

STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2011

FILER KNAPPER LLP
Chartered Accountants & Statutory Auditors
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STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY

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STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY

SABBATICAL OFFICERS

PRESIDENT

Toby Horner

VICE PRESIDENT

Phillipa Hodgson

V.P. EDUCATION

Kate Jones

V.P. COMMUNICATIONS

Jesse Banovic

STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY

STATEMENT OF OFFICERS' RESPONSIBILITIES

The officers are responsible for preparing the financial statements in accordance with the Union's constitution. The Union's constitution requires the officers to prepare financial statements for each financial year. Under that constitution the officers have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the Union's constitution the officers must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Union and of the surplus or deficit of the Union for that period. In preparing those financial statements, the officers are required to:

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

The officers are responsible for keeping adequate accounting records that are sufficient to show and explain the Union's transactions and disclose with reasonable accuracy at any time the financial position of the Union and enable them to ensure that the financial statements comply with the Union's constitution. They are also responsible for safeguarding the assets of the union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the officers are aware:

- there is no relevant audit information of which the Union's auditors are unaware; and
- the officers have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

On behalf of the officers

TOBY HORNER
President

STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY YEAR ENDED 31 JULY 2011

We have audited the financial statements of the Students Union of Bournemouth University for the year ended 31 July 2011 on pages 4 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Union's members, as a body. Our audit work has been undertaken so that we might state to the Union's members 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 Union and the Union's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF OFFICERS AND AUDITOR

As explained more fully in the Officers' Responsibilities Statement (set out on page 2), the Officers are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the Union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Officers; and the overall presentation of the financial statements.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:


- give a true and fair view of the state of the Group's and the Union's affairs as at 31 July 2011, and of the Group's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Union's constitution.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Union's Constitution requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Union, or returns adequate for our audit have not been received from branches not visited by us; or
- the Union's 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.

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FILER KNAPPER LLP
Chartered Accountants
& Statutory Auditors

21 November 2011

STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2011

	TOTAL	STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY						FEELPRIME LTD		12 Months to 31.07.10	
		Non Commercial			Commercial			Commercial			
		GRANTS	UNION	FUND RAISING BALLS X 4	DYLAN'S	SHOP	OTHER INCOME	MARKET ING	FIRE STATION		ENTS
BLOCK GRANT	500,000	500,000								395,000	
TRADING REVENUE	2,923,283			395,410	471,353	941,195	44,925	68,746	816,345	185,309	2,765,469
Less PURCHASES	1,392,560			288,091	164,175	631,549	0	9,865	229,963	68,917	1,313,075
GROSS MARGIN	2,030,723	500,000	0	107,319	307,178	309,646	44,925	58,881	586,382	116,392	1,743,342
GP %	69.47%			27.14%	65.17%	32.90%		85.65%	71.83%	62.81%	68.83%
WAGES AND SALARIES	660,491				226,982	150,695			215,169	44,845	377,631
Wage %	22.59%				48.16%	16.01%			26.36%	24.20%	21.89%
OTHER DIRECT COSTS	286,451				79,593	18,126			4,234	85,233	99,265
DC %	9.80%				16.89%	1.93%			10.44%	53.57%	23.83%
OPERATING MARGIN	1,083,781	500,000	0	107,319	603	140,825	44,925	31,847	285,980	(27,718)	388,225
										-14.96%	
STUDENT SERVICES											
SABBS AND EXEC	89,945		89,945								90,625
PARTNERSHIP COLLEGES	34,313		34,313								40,646
STUDENT REP. REWARDS	6,999		6,999								11,131
LEARNING AND DEVELOPMENT	51,159		51,159								46,401
VOLUNTEERING	76,976		76,976								55,486
UNION COMMUNICATIONS	44,645		44,645								22,741
NERVE MEDIA	76,470		76,470								101,146
STAFF DEV AND CONFERENCE	44,679		32,910		3,858	2,963			4,908	40	25,308
AFFILIATIONS	22,855		22,855								21,024
ADVICE CENTRE	78,709		78,709								57,741
MUSIC	0		0								0
CLUBS AND SOCS	50,004		50,004								39,372
MINIBUS EXPENSES	14,274		14,274								10,648
TOTAL STUDENT SERVICES	591,028	0	579,259	0	3,858	2,963	0	0	4,908	40	543,059
UNION SUPPORT											
ADMIN STAFF	173,533		173,533								129,136
OFFICE RUNNING	16,948		16,948								13,079
LEGAL AND PROFESSIONAL	33,094		25,222						7,872		16,418
REPAIRS AND RENEWALS	37,081		4,917		11,102	1,386			11,040	8,636	38,125
TOTAL UNION SUPPORT	260,656	0	220,620	0	11,102	1,386	0	0	18,912	8,636	101,736
CONTRIBUTION BEFORE ALLOCATED COSTS	232,097	500,000	(799,879)	107,319	(14,357)	136,476	44,925	31,847	262,160	(36,394)	253,388
ALLOCATED COSTS											
INSURANCE	20,866		11,838		1,872	3,266			2,629	1,261	21,326
INDIRECT COSTS	98,489				25,640	24,352			37,179	11,318	92,597
TOTAL ALLOCATED COSTS	119,355	0	11,838	0	27,512	27,618	0	0	39,808	12,579	114,023
NET SURPLUS/(DEFICIT) BEFORE DEPRECIATION	112,742	500,000	(811,717)	107,319	(41,869)	108,858	44,925	31,847	222,352	(48,973)	139,365
DEPRECIATION	73,932		10,151		38,272	5,377			11,584	8,548	77,322
CORPORATION TAX	0										0
GIFT AID		(151,444)							151,444		0
NET SURPLUS/(DEFICIT)	38,810	651,444	(821,868)	107,319	(80,141)	103,481	44,925	31,847	59,324	(57,521)	62,033

STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY

CONSOLIDATED BALANCE SHEET AS AT 31 JULY 2011

	Note	2011		2010	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	3		70,715		114,632
Investments	4		660		660
			<u>71,375</u>		<u>115,292</u>
CURRENT ASSETS					
Stocks	5	80,629		61,308	
Sundry debtors and prepayments	6	51,401		80,584	
N.S.S.O. bond		5,000		5,000	
Cash at bank and in hand		700,357		572,808	
		<u>837,387</u>		<u>719,700</u>	
CREDITORS: Amounts falling due within one year	7	(140,924)		(105,964)	
NET CURRENT ASSETS			<u>696,463</u>		<u>613,736</u>
NET ASSETS			<u>767,838</u>		<u>729,028</u>
REPRESENTED BY:					
Accumulated funds			<u>729,028</u>		666,995
Excess of income over expenditure			<u>38,810</u>		62,033
			<u>767,838</u>		<u>729,028</u>

These financial statements have been prepared in accordance with the Union's Constitution and the Financial Reporting Standard for Smaller Entities (effective April 2008).

APPROVED:

PRESIDENT - TOBY HORNER

VICE-PRESIDENT - KATE JONES

VICE-PRESIDENT - JESSE BANOVIC

VICE-PRESIDENT – PHILLIPA HODGSON

Date: 18 November 2011

STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY

SUBU BALANCE SHEET AS AT 31 JULY 2011

	2011		2010	
	£	£	£	£
FIXED ASSETS				
Tangible fixed assets		70,715		114,632
Investments		661		661
		71,376		115,293
CURRENT ASSETS				
Stocks	62,222		48,256	
Sundry debtors and prepayments	60,481		81,562	
N.S.S.O. bond	5,000		5,000	
Cash at bank and in hand	680,514		569,520	
	808,217		704,338	
CREDITORS: Amounts falling due within one year	(123,207)		(100,252)	
NET CURRENT ASSETS		685,010		604,086
NET ASSETS		756,386		719,379
REPRESENTED BY:				
Accumulated funds		719,379		659,600
Excess of expenditure over income		37,007		59,779
		756,386		719,379

These financial statements have been prepared in accordance with the Union's Constitution and the Financial Reporting Standard for Smaller Entities (effective April 2008).

APPROVED:

PRESIDENT - TOBY HORNER

VICE-PRESIDENT - KATE JONES

VICE-PRESIDENT - JESSE BANOVIC

VICE-PRESIDENT – PHILLIPA HODGSON

Date: 18 November 2011

The notes on pages 7 to 12 form an integral part of these financial statements.

STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY**NOTES TO THE ACCOUNTS AS AT 31 JULY 2011****1. ACCOUNTING POLICIES****Accounting convention**

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Consolidation

The accounts consolidate the accounts of Students' Union at Bournemouth University and its trading company, Feelprime Limited, up to 31 July of the relevant year.

Income

Income is accounted for when receivable, net of Value Added Tax as applicable.

Stocks

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

Fixed asset depreciation

Depreciation has been calculated on fixed assets so as to write off the cost of the assets over their estimated useful lives as follows.

Fire station refurbishment	- Straight line over 5 years
Fixtures, fittings and equipment	- 25% on cost

Fixed assets are stated at net book value, showing adjustments for additions, disposals and depreciation charged for the year.

Expenditure on repairs, renewals and minor items of equipment is written off in the year in which it is incurred.

Investments

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

Pension scheme

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 FRS17, in these circumstances, contributions are accounted for as if the Scheme were a defined contribution scheme based on actual contributions paid through the year.

STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY

NOTES TO THE ACCOUNTS AS AT 31 JULY 2011

2. CLUBS AND SOCIETIES EXPENDITURE

	2011	2010
	£	£
Alternative Performance Society	1,429	923
Athletics Society	-	366
BOAS	-	102
BUGGAS	273	36
Ballroom and Latin	1,237	-
Bust	128	-
BU Windriders	-	102
C & S Admin Salary	34,960	45,969
Canoe and Kayak	-	75
Charismatic Megafauna	-	250
Cheerleading	(1,660)	3,775
Christian Union	97	519
Climbing	1,269	626
Dance	67	-
Desi Network Association	100	50
Drama	-	5
Forensics	70	83
Innocence Project	-	285
Jewish	(26)	-
Juggle	330	250
Mountain Bike	-	145
Parts	1,122	1,000
Photography	67	33
Poker	73	-
Rowing	6,236	8,597
Sailing	452	-
Ski and snow	-	430
Student Activities General Expenses	1,078	1,546
Sub Aqua	1,530	1,665
Surf	-	324
Surf Life Saving	-	280
Tchoukball	150	75
Thai	-	100
Tera Firma Club	-	700
Trampolining	300	88
Wakeboard	672	575
War Gaming	-	198
Writers Society	50	200
	<u>50,004</u>	<u>69,372</u>

STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY

CONSOLIDATED NOTES TO THE ACCOUNTS AS AT 31 JULY 2011

3. CONSOLIDATED TANGIBLE FIXED ASSETS

	Total Consol	Total SUBU Only	Office Equipment	Vehicles	SCA	Clubs and Societies	Student TV	Dylans	D2/Loft Refurb	TOFS	Ents Equipment	Shop Equipment	Feelprime Ltd	Total 2010
NBV as at 01/08/10	114,632	114,632	1,868	2	2,927	1,790	2,056	7,615	50,433	25,519	12,134	10,288	-	155,265
Additions	30,015	30,015	5,369	16,703	1,276	-	742	1,296	-	2,495	-	2,134	-	38,199
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,000)
At 31/07/11	<u>144,647</u>	<u>144,647</u>	<u>7,237</u>	<u>16,705</u>	<u>4,203</u>	<u>1,790</u>	<u>2,798</u>	<u>8,911</u>	<u>50,433</u>	<u>28,014</u>	<u>12,134</u>	<u>12,422</u>	-	<u>191,464</u>
Depreciation for year	73,932	73,932	2,382	4,178	1,338	1,042	1,211	4,678	33,594	11,584	8,548	5,377	-	(77,332)
Eliminated on disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	500
NBV as at 31/07/11	<u>70,715</u>	<u>70,715</u>	<u>4,855</u>	<u>12,527</u>	<u>2,865</u>	<u>748</u>	<u>1,587</u>	<u>4,233</u>	<u>16,839</u>	<u>16,430</u>	<u>3,586</u>	<u>7,045</u>	-	<u>114,632</u>

STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY
CONSOLIDATED NOTES TO THE ACCOUNTS AS AT 31 JULY 2011

4. INVESTMENTS

	Consolidated 2011	Consolidated 2010
Shares held in NUS Services Limited		
60 "A" Shares	60	60
30 "B" Shares	600	600
	<u>660</u>	<u>660</u>
	<u><u>660</u></u>	<u><u>660</u></u>

Shares in NUS Services Limited were acquired in order to participate in favourable purchasing arrangements.

