



ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 July 2013

University of Bath Students' Union

TRUSTEES AND UNION INFORMATION

for the year ended 31 July 2013

TRUSTEES

Students' Union Officers (to 21st June 2013):

Chris Clements (President)

Alex Pool

Hanna Wade

Alix Chadwell

Jon Gleave

Students' Union Officers (from 22nd June 2013):

Ellie Hynes (President)

Scott Burfiend

Peter Hachfeld

Tom Janicot

Sally Williamsom

Non-Executive Trustees:

Jean-Marc Hodgkin

Andy Graham

Professor Ian Jamieson

CHIEF EXECUTIVE

Ian Robinson

MAIN ADDRESS

University of Bath Students' Union

Norwood House

Claverton Down

Bath

BA2 7AY

AUDITOR

Baker Tilly UK Audit LLP

Chartered Accountants

Hartwell House

55 – 61 Victoria Street

Bristol

BS1 6AD

BANKERS

National Westminster Bank Plc

39 Milsom Street

Bath

BA1 1DS

University of Bath Students' Union

TRUSTEES' REPORT

for the year ended 31 July 2013

Structure, governance and management

Charitable Status

On the 29th July 2011 the University of Bath Students' Union (BUSU) successfully registered as a charity with the Charity Commission (charity number 1143154). The charity is governed by the constitution adopted on 1st July 2009.

Trustees' Report

The Board of Trustees present their Annual Report together with the financial statements for the year ended 31st July 2012. The report has been prepared in accordance with the Charities Act 2011.

Structure, governance and management

The Board of Trustees is responsible for the strategic direction, governance and sustainability of BUSU.

The Board is made up of five Student Officers and three External Trustees. The Student Officers are elected through cross-campus ballot by the members each year normally serving for one year in office but can serve a second term if re-elected. The External Trustees are recruited to the Board to bring a wider perspective and skill set from outside of BUSU. A term for External Trustees lasts for up to three years and they can serve for a maximum of six years.

Upon appointment all trustees receive a variety of information through their induction. Trustees are briefed on their legal obligations and other trustee responsibilities. All trustees receive an induction information pack which includes their role responsibilities, historical and current information about BUSU and information on its Strategic Plan.

The Student Officers (unless re-elected) are new to the Board every year, so they undergo more intensive, in depth training. This training starts after they are elected to ensure that they are fully aware of their roles and responsibilities and can perform their duties to the best of their abilities as soon as possible. They attend training sessions on the history of governance at BUSU, their legal responsibilities as trustees, briefing sessions on key issues and decisions that have been made by the Board of Trustees and receive training on how to deal with potential conflicts of interest.

The Board of Trustees is supported by two sub-committees which focus on certain key aspects of BUSU's governance and management which are:

Finance Committee. The Finance Committee is responsible for monitoring BUSU's financial management, development and services. The Committee scrutinises the annual accounts, financial plans and annual budgets, the financial performance of BUSU and ensures that BUSU is complying with relevant legislation. The committee also meets with the external auditors annually to discuss the audit prior to the accounts being issued.

The Nominations Committee. The Nominations Committee is responsible for the recruitment of External Trustees and Co-opted Trustees.

Relationship with the University of Bath

Under the Education Act 1994, the University of Bath has a statutory duty to take such steps as are reasonably practicable to ensure that the Union operates in a fair and democratic manner and is held to proper account for its finances. BUSU therefore works alongside the University of Bath in ensuring that the affairs of the Union are properly conducted and that the educational and welfare needs of BUSU's members are met.

University of Bath Students' Union

TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2013

Risk Management

The Students' Union has adopted a formal Risk Management framework that embeds consideration of risk when reviewing the Union's Mission Statement, and developing the Strategic Development Plan within the Annual Planning and Budgeting Process. This approach is designed to directly aid the quality of Trustee and management decision-making, improve potential outcomes and provide the clear accountability required to all its members.

A Risk Management Charter exists to;

- formally document the strategies that the Students' Union follows on behalf of its members to reduce risk over the short and medium term time span;
- confirm that appropriate risk management policies and operational procedures are embedded within the day to day operations of the Union; and
- provide a practical framework for Union management and staff to follow.

