

University of Southampton Students' Union  
Annual Report and Accounts for the year ended 31 July 2015

**University of Southampton Students' Union**

A company limited by guarantee

**Trustees' report and financial statements**

31 July 2015

Company registration number            08034371

Charity registration number            1148683

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University of Southampton Students' Union  
Annual Report and Accounts for the year ended 31 July 2015

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**Trustees and advisers**

**Sabbatical Trustees**

Benjamin Franklin (President) (appointed 01 July 2015)  
Kerry Sclater (appointed 01 July 2015)  
Samuel Bailey (appointed 1 July 2015)  
James Wilson (appointed 01 July 2015)  
Shruti Verma (appointed 01 July 2015)  
Hannah Talbot (appointed 01 July 2015)  
Anjit Aulakh (appointed 1 July 2014, term concluded 30 June 2015)  
Katharine Lightowler (appointed 1 July 2014, term concluded 30 June 2015)  
Eleanor Cawthera, (appointed 1 July 2014, term concluded 30 June 2015)  
Megan Downing, (appointed 1 July 2014, term concluded 30 June 2015)  
Rebecca Thomas, (appointed 1 July 2013, term concluded 30 June 2015)  
David Mendoza-Wolfson, (former President) (appointed 1 July 2013, term concluded 30 June 2015)

**Student Trustees**

Jade Head (appointed 1 July 2013, term concluded 30 June 2015)  
Lydia Butler (appointed 1 July 2014, term concluded 30 June 2015)  
Leon Rea (appointed 1 July 2014, term concluded 30 June 2015)  
William Yeong (appointed 1 July 2014, term concluded 30 June 2015)  
Lauren Baugh (appointed 1 July 2015)  
Caitlin Doyle (appointed 1 July 2015)  
Amy Paraskeva (appointed 1 July 2015)  
Alex Hovden (appointed 1 July 2015)  
Rhys Thomas (appointed 1 July 2015)  
Nathaniel Jenkins (appointed 24 October 2014)

**External Trustees**

Mark Beattie  
Nigel Coopey  
Jo Ash (Peta Joyce Ash)  
Ann-Marie Drummond (appointed 19 October 2015)

**Registered Office**

University of Southampton Students' Union  
Southampton  
Hampshire  
SO17 1BJ

**Senior Leadership**

Scott McCarthy - Chief Executive and Company Secretary  
Anthony Addison - Director of Union Services  
Nickola Moore - Director of Engagement  
Charles Keene - Director of Operations

**Auditors**

Crowe Clark Whitehill LLP  
Aquis House  
49-51 Blagrove Street  
Reading  
RG1 1PL

**Bankers**

Lloyds Group Plc  
1st Floor 3 Town Quay  
Southampton  
SO14 2AQ

# University of Southampton Students' Union

## Annual Report and Accounts for the year ended 31 July 2015

### Trustees' Report

The board of trustees, who are also Directors of the Union, present their annual report for the year ended 31 July 2015 under the Companies Act 2006 and the Charities Act 2011, together with the audited financial statements for that year. The financial statements comply with the Companies Act 2006, the Union's governing document and with the relevant Statement of Recommended Practice (the Charities SORP 2005).

### DIRECTORS' REPORT

#### Structure, governance and management

##### a) Constitution

The Union was first established in the Charter of the University of Southampton which specifies that "there shall be a Union of Students of the University". SUSU is incorporated as a company limited by guarantee and registered as a charity. The Laws, which previously governed the Union, were replaced by the Memorandum and Articles of Association. Union Council approves from time to time a set of Rules which replaced the old Standing Orders.

##### b) Method of appointment or election of Trustees

The management of the Union is the responsibility of the Trustees who are elected and appointed under the terms of the Rules. All of the Sabbatical and Student Trustees are elected by a ballot of all full members of the Union. All of these trustees operate a 12 month term of office from 1 July to the following 30 June, unless re-elected.

The Union is grateful for the contributions of our external trustees, who are appointed by Union Council. The Trustees have recruited a fourth external trustee as approved by Union Council.

##### c) Policies adopted for the induction and training of Trustees

All Trustees receive appropriate induction and on-going training to support them in their roles. Their formal induction training programme covers basic knowledge around "Good Governance", "The Responsibilities and Duties of a Trustee", "Developing your Skills", "Finance for Trustees", "Diversity" and "The work of the Trustee Board" and includes a day of team-building and focussing on the Union's strategy. We also provide one to one support to officers alongside access to a wealth of guidance documents and historic information.

##### d) Organisational structure and decision making

The General Meeting is the governing body of the Union and, subject to the Rules of the Union, has the power to make policy in the name of the Union. Union Council and referendum also have the power to make policy in the name of the Union subject to the Rules. We also hold an Open Union Council which allows any member to get involved in deciding policy, as set out in the Articles of Association.

Eight Zones covering broad areas provide a forum for students with similar interests to work together and organise activities and campaigns. The Zones are: Democracy, Sustainability, Student Communities, Creative Industries, Education, External Engagement, Sport and Student Life.

The Trustee Board is responsible for overseeing the management and administration of the Union. They have ultimate responsibility for the governance, budget and employment issues of the Union and the strategic direction of the Union, much of which is delegated to officers and staff. The Trustee Board also delegates relevant decisions to a subcommittee that covers in more detail between full Trustee Board meetings the areas of Finance, Union Services, Staffing, Communications, Marketing and Technology.

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##### e) Relationship with the non-charitable subsidiary

The charity has a wholly owned non-charitable subsidiary, SUSU Social Enterprises Limited, which was incorporated to carry out the non-member trading of the Union. Further details are shown on the balance

# University of Southampton Students' Union

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sheet and accompanying notes to the accounts. Net profits from this company are donated to the charity under Gift Aid, to leave no taxable profits in the trading company.

### f) Relationship with University of Southampton

The relationship between the University of Southampton and the Union is established in the University Charter and detailed in the constitutions of both organisations. In July 2015 the Union President and Vice Chancellor re-signed a Relationship Agreement which outlines how important the on-going relationship is.

The Union receives both a block grant based on the full time equivalent number of students registered at the University and other funding on a project-by-project basis. All other transactions between the two parties are carried out on a commercial basis.

There is no reason to believe that this or equivalent support from the University will not continue for the foreseeable future.

