bedfordshire ("the University") takes such steps as are reasonably practicable to ensure that the Union operates in a fair and democratic manner and is accountable for its finances.

Governing Document

The Union is governed by its Constitution which is subject to the approval of the Board of Trustees and the Governing Body of the University of Bedfordshire.

Board of Trustees

The Union's Board of Trustees has the ultimate responsibility for directing the affairs of the Union. This includes ensuring that the Union is solvent, well governed and delivers the objectives for which it was established. The Board ensure that the Union is run in accordance with its constitution, applicable laws and regulations. The Board is responsible for approving annual budgets and ensuring effective use of resources. The Board also approves the strategic direction of the organisation and monitors progress against organisational priorities and associated plans.

In addition, the Board considers core strategic and business risks which are consolidated into the Risk Register which is reviewed at least quarterly. Mitigation strategies are in place to minimise the impact of risk to the organisation and include implementation of policies and procedures relating to financial management and Health & Safety, which are all periodically reviewed to ensure they are compliant and meet the needs of the organisation. To these ends, the Board of Trustees may veto overturn or return to the originating body for reconsideration the decision of any Union Officer, committee, meeting or employees which would either prejudice the legal, financial or charitable objectives of the Union, or affect the Trustees ability to discharge any of their responsibilities referred to in the Unions constitution. The Board of Trustees receives regular reports from the Chief Executive Officer, the Executive Committee, the Finance, Remuneration and HR Committee and other relevant standing committees and any other relevant minutes or papers.

The trustees who served during the year were:

External Trustees

D Barrett
S Lowe
R Firth
T Stone

Appointed 19th January 2016

Executive Trustees

C G Hughes
O Aladegbamigbe
S Owen
R Roe
M Wilson

Resigned 30th June 2016
Appointed 1st July 2015
Appointed 1st July 2015 resigned 30th June 2016
Appointed 1st July 2015 resigned 1st November 2015
Appointed 1st July 2015 resigned 17th June 2016

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

Trustees Report (continued)

Student Trustees

P Gatward
R Marner

Resigned 1st July 2016

Appointed 1st July 2016 resigned 18th November 2016

The following Executive Trustees were elected to office on 1st July 2016

O Aladegbamigbe (re-elected)
J Stowell
N Hemmings
A Beckman-Whelan
O Olasebikan

Recruitment and training of the trustees

The Board of trustees, chaired by an External Trustees, is made up of 13 members:

- a) Executive Trustees who are elected by a cross campus ballot of members of the Union on an annual basis. There are five Executive Officer positions and these are paid elected officer positions and there is a two year maximum term of office.
- b) Four Student trustees who are considered by the Appointments Committee and ratified by the Student Council.
- c) There are four External trustees' positions. Vacant positions are advertised nationally via the NUS and locally through local media and volunteering bureaux. Candidates meet with the President and CEO and are considered by the Appointments committee and subsequent recommendations presented to the Student Council for consideration/ratification.

All trustees are provided with comprehensive induction and training to support them in their role. Trustees are also supported in attending national events and conferences and provided with additional on-going training as and when required.

Annual General Meeting

The AGM is the main formal meeting of the Union and a key opportunity for students to propose changes and put forward ideas about what they want from the Union.

Student Council

The Student Council has four core functions to:

- Develop and review the Union Policy within overall policies laid down by AGM
- Provide students with a forum to scrutinise Executive and Student Officer activity
- Work to widen the democratic nature of the Union decision making
- Provide a forum for students to raise and discuss issues that concern them

Executive Committee

The Executive Committee is responsible for representation, campaign work and the implementation of policy. All Executive Officers are full time members of the Executive Committee and a motion was passed at the Ordinary General Meeting in May 2013 to extend membership to all elected Student Officers.

Officer assurance and Scrutiny Committee (OASC)

OASC is responsible for providing a structured approach to reviewing and assessing the work of Executive Officers against their agreed objectives.