Furthermore, each key risk is assessed and documented in the Risk Register under an appropriate category, and grouped together under additional classifications where relevant.

The Risk Register:

- Establishes the key risks within each category;
- Classifies the risks within each category where appropriate;
- Evaluates the likelihood and impact of the key risks;
- Prioritises the risks based on the weighting to determine the most critical risks; and
- Plans the response to controlling the risk.

The Board of Trustees reviews the major strategic, business and operational risks faced by the Students' Union on an annual basis as a minimum.

Aims, Objectives and Activities

The Students' Union exists to represent its Members and provide them with services, support and opportunities for development to enable them to maximise the benefits of their overall student experience.

The charitable objects of the Students' Union are the advancement of education of students at the University of Bath for the public benefit by:-

- promoting the interests and welfare of students at the University of Bath during their course of study and representing, supporting and advising members;
- being the recognised representative channel between students and the University of Bath and any other external bodies; and
- providing social, cultural, sporting and recreational activities and forums for discussion and debate for the personal development of its members.

Whilst pursuing the aims and objectives and providing various activities for its members the Students' Union seeks at all times to:

- ensure that the diversity of its membership is recognised and that equal access is available to all members of whatever origin or orientation;
- pursue its aims and objectives independent of any political party or religious group; and
- pursue equal opportunities by taking positive action within the law to facilitate participation of groups discriminated against by society.

The Students' Union provides a wide range of services and activities for students including:

University of Bath Students' Union

TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2013

Advice and Representation Centre (ARC) - a specialist service offering welfare, health & academic advice, as well as supporting student representation locally and nationally. In 2012/13 the total number of recorded individual contacts by members via email, telephone and in person was 3,465, an increase on 2011/12.

Caseworkers, who are trained advisors, provided advice on over 20 separate subject areas with housing and academic issues being the highest recorded areas of activity.

Central to the Students' Union's work with its members has been the identification, through the Engagement Strategy, of the Top Ten issues raised by students. These Top Ten issues provide an agenda for change and a focus for engagement with the University and other stakeholders. 2012/13 was the third year that the Students' Union identified and strategically addressed 'Top Ten' key issues:

1. Improve bus provision.
2. Ensure students are well supported whilst on placement.
3. Ensure student feedback on the quality of teaching is acted upon.
4. Work/life balance of students.
5. Availability of information and provision of core texts.
6. Timely provision of lecture notes and contextual solutions on moodle.
7. Improvements on cost and quality of food and drink on campus.
8. Improve standard of housing and work with local Council on restrictions on shared housing.
9. Increase the number of jobs on campus for students.
10. Timely and constructive feedback on work.

One of the most important areas of work undertaken by the ARC in 2012/13 was the Institutional Review (England and Northern Ireland), the Quality Assurance Agency's (QAA) review method for universities and other higher education institutions in England and Northern Ireland. Taking place approximately every 5 years, it involves a thorough evaluation of the institution's educational provision and results in a published report that makes judgements and recommendations about academic standards and quality, as well as highlighting good practice. The Students' Union was asked to submit a document evidencing student opinion on a range of practices and policies and how these are upheld by the Institution. Around 580 hours were spent on the preparation of the Student Written Submission.

Activities - The Students' Union sport and society area provides extra curricular activities and opportunities to develop skills and enhance life experiences. The area aims to develop students through their committee roles and encourages wide and diverse participation by students. Total membership of the 48 sports clubs and 82 societies was 9,178 during 2012/13. With regard to the Sports area, Bath finished 4th in 2012/13 in the British Universities & Colleges Sport (BUCS) league, an improvement upon last year's 5th position. Bath also won the Varsity against Exeter.

Volunteer Centre - promotes, supports and develops opportunities for students to become involved in voluntary work and to enhance the development of key skills through volunteer activity. The Volunteer Centre also aims to develop partnerships with local organisations to encourage students to link with the wider community. In 2012/13 students contributed 3,031 volunteer hours, running and participating in projects such as the Children's Christmas Party, Age UK and the Romanian & Bulgarian Orphanage. Volunteers in RAG gave over 2,249 hours and the amount donated to charities by RAG in the year was £44,665.