## STRATEGIC REPORT

### Objectives and Activities

#### a) Policies and objectives

As stated in the Articles of Association, the Union's objectives are the advancement of education of students at the University of Southampton for the public benefit by:

1. promoting the interests and welfare of members at the University of Southampton during their course of study and representing, supporting and advising members;
2. being the recognised representative channel between members and the University and any other relevant external bodies;
3. providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its members;
4. promoting and facilitating students' involvement in their wider community; and
5. raising funds for other charitable organisations.

The Objects are to be carried out in complete independence of all religious and political groups and in such a manner so as not to discriminate unreasonably between members.

The Trustees confirm that they have complied with the duty in Section 17 (5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit.

#### b). Strategies for achieving objectives

SUSU has continued to deliver against the Union Plan to 2015 during the course of 2014-15. This ambitious strategy is based on enhancing our impact on students' lives and seeks to deliver our mission of unlocking the potential and enriching the life of every student. This approach is increasingly important to ensure their readiness for the challenges after they have left University.

The Union Plan is backed up by individual plans for each Sabbatical Officer (approved by Union Council), Departmental Plans for every staff team and specific strategies developed by the senior leaders and approved by the Trustee Board for key areas of impact. In addition the Trustees approve the Union's Year Operating Plan, which identifies key priorities for the organisation for the year ahead.

#### c) Activities for achieving objectives

We provide offers, services, and representation for our members across five main areas:

- 1) Opportunities (Clubs, Societies, Sports, Arts, Funding, Social)
- 2) Events (Entertainment, Participation, Social, Sustainability)

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- 3) Support (Advice, Welfare, Safety, Training)
- 4) Places (Entertainment, Consumer, Social, Meeting)
- 5) Representation (Education, Internal, External, Support)

Our strategic intent is to deliver high quality services targeted at the full membership to establish some level of meaningful engagement with each member. We make decisions based on communication with members, insight, and strive to focus the vast majority of our resources outward on the membership.

### Financial review

#### a. Grant making policies

SUSU gives grants to many of its affiliated clubs and societies to help them to pursue their goals. Funding is awarded against key criteria by the relevant Committee.

#### b. Reserves policy

The reserves policy of the University of Southampton Students' Union is to maintain a level of unrestricted cash funds excluding those committed to or invested in tangible assets, which will enable the Union to maintain the day to day operations of the Union for a period of at least 3 months and have the ability to adjust, in a measured way, to any significant changes in resources. This target equates to approximately £650,000 of operating costs compared with a free reserves value of £85,000. The Union is working towards building adequate levels of cash funds over a few years.

#### c. Principal funding

The University of Southampton provides SUSU with an unrestricted block grant each year. For the year 2014-15 this amounted to £2,380,000 (2013/2014: £2,361,551). The University made restricted grants to the Union for the Halls Committees (formerly known as Junior Common Room) of £113,220 (2014: £94,527) and contributions towards the cost of fixed asset purchases of £25,016 (2014: £13,325). The Union received a grant from the NUS Green Fund of £81,805 (2014: £74,988) specifically to fund the BEES project.

#### d. Material investments policy

In deciding how and where to invest any surplus funds, it is SUSU's policy to take a risk averse stance, give due consideration to current Union Council directives and maximise returns on investments within the parameters set out therein.

On a daily basis, surplus operating money will be held in interest bearing bank deposit accounts. Moneys may be held in a range of longer term deposits, limited to a maximum term of 12 months and will be for no more than £250,000 in any single account or institution. Deposits over £100,000 or deposits made for periods longer than 6 months need approval from Trustee Sub Committee. There will always be sufficient money held on call to meet the financial requirements of SUSU for a period of one month; this is referenced to internal cash flow forecasting.

Any requests for an overdraft or long term loan facility from banks must be approved by the Trustee Board. There will be no investments in shares, gilts or bonds which are openly traded on the stock markets. Shares, gilts or bonds may be held in companies with a direct connection to the aims of the Charity subject to confirmation of the ability of the invested entity to provide returns on the Union's investments. No money will be deposited outside of the UK. The amounts of deposits are included within the Union's management accounts.

#### e. Overall performance

SUSU's gross income from all sources totalled £7,541,375 (2014: £7,469,150) against total expenditure of £7,536,487 (2014: £7,450,862). We operate a broadly balanced budget to provide a wide range of student benefits and as a result created an overall surplus of £4,888 in 2015 (2014: surplus £18,288). The total of all SUSU reserves increased from £1,399,423 to £1,404,311.

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Revenues remained broadly level from the previous year (2014: increased 2%) mostly as a result of an overpriced Grad Ball and reducing footfall in the Union's retail outlets following the construction of halls of residence away from the campus and the appearance of third party retail outlets in or near halls of residence.

The Trustees have agreed that the financial performance for the year 2014-15 was adequate and have instructed that steps are to be taken to increase the liquid reserves to match the existing policy as soon as practicable.

### PLANS FOR THE FUTURE

The Union Southampton has set an ambitious target to be ranked as one of the top five unions in the UK by the year 2020. We will do this by making significant change and improvements in two main areas;

1. Improving the effectiveness and capacity of the organisation; and
2. Shifting our focus outward to reach a significantly higher percentage of our members in a more meaningful engagement pathway.

Specific plans/projects include:

#### Organisation

1. We are completing a review of our internal and external communications plans with a view to launching in May 2016.
2. We plan to make our organisation much easier to understand and navigate through automation and training.
3. We are completing a Brand Review which will probably yield a new name, brand, and associated materials and will be completed in May 2016.
4. We are launching a formal customer service training programme for all staff in the summer of 2016.
5. We are completing a root and branch democracy review and will introduce a new system in June 2016 which will promote much wider participation in the process.
6. We are completing a feasibility study on our Building which will yield a new consolidated facility and a refurbishment in 2018 which will completely regenerate our operations.
7. We are reviewing our financial model with a view to strengthening our ability to spend more funding directly on students and also to shore up our capital spend.
8. We are reviewing and automating all systems to increase productivity through innovation.
9. We are working to eliminate the broken windows (mistakes) in our everyday activities.