Finance, Remuneration and HR Committee

This committee is responsible for discussion, management and oversight of the Union's finances and resources. This does not include the duties of the Board of trustees.

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

Trustees Report (continued)

Senior Leadership Team/ Executive Officer Team

SLT/EOT is responsible for the routine management and oversight of the Union's operations and affairs including monitoring progress against the strategic and operational plans. This does not include the duties of the Board of Trustees.

Operational Management and Staffing

The Union employs a Chief Executive officer (CEO) who has the delegated responsibility for the day to day running of the organisation. The CEO sits on the Board of trustees but has no voting rights.

Three Heads of departments report to the CEO, The Head of Finance & Resources who is responsible for the Union's Accounting and Financial Management systems as well as HR and Commercial activities, Head of Membership Services who is responsible for Education and Representation, Welfare and Advice Service, Volunteering and Community Projects and Student Activities and Head of Marketing and Business Development who is responsible for engagement, marketing and communications strategy and business opportunities.

Role and contribution of volunteers

The Union benefits from the contribution of a number of volunteers who fulfil key unpaid roles in the organisation including External and Student Trustees: Student Officers: Course and Faculty Representatives: the Union team volunteers and general student volunteers. The union works to best practice to provide induction, training and out of pocket expenses to all volunteers undertaking unpaid role at the Union.

Related Parties

Relationship with the University of Bedfordshire

The Education Act 1994 requires that the financial affairs of the union are properly conducted and that appropriate arrangements should exist for the approval of the Union budget and the monitoring of its expenditure by the Board of Governors. The relationship between the University and the Union is established in the Regulations of the University and confirmed in the Memorandum of Understanding, jointly signed by both parties.

The Union received a Block Grant from the University and free serviced accommodation in designated areas of the University premises in Luton and Bedford campuses. The University provides a range of additional support services including IT network and hosting services. The value of services in kind has been included and shown within the financial statements. The Union is currently dependent on the University's financial and non-financial support. The union has no reason to believe this support or equivalent support will be withdrawn in the foreseeable future.

Relationship with the National Union of Students

The Union is formally affiliated to the National Union of Students.

Risk Management

The Union has a risk register which is reviewed in full by The Board quarterly. The trustees have assessed the major risks to which the Union is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The principle risks and uncertainties are:

Risk	Mitigation
Commercial operations do not reach target income due to a failure to attract customers leading to a loss of forecasted revenue which would result in a reduced service to students.	Continued focus on growing our commercial services. Refurbished venues and fit for purposed EPOS system for commercial outlets. High level discussion with University to have Catering restrictions lifted.
The University is unable to recruit target student numbers with a decrease in EU students with a subsequent financial knock on affect as there are fewer service users.	Active involvement and review of Induction and Fresher Week initiatives and services to improve existing support. Diverse activities. Ensure best student experience.

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

Trustees Report (continued)

Public Benefit

The trustees consider this matter, in conjunction with the guidance contained in the Charity Commission's general guidance on public benefit. As a registered charity The University of Bedfordshire Students' Union supports and works with for around 25,000 students who register to study at the University of Bedfordshire all of whom can directly benefit from the work of the Union. In planning our work we test that the strategy and the primary goal of all our activities are linked to our core aims and therefore are for the direct benefit of our member students.

Objectives

The objects of the Union are the advancement of education of Students at the University of Bedfordshire for the public benefit by:

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

Mission

The Mission of the organisation is "Empowering students to achieve their full potential".

Vision

The Vision of the organisation is "Every UOB student will identify themselves as a member of Beds SU".

Values

The Values of the organisation are:

"When delivering our mission and vision we will ensure we think, act and embody the following values";

- Be Better - We will continually improve our organisation to make it better for students, staff and other key stakeholders.
- Be Engaging - We will always make our offer engaging through careful planning, adequate use of technology and collaborative working.
- Be Diverse - We will always offer a diverse range of activities and events while ensuring a diverse staff team and diverse student engagement.
- Be Supportive - We have a friendly and can do mentality that always seeks to support everyone we encounter.