Joblink - student employment service sourcing and advertising part time working opportunities from local business and university departments. Joblink took part in the national Student Employee of the Year Award (SEOTY) for the seventh year running. The University had one winner from the regional round, who also went on to win the National International Student of the Year Award 2013. Joblink also co-ordinated a Boost Your Employability Day where local businesses delivered a range of workshops on the theme of employability, alongside mock interviews and a networking lunch. Joblink also worked with local businesses to encourage them to take up the opportunity of Santander-funded internships.

Skills Training – a wide range of training opportunities are offered to students ranging from societies and sports committee training to study skills and graduate employer-led sessions.

University of Bath Students' Union

TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2013

Bath Award – a scheme to accredit the skills developed by students through co-curricular activities. Students were encouraged to reflect on skills learnt and received the award on production of a portfolio which was assessed by a team on University staff. In 2012/13 over 60 students received the award which forms part of their University transcript. A review of the Bath Award scheme took place over the summer of 2012 resulting in plans to introduce two new optional strands to the Award (Digital Practice and Sport) in 2013/14. There will also be the three levels of the Award which will also be introduced in 2013/14.

Enterprise – In 2012/13 over 800 students joined the Enterprise groups (BANTER & SIFE). The Enterprise department proved very successful in raising the profile of the Students' Union and the University in Student Enterprise Education in 2012/13. Particular achievements during the year include:

- SET Squared Awards - James Munro-Boon won the Social Enterprise Project Award and Jian Yi Oh won an award for Student Enterprise Champions.
- SEEC Conference – Global Enterprise Week High Impact Award.
- Enactus Bath at Nationals - placed in the top ten university teams.
- UnLtd/HEFCE – Successful bid for a share of a £2 million pot to help support social enterprise. 16 university teams were formed and competed at the Uni Popshop competition at Spitalfields Market in London, giving students first hand experience as a trader with the general public.
- UnLtd's Lead the Change Conference: Luke Tregidgo an administrator in Enterprise Bath and recent Bath PhD graduate won an award through UnLtd/HEFCE for Outstanding Social Entrepreneur. Luke set up Secret City Tours providing employment to homeless people in Bath to act as city guides.

Peer Support Schemes – comprising peer mentoring (second year students supporting first year students through their transition into HE and throughout the first year) and peer assisted learning (PAL) (students leading supported study groups). Peer Support schemes engaged over 2,000 first year students in 2012/2013. The number of PAL schemes increased by 50% in 2012/2013 with 49 PAL Leaders during the year.

Bars and Events – The Plug Bar is open during the day and evening serving a range of hot food and beverages including, from September 2012, a new Starbucks coffee offer. The Tub provides very popular late night entertainment with the two main club events held on a Wednesday and Saturday night.

The Summer Ball, held in early June 2013, attracted over 3,700 students. Freshers' Week 2012 was a huge success providing a week-long programme of events and activities for under and post-graduate students.

Key Achievements

During 2012/13 BUSU continued to embed and implement the excellent procedures and practices developed through our commitment to continuous improvement within the following quality measurement systems:

- Gold Students' Union Evaluation initiative – one of four Students' Unions nationally to achieve this standard.
- Investors in People Award – first attained 13 years ago and successfully maintained.
- Investors in Volunteering – this was successfully reassessed during 2011/12.
- Legal Qualities Mark – successful maintained.
- Best Bar None – awarded to both licensed venues within the Union and recognising our commitment to responsible licensing.

In 2012/13 the Students' Union began work on the Investors in Diversity standard.

University of Bath Students' Union

TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2013

Financial Report

The overall surplus for the year, before reserve transfer, on unrestricted funds was £84,812.

Bars and Entertainments remained the principal focus for the Union's commercial activity during 2012/2013. Performance in this area met budget with a surplus, before overhead apportionment, of £102,050.

The Balance Sheet continues to reflect a robust financial position for the Union with net current assets of £517,779.

