



**UNIVERSITY OF SALFORD STUDENTS' UNION**

Trustees' Report and Accounts  
Year ended 31 July 2017

Registered charity number: 1138093

## UNIVERSITY OF SALFORD STUDENTS' UNION

### Reference & administrative details

<b>Charity Name</b>	University of Salford Students' Union
<b>Registered Charity Number</b>	1138093
<b>Registered Office</b>	University House The Crescent Salford M5 4WT

### Trustees

Name	Appointed	Resigned	Position
Zamzam Ibrahim	1 July 2017		Chair
Christopher Costigan	1 May 2017		Deputy Chair
Stephen Westgarth	1 May 2017		
Lanjul Stocks	1 July 2017		
Jon Connor Lyons	1 July 2017		
Emily Voss-Bevan	1 July 2017		
Famous Akhalumeh Dekeri	1 July 2017		
Andreas Patsalos	1 February 2017		
Lucy Brown	1 July 2017		
Harriet Ruddick	1 July 2017		
Kwabena Offori Ntow Anoff	1 July 2017		
Temiloluwa Adebayo	1 July 2017		

### Resignations

Kevin Morley	11 February 2009	1 January 2017	
David Addy	17 April 2013	1 January 2017	
Rositsa Angelova	1 July 2015	30 June 2017	
Cynthia Ochoga	1 July 2015	30 June 2017	Chair
Adeyinka Adebayo	1 July 2016	30 June 2017	
Jelili Mustapha	1 July 2016	30 June 2017	
Usman Ali	1 July 2016	15 September 2016	
Peter McGrail	1 July 2016	30 June 2017	
Oluwatobiloba Tijani	1 July 2016	30 June 2017	
Alexandra-Luminita Diaconescu	1 July 2016	30 June 2017	
Eleftherios Morits	1 July 2016	30 June 2017	
Michael Lockwood	1 July 2016	1 January 2017	
Ahmed Rafiq	1 January 2017	1 July 2017	

### Chief Executive

Julie Byrd resigned as Chief Executive on 19th August 2016. Amar Abbas was appointed to the role on the 5<sup>th</sup> of December 2016 and left the organisation on the 25<sup>th</sup> of November 2017. Ed Moloney was appointed to the role of Acting Chief Executive on the 27<sup>th</sup> of November 2017 and was appointed Chief Executive on 9<sup>th</sup> April 2018.

# UNIVERSITY OF SALFORD STUDENTS' UNION

## Key Management Personnel

Chief Executive	Julie Byrd to 19 <sup>th</sup> August 2016 Amar Abbas from 5 <sup>th</sup> December 2016 to 25 <sup>th</sup> November 2017 Ed Moloney from 9 <sup>th</sup> April 2018
Director of Strategy & Culture	Rhiannon Roberts
Director of Governance & Resources	Michelle Livesey to 30 <sup>th</sup> June 2017

## Advisors

Auditors	Dains LLP, Suite 2 Albion House, 2 Etruria Office Village, Forge Lane, Etruria, Stoke-On Trent, ST1 5RQ
Bankers	The Cooperative Bank PLC, PO Box 101, 1 Balloon Street, Manchester, M60 4EP
Insurance	Endsleigh Business Insurance Services, Hadley House, Shurdington Road, Cheltenham Spa, Gloucestershire, GL51 4UE
Solicitors	Linder Myers, Phoenix House, 45 Cross Street, Manchester, M2 4JF

## Structure, Governance & management

### Governing Document

The University of Salford Students' Union (the Union) is a students' union within the meaning of the Education Act 1994. The Union is devoted to the educational interests and welfare of its members. It is the independent representative body of the students at the University of Salford and is an unincorporated association. The Union became a registered charity in September 2010 in accordance with the Charities Act 2006.