Achievements and performance and Plan for the future

Please see Impact report 2015/16 and Strategic plan 2020 our vision.

Financial Review

Principle sources of funding

The principle source of funding are the block grant from the University of Bedfordshire £893,289 (2015:£881,508). Total income was £1,506k (2015: £1,533k) and expenditure £1,531K (2015: £1,532k). Income from trading activities £294.3K (2015: £287k).

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

Trustees Report (continued)

This resulted in a net deficit on unrestricted reserves of £40.7k (2015: surplus £60.4k). The Union went through a turbulent time during 2015/16. Venue Commercial operations reported a net loss of (£48.9k) before overhead apportionment (2015: loss £26.623). An ex gratia payment of £45k was also incurred.

The Board of trustees made the decision to recruit a new SLT team consisting of a Chief Executive Officer, Head of Finance and Resources and Head of Membership Services. The new SLT team took up their posts mid February 2016.

A complete review of all current operations and staff structure was undertaken including an in depth review of the current commercial operations. This resulted in the strategy 'A Union Fit for Purpose' which the new SLT team implemented during the latter part of the year. A redundancy provision of £20,600 is stated in the accounts relating to redundancy costs that were incurred early in 2016/17 due to the staff restructure implemented.

The recruitment of The Head of Finance and Resources enabled the finance function of the Union to be taken in house which has enabled considerable cost savings and the implementation of Finance reporting and systems which has enabled the Union to forecast its financial position to allow it to react proactively.

With the new leadership team in place and the Union Fit for purpose strategy implemented The Board of Trustees are confident that the Finances of the organisation are now back on track with a small surplus on Venue Commercial operations being forecasted for year-ended June 2017 and an overall surplus of £16k on unrestricted reserves.

Pensions

The Union runs a Stakeholder pension for its employees with NEST with an employer and employee contribution of 1%. Employee Contributions to the scheme totalled 3,444.

The Union participates in the Students' Union Superannuation Scheme ("SUSS"), which is a defined benefit scheme whose membership consists of employees of students' unions and related bodies throughout the country. This scheme closed to future accrual on 30 September 2011. The last actuarial valuation was at 30 June 2013 and showed SUSS to have a deficit of £73.8m and a plan to recover the deficit over a 17 year period was agreed with member Unions during 2014. The next triennial valuation took place on 30 June 2016 and is expected to be made available from the SUSS Trustees in 2017. For accounting purposes, the SUSS is reported in accordance with the relevant accounting standard – FRS 102, where we value our pension deficit based on the discounted future cash flows of payments under the agreed recovery plan. At 31 July 2016 our pension deficit was valued at £312,994K (2015: £332,398K). Our annual payments in to the scheme were £19,404 (2015: £16,544).

It is important to note that the disclosure of a pension liability does not mean that the equivalent amount is already committed and is no longer available to the trustees to further the charity's objectives. Our current obligations to the SUSS are through an agreed recovery plan and this has previously been funded out of on-going income and subject to any future changes in the recovery plan being unknown, pension contributions are expected to continue to be funded from cash generated through operations. As a result of this the Trustees do not feel the need to designate any of their existing funds or reserves to meet future pension commitments.

Reserves Policy

The accounting changes from implementing FRS102 relating to pensions have a significant impact on the balance sheet of the Union. Reserves will be assessed by reference to unrestricted funds excluding the undesignated pension deficit.

The reserves policy of the University of Bedfordshire Students' Union is to maintain a level of unrestricted funds, not committed or invested in tangible assets, which will enable the Union to ensure continuity of activity and have the ability to adjust, in a measured way, to any significant changes to resources. The Reserves Policy recognises that reserves are necessary to maintain the day to day operations of the Union for a period of up to 3 months. The appropriate measure of free reserves is therefore net assets, less restricted and designated funds, less fixed assets attributable to unrestricted funds.

