

Charity Registration Number: 1144886

**The Students' Union at Bournemouth University**  
**Financial Statements**  
**31 July 2017**

**FILER KNAPPER LLP**  
Chartered accountant & statutory auditor  
10 Bridge Street  
Christchurch  
Dorset  
BH23 1EF

# **The Students' Union at Bournemouth University**

## **Financial Statements**

**Year ended 31 July 2017**

	<b>Pages</b>
Trustees' annual report	<b>1 to 13</b>
Independent auditor's report to the members	<b>14 to 16</b>
Statement of financial activities	<b>17</b>
Statement of financial position	<b>18</b>
Statement of cash flows	<b>19</b>
Notes to the financial statements	<b>20 to 32</b>

# The Students' Union at Bournemouth University

## Trustees' Annual Report

Year ended 31 July 2017

The Trustees present their report and the financial statements of the charity for the year ended 31 July 2017.

### Reference and administrative details

<b>Registered charity name</b>	The Students' Union at Bournemouth University
<b>Charity registration number</b>	1144886
<b>Principal address</b>	Talbot Campus, Fern Barrow, Poole, Dorset BH12 5BB

### The Trustees

The Trustees who served the charity during the year were as follows:

#### Officer

Daniel Oluyomi Asaya

#### External

Graham Briscoe

Chris Buckley

Ian Catley

#### Student

Geneva Guerrieri

Karen Churchill

Libby Howe

Mark Smith

Robert Garza

Vashni Patel

Tenure concluded 31.08.2017

#### Executive Trustee

Joanna Ann

Tenure concluded 31.08.2017

#### Staff

Alexis Drayson

Tenure concluded 31.05.2017

### Senior Management

Alan James

General Manager

### Auditor

Filer Knapper LLP  
10 Bridge Street  
Christchurch  
Dorset  
BH23 1EF

### Bankers

Barclays Bank Plc  
Barclays House  
Southampton  
Hampshire  
BX3 2BB

# The Students' Union at Bournemouth University

## Trustees' Annual Report *(continued)*

Year ended 31 July 2017

### CHAIR'S REVIEW

We are extremely pleased and proud to inform you that SUBU has had a stunning year in 2016/17. Many of the things that were beginning last year have been continued successfully and with some distinct growth. In particular, we have seen many more students engaging with SUBU from diverse backgrounds, this culminated in the biggest SUBU involvement in Black History Month and which ended with our first ever awards ceremony for students from Black and Minority Ethnic backgrounds.

We have been working hard to ensure equality and diversity is not just a buzzword, ensuring we make real positive impacts by doing all we can to create an atmosphere that makes all students feel included irrespective of who they are or where they are from. However, there is still more work to be done and we are ready for the challenges ahead. Through our partnership with the University, we have been able to lobby for a free inter-campus bus service for our Lansdowne taught students. SUBU Debates was another great initiative that started this year to get students from different backgrounds air their views on certain topics within a safe zone.

It is the third year we have had an elected officer and council predominantly devoted to welfare and liberation issues. We have been able to cover a wide range of activities and campaigns from Disability History Month, LGBT History Month to the Don't Panic campaign, One World Festival and our first ever Mental Health Zone.

We have also been active with our Representation department, and SimOn, our award winning Rep feedback tool. Faculties and Professional Service departments of BU seem to appreciate the feedback that they get from the reps. This helps them build an even better student experience.

Our Insight and Policy team have developed from providing research based evidence to playing a huge role in guiding and advising the elected officers on issues of importance for students at both a local and national level. Their 'insight' enables us to influence BU for the benefit of the students. Our link with the University continues to remain strong and we've seen great achievements which includes the new Laptop Loan Scheme, and the League of Entrepreneurs, which has allowed students to develop business and networking skills.

We really appreciate our partnership with BU. We recognize that the University and all of its staff care and do their best for the students. We are constantly reminding them of the value of the student voice, and highlight issues and concerns that may not have been there before.

The new role of VP Community, enabled our Community, Volunteering and Green department to go from strength to strength and we are rightly proud of the work that they have done, especially in the local community with campaigns such as Go Green and the annual Big Give being the biggest and most successful ever.

For the first time ever we have had a really close working relationship with SportBU. This has enabled us to work together on a number of things this year, including more of a SportBU presence in Lansdowne, more SportBU involvement with our events and more support for sports teams. This year we have been working on a brand new 'Inclusion Sports League' launching in October, enabling students with disabilities to take part in competitive sport.

A huge thanks to all the students for helping, advising and at times cajoling us.

Thanks to all the part time elected officers working tirelessly and without pay on councils, not forgetting the Club and Society committees, the Nerve Media team, RAG and other student leaders. We also sincerely thank our tremendous SUBU staff team who are supported by over one hundred student staff.

Much of what we do is brought to the students and wider community by the SUBU Communications team.

This year we had an individual communications executive, who has been devoted to supporting the full time elected officers with their campaigns and events.

Looking forward, we hope to not only build on the work of this year but also do more in 17/18 on mental health; advising students on how to manage their landlords and housing issues; engaging with students of all abilities in activities, and encouraging participation in all things SUBU has to offer.

Daniel Oluyomi Asaya. Chair of the Trustee Board 2016/17. President of SUBU 2016/17.

# The Students' Union at Bournemouth University

## Trustees' Annual Report *(continued)*

Year ended 31 July 2017

### OBJECTIVES AND ACTIVITIES

#### Charitable Objects

The principal purposes and aims of the Union are the advancement of education of Students at Bournemouth University for the public benefit by:

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

With these objects the Union aims to make a positive impact on every Bournemouth University (BU) student's journey. These aims are set out in the strategic plan, Vision to 2018, which contains five key themes:

- i) Creating friendships.
- ii) Helping people to realise their potential.
- iii) Being ethical and environmental in its activities.
- iv) Being understood and recognised as well as more accessible and approachable to all students.
- v) Being a major collective force for all students.

The Union arranges a range of services and activities undertaken in relation to these purposes:-

#### Representation

Full and part time officers work with national representative bodies such as the National Union of Students (NUS) to further influence both local and national government on student matters.

The representation carried out by the elected officers is supported by the Insight and Policy department which is newly created.

This department provides evidence based research to inform the officers of the situation for students.

The department also supported the SUBU debates, an initiative which developed over 2016/17.

The academic 'Rep' system is one of the most important aspects of SUBU's work and the total spend in this area was £21,571 (2015/16 - £13,124) not including staff costs.

The staff team works with student leaders and volunteers to represent the 'student voice' to the University and the local community.

Over 4,000 students in 2016/17 engaged with the online tool SimOn, which sends relevant feedback directly to some BU Services, thus allowing feedback to be acted on immediately.

There is at least five other Students' Unions interested in adopting the SimOn model.