The Union's constitution states that

*"The constitution has been structured to give the Board of Trustees reasonable authority to manage the affairs of the Union in a professional manner. The members enjoy the right, which must be exercised in accordance with charity law, to elect a proportion of the Trustees and dismiss all of the Trustees. The Board of Trustees will give the utmost consideration to the views of members."*

*Under the Education Act 1994, the University of Salford has a statutory duty to ensure that the Union operates in a fair and democratic manner and is held to proper account for its finances. The Union therefore works alongside the University of Salford in ensuring that the affairs of the Union are properly conducted and that the educational and welfare needs of the Union's members are met"*

### Public Benefit statement

The trustees have given due consideration to Charity Commission published guidance on the operation of the public benefit requirement and are satisfied that the charity meets these requirements.

### The Trustee Board

The Union is democratically controlled through the annual election of a team of student representatives who form part of the Union's Trustee Board. The membership of the Trustee Board is as follows

- Five elected sabbatical trustees
- Four student trustees
- Four non-student trustees

## UNIVERSITY OF SALFORD STUDENTS' UNION

The trustees determine policy for all areas of Union activity. The sabbatical trustees are full time officers of the organisation and work for the Union for a year either during or at the end of their degree course in order to represent students on a full time basis. The Trustee Board remit can be summarised as follows

<b>Strategy</b>	Formulating, monitoring and implementing plans
<b>Financial</b>	Providing effective financial management and oversight including the formation of budgets
<b>Performance</b>	Monitoring and evaluating the performance of staff, services and activities
<b>Line management</b>	Line managing and support the Chief Executive including performance monitoring
<b>Risk management</b>	Ensuring there are effective reporting and monitoring processes in place to effectively manage the risks of the Union
<b>Consultation</b>	Ensuring there is a comprehensive programme of member consultation in place
<b>Involvement</b>	Promoting the effective involvement of members
<b>Trustee recruitment</b>	Ensuring the effective election/selection, induction and appraisal of trustee board members
<b>Reporting</b>	Considering committee reports

The sabbatical trustees work alongside the permanent Union staff to implement and carry out the strategy and policies set by the Trustee Board. The permanent staff team is managed by the Chief Executive, who is directly accountable to the Trustee Board for the Union's performance.

### Risk management statement

Risk management is the responsibility of the Trustee Board. The senior managers of the Union have delegated authority for identifying the risks facing the organisation and reporting these to the Trustees as they arise in relation to items of business at the Board. In addition, the senior managers provide the information to enable the Trustees to undertake an annual review.

The Trustee Board examines the major strategic, business and operational risks which the Union faces on an annual basis. The Trustees confirm that systems have been established to enable regular reports to be produced.

### Reserves

Details of the designated funds are set out below:

Item	31 July 2017	31 July 2016
	£	£
Unrestricted funds	194,342	(30,685)
Designated Pension Liability Fund – being a fund to contribute towards the charity meeting its future payments towards its future pension liabilities	-	28,000
Designated Fixed Assets Fund – being a fund representing the net book value of fixed assets owned by the charity	657,910	741,884
Restricted funds	103,026	95,130
<b>Total Reserves</b>	<b>955,278</b>	<b>834,329</b>

### Appointment of Trustees

## UNIVERSITY OF SALFORD STUDENTS' UNION

The Union's constitution highlights that in terms of the appointment of trustees there *"shall be not more than 5 Sabbatical officer Trustees elected...; not more than 4 Student Trustees, appointed...; and not more than 4 Non-student trustees, appointed..."*

### **Sabbaticals**

Up to five Sabbatical Officer Trustees are elected by secret ballot of the Members of the Union at an election held in accordance with the Election Regulations. They remain in post for a term of one year between the 1 July and the 30 June. They may be re-elected for a maximum of one further term of one year. This may be consecutive or non-consecutive; the total maximum term that can be served is twenty four months. Each Officer Trustee must be a student or an Officer Trustee at the time of the election. An Officer Trustee becomes a member of the Union on commencement of their appointment or reappointment and this membership ceases when they cease to be an officer trustee.

### **Student trustees**

Up to four student trustees are appointed by a panel drawn from the Trustee Board and then ratified by Senate. Each Student Trustee must be a student at the time of their appointment and remain a student throughout their term. They remain in office for a period of one year in accordance with the Role of Trustees Guidance Document. The role may be shorter or longer on a transitional basis to coincide with the alteration of the year start or end. A student trustee may serve a maximum of two years that may be consecutive or non-consecutive.

