

CHARITY REGISTRATION NO.1151576

**UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR PERIOD FROM 1st JULY 2016 to 31st AUGUST 2017**

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LEGAL AND ADMINISTRATIVE INFORMATION

External Trustees	Tim Stone S Lowe R Firth
Executive Trustees	N Hemmings
Chief Executive Officer	M Wigg
Charity number	1151576
Principal address	Campus Centre Luton Bedfordshire LU1 3JU
Auditors	FKCA Ltd Prospero House 46-48 Rothsay Road Luton LU1 1QZ
Bankers	National Westminster Bank PLC PO Box No 33 31 George Street Luton Bedfordshire LU1 2AH

TRUSTEES REPORT

For the Period from 1st July 2016 to 31st August 2017

The trustees present their report and financial statements for the year ended 31st August 2017.

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

Structure, governance and management

Status

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

Governing Document

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

Board of Trustees

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

In addition, the Board considers core strategic and business risks which are consolidated into the Risk Register which is reviewed at least quarterly. Mitigation strategies are in place to minimise the impact of risk to the organisation and include implementation of policies and procedures relating to financial management and Health & Safety, which are all periodically reviewed to ensure they are compliant and meet the needs of the organisation. To these ends, the Board of Trustees may veto overturn or return to the originating body for reconsideration the decision of any Union Officer, committee, meeting or employees which would either prejudice the legal, financial or charitable objectives of the Union, or affect the

Trustees Report (continued)

Trustees ability to discharge any of their responsibilities referred to in the Unions constitution. The Board of Trustees receives regular reports from the Chief Executive Officer, the Executive Committee, the Finance, Remuneration and HR Committee and other relevant standing committees and any other relevant minutes or papers.

The trustees who served during the year were:

External Trustees

D Barrett (resigned 3rd April 2017)

S Lowe

R Firth

T Stone

Executive Trustees

N Hemmings

O Aladegbamigbe (resigned 30/6/17)

J Stowell (resigned 30/6/17)

A Beckman-Whelan (resigned 30/6/17)

O Olasebikan (resigned 30/6/17)

Recruitment and training of the trustees

The Board of trustees, chaired by an External Trustee can be made up to a maximum of 13 members:

a) Executive Trustees who are elected by a cross campus ballot of members of the Union on an annual basis. There are five Executive Officer positions and these are paid elected officer positions and there is a two year maximum term of office.

b) Four Student trustees who are considered by the Appointments Committee and ratified by the Student Council.

c) There are four External trustees' positions. Vacant positions are advertised nationally via the NUS and locally through local media and volunteering bureaus. Candidates meet with the President and CEO and are considered by the Appointments committee and subsequent recommendations presented to the Student Council for consideration/ratification.

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

Trustees Report (continued)

Annual General Meeting

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

Student Council

The Student Council has four core functions to:

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

Executive Committee

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

Officer assurance and Scrutiny Committee (OASC)

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

Finance, Remuneration and HR Committee

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

Senior Leadership Team/ Executive Officer Team

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

Operational Management and Staffing

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

Three Heads of departments report to the CEO; The Head of Finance & Resources who is responsible for the Union's Accounting and Financial Management systems as well as HR and Commercial activities, Head of Membership Services who is responsible for Education and Representation, Welfare and Advice Service, Volunteering and Community Projects and

Trustees Report (continued)

Student Activities and Head of Marketing and Business Development who is responsible for engagement, marketing and communications strategy and business opportunities.

Role and contribution of volunteers

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

Related Parties

Relationship with the University of Bedfordshire

The Education Act 1994 requires that the financial affairs of the union are properly conducted and that appropriate arrangements should exist for the approval of the Union budget and the monitoring of its expenditure by the Board of Governors. The relationship between the University and the Union is established in the Regulations of the University and confirmed in the Memorandum of Understanding, jointly signed by both parties. The Union received a Block Grant from the University and free serviced accommodation in designated areas of the University premises in Luton and Bedford campuses. The University provides a range of additional support services including IT network and hosting services. The value of services in kind has been included and shown within the financial statements. The Union is currently dependent on the University's financial and non-financial support. The Union has no reason to believe this support or equivalent support will be withdrawn in the foreseeable future.