Future Developments

In 2012/13 a review of the Three Year Strategic Plan was undertaken, working with students, the Board of Trustees, Union staff, the University and the local community. As part of this process the mission, vision and values of the Students' Union have been revised as from August 2013:

Mission Statement

The Students' Union exists to help students get the most from their student experience.

Vision

Inspire communities of actively engaged students.

Values

Student-led - Everything we do as a Students' Union is led by you, our members.

Empowerment - Empowering and supporting you to achieve your ambitions and potential.

Fun & Enjoyment - Promoting a sense of fun and enjoyment through your events and activities and in support of your student experience.

Inclusivity - Offering fulfilling opportunities for all students within a friendly and welcoming community.

Supportive - Providing a community where you can find mutual support and advice, easily and with confidence.

The new Three Year Strategy for 2013/16 is called The Big Plan and has four main themes:

- 1. Working together to change the issues that affect your student experience.**
- 2. Working together to make your life easier.**
- 3. Working together to build communities of students.**
- 4. Working together to improve your skills while enjoying new activities and experiences.**

For 2013/14 the Top Ten Issues have been identified as:

- Increase provision for recreational and performance sport through the development of a 3G pitch.
- Increase provision of fresh and healthy food on campus.
- Ensure all students receive constructive feedback which helps them to learn.
- Increase bus services at peak times.
- Ensure the role of personal tutors is clear and meets the needs of students.
- Help students to make their finances go further.
- Improve access for disabled students at the University.
- Develop policies on fairer group marking.
- To improve cash machine facilities on campus.
- Expand the use of anonymised marking across the University.

The Students' Union and the University continue to work together to improve and enhance the student experience. Commencing in 2013/14 Lloyds Bank have agreed funding for two positions from their Scholarship programme; one in the Volunteer area and one to further develop the Bath Award. Additionally from August 2013 management oversight of the Student Community Partnership (University of Bath, Bath Spa University and Bath & North East Somerset Council) will transfer from the University to the Student's Union.

University of Bath Students' Union

TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2013

Reserves policy

The Reserves Policy is agreed by the Board of Trustees on an annual basis with ongoing monitoring provided by the Finance Committee of the Students' Union.

Custodian Activities - Annual RAG (Raise & Give)

BUSU acts as custodian of the annual RAG proceeds from fundraising events organised by the students. Funds raised by this year's RAG not distributed to charities amounted to £2,483 (2012: £6,330) were held by BUSU as agreed.

Statement as to disclosure of information to the auditor

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees Members in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditor

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

The Trustees' Report was approved by the Trustees on and signed on their behalf by:

Chief Executive
Ian Robinson

Non-Executive Trustee
Jean-Marc Hodgkin

Date:

Date:

University of Bath Students' Union

STATEMENT OF TRUSTEES' RESPONSIBILITIES AND RISK MANAGEMENT

for the year ended 31 July 2013

The trustees' are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Charity 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). The financial statements are required by law to give a true and fair view of the state of affairs of the Union and of the surplus or deficit for that period. In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Union. 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.

The trustees confirm they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. When reviewing the aims and objectives of the charitable group and in planning its future activities they the trustees refer to the guidance and consider, in particular, how planned activities will contribute to the aims and objectives they have set

Risk Management

BUSU has adopted a formal Risk Management framework that embeds consideration of risk when reviewing the Union's Mission Statement, and developing the Strategic Development Plan within the Annual Planning and Budgeting Process. This approach is designed to directly aid the quality of Trustees and management decision-making, improve potential outcomes and provide the clear accountability required to all its members.

A Risk Management Charter exists to:

- formally document the strategies that BUSU follow on behalf of its members to reduce risk over the short and medium term time span;
- confirm that appropriate risk management policies and operational procedures are embedded within the day to day operations of the Union;
- provide a practical framework for the management and staff to follow.

Furthermore, each key risk is assessed and documented in the Risk Register (currently under review) under an appropriate category, and grouped together under additional classifications where relevant.