#### Democracy and Equality

The Democracy and Equality Department empowers students to have a say in decisions that impact on their student experience.

It also ensures that the 'student voice' reflects the diversity of the student body.

It supports the elected officers most notably the Vice President Welfare on 'liberation' campaigns.

These campaigns ensure that diverse and smaller groups of students are able to have their voice heard and that the student experience also considers their needs.

The department oversees the Part and Full-Time Officer Elections. In 2016/17, 66 candidates stood in the part time officer elections (2015/16 - 43).

# The Students' Union at Bournemouth University

## Trustees' Annual Report *(continued)*

Year ended 31 July 2017

### OBJECTIVES AND ACTIVITIES *(continued)*

#### Advice

SUBU operates an Advice service at both Talbot and Lansdowne campuses costs relating to this area were £120,364 (2015/16 - £106,583).

This is an independent service and is designed to support and empower students with advice that they require to address the problems that they are facing. These tend to focus on finance, accommodation and/or academic matters.

In 2016/17, the SUBU Advice service put just over £156k (2015/16 - £138k) back into students' pockets.

#### Volunteering and Green Initiatives

Each year SUBU supports students who wish to volunteer and contribute to their community and environment whilst at University.

SUBU has student led groups, such as The Green Task Force, who aim to help students understand their Green Impact now and in the future, by campaigning on matters relating to the environment and sustainability.

The expense of this area in 2016/17 was £9,972 (2015/16 - £13,003).

RAG (raising and giving) also raised £65,958 (2015/16 - £109,122).

#### Clubs and Societies

There were over 132 (2015/16 - 122) operational clubs, societies and networks in 2016/17 involving over 1525 unique students.

In total we spent £171,759, (2015/16 - £128,023) on Clubs and Societies.

#### Nerve Media

Nerve Media is run by the students and comprises of Nerve Radio Station, Nerve Magazine, Nerve TV and a website.

In 2016/17 Nerve media produced five magazines and over 10,000 were distributed.

Nerve Radio ran a short term FM licence in the weeks around the full time officer elections.

The cost of this department was £22,225 (2015/16 - £51,982).

#### Commercial Activities

Through its wholly owned subsidiary, Feelprime Limited, SUBU operates a stand-alone nightclub, the Old Fire Station, in the heart of the Lansdowne campus.

The nightclub consolidated its performance from 2015/16 and increased its contribution to SUBU funds.

Feelprime Limited also runs the student Summer Ball and this also increased its contribution in 2016/17.

SUBU also has a successful café, a kitchen and bar, and a retail shop at Talbot Campus.

The total turnover of the Commercial Activities is just over £3.3 Million (2015/16 - £3.2M) generating a cash surplus for the charity of over £351 thousand.

SUBU and Feelprime commercial areas employ a significant number of student staff, in excess of 100 per annum.

# The Students' Union at Bournemouth University

## Trustees' Annual Report *(continued)*

Year ended 31 July 2017

### ACHIEVEMENTS AND PERFORMANCE

Each of the strategic themes has KPIs which the Union departments incorporate and manage into their action plans.

These KPIs are **not exhaustive** but rather indicative. Inevitably in an organisation under the direct influence of students via their annually elected officers, there are some initiatives that are more ad hoc, opportunistic and short term.

Principal activities relating to the strategic themes in 16/17 were:

#### i) **Creating friendships**

*Strategic KPI: There will be at least one academically orientated society from each school.*

SUBU Activities (Volunteering, Clubs and Societies and RAG) are the most obvious areas where friendships can be formed.

There are now 132 clubs, societies or networks all of which are formed and managed by students (up from just over 100 in 2015/16).

Our original KPI of 150 club and societies has not yet been achieved but with over 1525 students involved we are pleased with our ability to encourage students into activities.

However friendships can develop not in very obvious scenarios as with activities but also when students gather to debate issues or run for election or find themselves with like-minded people or even people who are very different from them.

Our student staff also form friendships together often around their shift or place of work patterns.

We increase year on year our student staff as full time staff leave.

We have a KPI of at least one academic society from each school (now faculty). This has been easily achieved, however we are now looking to adjust to the new academic structure and to have an academic society for each department (an academic subset of a faculty).

#### ii) **Helping people to realise their potential**

*Strategic KPI: We will train 100% of our Students Reps.*

This KPI remains important for SUBU to train as many student reps as possible, either face to face or online. It is proving elusive due to the very nature of the voluntary and to some extent transient role of the faculty based student reps.

#### Results

	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
Total registered Student Reps:	779	709	673	687
Total Student Reps trained:	739 (95%)	554 (78.2%)	640 (95%)	647 (94%)

# The Students' Union at Bournemouth University

## Trustees' Annual Report *(continued)*

Year ended 31 July 2017

### ACHIEVEMENTS AND PERFORMANCE *(continued)*

#### iii) Being ethical and environmental in its activities

*Strategic KPI: At least two campaigns of an ethical and environmental nature will be initiated and delivered by SUBU.*

The 7 student-led volunteering projects that ran in 2016-17 included the following:

- 'Conservation Rangers' (partner project with the RSPB), included a really successful student engagement project at the Kingfisher Barn in Muscliff. This project has been listed as a finalist in the Green Gown sustainability awards through the Environmental Association of Universities and Colleges in the Community Category, the winners will be announced in November 2017.
- Bournemouth Beach Champions (partner project with Litter Free Coast and Sea and Marine Conservation Society), working on collecting coastal litter research data, awareness raising and campaigning around the issue of marine litter.
- Slades Farm Community Garden Project - adjacent to Talbot Campus, bio-diverse gardening and wildlife maintenance.

SUBU introduced a new team within the Student Engagement Department, the Community Team, this team consists of two full time staff members, the Green and Volunteering Projects Coordinator and the Community Partnerships Manager. This has led to an increased sustainability and environmental focus. SUBU achieved a 'Very Good' score in the new Green Impact Syllabus set by the National Union of Students. The new syllabus for Green Impact had a stronger focus on student engagement than the older program which focused a lot more on operational sustainability.

The Green Taskforce student led leadership team continued to increase and engage, running environmental awareness campaigns both on campus and in the community, they ran campaigns around ethical and sustainable food and living a zero waste lifestyle. Supported by the SUBU Community Team, the Green Taskforce played an active role in the People and Planet Go Green Week, ensuring we had a full program of activities and events for students to take part in. These included a film screening about marine litter, an eco-cosmetics demo and promotional and engagement stands featuring our How Bad are Bananas engagement game, which shows students the carbon content of everyday activities and items.

SUBU continues to work with the BU Sustainability team, in order to keep up the SUBU related criteria for the Eco Campus (ISO 14001) assessment which requires continuous improvement and includes, operational activities in mainly in the Old Fire Station, the Green Taskforce student campaigns as well as SUBU community collaboration campaigns such as the Big Give.