Relationship with the National Union of Students

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

Risk Management

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

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

Trustees Report (continued)

Public Benefit

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

Objectives

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

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

Mission

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

Vision

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

Values

The Values of the organisation are:

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

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

Trustees Report (continued)

Achievements and performance and Plan for the future

Due to the trustees decision to incorporate the charity in line with legislative requirements the Charity is closing down at the end of this Accounting period to create a new entity.

Financial Review

Accounting Period

Due to the Trustees decision to incorporate the charity the Accounts reporting Period was extended to fourteen months to cover the period July 2016 to the end of August 2017. Therefore the comparative amounts presented are not entirely comparable.

The University of Bedfordshire Memorandum and Articles of Association gives the legal authority to change the reporting period.

Merger

The trustees formed a new Charity Beds SU Charities number 1173887 and on the 1st September 2017 The University of Bedfordshire Student's Union Charity number 1151576 assets were transferred to the new Charity.

Beds SU has the same objectives as The University of Bedfordshire Student Union, the advancement of education of Students as the University of Bedfordshire for the public benefit.

Principle sources of funding

The principle source of funding are the block grant from the University of Bedfordshire £1,042k (2016:£893k). Total income was £1,571k (2016: £1,506k) and expenditure £1,502K (2015: £1,532k). Income from trading activities £350K (2016: £299k).

This resulted in a net surplus on unrestricted reserves of £69k (2016: deficit £25.4k). The Unions expenditure is not evenly apportioned throughout the year and by extending the reporting period by two months a surplus of £3.5k has been generated. The Financial turnaround of a reported loss of £25.5k to a surplus of £69k has been achieved through a number of other factors as well.

A thorough review of the Commercial operations resulted in the closure of SUB 2 and a refurbishment of the venues the Metro and The Hub (funded by the University) including the installation of a new Coffee franchise. These strategies enabled the commercial operations fixed cost base to be reduced while increasing the overall revenue by £50k In line with the Unions core values Student staff employability was increased with over a 90% increase in student hours worked in our venues.

The Gross profit on Wet sales was 57%, Beverages 62% and Sandwiches and snacks 44%. This is in line with our pricing strategy of 55% Gross Profit with a reduced Meal Deal

option. The net result was a profit on the Unions commercial operations of £5.1K (2016: loss £48.9k) before overhead apportionments.

Trustees Report (continued)

At the beginning of the period the Union implemented 'A Union fit for purpose strategy' which ensured that the Unions staffing group was optimized. New financial systems and procedures were also implemented which ensured that expenditure was kept within budget and that 'Best Value' was obtained.

Pensions

The Union runs a Stakeholder pension for its employees with NEST with an employer and employee contribution of 1%. Employee Contributions to the scheme totalled £8,710.

The Union participates in the Students' Union Superannuation Scheme ("SUSS"), which is a defined benefit scheme whose membership consists of employees of students' unions and related bodies throughout the country. Benefits in respect of service up to 30 September 2003 are accrued on a 'final salary' basis, with benefits in respect of service from 1 October 2003 accruing on a Career Average Revalued Earnings (CARE). This scheme closed to future accrual on 30 September 2011. The last actuarial valuation was at 30 June 2016 and showed SUSS to have a deficit of £119.8m and a plan to recover the deficit over a 16 year period. For accounting purposes, the SUSS is reported in accordance with the relevant accounting standard – FRS 102, where we value our pension deficit based on the discounted future cash flows of payments under the agreed recovery plan. At 31 August 2017 our pension deficit was valued at £438.1K (2016: £312.9K)

The increase in the pension's deficit is due to a deficit arising from actuarial revaluation in the year (£77k) and a deficit adjustment arising from change to the discount assumption (£48.1K.)