#### Reach

1. We have an emerging Insight programme in place to allow us to make better informed decisions in the future.
2. We are in discussions with the University about upgrading the sports programme in a jointly funded strategy.
3. We have greatly enhanced our operations at the WSA and continue to build our presence and support there day by day.
4. We are developing clear engagement pathways to ensure our actions and successes are not lost – there needs to be a connected strategy.
5. We have renamed and relaunched our Hall Committees and expect the new structure to yield a closer engagement with first years to start them on the path.
6. We are holding regular events at Southampton General Hospital to help our Medical Student community better through the stresses facing Junior Doctors and career choices

# University of Southampton Students' Union

## Annual Report and Accounts for the year ended 31 July 2015

### **SUSU Annual Review 2014-15**

#### Student Life Zone:

- The Peer Support scheme was launched, with over 30 student peer supporters trained and offering advice through a drop-in service at the Advice Centre and on Twitter and Facebook.
- We advised hundreds of students at the Housing Fayre, ran the Don't Rush Housing Campaign in which 15 Lettings Agencies agreed not to pressure 1st years into signing in the first term, and since September SUSU Lettings have placed over 230 students into houses.
- 1243 students used the safety bus to get home safely at night during Hartley Library 24-hour opening period.
- We are tackling attitudes towards mental health with the Elephant in the Room anti-stigma campaign featuring a large model elephant, with materials signposting students to the support available, and a video filmed for us by Olympic athlete Kelly Holmes.
- To improve student wellbeing, we organised Stress Less Fest in the exam revision periods and Wellbeing Wednesdays with activities on the 'redbrick', as well as Student Survival and Chill Out events during Freshers' week.
- We delivered the Student Survival and Chill Out Thursday events during Freshers' week to introduce new students to the ways in which SUSU and external bodies, such as the fire brigade are looking after their welfare in Southampton.

#### Creative Industries Zone:

- We began the year with the Creative Industries Induction that saw attendance from over 60 society presidents and committee members who are part of the Creative Industries Zone.
- Union Films sold 7,455 tickets by January and are well on track to hit their 8,000 target for the year. This was helped by their hugely successful premiere event for The Hunger Games: Mockingjay Part 1, which saw 2,688 people attend in November.
- We delivered the hugely successful Creative Industries Career Season in which 16 events were held across a two week period - launched with a talk from Lohan Presencer, a University of Southampton alumnus and the CEO of Ministry of Sound.
- The Curtain Call Awards recognised the fantastic achievements of our Performing Arts societies. Out of 7 nominations, our societies won two awards: Best Supporting Actress in a Comedy or Comic was given to Kae Yeboah for her role of Madame Arcati in Theatre Group's Blithe Spirit, and Showstopper's Ruthie Pinion won Best Choreographer for Little Shop of Horrors.
- We re-launched the Wessex Scene and The Edge's website with new designs, allowing them to encourage new writers into their publications and increase traffic on both websites.
- We welcomed 2020 casting to the Union in October, which saw 380 students audition for roles as extras in the new Mission Impossible Five movie!

#### Democracy Zone:

- We completely revolutionised the way in which we marketed this year's Union elections with an entire rebrand and new marketing strategy. The level of candidate support and whole new look made this year one of the best yet with lots of positive feedback from the campaign.
- We facilitated the Student Leader Review through a high level of student consultation. The redefined Student Leadership team started in June 2015, and we are currently planning the first Student Leader Forum.
- We ran a successful stall during Freshers' week to inform students about Democracy in the Union, including all the many ways they can get involved.
- We have run the largest set of elections ever by the Union, which concluded in October 2014, seeing Course Reps, JCRs and many more positions filled.

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#### Education Zone:

- This year we have increased the proportion of Course Representatives who were trained to 67%, to ensure they can fulfil their roles successfully and represent their peers effectively.

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- We opened the library for 24 hours during the January exam period, allowing students to study in a time and a way that suits them and this trial has also been repeated for the summer exams.
- We supported the University with the QAA review, which has led to a complete audit of all additional course costs across the University so that these costs are published by September for current students and prospective ones.
- We have completely re-written the Academic representation policy so that the elected representatives can be even more effective by tailoring the policy for each faculty.

### Sports Development:

- We got our first win on Portsmouth soil for Varsity 2015 beating Portsmouth 188-104. We also had more attendees than ever with 1250 people travelling over to Portsmouth, 400 more than the last time we were there.
- Focus Sports has been increased to include 10 sports. These sports receive tailored strength and conditioning training through the scheme.
- We have been building on the Team Southampton brand and now have kit on sale from the 'Shop on Top' and online.
- We held our first ever Coaches' forum to encourage Coach input to the way we run sports here at Southampton. Their experience and input has been valuable and will continue to be so.

### Student Communities:

- Over 100 students came to our Winchester RE-Union event to discuss the future of WSA and what SUSU can do for them.
- We welcomed Juliette Bijoux in the new role of Winchester School of Arts Union Officer. Her role will be to continue to create closer ties between students on our Winchester and Southampton campuses.
- We worked with new residences to help move the pre-sessional students into their new accommodation.
- We worked with the JCR to welcome new students to the University of Southampton and celebrated their hard work with an eventful JCR awards ceremony.

### Sustainability:

- 98 students are now trained as Business Ethics & Environment Student Volunteers (BEES) and are promoting sustainable business practise in the city by providing ethical and environmental solutions to 23 organisations.
- To improve students' employability, we've created a plan for employability in collaboration with University Careers; featuring Linked in Lab drop in's and the set-up of a SUSU Recruitment agency.
- We worked with 15 external stakeholders to organise the end of year 'Shift your Stuff' project which enables students to recycle their unwanted items on the doorstep of their student houses.
- 1000 copies of a Wessex Scene special edition for LGBT history month were distributed to raise awareness, as well as a launch event, a lecture, and 3 film screenings. 205 students took part in this year's Blackout event in November, reminding University staff to switch off their electrical items at the end of the day.

### External Engagement:

- We organised multiple events with local residents including a free curry night and street party on Gordon Avenue to welcome new students moving to the area and create a really positive community feel.
- RAG organised its first ever Jailbreak, in conjunction with Enactus. 80 students travelled as far away as possible with no money, raising a whopping £8.5k for charity.
- We celebrated our students volunteering a total of 97,108 hours every year contributing £762,298 to the UK economy and over 200 of our students volunteered as part of Student Volunteering Week.
- We launched an £18,000 campaign, "Your Vote, Your Voice" to get students registered to vote and actually voting, ensuring the student voice is loud and clear in Southampton when it comes to choosing who runs our country in the General Election.
- We secured match funding from Santander for money raised for RAG during the Big Give, doubling what we raise for our three main charities (WaterAid, Teenage Cancer trust, and Solent Mind) and truly changing lives.

# University of Southampton Students' Union

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- We worked with the Police on developing great volunteering opportunities for our students, working on initiatives to keep students safe in the city and keep improving relations with local residents.

### **Risk management**

The Trustees regularly assess, mitigate and monitor the major risks to which the Union is exposed, in particular those related to the operations, finances and reputation of the Union, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

### **Charitable status**

The Union is registered as a charity and as a company limited by guarantee.