#### **SUBU will be acknowledged as making a difference in the local community**

'The Big Give' project continued to be a bigger success, by encouraging students living in Winton and Charminster and University halls of residence, to recycle and donate items when they leave their accommodation for summer. In 2016/17 this initiative also generated over £40k for the British Heart Foundation.



# The Students' Union at Bournemouth University

## Trustees' Annual Report *(continued)*

Year ended 31 July 2017

### ACHIEVEMENTS AND PERFORMANCE *(continued)*

#### iv) **Being understood and recognised as well as more accessible and approachable to all students**

In 2015/16 National Student Survey (NSS) Q23 results showed an increase of 3% to 78% of students satisfied with SUBU (taught students).

However in 2016/17 the NSS question was changed to focus on how well Students' Unions represent their members on academic matters. SUBU scored 66.9% on this. This was still ten percentage points higher than the sector average and comfortably in the top 25% of Students' Unions.

The 2016 How's SUBU For You? (HS4U) Survey was completed by 1009 respondents which is a slight increase on 2015/16.

The survey asked about the three most important things SUBU should do to excel at to have the most impact on your BU experience.

These were Activities; Support and Help; Communication and information.

When asked for three phrases to describe your ideal Students' Union, the students responded with Approachable; Fun/enjoyable/ Friendly/welcoming.

#### v) **Being major collective force for all students**

*Strategic KPI: In order to evaluate BU and its values and vision at least one piece of research carried out per term on:*

- a) academic matters*
- b) the student experience as delivered by BU student services.*
- c) the BU values.*

In 2016/17 the SUBU Research function was supported with another member of staff and renamed 'Insight and policy'.

This department's role is to capture relevant research and evidence with which the elected officers can influence the University with regards to the provision of the BU 'student experience'.

The department works closely with the student reps in order to provide 'evidence' based research for the elected officers to represent to BU.

In 2016/17 the department collected and reported on 10,280 student comments.

# The Students' Union at Bournemouth University

## Trustees' Annual Report *(continued)*

Year ended 31 July 2017

### ACHIEVEMENTS AND PERFORMANCE *(continued)*

#### v) Being major collective force for all students *(continued)*

##### 'Democracy' activity

In 2016/17 SUBU has continued to encourage and facilitate student participation in the way in which decisions are made:

- 56 Part-Time Officers were elected to form the 4 student councils.
- The voting structure and procedures of , 'Big Student Meetings' was reviewed to enhance the way in which it captured the student voice, for example voting is now counted using the fairer system of ATV (Alternative Transferable Voting) rather than FPTP (First Past the Post).
- We had the most quorate Big Student Meetings 3/4 with one in Lansdowne which was the most attended Lansdowne Big Student Meeting.
- For the second time, student ideas submitted through the ideas system went directly to the Executive meeting.
- 20 student candidates ran in the full-time Officer elections, with a much more increased diverse range of candidates.
- Our full-time Officer elections achieved the highest turnout with 3,413 students voting.

With the Equality and Campaigns Coordinator, we saw our elected part-time officers' work coordinated with Fair Access. A particular area of work has been with Mature Students, where we have seen continual improvement on engagement with this group.

Other Equality and Diversity work which has supported the fair access strategy is:

- A successful Black History Celebration during Black History Month, which had multiple events. The final event was the BME Awards which had an attendance of 300 students;
- One World Day, which celebrated different cultures and saw 400 students taking part in the day of events;
- The second Bournemouth Student Pride during LGBT History Month, bringing together students from BU and AUB for a day of celebration. Much bigger than the first one

### PUBLIC BENEFIT

In undertaking the activities of the last twelve months, the Trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities should be undertaken. Through adherence to the objectives and the activities undertaken in the year, the Trust has diligently and purposefully fulfilled its obligations.

The main activities for Public Benefit are the furtherance of education of Bournemouth University Students and this is achieved through the activities described above.

# The Students' Union at Bournemouth University

## Trustees' Annual Report *(continued)*

Year ended 31 July 2017

### FINANCIAL REVIEW

SUBU's gross income from all sources including; Blockgrant, Mutual Trading, Fundraising and the subsidiary, Feelprime Limited, this year totalled £5,165,711 (2016 - £4,826,747).

Total expenditure of £4,964,139 (2016 - £4,702,900) on wide-ranging student benefits we provide within a broadly balanced budget, as well as on the fundraising and other revenue generating activities we undertake, resulted in a surplus for the year of £201,572 (2016 - £123,847 deficit), reducing our total reserves deficit from £635,538 to £433,966.

The principle funding sources are the income from the trading subsidiary, income from the kitchen/bar, café and shop and the Blockgrant from the University. This year, as with the previous one, has seen an increase in the Blockgrant.

SUBU receives a Blockgrant from Bournemouth University to supplement its various activities, and occupies some buildings owned by the University, which also pays for the utilities. As recommended by the Charities SORP, an estimated value to SUBU for this free accommodation has been included in the financial statements valued at £641,577 (2016 - £628,126)

The Trustees believe that this or equivalent support from the University, and occupancy of the premises, will continue for the foreseeable future.

A couple of years ago the commercial surpluses were in decline. This year and in 2015/16, this trend was reversed. This supports the increasing work of SUBU, especially since March 2015 when its presence has been much more visible as a result of SUBU's primary location in the Talbot Campus Student Centre. It is hoped something similar will happen in the near future at the Lansdowne Campus.

### Reserves

The Statement of Recommended Practice (SORP) for Accounting and Reporting by Charities defines reserves as income which becomes available to the Union and is to be spent at the Trustees' discretion in furtherance of any of the Union's objects, but which is not yet spent, committed or designated. This definition of reserves therefore excludes restricted and designated funds and income funds which could only be realised by disposing of fixed assets held for Union use.

At 31 July 2017 the Union had consolidated unrestricted funds amounting to a deficit of £435,017 (2016 - deficit £668,634), all of which were free reserves. This is consistent with prior years and the Union's policy to maintain sufficient reserves to cover committed salary costs for a period of three months, by means of judicious management of our assets. The amount of reserves relating to tangible fixed assets that would be required to be sold to release the reserves are £60,741 (2016 - £67,367) and these are not included in the free reserves figure above. Included within the unrestricted funds is our element of the SUSS multi-employer pension scheme deficit, as set out in Note 23, and the result of this is to decrease our overall reserves by the deficit in this fund of £1,187,316 at the year end (2016 - £1,165,275). There is a Recovery Plan in place for full repayment by 2032. These repayments are included in our expense calculations and as such are not considered to affect our reserves policy level.