Our annual payments into the scheme were £22,097 (2016: £19,404).

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

Reserves Policy

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

The reserves policy of the University of Bedfordshire Students' Union is to maintain a level of unrestricted funds, not committed or invested in tangible assets, which will enable the Union

to ensure continuity of activity and have the ability to adjust, in a measured way, to any significant changes to resources. The Reserves Policy recognises that reserves are necessary to maintain the day to day operations of the Union for a period of up to 3 months.

Trustees Report (continued)

The appropriate measure of free reserves is therefore net assets, less restricted and designated funds, less fixed assets attributable to unrestricted funds.

By the time a project funded by restricted funds is completed its restricted reserves should be nil. All restricted project expenditure is budgeted for the whole of the project and then by financial year and any income received in advance is brought forward in reserves to cover future year's expenditure. The trustees recognise that the current level of unrestricted funds £199,207 (2016 £146,367) is below the desired level of three months operating costs £375,660 and will plan to increase the level of restricted reserves when prudent to do so.

Trustees' responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

Select suitable accounting policies and then apply them consistently; Observe the methods and principles in the Charity SORP; Make judgements and estimates that are reasonable and prudent; State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business in the financial statements

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

On behalf on the trustees

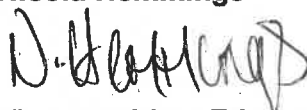
Tim Stone



External Trustee

23rd April 2018

Nicola Hemmings



Vice President Education

23rd April 2018

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION

Opinion

We have audited the financial statements of the University of Bedfordshire Students' Union (the 'charity') for the period ended 31 August 2017 on pages 3 to 8. 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 Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2017 and of its incoming resources and application of resources for the period 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION (Continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Responsibilities of trustees

As explained more fully in the Trustees Responsibility Statement set out on page 8, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE
UNIVERSITY OF BEDFORDSHIRE STUDENTS' UNION (continued)**

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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

Date: 29 May 2018

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE PERIOD FROM 1ST JULY 2016 TO 31ST AUGUST 2017

		Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,138,274	9,986	1,148,260	1,071,284
Other Trading Activities	3	350,121	-	350,121	299,003
Income from Investments	4	137	-	137	455
Income from charitable activities	5	72,765	-	72,765	135,858
Total income and endowments		1,561,297	9,986	1,571,283	1,506,600
EXPENDITURE ON					
Raising Funds	6	524,761	3,785	528,546	570,269
Charitable activities					
Student Activities	7	245,052	9,986	255,038	344,586
Representation, education & development		425,912	-	425,912	348,056
Welfare & volunteering		107,044	-	107,044	152,175
Marketing and communication		185,715	-	185,715	116,863
Total charitable expenditure	7	963,723	9,986	973,709	961,680
Total resources expended		1,488,484	13,771	1,502,255	1,531,949
Net income/(expenditure)		72,813	(3,785)	69,028	(25,439)
Actuarial gains/(losses) on defined benefit pension schemes		(125,186)	-	(125,186)	19,404
Net movement in funds		(52,373)	(3,785)	(56,158)	(5,945)
RECONCILIATION OF FUNDS					
Total Funds Bought Forward		(158,668)	15,447	(143,221)	(137,726)
Total Funds Carried Forward		(211,041)	11,662	(199,379)	(143,221)

The Statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from activities which ceased on the 31st August 2017.