Trustees Report (continued)

By the time a project funded by restricted funds is completed its restricted reserves should be nil. All restricted project expenditure is budgeted for the whole of the project and then by financial year and any income received in advance is brought forward in reserves to cover future year's expenditure.

The trustees recognise that the current level of unrestricted funds £146,367 is below the desired level of three months operating costs £239,557 and will plan to increase the level of restricted reserves when prudent to do so.

Trustees' responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees 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 trustees 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 Group and the Students' Union and of the income and expenditure of the group for that period. In preparing those financial statements, the trustees are required to ensure the Union:

- Selects suitable accounting policies and then apply them consistently;
- Observes the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- States whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepares 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 ensuring adequate accounting records are kept that are sufficient to show and explain the Union's transactions and disclose with reasonable accuracy at any time the financial position of the Union 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 Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are, individually, aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

We have audited the financial statements of the University of Bedfordshire Students' Union for the year ended 30 June 2016 on pages 10 to 26. 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 charities trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charities trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charities trustees as a body, for our audit work, for this report, or for opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees are responsible for the preparation of financial statements which give a true and fair view and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2016, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

FKCA Limited
Statutory Auditor
Prospero House
46-48 Rothesay Road
Luton
Bedfordshire
LU1 1QZ

Date:

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2016

		Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,013,125	58,159	1,071,284	1,061,048
Other Trading Activities	3	299,003	-	299,003	294,386
Income from Investments	4	455	-	455	330
Income from charitable activities	5	129,608	6,250	135,858	176,276
Other income	6	-	-	-	1,400
Total income and endowments		1,442,191	64,409	1,506,600	1,533,440
EXPENDITURE ON					
Raising Funds	7	524,757	45,512	570,269	526,817
Charitable activities					
Student Activities	8	344,586	3,450	348,036	390,081
Representation, education & development		344,606	-	344,606	308,503
Welfare & volunteering		152,175	-	152,175	102,708
Marketing and communication		116,863	-	116,863	149,123
Total charitable expenditure		958,230	3,450	961,680	950,415
Total resources expended		1,482,987	48,962	1,531,949	1,477,232
Net income/(expenditure)		(40,796)	15,447	(25,349)	56,208
Actuarial gains/(losses) on defined benefit pension schemes		19,404	-	19,404	12,250
Net movement in funds		(21,392)	15,447	(5,945)	68,458
RECONCILIATION OF FUNDS					
Total Funds Bought Forward		(137,276)	-	(137,276)	(205,734)
Total Funds Carried Forward		(158,668)	15,447	(143,221)	(137,276)

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

BALANCE SHEET

AS AT 30 JUNE 2016

		2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	14		7,959		3,271
Current assets					
Stocks		9,397		8,622	
Debtors	15	40,888		24,242	
Cash at bank and in hand		250,770		296,248	
		301,055		329,112	
Creditors: amounts falling due within one year	16	(118,641)		(137,261)	
Net current assets			182,414		191,851
Total assets less current liabilities			190,373		195,122
Provisions for liabilities	17		(20,600)		-
Net Asset excluding pension liability			169,773		195,122
Defined benefit pension scheme liability	18		(312,994)		(332,398)
Total net liability			(143,221)		(137,276)
FUNDS					
Pension deficit			(312,994)		(332,398)
Unrestricted funds			154,326		195,122
Restricted funds	20		15,447		-
Total Funds	21		(143,221)		(137,276)

The financial statements were approved by the Trustee's on the

Trustee

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30th June 2016

	Year Ending June 2016 £	Year Ending June 2015 £
Cash flows from operating activities:		
Net cash provided by operating activities	(37,294)	88,343
Cash flows from investing activities:		
Purchase of tangible assets	(8,184)	-
Net cash used in investing activities	(8,184)	-
Change in cash and cash equivalents in the reporting period	(45,478)	88,343
Cash and cash equivalents at the beginning of the reporting period	296,248	207,905
Cash and cash equivalents at the end of the reporting period	22 250,770	296,248

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 2016

1 Accounting policies

1.1 General information

The University of Bedfordshire Students' Union is a charity registered in the UK – number 1151576. The registered office is detailed within the legal and administrative information page.