The Risk Register:

- Establishes the key risks within each category;
- Classifies the risks within each category where appropriate;
- Evaluates the likelihood and impact of the key risks and apply a weighting factor;
- Prioritises the risks based on the weighting to determine the most critical risks;
- Plans the response to controlling the risk.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF BATH STUDENTS' UNION

We have audited the financial statements of University of Bath Students' Union for the year ended 31 July 2013 on pages 10 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2013 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' Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; 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.

HEATHER WHEELHOUSE (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Hartwell House
55-61 Victoria Street
Bristol
BS1 6AD

Date:

University of Bath Students' Union

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

for the year ended 31 July 2013

	Note	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds (restated)
		2013 £	2013 £	2013 £	2012 £
GROSS INCOME					
Voluntary income:					
Donations and grants		1,537,504	173,432	1,710,936	1,716,069
Activities for generating funds:					
Commercial activities		163,832	19,039	182,871	182,038
Charitable activities for students:					
Bars and post office		762,240	-	762,240	709,486
Clubs & Societies		-	185,091	185,091	177,994
Sports Associations		-	543,433	543,433	509,861
Events		274,045	-	274,045	265,993
Investment income		3,180	-	3,180	1,615
TOTAL INCOME		<u>2,740,801</u>	<u>920,995</u>	<u>3,661,796</u>	<u>3,563,056</u>
Costs of generating income		(107,619)	(69,498)	(177,117)	(184,288)
Charitable activities		(2,539,267)	(847,029)	(3,386,296)	(3,224,288)
Governance costs		(9,103)	-	(9,103)	(7,162)
TOTAL EXPENDITURE	2	<u>(2,655,989)</u>	<u>(916,527)</u>	<u>(3,572,516)</u>	<u>(3,415,738)</u>
NET INCOMING RESOURCES BEFORE TRANSFERS					
		84,812	4,468	89,280	147,318
TRANSFERS	10/11	3,051	(3,051)	-	-
FUNDS BALANCES BROUGHT FORWARD					
	10/11	<u>292,962</u>	<u>155,687</u>	<u>448,649</u>	<u>301,331</u>
FUNDS BALANCES CARRIED FORWARD					
	10/11	<u>380,825</u>	<u>157,104</u>	<u>537,929</u>	<u>448,649</u>

BUSU has no recognised gains or losses other than those included in the above results and therefore no separate statement of total recognised gains and losses has been presented. All items dealt with in arriving at the results relate to continuing operations.

University of Bath Students' Union

BALANCE SHEET

as at 31 July 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	5	19,489	18,434
Investments	6	661	661
		<u>20,150</u>	<u>19,095</u>
CURRENT ASSETS			
Stocks		19,833	20,624
Debtors	7	77,359	138,109
Cash at bank and in hand		607,490	484,221
		<u>704,682</u>	<u>642,954</u>
CREDITORS: Amounts falling due within one year	8	(186,903)	(213,400)
		<u>517,779</u>	<u>429,554</u>
NET CURRENT ASSETS			
		<u>537,929</u>	<u>448,649</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
RESERVES			
Unrestricted income fund	10	355,627	270,161
Designated Funds:			
Club & Societies	10	25,198	22,801
Restricted Funds:			
Alumni	11	48,240	61,670
Student Development	11	47,011	47,435
Club Sponsorship	11	56,899	38,577
Club Asset Reserve	11	4,954	8,005
		<u>537,929</u>	<u>448,649</u>

The notes on pages 12 to 19 form an integral part of the financial statements.

These financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:-

.....
Chief Executive – Ian Robinson

.....
Non-Executive Trustee – Jean-Marc Hodgkin

University of Bath Students' Union

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2013

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with The Statement of Recommended Practice on Accounting and Reporting by Charities published in March 2005 ("SORP").

Cash flow statement

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

Consolidation

The charity has taken advantage of paragraph 383 of SORP 2005 not to prepare consolidated accounts as its only subsidiary is dormant and its inclusion is not material for the purpose of giving a true and fair view. Therefore, these financial statements present information about the company as an individual undertaking and not about its group.