SUBU holds the entire ordinary share capital of Feelprime Limited, see note 8, held in trust by Mrs S J Newland.

5. STOCKS

	Consolidated 2011	Consolidated 2010
	£	£
Bar and food stocks	6,039	5,580
General trading stocks	56,183	42,676
Feelprime Limited stocks	18,407	13,052
	<u>80,629</u>	<u>61,308</u>
	<u><u>80,629</u></u>	<u><u>61,308</u></u>

Stocks are valued at the lower of cost and net realisable value.

6. SUNDRY DEBTORS AND PREPAYMENTS**Amounts falling due within one year**

	Consolidated 2011	Consolidated 2010
	£	£
Trade debtors	19,997	13,471
Other debtors	1,032	1,416
Prepayments	21,598	57,394
Accrued income	8,774	8,303
	<u>51,401</u>	<u>80,584</u>
	<u><u>51,401</u></u>	<u><u>80,584</u></u>

Accrued income includes £8,474 (2010 - £7,479), in respect of barrelage discounts due to the Union and Feelprime Limited.

STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY
CONSOLIDATED NOTES TO THE ACCOUNTS AS AT 31 JULY 2011

7. CREDITORS: Amounts falling due in less than one year

	Consolidated	Consolidated
	2011	2010
	£	£
Trade creditors	74,947	45,505
Social security and other taxes	50,993	46,418
Other creditors and accruals	14,984	14,041
	<u>140,924</u>	<u>105,964</u>

8. RELATED PARTIES

The Students' Union at Bournemouth University (SUBU) owns the entire issued share capital, of one share, of Feelprime Limited. Feelprime Limited acts as a trading arm for the Union running The Old Fire Station and Entertainment Branch.

The results of Feelprime Limited for the year to 31 July 2011 and its Balance Sheet at 31 July 2011 have been included in the Consolidated Income and Expenditure account and Consolidated Balance Sheet of the Students' Union at Bournemouth University respectively.

Feelprime Limited donated £151,444 (2010 - £139,288) of its profits for the year ending 31 July 2011 to SUBU.

9. CAPITAL COMMITMENTS

Amounts contracted for but not provided in the financial statements amounted to £1,300.

10. 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 will close to future accrual.

The most recent valuation of the Scheme was carried out as at 1 October 2010 and showed that the market value of the Scheme's assets was £67,141,000 with these assets representing 58% 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 £47,869,000.

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

STUDENTS' UNION AT BOURNEMOUTH UNIVERSITY
CONSOLIDATED NOTES TO THE ACCOUNTS AS AT 31 JULY 2011

10. PENSION CONTRIBUTIONS *(continued)*

The following assumptions applied at 1 October 2010:

- The investment return would be 6.6% per annum before retirement and 4.6% per annum after retirement.
- Salaries would increase at 3.2% per annum, equivalent to 0.2% per annum below inflation. Pensions accruing on the CARE basis would revalue at 3.2% per annum.
- Present and future pensions would increase at rates specified by Scheme rules with appropriate assumptions where these are dependent on inflation.

The 2010 valuation recommended a contribution requirement expressed in two parts: a rate of 17.3% of Earnings (with higher rates in certain circumstances) paying for future accrual, with additional monthly contributions expressed in monetary terms, intending to clear the ongoing funding deficit over a period of 15 years. These rates applied with effect from 1 October 2008 and will be reviewed following completion of the next valuation due with an effective date of 1 October 2013. 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 contribution rate (excluding deficit contributions) for the period from 1 August 2010 to 31 July 2011 applicable to this Union for the majority of members is 7.8% of earnings for members and 9.75% of earnings for the Union (17.55% in aggregate).

The contributions paid into the Scheme in respect of eligible employees for the year ended 31 July 2011 amounted to £126,401 (2010 - £115,859), including funding deficit contributions.

11. AFFILIATIONS 2010-2011

National Union of Students
LUFBRA tv awards