### **External trustees**

The trustees are required to appoint by a simple majority vote such persons as they consider suitable to be Non-Student Trustees. The ratio of elected student trustees to Non-Student trustees, with the exception of any period which may not exceed four months, must be greater than or equal to two to one. Unless their appointment is terminated in accordance with the constitution, External trustees remain in office for a term of up to four years. They are eligible for re-appointment by a simple majority vote of the Trustees for a further term of four years but are not eligible for re-appointment thereafter if they have served a total maximum term of eight years.

### **Trustee Induction and Training**

All new trustees engage in a comprehensive training programme which includes

- Financial training
- Introductions to key staff and other trustees
- Copies of the Union key policies

On-going training needs for Trustees are continually monitored by the Chief Executive and President.

### **The Students' Union**

The Union is involved in a wide range of activities. Its core purpose is to represent students and provide activities for them to enhance the student experience. To that end the Union organises campaigns on issues of concern to the generality of students, administers the work of approximately 100 different sports teams and societies, trains and develops over 500 student course representatives and operates a Student Advice Centre.

The Union's commercial activities include an Atmosphere which incorporates a café and licenced premises offering a social eating and drinking space. The Union also puts on social events for members. During the prior year the retail operation was outsourced to Chartwells and moving forward the Union will receive a fixed contribution from this activity.

The majority of Union core activity is funded from the grant received from the University.

## UNIVERSITY OF SALFORD STUDENTS' UNION

### The staff teams

There is a core staff team of 30 staff and approximately 53 casual student staff members. Union staff members work across five functional areas of the Union

- Student engagement
- Student activities
- Marketing
- Commercial services
- Finance

### Related Parties

The University of Salford is the parent institution of the USSU. The USSU received a revenue block grant in the year from the University of Salford of £984,000 (2016: £984,000 plus a grant in relation to the refurbishment of Atmosphere of £12,345).

## Objectives & Activities

### Summary of charity objectives and activities undertaken in relation to these objects

The Union's constitution identifies its charitable objectives as:

*"The advancement of education of students at University of Salford for the public benefit by:*

- providing sporting, social, cultural and recreational opportunities and facilities for students so as to further the educational purposes of University of Salford;
- advancing the welfare and physical and mental wellbeing of students;
- providing representation, advice and assistance to students on matters affecting their welfare and interests as students;
- providing the recognised representative channel between the members and the University, and between the members and any other body;
- promoting and encouraging contact and co-operation between students in all matters affecting their interests without regard to ethnic origin, nationality, gender, sexual orientation, religion, disability or age;
- To supply or provide for the supply of goods, services and other facilities to the members with or without other persons; and
- All such objects as are charitable in law which are incidental or conducive to the foregoing objects."

### Our Mission

We exist to serve students and inspire them to lead their development.

### Our Vision

To be the outstanding organisation in the UK for delivering a positive student experience.

### Our Values:

The best thing about the University of Salford Students' Union (USSU) is our culture. As we grow, we want to have a culture that we are proud to share with anyone who touches the Students' Union.

We have six core values to define what exactly the USSU culture is. They are reflected in everything we do and every interaction we have. Our core values are always the framework from which we make all of our decisions.

## UNIVERSITY OF SALFORD STUDENTS' UNION

We are.....

**Passionate:** being enthusiastic and believing in students

**Devoted to Integrity:** owning our behaviour and practicing what we preach

**Dedicated:** having an in-depth understanding of **all** our students and their needs

**Ambitious:** using innovative thinking to be the best

**Open:** being transparent, accountable, sharing ideas and information

**Enthusiastic about Equality:** bringing fairness and equality of opportunity into everything we do

### Our Strategy (How will we get there)

Four themes will be the key drivers for the work of the Students' Union between now and 2018.