# The Students' Union at Bournemouth University

## Trustees' Annual Report *(continued)*

Year ended 31 July 2017

### FINANCIAL REVIEW *(continued)*

#### Financial Instruments

The charity's principal financial instruments comprise bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the charity's operations.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity is managed by ensuring sufficient funds are available to meet amounts due.

#### PLANS FOR FUTURE PERIODS

In supporting our themes we remain committed to:

- i) *Creating friendships* by maximising the opportunities we make available to students via formal and informal student groupings in clubs and societies, volunteering, Green matters. As well as the myriad of opportunities that exists through working for SUBU and its subsidiary and through involvement with our democracy and campaigns.  
We have ensured that we keep increasing involvement in these areas year on year for the last two years and intend to continue as such.
- ii) *Helping people to realise their potential* through our constant turnover of student engagement, roughly one third of the students leave every year, SUBU annually gets the opportunity to train and coach students on how to represent, lead a club or volunteering project, manage our commercial outlets, raise money for charity, stand for election, plan and deliver a campaign. As part of our overall work on training and development especially with student staff, volunteers and leaders we have always prided ourselves on our ethos of helping people to 'realise their potential'. In April 2017 we successfully retained our Investors in People status, that we were first awarded twenty years ago.
- iii) *Being ethical and environmental in its activities* by continuing our green procedures and initiatives as an organisation and employer and by recognising the value in us leading on student involvement and education on such matters. This has already led to us employing a full time staff member a couple of years ago to facilitate students with their work and learning on such matters.
- iv) *Being understood and recognised as well as more accessible and approachable to all students* has been significantly improved by our presence since March 2015 in the Student Centre. It is important that we keep this 'awareness and engagement' work up and continue to work hard to engage with all our students especially Post Grad taught and research; International students and Black and Minority Ethnic (BME) students, students at outlying campuses and with very different study/work modes. It is these student groups who in particular can find it hard to engage with SUBU. In 2016/17 we achieved the Investors In Diversity Stage 2 award to support this.
- v) *Being a major collective force for all students* is stretching but we relish the challenge and seek to improve our impact on every student. In 2016/17 we increased the number of full time elected officers from four to five and aim to continue working with them to ensure we are more representative through these officers for the various diverse student groups. This will include further work on data capture, analysis and segmentation.

# The Students' Union at Bournemouth University

## Trustees' Annual Report *(continued)*

Year ended 31 July 2017

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Governing Document

The Students' Union at Bournemouth University (SUBU) is an unincorporated charity, governed by its Constitution, which was updated in November 2016. The Constitution governs what the Union can do and how it will be administered by a Trustee Board on behalf of its student members.

SUBU has been registered with the Charity Commission since 2 December 2011. Prior to registering, the Union was not required to prepare financial statements in the charity format.

#### Recruitment of Trustees and Administration

Appointment and re-election of Trustees is conducted in accordance with the Constitution and Bye-Laws and the Board of Trustees shall comprise:

Not more than five Sabbatical Officer Trustees, but normally one

Not more than two Executive Committee Trustees, but normally one

Not more than six Student Trustees

Not more than one Staff Trustee

Not more than four External Trustees

The methods for recruitment and appointment are set out in full in our Constitution and By Laws which are available on our website [www.subu.org.uk](http://www.subu.org.uk)

#### Training for Trustees

All Trustees are provided with a variety of information upon their induction and are briefed on their legal obligations and Trustees' responsibilities.

They receive both face to face meetings and induction packs of information.

The President, Executive Committee and Staff Trustees are provided with additional support from both fellow staff members and outgoing officers to insure both a smooth transition period and to support the new Trustees with the support and information to understand and undertake their responsibilities.

They also have on-going staff support to guide them through Board and Committee papers, reports and to advise on areas such as conflicts of interest.

#### Powers of the Trustees

The Board of Trustees shall be responsible for the management and administration of the Union and (subject to the Education Act, the Constitution and the Bye-Laws) may exercise all the powers of the Union.

The Board of Trustees oversees the strategic and financial activities of the Students' Union and shall hold a minimum of three meetings in any Academic Year.

The Board is chaired by the President and is comprised of not more than four External Trustees, not more than six Student Trustees, an Executive Committee Trustee and a Staff Trustee.

The President is elected by secret ballot to serve a term of one year and may be re-elected to the post for a maximum further term of one year. The Executive Committee and Staff Trustees are elected from amongst the Executive Committee and Staff respectively.

The Trustee Board has one permanent Committee, Audit and Risk, to deal with a specific area and also currently uses task and finish groups in an ad hoc way as well as specially convened committees for the recruitment of Trustees.

The Audit and Risk Committee is responsible for ensuring that there is a framework for internal controls and accountability; for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management; and for ensuring the organisation is complying with all aspects of the law, relevant regulations and good practice.

# The Students' Union at Bournemouth University

## Trustees' Annual Report *(continued)*

Year ended 31 July 2017

### STRUCTURE, GOVERNANCE AND MANAGEMENT *(continued)*

#### Governing Document *(continued)*

##### The Executive Committee

This Committee meets fortnightly during undergraduate term time and supports the Full Time Officers and staff of the Union in their work and decision making with regards to day to day operational matters.

The Executive Committee consisted of the five Full Time elected Officers and eight Part Time elected Officers. This Committee along with the General Meetings holds the Full Time elected Officers to account.

It is the responsibility of the Trustee Board, in lieu of the Executive Committee to set the pay and remuneration of key management and this is done by reference to market-rates, prior experience of the candidate and the responsibilities of the role in question.

##### The Union General Meetings and Annual General Meeting

The Union General Meetings are held once per term and are an important part of permitting student members to formally raise and debate issues with their peers in an open forum to which all students are invited. Decisions made at such meetings are, subject to ratification by the Trustee Board, held to be 'Union Policy' for a period of two years.

The Annual General Meeting is held annually, normally in the spring term, at which the audited financial statements of the Union for the previous year are presented, together with other statutory charity AGM requirements.

##### Delegated responsibilities

The Board of Trustees delegates day-to-day management of the organisation to the General Manager who is responsible for implementing the policies and strategies of the organisation and within budgets approved by the Trustees and if applicable to advise the Trustees in relation to such policy, strategy and budget.

The General Manager, Alan James, is supported by Senior Managers responsible for Finance, Sarah Newland; Commercial Activities, Alan Dove; and (until May 2017) Student Engagement; Joff Cooke.

##### Group Structure and Relationships

The charity has a wholly owned non-charitable limited company subsidiary, Feelprime Limited, whose activities and performance are discussed on page 4. A list of affiliates is detailed per note 26.

##### Risk Management

The Trustees are responsible for the management of the risks faced by the Union. Through the use of a risk register, risks, especially those relating to the operations and finances of the Union, are identified, assessed and controls are established on an ongoing basis and reviewed annually.