Incoming resources

The annual grant from the University of Bath is intended to meet recurrent costs and is credited directly to the SoFA. Commercial activities represent income such as advertising income, commission from photographs and hire, this income is recognised when the charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Other income is included in the SoFA account on a cash received basis or on a receivables basis where there is reasonable certainty of receipt.

Expended resources

Expenditure includes irrecoverable VAT. Charitable expenditure comprises the direct and indirect costs of delivering public benefit. Indirect staff costs are apportioned to charitable activities by headcount in particular areas. Indirect overhead costs are apportioned to charitable activities pro rata to the total costs of particular activities undertaken. Governance costs are those incurred for compliance with constitutional and statutory requirements, such as the annual audit.

Depreciation

Fixed assets are initially recorded at cost and depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:-

Equipment	-	2-5 years
Motor vehicles	-	4 years

Fund Accounting

BUSU administers and/or accounts for a number of charitable funds, as follows: -

- i. **Unrestricted Funds** representing unspent income which may be used for any activity / purpose within the charitable objects at the Executive Committee's own discretion;
- ii. **Designated Funds** set aside by the Executive Committee to be spent on some specific purpose at its own discretion;
- iii. **Restricted Funds** raised and administered by BUSU for specific purposes as determined by students, such as Club and Societies Accounts, as well as revenue received for purposes specified by the donor and also (if not material enough to require a separate column in the SoFA) any small capital grants received from the University; and

University of Bath Students' Union

NOTES TO THE FINANCIAL STATEMENTS (*continued*)

for the year ended 31 July 2013

1 ACCOUNTING POLICIES (*continued*)

Fund Accounting (*continued*)

- iv. **Custodian Funds** entrusted to BUSU for safekeeping, but not under its management control, e.g. the annual RAG. Such custodian activities are disclosed in the Annual Report, but as the funds are not managed by BUSU they are not included in the accounts.

Expenditure on refurbishments and repairs of assets where BUSU does not have the risks or rewards of ownership is expensed in the year. This includes all refurbishment to the Union building which is leased from the University on a yearly basis under an informal agreement. As the maximum term of the lease is a period of one year then all refurbishments and repairs of the Union building is expensed.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

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

Investments

Investments are stated at cost less any provision for diminution in value.

Taxation

No corporation tax has been provided in the financial statements of the charity as the income of the charity is covered by the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

Pensions

The two principal pension schemes in which BUSU participates are the Universities Superannuation Scheme and the Bath & North East Somerset Local Government Pension Scheme, both of which are defined benefit schemes, externally funded and contracted out of the State Earnings-Related Pension Scheme. Both funds are externally valued, normally every three years by professionally qualified independent actuaries using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuaries. In the intervening years, the actuaries review the progress of the schemes. Pension costs are assessed in accordance with the advice of the actuaries based on the latest actuarial valuations of the schemes and are accounted for on the basis of charging the cost of providing pensions over the estimated period during which the Union benefits from the employees' services.

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

University of Bath Students' Union
 NOTES TO THE FINANCIAL STATEMENTS (*continued*)
 for the year ended 31 July 2013

2 RESOURCES EXPENDED

	Staff	Direct	Support	Total	Total (restated)
	2013	2013	2013	2013	2012
	£	£	£	£	£
Costs of generating income:					
Commercial activities	132,151	44,966	-	177,117	184,288
TOTAL	132,151	44,966	-	177,117	184,288
Charitable activities:					
Bars & post office	285,993	397,721	114,656	798,370	764,332
Clubs & Societies	67,248	205,367	89,631	362,246	319,890
Sports Associations	148,529	574,664	237,774	960,967	876,379
Events	2,747	237,711	-	240,458	261,001
Student Activities & Advice	567,993	106,691	221,825	896,509	848,897
Volunteering	86,917	9,221	31,608	127,746	153,789
TOTAL	1,159,427	1,531,375	695,494	3,386,296	3,224,288
Governance	-	9,103	-	9,103	7,162
TOTAL RESOURCES EXPENDED	1,291,578	1,585,444	695,494	3,572,516	3,415,738

The major types of support costs are:

	2013	2012
	£	£
Proportion of SU officer accommodation	40,000	40,000
Facilities	463,475	441,396
Vehicles, transport, insurance, maintenance	192,019	181,648
TOTAL	695,494	663,044

Included within staff costs above are support staff of £348,769 (2012 - £334,885).