We will:

- *Support students to build authentic communities*
- *Provide opportunities for all students to create life changing experiences for themselves and others*
- *Provide a strong, democratic voice for students at local and national level*
- *Encourage students to take care of their wellbeing*

Across the four themes, we have eight strategic goals. Taking each theme in turn the goals are outlined below:

### Supporting students to build authentic communities

**Goal One: Develop a vibrant USSU, providing excellent accessible facilities, activities and services that are friendly and meet the aspirations of all our students.**

**This will be achieved by:**

- Delivering new and improving current services and activities to give all students the opportunity to socialise, build communities, build friendships and feel supported and valued
- Delivering value-for-money trading services and activities and show how we reinvest profits from trading activities back into the Union
- Being the "go to place" for the production of great events, performances and exhibitions
- Making use of the external areas to extend the vibrancy of the building
- Expand our physical presence across every campus and develop our trading services so that they are accessible to all students

**Goal Two: Create extensive opportunities for students to engage with USSU, and build communities anywhere, 24 hours a day, 7 days a week.**

**This will be achieved by:**

- Determining what student communities already exist (social and virtual) and how we can provide support for new ones.
- Working closely with the University to co-create social spaces for students to 'just be' and develop a physical presence for USSU across campus
- Develop stronger relationships between USSU and our Alumni, so that people have a life long relationship which benefits everyone

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- Using new and existing communication channels to raise awareness of opportunities and to create social communities
- Create a strong brand strategy to improve our stakeholders understanding of what we stand for and what level of service they can expect.

### **Opportunities to create life changing experiences**

#### **Goal Three: Develop a vibrant student community by providing sport, activities, volunteering and employment opportunities**

##### **This will be achieved by:**

- Deliver and support a range of activities and sport opportunities that reflect the interests and ability of the student population at Salford
- Creating volunteer opportunities, which help students and staff develop skills to support their future development and career
- Be seen as a robust and active partner in the local community, encouraging student-led initiatives, which have positive impact within these communities
- Develop opportunities for our students to work and develop employability skills within USSU, industry and the wider community
- Create practical activities in our communities to raise awareness of the environment and sustainability, be recognised by the local community as a leader in this area
- Provide opportunities for students to represent, perform and recognise their achievements through annual awards and showcasing student work
- Taking a positive approach to non-traditional students, celebrating diversity rather than only seeing them as students needing additional support

#### **Goal Four: Build a culture that encourages new ideas and captures the energy of our students and staff to create an innovative and responsive Students' Union.**

##### **This will be achieved by:**

- Removing any obstacles to implementing student projects, events and activities
- Developing easy systems for capturing, assessing and growing new ideas that come from students and staff throughout the year
- Creating space and time for students and staff to be innovative and responsive
- Nurturing student start-ups and entrepreneurs to create innovative enterprise
- Ensuring students and staff gain recognition for excellence, enterprise and ingenuity

### **A strong, democratic voice for students at local and national level**

#### **Goal Five: Champion student interests, providing all students with a strong effective voice by supporting and empowering them, collectively and individually.**

##### **This will be achieved by:**

- Raising awareness of our Student Officers and system of representation within USSU and across campus
- Improving the visibility and integrity of the work and outcomes delivered by our Student Officers and other student representatives
- Developing new ways of engaging students in representation by simplifying the representation structures, ensuring the work of the representatives reflects the issues facing our students
- Finding ways of strengthening the support for all our representatives and rewarding them for the work they do



## **UNIVERSITY OF SALFORD STUDENTS' UNION**

- Identifying and removing any obstacles to becoming a representative and improve their communication with constituents
- Increase the number of students who engage with USSU by utilising innovative and creative channels of communication
- Being recognised by the University and the wider community as the authentic voice of the student body

### **Goal Six: Embed democracy at the heart of USSU; valued by all our students and staff.**

#### **This will be achieved by:**

- Creating and improving decision making processes that empower students and their elected representatives to effectively and collectively lead the Students' Union
- Promoting the benefits of democracy and raising the profile of elected representatives and their decisions
- Consistently finding new ways of engaging students and our staff in democracy
- Developing a strategic communication plan for maximising engagement of members in democracy through its language, visibility, transparency
- Training candidates, representatives and committees in democratic processes
- Ensure effective governance which is underpinned by a commitment to the democratic process and enables students to influence and decide the direction of USSU