The Trustees are satisfied that systems in place will mitigate exposure to the major risks.

# The Students' Union at Bournemouth University

## Trustees' Annual Report *(continued)*

Year ended 31 July 2017

### **CUSTODIAN ACTIVITIES: CLUBS & SOCIETIES AND RAG FUNDS**

SUBU acts as custodian for funds raised by the students' many Clubs and Societies themselves, amounting to £66,872 (2016 - £58,161) at the year end, in addition to the funds it disburses to them as shown in the financial statements.

SUBU is also custodian of the RAG funds generated from activities and events throughout the year. The balance at the 31 July 2017 was £9,457 (2016 - £7,193).

These funds are included in the Union's Statement of Financial Position under Money in Bank and Funds Held for Third Parties (note 19), and are carefully managed, on the instruction of those entities, by the Union.

The activities of these funds are not reflected in the Union's Statement of Financial Activities. Both the Clubs and Societies and the RAG have aims and objectives considered to be in line with those of the Union.

### **TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the Trustees' Annual Report 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 & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 2015 (FRS 102)
- 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 in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed by order of the Trustees

Daniel Oluyomi Asaya  
President/Chair of the Trustees

Approved by the Trustees on 28 February 2018

## **The Students' Union at Bournemouth University**

### **Independent Auditor's Report to the Members of The Students' Union at Bournemouth University**

**Year ended 31 July 2017**

#### **Opinion**

We have audited the financial statements of The Students' Union at Bournemouth University for the year ended 31 July 2017 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, 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 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 charity and the charity's members 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 July 2017 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;
- 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 auditor's 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.



## **The Students' Union at Bournemouth University**

### **Independent Auditor's Report to the Members of The Students' Union at Bournemouth University *(continued)***

**Year ended 31 July 2017**

#### **Other information**

The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

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

#### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

#### **Auditor's 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 an auditor's report 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.

## **The Students' Union at Bournemouth University**

### **Independent Auditor's Report to the Members of The Students' Union at Bournemouth University *(continued)***

#### **Year ended 31 July 2017**

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

10 Bridge Street  
Christchurch  
Dorset  
BH23 1EF

LUCY FILER (Senior Statutory Auditor)  
For and on behalf of  
Filer Knapper LLP  
Chartered accountant & statutory auditor

10 April 2018

# The Students' Union at Bournemouth University

## Consolidated Statement of Financial Activities

31 July 2017

		Unrestricted funds £	2017 Restricted funds £	Total funds £	2016 Total funds £
	Note				
<b>Income and endowments</b>					
Donations and legacies	4	1,836,840	7,050	<b>1,843,890</b>	1,632,426
Charitable activities	5	1,733,198	ó	<b>1,733,198</b>	1,754,146
Other trading activities	6	1,587,088	ó	<b>1,587,088</b>	1,438,621
Investment income	7	1,535	ó	<b>1,535</b>	1,554
<b>Total income</b>		<u>5,158,661</u>	<u>7,050</u>	<u><b>5,165,711</b></u>	<u>4,826,747</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Expenditure of trading subsidiary	8	1,522,716	ó	<b>1,522,716</b>	1,498,506
Expenditure on charitable activities	9,10	3,402,327	39,096	<b>3,441,423</b>	3,204,394
<b>Total expenditure</b>		<u>4,925,043</u>	<u>39,096</u>	<u><b>4,964,139</b></u>	<u>4,702,900</u>
<b>Net income and net movement in funds</b>		<u>233,618</u>	<u>(32,046)</u>	<u><b>201,572</b></u>	<u>123,847</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		(668,635)	33,097	<b>(635,538)</b>	(759,385)
<b>Total funds carried forward</b>		<u>(435,017)</u>	<u>1,051</u>	<u><b>(433,966)</b></u>	<u>(635,538)</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

# The Students' Union at Bournemouth University

## Statement of Financial Position

31 July 2017

		Group		Charity	
		2017	2016	2017	2016
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	15	60,714	67,367	60,714	67,367
Investments	16	-	-	1	1
		<u>60,714</u>	<u>67,367</u>	<u>60,715</u>	<u>67,368</u>
<b>Current assets</b>					
Stocks	17	78,985	79,170	55,497	57,140
Debtors	18	56,121	70,291	228,102	75,132
Cash at bank and in hand		806,239	553,889	602,533	506,248
		<u>941,345</u>	<u>703,350</u>	<u>886,132</u>	<u>638,520</u>
<b>Creditors: Amounts falling due within one year</b>	19	<u>(248,709)</u>	<u>(240,980)</u>	<u>(210,006)</u>	<u>(192,186)</u>
<b>Net current assets</b>		<u>692,636</u>	<u>462,370</u>	<u>676,126</u>	<u>446,334</u>
<b>Total assets less current liabilities</b>		<u>753,350</u>	<u>429,737</u>	<u>736,841</u>	<u>513,702</u>
<b>Net assets excluding pension liability</b>		<u>753,350</u>	<u>529,737</u>	<u>736,841</u>	<u>513,702</u>
<b>Defined benefit pension liability</b>	20	<u>(1,187,316)</u>	<u>(1,165,275)</u>	<u>(1,187,316)</u>	<u>(1,165,275)</u>
<b>Net assets</b>		<u>(433,966)</u>	<u>(635,538)</u>	<u>(450,475)</u>	<u>(651,573)</u>
<b>Funds</b>					
Restricted	21	1,051	33,097	1,050	33,096
Pension reserve	20	<u>(1,187,316)</u>	<u>(1,165,275)</u>	<u>(1,187,316)</u>	<u>(1,165,275)</u>
		<u>(1,186,265)</u>	<u>(1,132,178)</u>	<u>(1,186,266)</u>	<u>(1,132,179)</u>
Unrestricted	21	<u>752,299</u>	<u>496,640</u>	<u>735,791</u>	<u>480,606</u>
<b>Total charity funds</b>		<u>(433,966)</u>	<u>(635,538)</u>	<u>(450,475)</u>	<u>(651,573)</u>

These financial statements were approved by the Board of Trustees and authorised for issue on 28 February 2018, and are signed on behalf of the board by:

Daniel Oluyomi Asaya  
President/Chair of the Trustees

# The Students' Union at Bournemouth University

## Statement of Cash Flows

Year ended 31 July 2017

	2017	2016
	£	£
<b>Cash flows from operating activities</b>		
Net income	201,572	123,857
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	50,628	76,157
Other interest receivable and similar income	(1,535)	(1,554)
Accrued (income)/expenses	(19,214)	35,575
<i>Changes in:</i>		
Stocks	186	17,469
Trade and other debtors	14,170	29,462
Trade and other creditors	26,942	(46,384)
Defined benefit pension liability	22,041	(29,236)
Cash generated from operations	<u>294,790</u>	<u>205,336</u>
Interest received	1,535	1,554
Net cash from operating activities	<u>296,325</u>	<u>206,890</u>
 <b>Cash flows from investing activities</b>		
Purchase of tangible assets	(43,975)	(7,075)
Proceeds from sale of tangible assets	-	523
Net cash used in investing activities	<u>(43,975)</u>	<u>(6,552)</u>
 <b>Net increase in cash and cash equivalents</b>	<b>252,350</b>	<b>200,338</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>553,889</b>	<b>353,551</b>
<b>Cash and cash equivalents at end of year</b>	<b><u>806,239</u></b>	<b><u>553,889</u></b>