### **Employee involvement**

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings regular electronic updates from the senior leaders and have been kept informed on specific matters directly by management. We run a staff survey in December each year. The Union offers exit interviews for all core staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

In accordance with the Union's new Equality & Diversity Policy, the Union has a long established fair employment practices in the recruitment, selection, retention and training of staff and we proudly display the newly acquired status of Investors In People Silver award.

### **Conclusion**

SUSU is a strong, member led organisation, where students continually develop our activity. As we work through our ambitious plans, we are satisfied with the impact we are having on our students' lives. We are not complacent, and see our strength in continuing to support our members to achieve their goals. We have recently completed our Vision 2020 Plan which will lay out our ambitious plans for the future.

### **Trustees' statement**

So far as each of the trustees and directors is aware, at the time the report is approved:-

- there is no relevant audit information of which the company's auditors are unaware; and
- each trustee has taken all steps that they ought to have taken as trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

### **Auditors**

Crowe Clark Whitehill LLP have expressed their willingness to continue in office as auditors and a motion proposing their reappointment will be submitted to the forthcoming Annual General Meeting.

The Trustees Report, under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 05 April 2016 including approving, in their capacity as company directors, the Strategic Report contained therein and is signed as authorised on its behalf by:



**Samuel Bailey**

Trustee

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**Statement of Trustees' Responsibilities in respect of the Trustees' annual report and the financial statements**

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

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**Independent auditor's report to the members of University of Southampton Students' Union**

We have audited the financial statements of University of Southampton Students' Union for the year ended 31 July 2015 as set out on pages 12 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of Trustees' Responsibilities on page 10, the trustees (who are also the directors of the charitable company for the purpose of company law) 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 July 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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

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

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

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

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



Alastair Lyon (Senior Statutory Auditor)

For and on behalf of Crowe Clark Whitehill LLP, Statutory Auditor

Date: 5 April 2016

Chartered Accountants, Reading

Crowe Clark Whitehill LLP is eligible to act as an auditor in terms of section 1212 of the

Companies Act 2006.

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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2015 (including Income & Expenditure Account)**

|  | Note | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | 2015<br>£        | 2014<br>£        |
|--|------|----------------------------|--------------------------|------------------|------------------|
| <b>INCOMING RESOURCES</b>  |      |                            |                          |                  |                  |
| <b>Incoming Resources from Generated Funds</b>                     |      |                            |                          |                  |                  |
| <b>Voluntary Income</b>  |      |                            |                          |                  |                  |
| University Grants  |      | 2,380,000                  | 138,236                  | 2,518,236        | 2,457,070        |
| Grant in kind from University                                      |      | 322,000                    | -                        | 322,000          | 322,000          |
| External grants  |      | -                          | 81,805                   | 81,805           | 74,988           |
| <b>Activities for generating funds</b>                             |      |                            |                          |                  |                  |
| Rental income  |      | 21,091                     | -                        | 21,091           | 35,242           |
| Sponsorship and marketing income                                   |      | 161,936                    | -                        | 161,936          | 76,860           |
| Investment income - interest receivable                            |      | 3,760                      | -                        | 3,760            | 10,081           |
| <b>Incoming Resources from Charitable Activities for Students:</b> |      |                            |                          |                  |                  |
| Bars   |      | 1,011,246                  | -                        | 1,011,246        | 887,693          |
| Catering   |      | 716,090                    | -                        | 716,090          | 755,635          |
| Events   |      | 316,964                    | -                        | 316,964          | 288,246          |
| Shops  |      | 2,030,874                  | -                        | 2,030,874        | 2,211,649        |
| Lettings   |      | 26,711                     | -                        | 26,711           | 1,834            |
| Student activities   |      | 124,736                    | 84,220                   | 208,956          | 272,463          |
| Student services   |      | 59,174                     | -                        | 59,174           | 70,751           |
| Other incoming resources   |      | 62,532                     | -                        | 62,532           | 4,638            |
| <b>Total incoming resources</b>                                    |      | <b>7,237,114</b>           | <b>304,261</b>           | <b>7,541,375</b> | <b>7,469,150</b> |
| <b>RESOURCES EXPENDED</b>  |      |                            |                          |                  |                  |
| <b>Charitable activities for students</b>                          |      |                            |                          |                  |                  |
| Bars   |      | 885,007                    | -                        | 885,007          | 925,698          |
| Catering   |      | 1,247,116                  | -                        | 1,247,116        | 1,223,318        |
| Events   |      | 320,317                    | -                        | 320,317          | 295,244          |
| Shops  |      | 2,090,820                  | -                        | 2,090,820        | 2,211,117        |
| Lettings   |      | 78,296                     | -                        | 78,296           | 51,267           |
| Student activities   |      | 1,119,352                  | 289,714                  | 1,409,066        | 1,349,075        |
| Student representation   |      | 1,363,205                  | -                        | 1,363,205        | 1,266,783        |
| Student services   |      | 111,702                    | -                        | 111,702          | 113,730          |
| Governance costs   | 4    | 30,958                     | -                        | 30,958           | 14,630           |
| <b>Total resources expended</b>                                    | 2    | <b>7,246,773</b>           | <b>289,714</b>           | <b>7,536,487</b> | <b>7,450,862</b> |
| <b>Net (outgoing)/ incoming resources for the year</b>             |      | <b>(9,659)</b>             | <b>14,547</b>            | <b>4,888</b>     | <b>18,288</b>    |
| Funds balance brought forward at the start of the year             |      | 1,010,634                  | 388,789                  | 1,399,423        | 1,381,135        |
| <b>Total funds carried forward</b>                                 | 14   | <b>1,000,975</b>           | <b>403,336</b>           | <b>1,404,311</b> | <b>1,399,423</b> |

All activities relate to continuing operations

The Consolidated Statement of Financial Activities contains all gains and losses recognised in the year

Resources expended include apportionment of Union overhead expenses based on numbers of full time equivalent staff employed in each area.