### **Encourage and enable students to take care of their wellbeing**

#### **Goal Seven: To engage students in considering their wellbeing as a way of helping to reach their full potential.**

#### **This will be achieved by:**

- Identifying the challenges which impact students' wellbeing and experience in higher education
- Embedding health and wellbeing as an important strand within USSU with the aim of supporting the wellbeing strategy of the University
- Promoting student wellbeing through our services and activities
- Representing student views about the impact of university life on their wellbeing
- Working with the University to have a co-ordinated approach to student wellbeing and developing a system of continuous improvement
- Raising the awareness of the issues around student mental wellbeing, and developing solutions with the University
- Helping students to develop a sustainable and balanced lifestyle at university

#### **Goal Eight: To ensure all students have access to the right advice, services and activities to support their wellbeing.**

#### **This will be achieved by:**

- Providing a confidential and independent advice/signposting service to support students who encounter difficulties whilst at university
- Recognising the power of peer support to deliver mentoring, advocacy and advice by encouraging the development of student led initiatives that integrate with professional university services
- Ensuring that students are supported in their living environment, whether it be CLV or private landlord, in accommodation off site with friends and fellow students or commuting from the family home
- Working with the University to improve the provision of support services especially around mental health and student carers
- Building partnerships between organisations, charities and external agencies to support our work

### **Our Enablers (What we need to develop to implement our strategy)**

Our key enablers are:

**Systems and Resources:** to deliver efficient and effective services which are student focused and value for money.

This will be achieved by:

- A sustainable finance strategy supported by effective financial systems
- Good communication of strategy
- Clear accountability
- Well defined roles and responsibilities
- Ensuring the alignment of resources to support the strategy
- Continuous improvement of systems and processes, products and services to generate increasing value for our students
- Focussed execution and follow through
- Regular monitoring of progress

**People and Culture:** to provide a modern, efficient, stimulating working/learning environment which will help our staff realise their full potential and fully commit to our values.

This will be achieved by:

#### ***Effective Leadership***

We will develop leaders at all levels, to shape the future and make it happen, acting as role models for its values and ethics and inspiring trust at all times. We will be flexible, enabling the organisation to anticipate and deliver into the future.

#### ***Valuing our People***

We will value our people and create a culture that allows the mutually beneficial achievement of organisational and personal goals. A people strategy will be implemented to develop our systems, the capabilities of our people, and promote fairness and equality. We will care for, communicate, reward and recognise, in a way that motivates our people, builds commitment and enables them to use their skills and knowledge for the benefit of the organisation.

**Relationships and Reputation:** to create and deliver a brand strategy to build long term relationships with our stakeholders and a trustworthy reputation. The strategy will bring the values of the organisation to life in how we communicate, what we deliver and behave.

This will be achieved by:

#### ***Consistent and creative communication***

Our students are sophisticated consumers who are fluent in technology, heavy users of social media, and they can see right through traditional communication techniques. A communications strategy will be delivered that has the following core elements:

*Creating relevant, authentic connections* - we will build a reputation for "giving something back" to our students, our communities, and appropriate causes.

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*Being a smart social butterfly* - by managing our social media presence in a thoughtful way.

We will look at what our target audience is already chatting about and converse, not sell.

*Using creativity* - One of the best ways to gain attention is to produce fun, creative social content. We will create content that our students will want to share.

*Being clear and consistent* - we must listen to our students and stakeholders, this is equally as important as communicating out our own messages.

### **Focus on Digital / IT Systems**

This will be achieved by:

*Being at the forefront of digital communications* - "Be where you are" and be aware of emergent trends and use them when they enhance our strategy.

*Having a digital first strategy and ethos* - investing in our own IT systems and staff development.

*Using technology to make engagement easy* - in all services and activities easy for students.

*Linking with the University IT strategies* – to ensure a joined up and efficient approach to our long term IT development.

**Social Enterprise:** to diversify our offer and re-invest money back into providing better support services for students.

We are a social enterprise for students. Our goal is to improve social and teaching standards for students, assist student communities, students' life chances, their wellbeing and to protect the environment.