# The Students' Union at Bournemouth University

## Notes to the Financial Statements

Year ended 31 July 2017

### 1. General information

The charity is registered charity in England and Wales and is unincorporated. The address of the principal office is Talbot Campus, Fern Barrow, Poole, Dorset, BH12 5BB.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### Going concern

Due to the recognition of the multi-employer pension-scheme deficit as a result of FRS102 requirements, the charity continues to present a negative statement of financial position from transition. The pension deficit liability is being met by way of an agreed recovery repayment plan over a number of years, and this has been in operation for several years. The annual repayment requirement is currently being met within the working capital of the charity. The pension scheme is undergoing an actuarial revaluation following which the amended recovery plan will be announced in 2018. While it is anticipated that deficit and thus the repayments will rise, it is not anticipated that this rise will be unduly onerous or outside the capabilities of the charity to meet the repayments. As such, and on the basis of the continued support of Bournemouth University, the Trustees consider it appropriate to prepare the financial statements on the going concern basis.

#### Group financial statements

These financial statements consolidate the results of The Students' Union at Bournemouth University and its wholly owned subsidiary, Feelprime Limited, on a line by line basis. A separate statement of financial activities for the charity itself is not presented.

# The Students' Union at Bournemouth University

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2017

#### 3. Accounting policies *(continued)*

##### **Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives and residual values are assessed annually, taking maintenance programmes into account.

##### **Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

##### **Incoming resources**

All incoming resources are included in the Consolidated Statement of Financial Activities (SoFA), net of Value Added Tax as applicable, when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Grants are recorded in full when receivable. The Bournemouth University donation of serviced accommodation is accounted for as income and expenditure of the year at an estimated value to SUBU by reference to the market value of this donation.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

# The Students' Union at Bournemouth University

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

### 3. Accounting policies *(continued)*

#### Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Costs of raising funds includes the operating costs of its subsidiary trading company; Expenditure on charitable activities includes Students' Union, shop, bar and rent costs; and Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT. All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource.

Raising funds costs include those costs attributable to the charity's wholly owned trading subsidiary and fund raising balls.

Charitable activity costs comprise those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Other support costs include those costs associated with Governance, meeting the constitutional and statutory requirements of the charity and include the audit fee and costs linked to the strategic management of the charity.

The value of the donated serviced accommodation is apportioned on an estimated floor space occupied. Other central overhead costs are apportioned to charitable and other projects on a usage basis, pro-rata to the total cost of each project or activity undertaken.

#### Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings and equipment	-	25% straight line
Motor vehicles	-	25% straight line

#### Investments

Qualifying shares in buying consortia and other fixed asset investments are stated at cost less impairment.



# The Students' Union at Bournemouth University

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2017

#### 3. Accounting policies *(continued)*

##### **Impairment of fixed assets**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each year end date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

##### **Stocks**

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

##### **Financial instruments**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

##### **Defined benefit plans**

###### **SUSS**

The Union participates in the Student Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the Trustees on the advice of the actuary. The scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. Under the terms of FRS 102 in these circumstances, contributions are accounted for as if the scheme were a defined contribution scheme based on actual contributions paid through the year. This scheme was frozen to new contributions in September 2011.

###### **NUSPS**

The Union also participates in the National Union of Students Pension Scheme. This is a defined contribution scheme and as such only the amounts recorded as paid during the year are shown. No further liability is attributable with this type of scheme.

###### **NEST**

As required by the Government's auto enrolment policy, the Union now participates in a NEST defined contribution scheme.

##### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

# The Students' Union at Bournemouth University

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

### 4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
<b>Donations</b>			
Donated rent and overheads	641,577	-	641,577
<b>Grants</b>			
Bournemouth University (block grant)	1,190,000	-	1,190,000
Other grants	5,263	7,050	12,313
	<u>1,836,840</u>	<u>7,050</u>	<u>1,843,890</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
<b>Donations</b>			
Donated rent and overheads	628,126	-	628,126
<b>Grants</b>			
Bournemouth University (block grant)	940,000	-	940,000
Other grants	6,700	57,600	64,300
	<u>1,574,826</u>	<u>57,600</u>	<u>1,632,426</u>

### 5. Charitable activities

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Bar and shop income	1,185,246	1,185,246	1,229,119	1,229,119
Marketing income	157,025	157,025	150,006	150,006
Sundry income	4,533	4,533	4,307	4,307
SCC income	386,394	386,394	370,714	370,714
	<u>1,733,198</u>	<u>1,733,198</u>	<u>1,754,146</u>	<u>1,754,146</u>

### 6. Other trading activities

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Income from trading subsidiary	1,587,088	1,587,088	1,438,621	1,438,621

### 7. Investment income

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Bank interest receivable	1,535	1,535	1,554	1,554

# The Students' Union at Bournemouth University

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

### 8. Expenditure of trading company

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Bar operating costs	1,351,334	1,351,334	1,337,382	1,337,382
Donated rent and overheads	171,382	171,382	161,124	161,124
	<u>1,522,716</u>	<u>1,522,716</u>	<u>1,498,506</u>	<u>1,498,506</u>

### 9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Union	1,409,710	39,096	1,448,806
Shop and bar	1,045,363	-	1,045,363
Marketing	51,962	-	51,962
Support costs	895,292	-	895,292
	<u>3,402,327</u>	<u>39,096</u>	<u>3,441,423</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Union	1,163,244	39,336	1,202,580
Shop and bar	1,037,547	(6,733)	1,030,813
Marketing	101,618	(1,165)	100,455
Support costs	875,780	(5,233)	870,546
	<u>3,178,189</u>	<u>26,205</u>	<u>3,204,394</u>

### 10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2017 £	Total fund 2016 £
Union	1,448,806	241,207	1,690,013	1,473,359
Shop and bar	1,045,363	130,093	1,175,456	1,151,493
Marketing	51,962	-	51,962	100,455
Donated rent and overheads	-	470,195	470,195	467,002
Governance costs	-	53,797	53,797	12,085
	<u>2,546,131</u>	<u>895,292</u>	<u>3,441,423</u>	<u>3,204,394</u>