1.2 Basis of preparation

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 'Accounting and Reporting by Charities' (revised 2015), applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS102)).

The Students Union received a block grant from the University of Bedfordshire and occupies part of a University building. The University pays for certain utilities, security and cleaning staff. Although the Students' Union continues to generate funds from various trading activities, it will always be dependent on the University's support.

There is no reason to believe that this or equivalent support from the University will not continue for the foreseeable future. The financial statements have therefore been prepared on the going concern basis.

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 charity and which have not been designated for other purposes

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

1.4 Incoming Resources

All incoming resources are recognised in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Incoming resources are not shown net of expenditure.

Grants receivable from the University of Bedfordshire are credited to the SOFA in the year in which they are receivable. Any grants which are received in advance of the financial year to which they relate to are treated as deferred income.

Facilities provided by the University of Bedfordshire are included at the estimated cost/value to the charity where this can be quantified.

No amounts are included in the financial statements for services donated by volunteers.

Support costs are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the period by reference equivalent bodies or space occupied in these areas, as appropriate.

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 30TH JUNE 2016

1 Accounting policies

1.5 Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accrual basis and is stated net of VAT.

Support costs are allocated between the expenditure categories of the SOFA based on usage of the resources. Overheads and other costs not directly attributable to particular functional activity categories a

1.6 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 less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment - 20-33% per annum

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

1.8 Pensions

The Union operates a defined contributions pension scheme. Contributions are charged in the financial statements as they become payable in accordance with the rules of the scheme.

The Union also participates in the Student Unions 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.

1.9 Taxation

No provision has been made in these accounts for corporation tax since the Union is exempt from such taxes as a result of having charitable status.

1.10 Transition to FRS102

The opening fund balances have been restated due to a liability for holidays pay and pension deficit but no subsequent restatement of items has been required in making the transition to FRS 102. The transition date was 1 July 2014.

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

NOTES TO THE ACCOUNTS (continued)

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Donations and gifts	106,336	-	106,336	76,311
Grants receivable for core activities	906,789	58,159	964,948	984,737
	<u>1,013,125</u>	<u>58,159</u>	<u>1,071,284</u>	<u>1,061,048</u>

Donations and Gifts

Facilities in kind provided by the University	106,336	-	106,336	76,311
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Grants receivable for core activities

Block grant from University	728,729		728,729	721,835
Sports Grant from University	164,560		164,560	154,280
Other Grants from University	13,500		13,500	17,893
Green Hub grant from NUS		58,159	58,159	90,729
Green Fund (HEFCE)				
	<u>906,789</u>	<u>58,159</u>	<u>964,948</u>	<u>984,737</u>

3 Other Trading Activities

Income from trading

	Total 2016 £	Total 2015 £
The Lounge venue	109,703	112,163
SUB 2 venue	109,982	106,330
The HUB venue	53,126	47,423
Student events	26,192	28,470
	<u>299,003</u>	<u>294,386</u>

4 Income from Investments

	Total 2016 £	Total 2015 £
Deposit account interest	455	330

NOTES TO THE ACCOUNTS (continued)

5 Income from Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Student activities	67,823		67,823	106,797
Representation, education and development	-	6,250	6,250	4,479
Welfare and volunteering	22		22	461
Marketing and communication	61,763		61,763	64,539
	<u>129,608</u>	<u>6,250</u>	<u>135,858</u>	<u>176,276</u>

6 Other Income

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Other Income	-	-	-	1,400

7 Expenditure on Raising Funds: Trading costs and expenses

Direct costs and operating expenses

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
The Lounge venue	164,665	-	164,665	129,338
SUB2 venue	134,980	-	134,980	74,262
The HUB Venue	118,829	-	118,829	114,764
Student Events	24,272	-	24,272	27,455
Green HUB	-	45,512	45,512	90,729
	<u>442,746</u>	<u>45,512</u>	<u>488,258</u>	<u>436,548</u>