Restatement:

In the previous year, the facility costs were shown as costs of generating funds and the centrally held costs were allocated across the charitable activities for students. An adjustment was made this year, to allocate a proportion of the rental charge from the university to bars and the remaining facilities and centrally held costs to all charitable activities for students other than bars and post office costs, because it is believed that this more accurately reflects the costs that each student service incurs.

The change has resulted in £437,692 being reallocated from costs of generating income to charitable activities and the 2012 figures reflect these restated values.

University of Bath Students' Union
 NOTES TO THE FINANCIAL STATEMENTS (*continued*)
 for the year ended 31 July 2013

3 OPERATING CHARGES

Net income for the year is stated after charging:

	2013	2012
	£	£
Auditor's remuneration – as auditor	7,500	7,500
Auditor's remuneration – other	3,000	2,750
Depreciation	17,497	23,569
Operating lease charges		
- Plant and machinery	26,864	38,208
	<u>26,864</u>	<u>38,208</u>

4 STAFF COSTS

The average number of staff employed by the charity during the financial year was:

	2013	2012
	No	No
SU Officers	5	5
Union Staff	30	30
	<u>35</u>	<u>35</u>

The aggregate payroll costs of the above were:

	2013	2012
	£	£
Wages and salaries	1,110,114	1,047,517
Social security costs	118,324	55,523
Other pension costs	63,140	102,073
	<u>1,291,578</u>	<u>1,205,113</u>

The number of employees earning over £60,000 were:

£70,001- £80,000	1	1
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The Union does not directly employ staff, all wages and salaries included within these accounts are recharged from the University of Bath.

The Trustees of the Union include the SU Officers. The SU Officers receive remuneration for their services as provided for within the Constitution. The aggregate amount payable under such contracts in the year was £76,992 (2012: £75,701). No expenses were claimed by Trustees.

University of Bath Students' Union
 NOTES TO THE FINANCIAL STATEMENTS (*continued*)
 for the year ended 31 July 2013

5 TANGIBLE FIXED ASSETS

	Equipment £	Motor vehicles £	Total £
COST			
At 1 August 2012	363,510	2,846	366,356
Additions	18,552	-	18,552
	<u> </u>	<u> </u>	<u> </u>
At 31 July 2013	<u>382,062</u>	<u>2,846</u>	<u>384,908</u>
DEPRECIATION			
At 1 August 2012	345,076	2,846	347,922
Charge for the year	17,497	-	17,497
	<u> </u>	<u> </u>	<u> </u>
At 31 July 2013	<u>362,573</u>	<u>2,846</u>	<u>365,419</u>
NET BOOK VALUE			
At 31 July 2013	<u>19,489</u>	<u>-</u>	<u>19,489</u>
At 31 July 2012	<u>18,434</u>	<u>-</u>	<u>18,434</u>

6 INVESTMENTS

		£
COST		
At 1 August 2012 and 31 July 2013		661
NET BOOK VALUE		
At 1 August 2013 and 31 July 2013		661

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

Name of Company	Main Trading Activity	Equity Held
NUS Services Limited	Purchasing Services	
A Shares		0.33%
B Shares		0.20%
BUSU Services Limited	Dormant	100%

At 31 July 2013 the aggregate capital and reserves of BUSU Services Limited were £1 (2012 - £1) and its profit after tax for the year then ended was £nil (2012 - £nil).

University of Bath Students' Union
 NOTES TO THE FINANCIAL STATEMENTS (*continued*)
 for the year ended 31 July 2013

7 DEBTORS

	2013 £	2012 £
Trade debtors	6,456	22,557
Other debtors	27,738	16,128
Prepayments and accrued income	43,165	99,424
	<u>77,359</u>	<u>138,109</u>

8 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £	2012 £
Trade creditors	27,000	81,047
University of Bath	146,403	77,606
Accruals and deferred income	13,500	54,747
	<u>186,903</u>	<u>213,400</u>

9 PENSIONS

The University of Bath Students' Union does not directly employ staff. All staff are employed by the University of Bath who then recharge the Union for the use of these staff. Staff are eligible to join either the Bath & North East Somerset Local Government Pension Scheme or the Universities Superannuation Scheme. Details relating to both of these schemes are included in the accounts of the University.