# The Students' Union at Bournemouth University

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2017

#### 11. Allocation of support costs

The breakdown of support costs included in the Charitable Expenditure costs above, and how they are allocated between different activities, is shown below. Costs are allocated on a basis consistent with the use of resources as shown below:

Cost type	Apportionment basis	Year to 31 Jul 17			Total	Year to 31 Jul 16
		Student services £	Shop and bars £	Marketing £	Allocated £	Total Allocated £
Insurance	Turnover	20,141	7,755	-	27,896	28,075
Office costs	Cost	24,904	-	-	24,904	23,909
Administration salaries	Time spent	193,236	58,180	-	251,416	253,107
Depreciation	Asset split	2,927	47,701	-	50,628	75,860
Repairs and maintenance	Cost	-	16,456	-	16,456	10,508
Rent and overheads	Area	375,550	94,645	-	470,195	467,002
Governance	Cost	53,797	-	-	53,797	12,085
		<u>670,555</u>	<u>224,737</u>	<u>-</u>	<u>895,292</u>	<u>870,546</u>

#### 12. Governance costs

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Audit fees	5,120	5,120	5,873	5,873
Legal fees	40,989	40,989	1,392	1,392
Trustee expenses	5,836	5,836	3,076	3,076
Trustees and officers insurance	1,851	1,851	1,744	1,744
	<u>53,796</u>	<u>53,796</u>	<u>12,085</u>	<u>12,085</u>

#### 13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2017 £	2016 £
Wages and salaries	1,561,174	1,476,432
Social security costs	95,833	91,260
Employer contributions to pension plans	186,926	130,616
	<u>1,843,933</u>	<u>1,698,308</u>

The average head count of employees during the year was 120 (2016 - 113). The average number of employees during the year is analysed as follows:

	2017 No.	2016 No.
Number of permanent staff	47	47
Number of student staff	73	66
	<u>120</u>	<u>113</u>

No employee received employee benefits of more than £60,000 during the year (2016 - Nil).

# The Students' Union at Bournemouth University

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2017

#### 14. Trustees and key management personnel remuneration and expenses

In accordance with SUBU's governing document, during the year the full-time Sabbatical Officer, Staff Officer and Student Trustees received remuneration for qualifying services as distinct from their trustee responsibilities. The Sabbatical Officer received a total of £22,486 (2016 - £23,539), which includes employer's national insurance and pension costs, per annum (pro-rated for change in appointment) for the representation, campaigning and support work they undertook. The Staff Officer received total remuneration (including employer's national insurance and pension costs) of £23,229 (2016 - £22,266) for managerial and operational work (pro-rated for change in appointment). The Student Trustees received total remuneration of £4,443 (2016 - £Nil). The total amount of employee benefits received by key management personnel is £202,608 (2016 - £203,783).

Three Trustees incurred reimbursed expenses in relation to travel and subsistence totalling £5,835 (2016 - £3,076). No other Trustee remuneration was paid in the year.

No Trustee received remuneration of more than £60,000 during the year (2016 - None).

#### 15. Tangible fixed assets

Group	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 August 2016	805,394	31,812	837,206
Additions	40,559	3,416	43,975
Disposals	(102,052)	-	(102,052)
<b>At 31 July 2017</b>	<b><u>743,901</u></b>	<b><u>35,228</u></b>	<b><u>779,129</u></b>
<b>Depreciation</b>			
At 1 August 2016	738,027	31,812	769,839
Charge for the year	49,774	854	50,628
Eliminated on disposal	(102,052)	-	(102,052)
<b>At 31 July 2017</b>	<b><u>685,749</u></b>	<b><u>32,666</u></b>	<b><u>718,415</u></b>
<b>Net book value</b>			
<b>At 31 July 2017</b>	<b><u>58,152</u></b>	<b><u>2,562</u></b>	<b><u>60,714</u></b>
At 31 July 2016	67,367	-	67,367

The premises occupied by the trading subsidiary and from which it operates are occupied under an informal agreement with Bournemouth University as set out in the Trustees' Annual Report. The Trustees are of the opinion that such occupancy will continue for at least the period of the expected useful lives of the refurbishments to the buildings and equipment purchased, included in fixtures, fittings and equipment above.

# The Students' Union at Bournemouth University

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2017

#### 15. Tangible fixed assets *(continued)*

##### Charity

	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 August 2016	752,997	31,812	784,809
Additions	40,559	3,416	43,975
Disposals	(102,052)	-	(102,052)
<b>At 31 July 2017</b>	<b>691,504</b>	<b>35,228</b>	<b>726,732</b>
<b>Depreciation</b>			
At 1 August 2016	685,630	31,812	717,442
Charge for the year	49,774	854	50,628
Eliminated on disposal	(102,052)	-	(102,052)
<b>At 31 July 2017</b>	<b>633,352</b>	<b>32,666</b>	<b>666,018</b>
<b>Net book value</b>			
<b>At 31 July 2017</b>	<b>58,152</b>	<b>2,562</b>	<b>60,714</b>
At 31 July 2016	67,367	-	67,367

#### 16. Investments

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
<b>Cost</b>				
At 1 August 2016	-	-	1	1
<b>At 31 July 2017</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>1</b>
<b>Net book value</b>				
At 1 August 2016	-	-	1	1
<b>At 31 July 2017</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>1</b>

The charity's investments comprise 1 Ordinary £1 share in the charity's wholly owned trading subsidiary, Feelprime Limited (company number 04001419), which operates off campus bars and entertainment for students and the general public.

The statement of financial position of the trading subsidiary is shown below:

	2017 £	2016 £
Assets	239,241	87,067
Liabilities	(222,731)	(71,031)
Share capital	1	1
Retained profits	16,509	16,035

# The Students' Union at Bournemouth University

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2017

#### 16. Investments *(continued)*

The results for the year ended 31 July 2017 of the trading subsidiary are shown below:

	2017	2016
	£	£
Turnover	1,587,088	1,438,621
Direct costs and overheads	(1,312,612)	(1,328,287)
Operating charges paid to parent charity	(63,952)	(54,853)
Net profit	<u>210,524</u>	<u>55,481</u>
Gift aid payment made to parent charity	(210,050)	(54,904)
Surplus retained	<u><u>474</u></u>	<u><u>577</u></u>

#### 17. Stocks

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Bar and food stocks	33,050	30,085	9,562	8,055
General trading stocks	45,935	49,085	45,935	49,085
	<u>78,985</u>	<u>79,170</u>	<u>55,497</u>	<u>57,140</u>

#### 18. Debtors

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	27,423	37,563	22,192	35,643
Amounts owed by group undertakings	0	0	184,028	22,236
Prepayments and accrued income	21,153	22,808	14,337	7,333
Other debtors	7,545	9,920	7,545	9,920
	<u>56,121</u>	<u>70,291</u>	<u>228,102</u>	<u>75,132</u>

#### 19. Creditors: Amounts falling due within one year

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	94,437	64,642	68,870	41,717
Taxation and social security	33,220	36,073	24,393	33,141
Other creditors and accruals	44,723	74,911	40,414	51,974
Funds held for third parties	76,329	65,354	76,329	65,354
	<u>248,709</u>	<u>240,980</u>	<u>210,006</u>	<u>192,186</u>

#### Funds held for third parties

The charity holds and administers funds on behalf of the RAG Fund and Clubs and Societies. The net movement of funds in and out was £2,264 (2016 - £1,261) for the RAG Fund and £8,711 (2016 - £13,996) for Clubs and Societies.