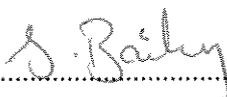
The notes on pages 16 to 24 form part of these financial statements

University of Southampton Students' Union  
Annual Report and Accounts for the year ended 31 July 2015

**CONSOLIDATED BALANCE SHEET**

|   | Note | 2015<br>£ | 2014<br>£ |
|---|------|-----------|-----------|
| <b>Fixed assets</b>                                   |      |           |           |
| Tangible assets                                       | 9    | 1,043,454 | 979,036   |
| <b>Current assets</b>                                 |      |           |           |
| Stocks  | 11   | 119,781   | 121,988   |
| Debtors   | 12   | 387,552   | 251,748   |
| Cash at bank and in hand                              |      | 804,617   | 475,358   |
|   |      | 1,311,950 | 849,094   |
| <b>Creditors: Amounts falling due within one year</b> | 13   | (951,093) | (428,707) |
| <b>Net current assets</b>                             |      | 360,857   | 420,387   |
| <b>Total assets less liabilities</b>                  |      | 1,404,311 | 1,399,423 |
| <b>Charitable Funds</b>                               |      |           |           |
| Restricted funds                                      | 14   | 403,336   | 388,789   |
| Unrestricted funds:                                   |      |           |           |
| - Designated funds                                    | 14   | -         | 12,677    |
| - General funds                                       | 14   | 1,000,975 | 997,957   |
| <b>Total funds</b>                                    |      | 1,404,311 | 1,399,423 |

These financial statements were approved and authorised for issue by the Trustees and were signed on their behalf on 05 April 2016

  
.....

**Samuel Bailey**  
Trustee

The notes on pages 16 to 24 form part of these financial statements.

University of Southampton Students' Union  
Annual Report and Accounts for the year ended 31 July 2015

**UNION BALANCE SHEET**

(company number: 08034371)

|   | Note | 2015<br>£        | 2014<br>£        |
|---|------|------------------|------------------|
| <b>Fixed assets</b>                                   |      |                  |                  |
| Tangible assets                                       | 9    | 1,041,579        | 976,703          |
| Investments   | 10   | 100              | 100              |
|   |      | <u>1,041,679</u> | <u>976,803</u>   |
| <b>Current assets</b>                                 |      |                  |                  |
| Stocks  | 11   | 119,781          | 121,988          |
| Debtors   | 12   | 457,238          | 275,217          |
| Cash at bank and in hand                              |      | 723,650          | 468,160          |
|   |      | <u>1,300,669</u> | <u>865,365</u>   |
| <b>Creditors: Amounts falling due within one year</b> | 13   | (939,912)        | (423,422)        |
| <b>Net current assets</b>                             |      | <u>360,757</u>   | <u>441,943</u>   |
| <b>Total assets less liabilities</b>                  |      | <u>1,402,436</u> | <u>1,418,746</u> |
| <b>Charitable Funds</b>                               |      |                  |                  |
| Restricted funds                                      |      | 403,336          | 388,789          |
| Unrestricted funds:                                   |      |                  |                  |
| - Designated funds                                    |      | -                | 12,677           |
| - General funds                                       |      | 999,100          | 1,017,280        |
| <b>Total funds</b>                                    |      | <u>1,402,436</u> | <u>1,418,746</u> |

These financial statements were approved and authorised for issue by the Trustees and were signed on their behalf on 05 April 2016

  
.....

**Samuel Bailey**  
Trustee

The notes on pages 16 to 24 form part of these financial statements.

University of Southampton Students' Union  
Annual Report and Accounts for the year ended 31 July 2015

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2015**

|  | 2015                  | 2014                    |
|--|-----------------------|-------------------------|
|  | £                     | £                       |
| Net cash inflow/ (outflow) from operating activities | 622,850               | (889)                   |
| Investment income: interest received                 | 3,760                 | 6,313                   |
| Capital expenditure: purchase of fixed assets        | (299,106)             | (188,242)               |
| Proceeds of sale of fixed assets                     | 1,755                 | -                       |
| <b>Increase/ (decrease) in cash in the year</b>      | <b><u>329,259</u></b> | <b><u>(182,818)</u></b> |

**Reconciliation of operating surplus to net cash inflow/ (outflow) from operating activities**

|  |                       |                     |
|--|-----------------------|---------------------|
| Net incoming resources for the year                | 4,888                 | 18,288              |
| Returns on investments and servicing of finance    | (3,760)               | (6,313)             |
| Add back: depreciation of tangible fixed assets    | 234,688               | 210,285             |
| Less: surplus on disposal of tangible fixed assets | (1,755)               | -                   |
| Decrease in stocks                                 | 2,207                 | 37,413              |
| (Increase) in debtors                              | (135,804)             | (17,639)            |
| Increase/ (decrease) in creditors                  | 522,386               | (242,923)           |
| <b>Net cash inflow/ (outflow) from operations</b>  | <b><u>622,850</u></b> | <b><u>(889)</u></b> |

**Reconciliation of net cash flow to net cash funds**

|  |                       |                       |
|--|-----------------------|-----------------------|
| Increase/ (decrease) in cash in the year           | 329,259               | (182,818)             |
| Other non-cash changes                             | -                     | -                     |
| Cash at bank and in hand at beginning of the year  | <u>475,358</u>        | <u>658,176</u>        |
| <b>Cash at bank and in hand at end of the year</b> | <b><u>804,617</u></b> | <b><u>475,358</u></b> |

The notes on pages 16 to 24 form part of these financial statements.

University of Southampton Students' Union  
Annual Report and Accounts for the year ended 31 July 2015

**ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

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

**1.2 Basis of consolidation**

The consolidated accounts include the trading activities, assets and liabilities of the group subsidiary company in accordance with the Charity SORP. Intra-group transactions and balances have been eliminated on consolidation.

As permitted by section 408 of the Companies Act 2006 and in accordance with paragraph 397 of the Charities SORP 2005, no separate Statement of Financial Activities has been presented.

Included within the group results is a deficit of £16,310 (2014: surplus £37,611) in respect of the Union.

**1.3 Going concern**

The Trustees consider that there is reasonable expectation that the Union has adequate resources to continue in operational existence for the foreseeable future and, for this reason they continue to adopt the going concern basis in preparing the annual financial statements.

**1.4 Fund accounting**

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Investment income, gains and losses are allocated in the appropriate fund.

**1.5 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the Union is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

University of Southampton Students' Union  
Annual Report and Accounts for the year ended 31 July 2015

**1 ACCOUNTING POLICIES (continued)**

**1.6 Resources expended**

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

Support costs are those costs incurred directly in support of expenditure on the objects of the Union and include project management carried out at Headquarters. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions that have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

**1.7 Tangible fixed assets and depreciation**

All assets costing more than £1,000 and with an expected useful life of over three years are capitalised.