10 UNRESTRICTED RESERVES

	General fund £	Designated Club & Societies £	Total £
Balance brought forward	270,161	22,801	292,962
Retained surplus for the financial year	84,812	-	84,812
Transfer	(2,397)	2,397	-
Transfer to Club Asset Reserve	3,051	-	3,051
	<u>355,627</u>	<u>25,198</u>	<u>380,825</u>

The balance in the designated fund relates to club and society income not expended in the year. The transfer from the general fund represents the amount needed to equate the fund to the known carried forward as per the Clubs & Societies management information.

University of Bath Students' Union
 NOTES TO THE FINANCIAL STATEMENTS (*continued*)
 for the year ended 31 July 2013

11 RESTRICTED RESERVES

	Alumni	Student	Sports	Club Asset	Total
	£	Development	Club	Reserve	£
		£	Funding	£	
			£		
Balance brought forward	61,670	47,435	38,577	8,005	155,687
Incoming resources	56,068	136,404	728,523	-	920,995
Expenditure	(69,498)	(136,828)	(710,201)	-	(916,527)
Transfer	-	-	-	(3,051)	(3,051)
Balance carried forward	48,240	47,011	56,899	4,954	157,104

Alumni funds are transferred from the University of Bath Alumni Fund to the Students' Union and represent successful funding bids by various student groups within BUSU.

The Student Development fund is monies granted specifically to BUSU to support the Bath Award accreditation scheme and student enterprise.

Sports Club Funding is funding received by BUSU for the purpose of supporting specific sports clubs activity.

Club Asset Reserve represents the net book value of capital assets purchased by Sports Clubs.

SCP (Student Community Partnership) is a joint venture between University of Bath, Bath & North East Somerset Council and Bath Spa University to promote positive community relationships between the Universities and local residents. This activity was transferred to the direct management of the University of Bath during 2011/2012 resulting in the transfer of residual funding. This activity is due to be transferred back to the Union for 2013/14.

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 July 2013 are represented by:	Unrestricted	Designated	Restricted	Total
	£	£	£	£
Tangible assets	14,535	-	4,954	19,489
Investments	661	-	-	661
Current assets	527,334	25,198	152,150	704,682
Current liabilities	(186,903)	-	-	(186,903)
Total net assets	355,627	25,198	157,104	537,929

University of Bath Students' Union
 NOTES TO THE FINANCIAL STATEMENTS (*continued*)
 for the year ended 31 July 2013

13 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2013 BUSU had annual commitments under non-cancellable operating leases as set out below:

Assets other than land and buildings

	2013	2012
	£	£
Operating leases which expire:		
In less than 1 year	8,647	6,264
Within 2 to 5 years	18,218	32,016
	<u>26,865</u>	<u>38,280</u>

14 RELATED PARTY TRANSACTIONS

BUSU became a registered charity on 29 July 2011 but previously derived charitable status from its governing parent body, the University of Bath. BUSU is in receipt of a recurrent grant from the parent body of £1,072,000 (2012: £921,332).

BUSU occupies a University building under an informal licence. BUSU is charged by the University a contribution to the costs of maintaining the building. The amount charged in the year was £343,280 (2012: £343,280). This is a notional charge to the Statement of Financial Activities for which equivalent income is shown within 'Donations and grants'.

The University also pays all wages and salaries on behalf of BUSU and recharges them accordingly.

15 CONTROLLING PARTY

BUSU is controlled by the Board of Trustees comprising the SU Officers, who are subject to democratic election by the voting membership of BUSU, and non-executive Trustees who are appointed by a simple majority of the Board of Trustees. The ultimate control of BUSU is vested under the Articles of Governance in the Board of Trustees. As such no single person or entity controls BUSU as defined by Financial Reporting Standard 8.