BALANCE SHEET

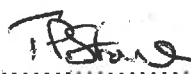
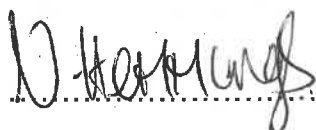
AS AT 31st AUGUST 2017

		2017 £	£	2016 £	£
Fixed assets					
Tangible assets	14		39,594		7,959
Current assets					
Stocks		20,557		9,014	
Debtors	15	102,362		41,271	
Cash at bank and in hand		246,091		250,770	
		369,010		301,055	
Creditors: amounts falling due within one year	16	(169,803)		(118,641)	
Net current assets			199,207		182,414
Total assets less current liabilities			238,801		190,373
Provisions for liabilities	17		-		(20,600)
Net Asset excluding pension liability			238,801		169,773
Defined benefit pension scheme liability	18		(438,180)		(312,994)
Total net liability			(199,379)		(143,221)
FUNDS					
Pension deficit			(438,180)		(312,994)
Unrestricted funds			227,139		154,326
Restricted funds	20		11,662		15,447
Total Funds	21		(199,379)		(143,221)

The financial statements were approved by the Trustee's on the 23rd April 2018

T Stone- External Trustee

N Hemmings – VP Educations

**STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 1st JULY 2016 TO
31st AUGUST 2017**

	Period from 1st July 2016 to August 2018 £	Year Ending June 2016 £
Cash flows from operating activities:		
Net cash provided by operating activities	39,210	(37,294)
Cash flows from investing activities:		
Purchase of tangible assets	(43,889)	(8,184)
Net cash used in investing activities	(43,889)	(8,184)
Change in cash and cash equivalents in the reporting period	(4,679)	(45,478)
Cash and cash equivalents at the beginning of the reporting period	250,770	296,248
Cash and cash equivalents at the end of the reporting period	22 246,091	250,770

NOTES TO THE ACCOUNTS

FOR THE PERIOD FROM 1st JULY 2016 TO 31st AUGUST 2017

1 Accounting policies

1.1 General information

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

1.2 Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (revised 2015), applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS102)).

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

As discussed in the trustees report, due to the creation of a new legal entity to enable the Union to become incorporated the Union is not a going concern and ceased trading on the 31st August 2017

1.3 Fund accounting

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

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

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

1.4 Incoming Resources

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

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

NOTES TO THE ACCOUNTS (continued)

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

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

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

1.5 Resources expended

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

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

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

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

1.7 Stock

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

1.8 Pensions

The Union participates in the Students Union Superannuation Scheme (SUSS) , a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the Trustees on the advice of the actuary

Whilst the scheme operates a pooled arrangement, under FRS 102, a contractual agreement under a multi-employer defined benefit scheme to fund a past deficit should be accrued for as a liability discounted to net present value. As at 31st August 2017 , the liability to the Union was calculated as amounting to (£438.1k)

1.9 Taxation

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

NOTES TO THE ACCOUNTS (continued)**2 Donations and legacies**

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Donations and gifts	86,015	-	86,015	106,336
Grants receivable for core activities	1,052,259	9,986	1,062,245	964,948
	1,138,274	9,986	1,148,260	1,071,284
Donations and Gifts				
Facilities in kind provided by the University	84,366	-	84,366	106,336
Enterprise Cars donation	1,500	-	1,500	-
Other	149	-	149	-
	86,015	-	86,015	106,336
Grants receivable for core activities				
Block grant from University	1,042,259	-	1,042,259	893,289
Other Grants from University	10,000	-	10,000	13,500
Green Hub grant from NUS)	-	-	-	58,159
Sports England Grants	-	9,986	9,986	-
	1,052,259	9,986	1,062,245	964,948

3 Other Trading Activities

Income from trading	Total 2017 £	Total 2016 £
The Metro Venue	207,539	109,703
SUB 2 venue	661	109,982
The HUB venue	88,581	53,126
Fresher's	31,994	26,192
Refurbishment	21,346	-
	350,121	299,003

NOTES TO THE ACCOUNTS (continued)

4 Income from Investments

	Total 2017 £	Total 2016 £
Deposit account interest	137	455

5 Income from Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Student activities	33,530	-	33,530	67,823
Representation, education and development	3	-	3	6,250
Welfare and volunteering	2	-	2	22
Marketing and communication	39,230	-	39,230	61,763
	72,765	-	72,765	135,858