Support Costs:

	Lounge Venue £	Sub 2 Venue £	Hub Venue £	Total 2016 £	Total 2015 £
Facilities provide by UOB	1,884	1,884	1,885	5,653	-
Governance	788	788	789	2,365	2,666
Depreciation	310	311	313	932	1,701
Staff costs	14,080	14,080	14,080	42,240	38,586
Other	10,273	10,273	10,274	30,820	47,316
	<u>27,335</u>	<u>27,336</u>	<u>27,341</u>	<u>82,011</u>	<u>90,269</u>

NOTES TO THE ACCOUNTS (continued)

8 Charitable Activities Costs

	Direct costs £	Support Costs (see note 9) £	Totals £
Student Activities	300,196	47,840	348,036
Representation, education & development	248,926	95,680	344,606
Welfare & volunteering	97,501	54,674	152,175
Marketing & Communications	89,526	27,337	116,863
	<u>736,149</u>	<u>225,531</u>	<u>961,680</u>

9 Support Costs

	Student Activities £	Representation, Education & Dev £	Welfare & Volunteering £	Marketing & Comms £	Total £
Facilities provide by UOB	3,298	6,597	3,769	1,884	15,548
Governance	1,380	2,759	1,577	788	6,504
Depreciation	544	1,087	621	311	2,563
Staff costs	24,640	49,280	28,160	14,080	116,160
Other	17,978	35,957	20,547	10,274	84,756
	<u>47,840</u>	<u>95,680</u>	<u>54,674</u>	<u>27,337</u>	<u>225,531</u>

10 Net Income (Expenditure)

Net income/(expenditure) is stated after charging /(crediting)

	Total 2016 £	Total 2015 £
Depreciation	3,495	18,764
Auditors remuneration	6,850	10,000
Financial Services Fees	21,875	29,200
National Union of Students	34,309	34,377

11 Trustees Remuneration and benefits

The full time executive trustees who were remunerated during the year were C G Hughes, O Aladegbamiabe, S Owen, R Roe and M Wilson. Payment to the Executive trustees is permitted in Beds Su Constitution on the basis that not more than half of the trustees' serving receive remuneration from Beds SU.

Payment to the Officers is £17,878 per annum (2015: £17,878). The total salary cost of the five executive trustees to the Union is £91,374.57 including NI cost (2015: £96,440) Pension Benefits were paid of £254.13 (2015: nil).

Travelling expenses of £135.90 (2015:£499.39) were reimbursed to three trustees

NOTES TO THE ACCOUNTS (continued)

12 Employees

	Total 2016 £	Total 2015 £
Wages and salaries	562,543	603,037
Social Security Costs	39,268	41,515
Other Pension Costs	24,639	20,761
	626,450	665,313

An ex-gratia payment of £45,000 was made during the year. Key management personal received benefits in kind of £796 relating to the provision of child care vouchers.

There were no employees whose annual remuneration was £60,000 or more.

Number of employees

The average number of employees during the year was:

	2016 Number	2015 Number
Administration and management	3	3
Student Activities	3	3
Representation, education and development	7	7
Welfare and volunteering	4	5
Marketing & Communication	3	3
Green Hub	1	3
Trading activities	3	3
Student Staff	46	33
	70	60

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

NOTES TO THE ACCOUNTS (continued)

13 Comparatives for the Statement of Financial Activities	Unrestricted Funds £	Restricted Funds £	Total 2015 £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	957,819	103,229	1,061,048
Other Trading Activities	294,386	-	294,386
Income from Investments	330	-	330
Income from charitable activities	176,276	-	176,276
Other income	1,400	-	1,400
Total income and endowments	1,430,211	103,229	1,533,440
EXPENDITURE ON			
Raising Funds	436,088	90,729	526,817
Charitable activities			
Student Activities	390,081	-	390,081
Representation, education and Development	308,503	-	308,503
Welfare & Volunteering	102,708	-	102,708
Marketing & Communication	149,123	-	149,123
Total resources expended	1,386,503	90,729	1,477,232
Net income/(expenditure)	43,708	12,500	56,208
Transfers between funds	12,500	(12,500)	-
Net movement in funds	56,208	-	56,208
RECONCILIATION OF FUNDS			
Total Funds Bought Forward	138,914	-	138,914
Total Funds Carried Forward	195,122	-	195,122