Our funding from the University will be supported by a contribution from our trading operation through selling goods and services that offer value for money. Any profits will be re-invested back into improving support for our students. This is vital to our long term future.

### **Policies relating to grant making**

The funding model for student activities focusses on rewarding and delivering involvement, diversity, innovation, personal development and success.

Each of the Student Activity Groups complete an application for funding. They must demonstrate as part of this process the relevance of the project to the Students' Union's mission and values and the aims and objectives of the strategic plan.

Applications for under £150 can be allocated based on the application form alone. Those groups who apply for funding of over £150 will be requested to present their funding proposal.

The funding panel is made up of a sabbatical officer, Student Activities Manager (both of whom are non-voting members) and 5 group members. Any student volunteer on the funding panel associated to a particular group who have applied for a budget or project funding must declare a conflict of interest. This individual can be involved in the discussion regarding the application but will be excluded from the decision making regarding the allocation.

There is a funding procedure and guidelines provided for the Student Activity Groups completing this process.

## Achievements and performance

### Key Performance Indicators

Indicator	2017 outcome	2016 outcome
Election turnout (Sabbatical)	3964	3523
No of student representatives supported	570	575
No of Sports Groups	38	38
No of Activity Groups	106	75
No of Sports and Activity group members	3509	4901
National Student Survey score*	57	69%
Investors in People status	Bronze	Bronze

\* = In 2017 the National Student Survey question regarding Students' Unions changed to "The students' union (association or guild) effectively represents students' academic interests".

### Relationship with stakeholders

#### Students

The organisation makes full use of social media to solicit opinion on a range of matters relating to the student experience and enjoys a dialogue with thousands of Salford students.

The Sabbatical Officers continue to work closely with the student representatives and School Representatives to identify the key issues facing students at course and school level. The officers are then able to represent these views at high level College and University committees and in discussion with the University Executive Group.

#### The University

The Union has a good relationship with the University. It acts as a 'critical friend', providing evidence on and challenging the University on key student issues. As part of their representational work the sabbatical officers sit on high level University Committees providing a student voice on the issues discussed. The Union meets with the University quarterly to discuss the progress of the Union. The Partnership Steering Group, co-chaired by the USSU President and the University Dean of Students, meets every eight weeks in order to co-ordinate partnership working. The Sabbatical Officers meet the Dean of Students monthly, and the President meets the Pro Vice Chancellor for Student Experience Quarterly, as well as presenting to the Vice-Chancellor's Executive Team (VCET) semi-annually.

#### Other Unions

Both sabbatical officers and staff members meet with counterparts in other Unions to share good practice and discuss the Higher Education landscape.

There is a North West regional meeting for staff and officers which the President, Chief Executive, and senior staff are encouraged to attend. Staff members are also part of email discussion groups.

#### NUS

The Union is a member of the National Union of Students (NUS) and as part of its annual elections the Students' Union provides students the opportunity to stand for a position as a delegate on the annual NUS conference.

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### **Local Council**

The Students' Union staff and sabbatical officers have regularly participated in local community meetings which have included attendance by the local council, police and local residents.

The sabbatical officers discuss key student issues with the local MP and other political representatives of the city.

### **Financial Review**

The Union made a surplus or net movement in funds of £120,949 in the financial year (2016: deficit of £720,593). The principal income sources for the Union are the block grant provided by the University of Salford and funds generated through commercial activity.

The result for the year includes items which must be shown through the statement of financial activities under SORP accounting rules and which are not shown through the monthly management accounts. These items include pension scheme valuation adjustments, capital grants received and restricted reserves movements.

Net assets at 31 July 2017 stood at £955,278 (2016: £834,329).

### **Plans for future periods**

#### **Aims, key objectives and planned activities**

The Union's strategic plan runs from August 2015 to July 2018. It was compiled through consultation with trustees, staff teams, students and the University. The senior management group have also received training provided by an external consultant on leadership and coaching to ensure that the strategic plan is delivered throughout all levels of the organisation, and that the staff culture undergoes a degree of transformation. Further work is being undertaken with the rest of the staff team to complete that process of change.