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, on a straight line basis over their expected useful lives at the following rates:

|                        |   |            |
|------------------------|---|------------|
| Leasehold improvements | - | 8-10 years |
| Equipment              | - | 3-5 years  |
| Motor vehicles         | - | 5 years    |

Assets in the course of construction are not depreciated until they are brought into use.

Annually the trustees review the value of the assets recorded by the Union. They are satisfied that no assets require provision for impairment.

**1.8 Investments**

Investments are stated at the lower of cost and net realisable value.

**1.9 Operating leases**

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

**1.10 Stocks**

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

**1.11 Pensions**

The Union operates two defined benefits pension schemes. The schemes are both multi-employer schemes where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employees. Therefore, as required by FRS17 'Retirement benefits', the Union accounts for these schemes as if they were defined contribution schemes. The amount charged to the Statement of Financial Activities represents contributions payable to the schemes in respect of the accounting period.

University of Southampton Students' Union  
Annual Report and Accounts for the year ended 31 July 2015

**Notes to the financial statements**

**2 Charitable and other activity costs**

|                        | Staff            | Depreciation   | Other costs      | Support          | Total            | 2014             |
|------------------------|------------------|----------------|------------------|------------------|------------------|------------------|
|                        | £                | £              | £                | Costs            | £                | £                |
|                        |                  |                |                  | £                |                  |                  |
| Bars                   | 294,661          | 55,573         | 436,428          | 98,345           | 885,007          | 925,698          |
| Catering               | 354,846          | 50,146         | 393,999          | 448,124          | 1,247,116        | 1,223,318        |
| Events                 | 37,548           | 1,776          | 248,211          | 32,781           | 320,317          | 295,244          |
| Shops                  | 287,837          | 43,655         | 1,421,679        | 337,650          | 2,090,820        | 2,211,117        |
| Lettings               | 35,632           | 1,935          | 7,948            | 32,781           | 78,296           | 51,267           |
| Student activities     | 230,993          | 52,703         | 767,147          | 358,223          | 1,409,066        | 1,349,075        |
| Student representation | 458,057          | 28,298         | 183,735          | 693,115          | 1,363,205        | 1,266,783        |
| Student services       | 35,946           | 602            | 60,436           | 14,718           | 111,702          | 113,730          |
| Governance costs       | -                | -              | 30,958           | -                | 30,958           | 14,630           |
| <b>Total costs</b>     | <b>1,735,520</b> | <b>234,688</b> | <b>3,550,541</b> | <b>2,015,738</b> | <b>7,536,487</b> | <b>7,450,862</b> |

See Note 4 for Governance costs

**3 Support costs included in Note 2**

|                        | Staff            | Premises       | Marketing     | Other          | Total            | 2014           |
|------------------------|------------------|----------------|---------------|----------------|------------------|----------------|
|                        | £                | £              | £             | £              | £                | £              |
| Bars                   | 54,829           | 26,376         | 2,407         | 14,733         | 98,345           | 43,996         |
| Catering               | 249,838          | 120,185        | 10,968        | 67,133         | 448,124          | 200,473        |
| Events                 | 18,276           | 8,792          | 802           | 4,911          | 32,781           | 14,665         |
| Shops                  | 188,247          | 90,556         | 8,264         | 50,583         | 337,650          | 151,051        |
| Lettings               | 18,276           | 8,792          | 802           | 4,911          | 32,781           | -              |
| Student activities     | 199,717          | 96,073         | 8,768         | 53,665         | 358,223          | 143,921        |
| Student representation | 386,426          | 185,889        | 16,965        | 103,835        | 693,115          | 195,993        |
| Student services       | 8,206            | 3,947          | 360           | 2,205          | 14,718           | 54,182         |
|                        | <b>1,123,816</b> | <b>540,610</b> | <b>49,336</b> | <b>301,976</b> | <b>2,015,738</b> | <b>804,281</b> |

Premises costs include £322,000 (2014: £322,000) notional rent 'grant in kind' charged by the University.

**4 Governance costs**

|                                |                      | 2015          | 2014          |
|--------------------------------|----------------------|---------------|---------------|
|                                |                      | £             | £             |
| Audit of financial statements  | - parent company     | 11,475        | 11,140        |
|                                | - subsidiary company | 1,235         | 1,200         |
| Other remuneration to auditors | - tax compliance     | 600           | 850           |
| Legal fees                     |                      | 17,648        | 1,440         |
|                                |                      | <b>30,958</b> | <b>14,630</b> |

**5 Net movement in funds**

|  |                      | 2015    | 2014    |
|--|----------------------|---------|---------|
|  |                      | £       | £       |
| Depreciation of owned tangible fixed assets    |                      | 234,688 | 210,285 |
| (Surplus)/ deficit on disposal of fixed assets |                      | (1,755) | -       |
| Audit of financial statements                  | - parent company     | 11,475  | 11,140  |
|  | - subsidiary company | 1,235   | 1,200   |
| Other remuneration to auditors                 | - tax compliance     | 600     | 850     |

University of Southampton Students' Union  
Annual Report and Accounts for the year ended 31 July 2015

Notes to the financial statements (continued)

6 Staff costs

|                                  | 2015             | 2014             |
|----------------------------------|------------------|------------------|
|                                  | £                | £                |
| Wages and salaries               | 2,518,234        | 2,417,322        |
| Social security costs            | 121,118          | 111,545          |
| Employer's pension contributions | 270,167          | 264,930          |
| <b>Total costs</b>               | <b>2,909,519</b> | <b>2,793,797</b> |

The average number of employees during the year was:

|               | 2015       | 2014       |
|---------------|------------|------------|
|               | No.        | No.        |
| Core staff    | 99         | 108        |
| Support staff | 158        | 215        |
|               | <b>257</b> | <b>323</b> |

During the busiest month of the year we employed 327 students on four-weekly paid contracts.