6 Expenditure on Raising Funds: Trading costs and expenses
Direct costs and operating expenses

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
The Metro venue	239,610		239,610	164,665
SUB2 venue	2,231		2,231	134,980
The HUB Venue	128,206		128,206	118,829
Student Events	29,634		29,634	24,272
Green HUB	-	3,785	3,785	45,512
Venue Refurbishment	22,210	-	22,210	-
	421,891	3,785	425,676	488,258

NOTES TO THE ACCOUNTS (continued)**Support Costs:**

	Metro Venue £	Hub Venue £	Total 2017 £	Total 2016 £
Facilities provide by UOB	8,526	6,820	15,346	5,653
Governance	1,442	1,154	2,596	2,365
Depreciation	1,630	1,303	2,933	932
Staff costs	30,644	24,515	55,159	42,240
Other	14,909	11,927	26,836	30,820
	57,151	45,719	102,870	82,011

7 Charitable Activities Costs

	Direct costs £	Support Costs (see note 8) £	Totals 2017 £
Student Activities	215,033	40,005	255,038
Representation, education & development	328,758	97,155	425,913
Welfare	84,183	22,860	107,043
Marketing & Communications	151,425	34,290	185,715
	779,399	194,310	973,709

8 Support Costs

	Student Activities £	Representation , Education & Dev £	Welfare £	Marketin g & Comms £	Total £
Facilities provide by UOB	5,969	14,494	3,411	5,116	28,990
Governance	1,009	2,453	577	865	4,904
Depreciation	1,140	2,769	651	977	5,537
Staff costs	21,451	52,094	12,258	18,386	104,189
Other	10,436	25,345	5,963	8,946	50,690
	40,005	97,155	22,860	34,290	194,310

9 Net Income (Expenditure)

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

	Total 2017 £	Total 2016 £
Depreciation	12,254	3,495
Auditors remuneration	7,500	6,850
Financial Services Fees	-	21,875
National Union of Students	43,442	34,309

NOTES TO THE ACCOUNTS (continued)

10 Trustees Remuneration and benefits

Payment to the Executive trustees is permitted in Beds Su Constitution on the basis that not more than half of the trustees serving receive remuneration from Beds Su.

The total cost of the five executive trustees to the Union was £106,281 including Ni costs (2016 £82,510). Pension Benefits were paid of £530 (2016 £254). Executive trustees received remuneration for their employment with Beds Su as Executive Officers and received no remuneration for their trusteeship.

The trustees who received payment during the year are as below:

Trustee name	Remuneration received 2016/17
O Aladegbamiabe	18,682
J Stowell	18,057
O Olaosebikan	18,057
A Beckman-Whelan	18,057
N Hemmings	21,096

Travelling expenses of £54 (2016:£136) were reimbursed to one trustee.

11 Employees

	Total 2017 £	Total 2016 £
Wages and salaries	701,521	562,453
Social Security Costs	47,278	39,358
Other Pension Costs	32,119	24,639
	780,918	626,450

Key management personnel Michael Wigg – Chief Executive Officer received benefits in kind of £2,161 relating to the provision of child care vouchers and remuneration of £61,601. There were no employees whose annual remuneration was £60,000 per annum or more.

Number of employees

The average number of employees during the year was:

	2017 Number	2016 Number
Administration and management	3	3
Student Activities	3	3
Representation, education and development	8	7
Welfare	3	4
Marketing & Communication	3	3
Green Hub	0	1
Trading activities	1	3
Student Staff	51	46
	72	70

NOTES TO THE ACCOUNTS (continued)**12 Comparatives for the Statement of Financial Activities****FOR THE YEAR ENDED 30 JUNE 2016**