#### **Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the Union has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### **Investment policy and performance**

The Investment Policy of the Union is to hold the majority of its reserves in cash, spreading deposits between financial institutions in order to mitigate counterparty risk. Cash deposits are either instant access or fixed term with the balance being determined by cash flow requirements. Within the framework of managing risk, liquidity and ethical standards, the highest interest rates are selected to maximise investment return.

#### **Pay Policies for Senior Staff**

The remuneration of key management personnel is set by the Board, with the policy objective of ensuring that they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Union's success. The appropriateness and relevance of the remuneration policy is reviewed regularly including reference to comparisons with other student organisations to ensure that the Union remains sensitive to the broader issues of pay and employment conditions elsewhere.

## UNIVERSITY OF SALFORD STUDENTS' UNION

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

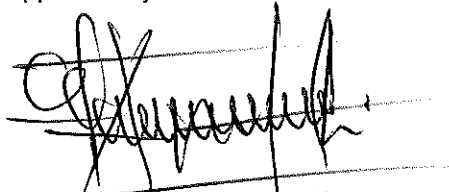
The trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law 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 the year. 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and 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 and the provisions of the trust deed. The trustees 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.

Approved by the Trustees of the University of Salford Students' Union and signed on its behalf by:



Kwabena Offori Ntow Anoff  
Trustee

Date: 29/05/2018

## **UNIVERSITY OF SALFORD STUDENTS' UNION**

### **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF UNIVERSITY OF SALFORD STUDENTS' UNION**

#### **Opinion**

We have audited the financial statements of University of Salford Students' Union for the year ended 31 July 2017 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 trustees, as a body, in accordance with section 144 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 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; and
- have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and in other respects the requirements of the Charities Act 2011.

#### **Basis of 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 United Kingdom, including the Financial Reporting Council'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.

### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the 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.

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

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- 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 Statement of Trustees' responsibilities, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

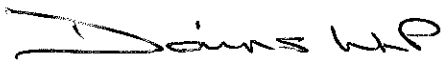
In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our Auditor's report.



**Dains LLP**

Suite 2, Albion House  
2 Etruria Office Village  
Forge Lane  
Etruria  
Stoke on Trent  
ST1 5RQ

Date: 30 May 2018

Dains LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**UNIVERSITY OF SALFORD STUDENTS' UNION**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 JULY 2017**

Unrestricted Funds				Year ended 31 July 2017	Year ended 31 July 2016
Note	General Funds	Designated Funds	Restricted Funds	Total	Total
	£	£	£	£	£
<b>Income from:</b>					
Donations and Legacies	2	984,000	-	984,000	996,345
Charitable Activities	3	701,297	-	744,497	1,284,504
Other Trading Activities	4	109,865	-	109,865	59,606
Investments	5	10,694	-	10,694	10,203
<b>Total income</b>		<b>1,805,856</b>	<b>-</b>	<b>1,849,056</b>	<b>2,350,658</b>
<b>Expenditure on:</b>					
Raising Funds		57,767	1,505	59,272	46,681
Charitable Activities		1,643,964	93,937	1,773,205	2,493,269
Other		-	-	-	134,768
<b>Total expenditure</b>	6	<b>1,701,731</b>	<b>95,442</b>	<b>1,832,477</b>	<b>2,674,718</b>
<b>Net income/(expenditure)</b>	7	<b>104,125</b>	<b>(95,442)</b>	<b>16,579</b>	<b>(324,060)</b>
Transfers between funds	19	16,532	(16,532)	-	-
Movement in Pension Scheme liability	24	104,370	-	104,370	(396,533)
<b>Net Movement in Funds</b>		<b>225,027</b>	<b>(111,974)</b>	<b>120,949</b>	<b>(720,593)</b>
<b>Reconciliation of funds:</b>					
<b>Total funds brought forward</b>	19	<b>(30,685)</b>	<b>769,884</b>	<b>834,329</b>	<b>1,554,922</b>
<b>Total funds carried forward</b>	19	<b>194,342</b>	<b>657,910</b>	<b>955,278</b>	<b>834,329</b>

All amounts relate to continuing operations. All gains and losses recognised in the year are included above.