The number of higher paid employees who were paid salaries in excess of £60,000 were:

|                   | 2015     | 2014     |
|-------------------|----------|----------|
|                   | No.      | No.      |
| In the bands:     |          |          |
| £60,001 - £70,000 | -        | 1        |
| £70,001 - £80,000 | 1        | -        |
|                   | <b>1</b> | <b>-</b> |

This employee is in the University's pension scheme at a cost of £11,948 (2014: £9,730)

7 Trustees' remuneration and expenses

In addition to their role as a trustee of the Union, the sabbatical trustees perform a full-time role for a year to be the voice of the students. They listen to how students want things to be done, work with the Union staff, the volunteers, community groups and the Board of Trustees to put the suggestions into practice. The sabbatical trustees are appointed on the 1st of July and serve until the following 30th June and thus do not serve throughout the financial year.

| Period of office              | Number of trustees | Individual remuneration | Total remuneration |
|-------------------------------|--------------------|-------------------------|--------------------|
| 01 August 2014 - 30 June 2015 | 2                  | 19,048                  | 38,096             |
| 01 August 2014 - 30 June 2015 | 4                  | 18,515                  | 74,060             |
| 01 July 2015 - 31 July 2015   | 6                  | 2,071                   | 12,426             |
|                               |                    |                         | <b>124,582</b>     |

The total trustee remuneration for the year ended 31 July 2014 was £120,952

During the year retirement benefits were accruing to four trustees (2014: four) in respect of a defined benefit pension scheme. No trustee received any benefits in kind during the year (2014: none).

During the year 5 trustees received reimbursement of travel expenses totalling £748 (2014: 10 trustees, £2,231)

8 Corporation and capital gains tax

The trustees consider that the Union satisfies the conditions of sections 478 and 479 Corporation Tax Act 2010 and accordingly no liability arises to UK corporation tax on its activities.

University of Southampton Students' Union  
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9 Tangible fixed assets - group

|                       | Leasehold<br>improve-<br>ments<br>£ | Equipment<br>£   | Motor<br>vehicles<br>£ | Total<br>£       |
|-----------------------|-------------------------------------|------------------|------------------------|------------------|
| <b>Cost</b>           |                                     |                  |                        |                  |
| At 01 August 2014     | 2,040,662                           | 968,182          | 35,000                 | 3,043,844        |
| Additions             | 157,781                             | 141,325          | -                      | 299,106          |
| Disposals             | -                                   | -                | (17,500)               | (17,500)         |
| At 31 July 2015       | <u>2,198,443</u>                    | <u>1,109,507</u> | <u>17,500</u>          | <u>3,325,450</u> |
| <b>Depreciation</b>   |                                     |                  |                        |                  |
| At 01 August 2014     | 1,333,195                           | 696,613          | 35,000                 | 2,064,808        |
| Charge for the year   | 170,228                             | 64,460           | -                      | 234,688          |
| On disposals          | -                                   | -                | (17,500)               | (17,500)         |
| At 31 July 2015       | <u>1,503,423</u>                    | <u>761,073</u>   | <u>17,500</u>          | <u>2,281,996</u> |
| <b>Net book value</b> |                                     |                  |                        |                  |
| At 31 July 2015       | <u>695,020</u>                      | <u>348,434</u>   | <u>-</u>               | <u>1,043,454</u> |
| At 31 July 2014       | <u>707,467</u>                      | <u>271,569</u>   | <u>-</u>               | <u>979,036</u>   |

Tangible fixed assets - Union

|                       | Leasehold<br>improve-<br>ments<br>£ | Equipment<br>£   | Motor<br>vehicles<br>£ | Total<br>£       |
|-----------------------|-------------------------------------|------------------|------------------------|------------------|
| <b>Cost</b>           |                                     |                  |                        |                  |
| At 01 August 2014     | 2,040,662                           | 965,682          | 35,000                 | 3,041,344        |
| Additions             | 157,781                             | 141,325          | -                      | 299,106          |
| Disposals             | -                                   | -                | (17,500)               | (17,500)         |
| At 31 July 2015       | <u>2,198,443</u>                    | <u>1,107,007</u> | <u>17,500</u>          | <u>3,322,950</u> |
| <b>Depreciation</b>   |                                     |                  |                        |                  |
| At 01 August 2014     | 1,333,195                           | 696,446          | 35,000                 | 2,064,641        |
| Charge for the year   | 170,228                             | 64,002           | -                      | 234,230          |
| On disposals          | -                                   | -                | (17,500)               | (17,500)         |
| At 31 July 2015       | <u>1,503,423</u>                    | <u>760,448</u>   | <u>17,500</u>          | <u>2,281,371</u> |
| <b>Net book value</b> |                                     |                  |                        |                  |
| At 31 July 2015       | <u>695,020</u>                      | <u>346,559</u>   | <u>-</u>               | <u>1,041,579</u> |
| At 31 July 2014       | <u>707,467</u>                      | <u>269,236</u>   | <u>-</u>               | <u>976,703</u>   |

University of Southampton Students' Union  
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**Notes to the financial statements (continued)**

**10 Investments – Union only**

The investment shown in the Union balance sheet relates to the wholly owned subsidiary company, SUSU Social Enterprises Limited, whose results are consolidated in these accounts. The subsidiary company was incorporated to carry out the non-member trading of the Union. After charging Gift Aid payment to the Union it had turnover in the year of £162,798 (2014: £1,834), a profit of £21,199 (2014: loss of £19,323) and net assets at the year-end of £1,976 (2014: net liabilities £19,223).

**11 Stock - group and Union**

|                                     | 2015           | 2014           |
|-------------------------------------|----------------|----------------|
|                                     | £              | £              |
| Finished goods and goods for resale | <u>119,781</u> | <u>121,988</u> |

**12 Debtors**

|   | Group          |                | Union          |                |
|---|----------------|----------------|----------------|----------------|
|   | 2015           | 2014           | 2015           | 2014           |
|   | £              | £              | £              | £              |
| Trade debtors                             | 26,626         | 32,913         | 10,723         | 32,206         |
| Amounts owed by clubs and societies       | 96,674         | 47,317         | 96,674         | 47,317         |
| Amount due from University of Southampton | 26,328         | 48,712         | 26,328         | 48,712         |
| Amounts due from subsidiary undertaking   | -              | -              | 83,895         | 24,176         |
| Other debtors                             | 206,721        | 15,531         | 208,415        | 15,531         |
| Prepayments and accrued income            | 31,203         | 107,275        | 31,203         | 107,275        |
|   | <u>387,552</u> | <u>251,748</u> | <u>457,238</u> | <u>275,217</u> |

**13 Creditors**

|  | Group          |                | Union          |                |
|--|----------------|----------------|----------------|----------------|
|  | 2015           | 2014           | 2015           | 2014           |
|  | £              | £              | £              | £              |
| Trade creditors                          | 85,677         | 102,828        | 85,677         | 99,828         |
| Amount owed to University of Southampton | 290,960        | 146,647        | 290,960        | 146,647        |
| Amounts owed to clubs and societies      | 3,113          | -              | 3,113          | -              |
| Social security and other taxes          | 25,654         | 34,560         | 25,654         | 34,505         |
| Pension contributions payable            | 22,194         | 24,246         | 22,194         | 24,246         |
| Other creditors                          | 89,596         | 120,426        | 79,616         | 118,196        |
| Accruals and deferred income             | 433,899        | -              | 432,698        | -              |
|  | <u>951,093</u> | <u>428,707</u> | <u>939,912</u> | <u>423,422</u> |