		Unrestrict ed Funds £	Restricted Funds £	Total 2016 £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	2	1,013,125	58,159	1,071,284
Other Trading Activities	3	299,003	-	299,003
Income from Investments	4	455	-	455
Income from charitable activities	5	129,608	6,250	135,858
Other income	6	-	-	-
Total income and endowments		1,442,191	64,409	1,506,600
EXPENDITURE ON				
Raising Funds	7	524,757	45,512	570,269
Charitable activities				
Student Activities	8	344,586	3,450	348,036
Representation, education & development		344,606	-	344,606
Welfare & volunteering		152,175	-	152,175
Marketing and communication		116,863	-	116,863
Total charitable expenditure		958,230	3,450	961,680
Total resources expended		1,482,987	48,962	1,531,949
Net income/(expenditure)		(40,796)	15,447	(25,349)
Actuarial gains/(losses) on defined benefit pension schemes		19,404	-	19,404
Net movement in funds		(21,392)	15,447	(5,945)
RECONCILIATION OF FUNDS				
Total Funds Bought Forward		(137,276)	-	(137,276)
Total Funds Carried Forward		(158,668)	15,447	(143,221)

NOTES TO THE ACCOUNTS (continued)

14 Tangible Fixed Assets

	Fixture, Fittings & Equipment £
Cost	
At 1 st July 2016	70,584
Additions	43,889
Disposals	(43,735)
At 31 st August 2017	<u>70,738</u>
Depreciation	
At 1 st July 2015	62,625
Charge for the year	12,254
Disposals	(43,735)
At 30 th June 2016	<u>31,144</u>
Net Book Value	
At 31 st August 2017	<u>39,594</u>
AT 30 th June 2016	<u>7,959</u>

15 Debtors

	2017 £	2016 £
Trade Debtors	27,619	25,254
Other debtors	27,324	2,789
Prepayments & accrued income	29,687	5,625
Vat refund	17,732	7,603
	<u>102,362</u>	<u>41,271</u>

16 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	34,614	42,521
Taxes and social security costs	13,252	13,183
Other creditors	40,737	20,037
Accruals	16,610	20,670
Deferred income	64,590	22,231
	<u>169,803</u>	<u>118,641</u>

Deferred Income

Deferred income brought forward at 1 st July 2016	22,231
Incoming resources deferred in the current year	64,590
Amounts released from previous years	(22,231)
Deferred Income carried forward 30 th June 2016	<u>64,590</u>

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

NOTES TO THE ACCOUNTS (continued)

17 Provision for liabilities

	2017 £	2016 £
Provisions	-	20,600

A provision for £20,600 was made in 2016 to cover staff redundancies resulting from implementing Beds Su Fit for purpose staffing structure. The new staffing structure is now fully implemented.

18 Creditors: amounts falling due after one year

	2017 £	2016 £
Pension fund deficit	438,180	312,994
	438,180	312,994

	£
Pension Fund Deficit Bought forward 2016	312,994
Deficit adjustment arising from actuarial revaluation in year	77,063
Deficit adjustment arising from change to discount factor assumption	48,123
Pension Fund deficit 2017	438,180

19 Pensions

The Union participates in the Students' Union Superannuation Scheme, which is a defined benefit scheme whose membership consists of employees of students' unions and related bodies throughout the country. Benefits in respect of service up to 30 September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1 October 2003 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the scheme closed to future accrual.

The valuation of the scheme carried out as at 30 June 2016 showed that the market value of the scheme's assets was £101.3m (June 2013 £80.9m) with these assets representing 42% (June 2013 52%) of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an on-going funding basis amounted to £119.7m (June 2013 £73.8m.) The assumptions which have the most significant effect upon the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The 2016 valuation recommended a monthly contribution requirement by each Union expressed in monetary terms intended to clear the on-going funding deficit over a period of 16 years and will increase by at least 5% each year. These contributions also include an allowance for cost of the on-going administrative and operational expenses of running the Scheme. These rates applied with effect from 1 November 2017.