14 Tangible Fixed Assets

	Fixture, Fittings & Equipment £
Cost	
At 1 st July 2015	62,400
Additions	8,184
At 30 th June 2016	<u>70,584</u>
Depreciation	
At 1 st July 2015	59,130
Charge for the year	3,495
At 30 th June 2016	<u>62,625</u>
Net Book Value	
At 30 th June 2016	<u>7,959</u>
AT 30 th June 2015	<u>3,271</u>

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

NOTES TO THE ACCOUNTS (continued)

15 Debtors

	2016	2015
	£	£
Trade Debtors	25,254	8,160
Other debtors	2,789	-
Prepayments & accrued income	5,625	12,859
Vat refund	7,603	3,223
	<u>40,888</u>	<u>24,242</u>

16 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	42,521	5,070
Taxes and social security costs	13,183	13,290
Other creditors	20,037	26,375
Accruals	20,670	59,174
Deferred income	22,231	29,129
	<u>118,641</u>	<u>133,038</u>

Deferred Income

Deferred income brought forward at 1 st July 2015	29,129
Incoming resources deferred in the current year	22,231
Amounts released from previous years	(29,129)
Deferred Income carried forward 30 th June 2016	<u>22,231</u>

Grant income is deferred as the charity is not entitled to the income until certain conditions are met.

17 Provision for liabilities

	2016	2015
	£	£
Provisions	<u>20,600</u>	-

A provision for £20,600 has been made to cover staff redundancies resulting from implementing BEDS SU Fit for purpose staffing structure.

18 Creditors: amounts falling due after one year

	2016	2015
	£	£
Pension fund deficit	312,994	332,398
	<u>312,994</u>	<u>332,398</u>

NOTES TO THE ACCOUNTS (continued)

19 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 valuation of the scheme carried out as at 30 June 2013 showed that the market value of the scheme's assets was £80.9m 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 on-going funding basis amounted to £73.8m. 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 30 June 2014:-

- 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 Union expressed in monetary terms intended to clear the on-going funding deficit over a period of 17 years and will increase by at least 5% each year. These contributions also include an allowance for cost of the on-going administrative and operational expenses of running the Scheme. These rates applied with effect from 1 October 2014. The results of the latest triennial valuation, dated 30 June 2016 are not expected to be released by the scheme Trustees until 2017. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment

- For accounting purposes, the SUSS is reported in accordance with the relevant accounting standard – FRS 102, where we value our pension deficit based on the discounted future cash flows of payments under the agreed recovery plan. At 31 July 2016 our pension deficit was valued at £312,994 (2015: £332,398).

In addition to the above contributions, the Union also pays its share of the scheme's levy to the Pension Protection Fund.

The Union offers eligible employees the opportunity to join NESTY stakeholder's pension. Employer contributions 2016 £3,444(2015: £1,462).

20 Restricted Funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balances at 1 st July 2015 £	Incoming Resources £	Resources Expended £	Transfers £	Balances at 30 th June 2016 £
Green Hub	-	58,159	(45,512)	-	12,647
UOB Grants for Learning rep co-ordinators	-	6,250	(3,450)	-	2,800
	-	64,409	(48,962)	-	15,447

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

NOTES TO THE ACCOUNTS (continued)

21 Analysis of net assets between funds

Fund balances at 30 th June 2016 are represented by:	Unrestricted Funds £	Restricted Funds £	Total £
Tangible Assets	7,959	-	7,959
Current Assets	285,608	15,447	301,055
Creditors: amounts falling due within one year	(118,641)	-	(118,641)
Provision for liabilities	(20,600)	-	(20,600)
	154,326	15,447	169,773