# The Students' Union at Bournemouth University

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2017

#### 20. Analysis of charitable funds

##### Unrestricted funds

	At 1 August 2016	Income	Expenditure	At 31 July 2017
	£	£	£	£
General funds	496,640	5,158,661	(4,903,002)	752,299
Pension	(1,165,275)	ó	(22,041)	(1,187,316)
	<u>(668,635)</u>	<u>5,158,661</u>	<u>(4,925,043)</u>	<u>(435,017)</u>

##### Restricted funds

	At 1 August 2016	Income	Expenditure	At 31 July 2017
	£	£	£	£
OFFA Access All Areas	24,787	ó	(24,787)	-
Student Community Warden Grant	7,710	6,000	(13,709)	1
SEL Student Advice for Asda vouchers	600	ó	(600)	-
Bursary payments	ó	1,050	ó	1,050
	<u>33,097</u>	<u>7,050</u>	<u>(39,096)</u>	<u>1,051</u>

##### OFFA Access All Areas

The Bournemouth University Fair Access Management Group gave a grant of £45,000 in 2016 for the Access All Areas project, the aims of which are:- to deliver outreach and retention focused activities for non-traditional students and to deliver projects that engage students from non-traditional backgrounds.

##### Student Community Warden Grant

The Bournemouth University gave a grant to fund a warden to work to improve relations between students and the local Winton community by fostering understanding of each party's rights and responsibilities.

##### SEL Student Advice for Asda vouchers

The Bournemouth University gave a grant of £600 in 2016 for Asda vouchers which are awarded as small emergency grants to individuals with hardship issues.

##### Bursary payments

The Bournemouth University gave a grant of £1,050 to fund selected bursary assistance as required.

#### 21. Analysis of net assets (between restricted and unrestricted funds)

	Tangible fixed assets	Other net assets	Total
	£	£	£
Restricted funds	-	1,051	1,051
General fund	60,714	691,585	752,299
Pension fund	-	(1,187,316)	(1,187,316)
	<u>60,714</u>	<u>(494,680)</u>	<u>(433,966)</u>

#### 22. Capital commitment and contingent liability

At 31 July 2017 there was an ongoing enquiry into the VAT status of certain fundraising events which may result in an assessment of VAT, the amount of which is currently estimated at around £70,000 if the liability were to become payable.



# The Students' Union at Bournemouth University

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2017

#### 23. Pension contributions

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 onwards accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the scheme closed to future accrual.

The most recent valuation of the scheme was carried out as at 30 June 2013 and showed that the market value of the scheme's assets was £80,910,623 with these assets representing 52% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £73,849,000.

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

The following assumptions applied at 30 June 2013:-

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

The 2013 Valuation recommended a monthly contribution requirement by each participating employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 17 years and will increase by at least 5% each year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates applied with effect from 1 October 2014 and were formally reviewed following completion of the next valuation due with an effective date of 1 June 2016. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the scheme's levy to the Pension Protection Fund.

The total contributions paid into the Scheme by the Union in respect of eligible employees for the year ended 31 July 2017 amounted to £69,993 (2016 - £66,633) but this includes a higher proportion of contributions in respect of future accrual.

The Union also participated in both the National Union of Students Pension Scheme and the National Employment Savings Trust. The total employers' contributions paid into the NUSPS defined contribution scheme during the year amounted to £82,646 (2016 - £89,521). The total employer's contributions paid into the NEST Government workplace pension during the year amounted to £5,294 (2016 - £3,671).

Under FRS 102, SUBU are required to recognise the Union's deficit on the SUSS pension scheme as a liability in the financial statements from the date of transition onwards, calculated using the discounted value of the additional contributions the Union is committed to paying under the Recovery Plan ending in 2032. The net present value of this liability as at 31 July 2017 is £1,187,316 (2016 - £1,165,275).

#### 24. Related parties

The Union is in receipt of a block grant from Bournemouth University of £1,190,000 (2016 - £940,000) and other grants of £12,313 (2016 - £57,600). In addition, the Union occupies the University's buildings on a rent free basis under an informal arrangement, and the Trustees have valued the use of the buildings and utilities with reference to market rents and costs at £641,577 (2016 - £628,126). There were other net trading transactions during the year, under normal trading terms, of £4,273 (2016 - £18,402). There was a balance due from the University at the year end of £1,302 (2016 - £1,482 due from).

The charity is controlled by the Trustee Board which is, in part, subject to the democratic election by voting membership of the Union.

# The Students' Union at Bournemouth University

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

### 25. Affiliations

The Union's affiliations and transactions with these during the year are listed below:

	2017	2016
	£	£
Community Transport Association	49	49
National Union of Students	28,664	28,970
New Forest Water Park	1,200	-
Advice UK	-	240
Bournemouth National Trust Volunteers	-	30
Citizens Advice	-	20
National Association of Student Money Advisors	-	770

### 26. Clubs and societies expenditure

	2017	2016
	£	£
American football	14,430	-
Arch society	630	-
Awards	3,390	2,220
C & S admin salary and general expenses	95,706	80,184
Cheerleading	16,396	13,649
Cheese Society	30	-
Christian Union	-	430
Climbing	200	-
Cycling Society	2,820	-
Dance	549	3,373
Feminism	-	206
First aid training	383	500
Games development	-	100
General clubs	4,847	-
Give It A Go	229	206
Handball	847	-
Horse riding	-	3,300
Islamic Society	745	605
LGBTQ+	287	-
Pakistan Society	105	-
Parts	2,113	-
PHD Society	-	394
Physiotherapy	40	-
Polo	-	2,725
Poker	1,500	1,026
Pre hospital and emergency care	2,053	-
Quidditch	203	-
Real Ale Society	-	300
Rowing	17,393	5,694
Sailing	792	3,253
Star scheme	180	297
Student activities general expenses	1,666	7,168
Students action for refugees	54	-
Swimming	1,633	2,393
Trampolining	838	-
Ultimate frisbee	1,400	-
Wake and kite	200	-
Yoga	100	-
	<u>171,759</u>	<u>128,023</u>