University of Southampton Students' Union  
Annual Report and Accounts for the year ended 31 July 2015

**Notes to the financial statements (continued)**

**14 Consolidated statement of funds**

|                                 | Brought<br>forward | Incoming<br>resources | Resources<br>expended | Reallocated<br>in year | Carried<br>forward |
|---------------------------------|--------------------|-----------------------|-----------------------|------------------------|--------------------|
|                                 | £                  | £                     | £                     | £                      | £                  |
| <b>Unrestricted funds</b>       |                    |                       |                       |                        |                    |
| Designated funds                | 12,677             | -                     | -                     | (12,677)               | -                  |
| General funds                   | 997,957            | 7,237,114             | (7,246,773)           | 12,677                 | 1,000,975          |
| <b>Total unrestricted funds</b> | <b>1,010,634</b>   | <b>7,237,114</b>      | <b>(7,246,773)</b>    | <b>-</b>               | <b>1,000,975</b>   |
| <b>Restricted funds</b>         |                    |                       |                       |                        |                    |
| RAG                             | 383                | 72,314                | (58,789)              | -                      | 13,908             |
| BEES                            | 5,368              | 81,805                | (53,122)              | -                      | 34,051             |
| JCR                             | 85,478             | 125,126               | (126,954)             | -                      | 83,650             |
| Capital                         | 297,560            | 25,016                | (50,849)              | -                      | 271,727            |
| <b>Total restricted funds</b>   | <b>388,789</b>     | <b>304,261</b>        | <b>(289,714)</b>      | <b>-</b>               | <b>403,336</b>     |
| <b>Total funds</b>              | <b>1,399,423</b>   | <b>7,541,375</b>      | <b>(7,536,487)</b>    | <b>-</b>               | <b>1,404,311</b>   |

**Fund descriptions**

Designated funds

The designated funds relate fully to reserves used in connection with the start-up costs of the lettings agency business, SURecruit, which is operated through the subsidiary company, SUSU Social Enterprises Limited.

Restricted funds

The trustees believe that grants received for specific purposes should be identified separately within the reserves.

During the year the Union collected £72,314, incurred £16,514 of costs to manage the fund and donated £42,275 to nominated external charities on behalf of RAG (Raise And Give).

The Business Ethics and Environment Students programme (BEES) fund is a project that aims to enhance business ethics and environmental practices of local organisations through student-led audits and solutions. Specific funding is received from the National Union of Students Green Fund.

The University provides specific amounts for the Junior Common Room (JCR), subsequently renamed Halls Committee, to be expended on the welfare and benefit of students in halls of residence.

Where third parties have helped to create assets for the Union, the value of their contribution to these assets is recorded as a capital grant fund. Each individual such contribution is amortised over the economic life of the funded asset by allocating depreciation charges against this fund. During the year grants of £25,016 were received and depreciation of £50,849 on underlying assets was charged to this fund.

**15 Analysis of net assets between funds**

|                       | Restricted<br>funds | Unrestricted<br>funds | Total funds      | Total funds      |
|-----------------------|---------------------|-----------------------|------------------|------------------|
|                       | 2015                | 2015                  | 2015             | 2014             |
|                       | £                   | £                     | £                | £                |
| Tangible fixed assets | 271,727             | 771,727               | 1,043,454        | 979,036          |
| Net current assets    | 131,609             | 229,248               | 360,857          | 420,387          |
|                       | <b>403,336</b>      | <b>1,000,975</b>      | <b>1,404,311</b> | <b>1,399,423</b> |

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**Notes to the financial statements (continued)**

**16 Pension costs**

The Union has two separate pension arrangements; the Universities Superannuation Scheme (USS) and the pension and assurance scheme for non-academic staff (PASNAS).

USS

The Union is a participating employer of USS, a defined benefit scheme which is externally funded and contracted out of the State Second Pension Scheme (S2P). The assets of the scheme are held in a separate trustee-administered fund. It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme and hence contributions to the scheme are accounted for as if it was a defined contribution scheme. The cost recognised in the income and expenditure account is equal to the contributions payable to the scheme in the year.

The latest triennial actuarial valuation was at 31 March 2014, which was carried out using the projected unit method. Based on this 2014 valuation it is expected that employer contributions will increase to 18% from 1 April 2016. At the valuation date, the Scheme's assets were sufficient to cover 89% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The contributions payable into the scheme in respect of eligible employees for the year amounted to £58,978 (2014: £55,661).

PASNAS

The Union contributes to a self-administered pension and assurance scheme for non-academic staff (PASNAS) which is underwritten by the University of Southampton. This is a defined benefit scheme, funded by contributions made in accordance with the recommendations of the scheme's actuaries.

The assets of the scheme are held and managed separately from those of the Union. It is not possible to identify readily or cost effectively, its share of the overall surplus or deficit for the year or the underlying assets and liabilities of the scheme. Accordingly it accounts for contributions as if it was a defined contribution scheme. The last full valuation on 31 July 2012 indicated that the scheme's assets represented 77% of the technical provisions.

Contributions are at a rate of 17.25% for the employer.

The total pension cost due for the Union in relation to the PASNAS scheme was £211,189 (2014: £207,875).

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**Notes to the financial statements (continued)**

**17 Operating lease commitments**

|                         | Land and buildings |               | Plant & machinery |          |
|-------------------------|--------------------|---------------|-------------------|----------|
|                         | 2015               | 2014          | 2015              | 2014     |
|                         | £                  | £             | £                 | £        |
| Expiry date:            |                    |               |                   |          |
| Between 2 and 5 years   | -                  | -             | 31,866            | 31,866   |
| After more than 5 years | -                  | 10,000        | -                 | -        |
|                         | <u>-</u>           | <u>10,000</u> | <u>-</u>          | <u>-</u> |

The land and buildings related to the rental of buildings from the University of Southampton. These are now included in the notional rent figure shown in the grant in kind line on the statement of financial activities.

**18 Capital commitments**

|  | 2015           | 2014           |
|--|----------------|----------------|
|  | £              | £              |
| At 31 July the Union had capital commitments as follows: |                |                |
| Authorised and contracted                                | <u>144,300</u> | <u>218,564</u> |