NOTES TO THE ACCOUNTS (continued)

For accounting purposes, the SUSS is reported in accordance with the relevant accounting standard – FRS 102, where we value our pension deficit based on the discounted future cash flows of payments under the agreed recovery plan. At 31 August 2017 our pension deficit was valued at £438,180 (2016: £312,994).

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

The Union offers eligible employees the opportunity to join NEST stakeholder's pension. Employer contributions 2017 £8,710 (2016: £3,444).

20 Restricted Funds

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

	Balances at 1 st July 2016 £	Incoming Resources £	Resources Expended £	Transfers £	Balances at 31 st August 2017 £
Green Hub	12,647	-	(3,785)	-	8,862
UOB Grants for Learning rep co-ordinators	2,800	-		-	2,800
Sports England	-	9,986	(9,986)		-
	15,447	9,986	(13,771)	-	11,662

21 Analysis of net assets between funds

Fund balances at 31 st August 2018 are represented by:	Unrestricted Funds £	Restricted Funds £	Total £
Tangible Assets	39,594		39,594
Current Assets	357,348	11,662	369,010
Creditors: amounts falling due within one year	(169,803)		(169,803)
	227,139	11,662	238,801

NOTES TO THE ACCOUNTS (continued)

22 Statement of cash flows

	Period 1 st July 2016 to 31 st August 2017 £	Year Ending June 2016 £
Cash flows from operating activities:		
Net cash provided by operating activities	39,210	(37,294)
Cash flows from investing activities:		
Purchase of tangible assets	(43,889)	(8,184)
Net cash used in investing activities	(43,889)	(8,184)
Change in cash and cash equivalents in the reporting period	(4,679)	(45,478)
Cash and cash equivalents at the beginning of the reporting period	250,770	296,248
Cash and cash equivalents at the end of the reporting period	<u>246,091</u>	<u>250,770</u>
	(4,679)	(45,478)

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

	Period 1 st July 2016 to 31 st August 2017 £	Year Ending June 2016 £
Net income/(expenditure)for the reporting period	69,028	(25,349)
Depreciation	12,254	3,495
(Increase)/decrease in stocks	(11,543)	(775)
(Increase)/decrease in debtors	(61,091)	(16,646)
Increase/(decrease) in creditors and provisions	30,562	1,981
Net cash provided by (used in) operating activities	<u>39,210</u>	<u>(37,294)</u>

b) Analysis of cash and cash equivalents

	Period 1 st July 2016 to 31 st August 2017 £	Year Ending June 2017 £
Cash in hand	<u>246,091</u>	<u>250,770</u>

NOTES TO THE ACCOUNTS (continued)

23 Ultimate controlling party

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

24 Related Parties

The Union receives its block grant from the University of Bedfordshire, as set out in note 2 above. The Union occupies the University's buildings on a free basis under informal arrangements. In accordance with the Charities SORP (FRS102) the trustees have estimated the use of the building and utilities at £84,336 (2016: £106,336).

25 Mergers

As advised in the trustee report on the 1st September 2017 the University of Bedfordshire Students Union charity 1151576 merged with Beds SU charity 1173887.

Analysis of Principle SOFA Components for the current reporting period.

	University of Bedfordshire Students' Union pre-merger £	Beds SU Pre-merger £	Beds SU Post-Merger £	Combined Total £
Total Income	1,571,283	-	1,571,283	1,571,283
Total Expenditure	1,502,255	-	1,502,255	1,502,255
Net income/(expenditure)	69,028	-	69,028	69,028
Other gains/(losses)	(125,186)	-	(125,186)	(125,186)
Net movement in funds	(56,158)	-	(56,158)	(56,158)

Analysis of net assets at the date of merger

	University of Bedfordshire Students' Union pre- merger £	Beds SU Pre-merger £	Combined Total £
Net assets	(199,379)	-	(199,739)
Represented by:			
Unrestricted Funds	227,139	-	227,139
Restricted income funds	11,662	-	11,662
Pension deficit	(438,180)	-	(438,180)
Total funds	(199,379)	-	(199,379)