22 Reconciliation of Equity 30th June 2016

	UK GAAP £	Effect of Transition to FRS 102 £	FRS 102 £
Fixed assets			
Tangible assets	7,959		7,959
Current assets			
Stocks	9,397		9,397
Debtors	40,888		40,888
Cash at bank and in hand	250,770		250,770
	301,055		301,055
Creditors: amounts falling due within one year	(118,641)		(118,641)
Net current assets	182,414		182,414
Total assets less current liabilities	190,373		190,373
Provisions for liabilities	(20,600)		(20,600)
Net Asset excluding pension liability	169,773		169,773
Defined benefit pension scheme liability	-	(312,994)	(312,994)
Total net asset (liability)	169,773	(312,994)	(143,221)

UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

NOTES TO THE ACCOUNTS (continued)

FUNDS

Pension deficit	-	(312,994)	(312,994)
Unrestricted funds	154,236		154,236
Restricted funds	15,447		15,447
Total Funds	169,773	(312,994)	(143,221)

22 Reconciliation of Equity 30th June 2015

	UK GAAP	Effect of Transition to FRS 102	FRS 102
	£	£	£
Fixed assets			
Tangible assets	3,271		3,271
Current assets			
Stocks	8,622		8,622
Debtors	24,242		24,242
Cash at bank and in hand	296,248		296,248
	329,112		329,112
Creditors: amounts falling due within one year	(133,038)		(137,261)
Net current assets	196,074	(4,223)	191,851
Total assets less current liabilities	199,345		195,122
Net Asset excluding pension liability	199,345		195,122
Defined benefit pension scheme liability	-	(332,398)	(332,398)
Total net asset (liability)	199,345	(336,621)	(137,276)

FUNDS

Pension deficit	-	(332,398)	(332,398)
Unrestricted funds	199,345	(4,223)	195,122
Restricted funds	-		-
Total Funds	199,345	(336,621)	(137,276)

The transition to FRS 102 has no material impact in income and expenditure surplus or deficits.

NOTES TO THE ACCOUNTS (continued)

23 Statement of cash flows

	Year Ending June 2016 £	Year Ending June 2015 £
Cash flows from operating activities:		
Net cash provided by operating activities	(37,294)	88,343
Cash flows from investing activities:		
Purchase of tangible assets	(8,184)	-
Net cash used in investing activities	(8,184)	-
Change in cash and cash equivalents in the reporting period	(45,478)	88,343
Cash and cash equivalents at the beginning of the reporting period	<u>296,248</u>	<u>207,905</u>
Cash and cash equivalents at the end of the reporting period	<u>250,770</u>	<u>296,248</u>

a) Reconciliation of net(expenditure)/income to net cash flow from operating activities

	Year Ending June 2016 £	Year Ending June 2015 £
Net income/(expenditure)for the reporting period	(25,349)	56,208
Depreciation	3,495	18,764
(Increase)/decrease in stocks	(775)	15,909
(Increase)/decrease in debtors	(16,646)	5,165
Increase/(decrease) in creditors and provisions	1,981	(7,703)
Net cash provided by (used in) operating activities	<u>(37,294)</u>	<u>88,343</u>

b) Analysis of cash and cash equivalents

	Year Ending June 2016 £	Year Ending June 2015 £
Cash in hand	<u>250,770</u>	<u>296,248</u>

24 Ultimate controlling party

The ultimate control of the Union is vested under the Constitution in the members in General meetings. As such no single person or entity controls the Union.

25 Related Parties

The Union receives its block grant from the University of Bedfordshire, as set out in note 2 above. The Union occupies the University's buildings on aren't free basis under informal arrangements. In accordance with the Charities SORP (FRS102) the trustees have estimated the use of the building and utilities at £106,336 (2015: £76,311).