The notes on pages 20 to 37 form part of the financial statements.

UNIVERSITY OF SALFORD STUDENTS' UNION  
BALANCE SHEET  
YEAR ENDED 31 JULY 2017

	Notes	£	As at 31-Jul-17 £	As at 31-Jul-16 £
<b>FIXED ASSETS</b>				
Tangible assets	11		<u>657,910</u>	<u>741,884</u>
			657,910	741,884
<b>CURRENT ASSETS</b>				
Stock	12	12,545		9,604
Debtors	13	161,613		170,274
Investments	14	748,351		867,350
Cash at bank and in hand		<u>68,207</u>		<u>1,990</u>
		990,716		1,049,218
<b>CREDITORS</b>				
Amounts falling due within one year	15	<u>(167,448)</u>	<u>(173,873)</u>	
<b>NET CURRENT ASSETS</b>			<u>823,268</u>	<u>875,345</u>
<b>NET ASSETS EXCLUDING PENSION SCHEME LIABILITY</b>			1,481,178	1,617,229
Defined benefit pension scheme liability	24		<u>(525,900)</u>	<u>(782,900)</u>
<b>NET ASSETS</b>			<u>955,278</u>	<u>834,329</u>
<b>THE FUNDS OF THE CHARITY:</b>				
Restricted Income Funds	19		103,026	95,130
Unrestricted Income Funds	19			
General Fund		720,242		752,215
Pension Liability		<u>(525,900)</u>		<u>(782,900)</u>
			194,342	(30,685)
<b>Designated Funds</b>				
Pension Liability Fund	19	-		28,000
Fixed Asset Fund	19	<u>657,910</u>		<u>741,884</u>
			<u>657,910</u>	<u>769,884</u>
			<u>955,278</u>	<u>834,329</u>

The notes on pages 20 to 37 form part of the financial statements. Approved by the trustees of the University of Salford Students' Union on the 29<sup>th</sup> of May 2018

Kwabena Offori Ntow Anoff, Trustee

Temiloluwa Adebayo, Trustee

**UNIVERSITY OF SALFORD STUDENTS' UNION**  
**STATEMENT OF CASH FLOWS FOR THE**  
**YEAR ENDED 31 JULY 2017**

		Year ended 31 July 2017	Year ended 31 July 2016
	Note	Total	Total
		£	£
<b>Net cash provided by/(used in) operating activities</b>	<b>21</b>	<b>(41,314)</b>	<b>(196,034)</b>
<b>Cash flows from investing activities:</b>			
Purchase of fixed assets		<u>(11,468)</u>	<u>(19,209)</u>
<b>Net cash provided by (used in) investing activities</b>		<b>(11,468)</b>	<b>(19,209)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(52,782)</b>	<b>(215,243)</b>
Cash and cash equivalents at the beginning of the year		<b>869,340</b>	1,084,582
<b>Cash and cash equivalents at the end of the year</b>	<b>22</b>	<b>816,558</b>	<b>869,340</b>

The notes on pages 20 to 37 form part of these financial statements

**UNIVERSITY OF SALFORD STUDENTS' UNION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2017**

**1 Accounting Policies**

**a) Basis of accounting**

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and Generally Accepted Accounting Practice.

The University of Salford Students' Union meets the definition of a public benefit charity under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

**b) Incoming resources**

Incoming resources are included in the Statement of Financial Activities (SoFA) when the charity has entitlement to the funds, any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with reasonable certainty. Income received to deliver services over a specific period covering more than one financial year is accounted for over the specific period; related expenditure is accounted for when incurred.

Investment income relates to interest earned through holding assets on deposit.

**c) Donated services and facilities**

Donated services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated items have been met, and the receipt of economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102) the general volunteer time is not recognised and refer to the Trustees report for more information about their contribution.

Donated services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent benefit on the open market, a corresponding amount is recognised in the expenditure for the period.

**d) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office & admin costs, facility costs and supporting marketing costs.

**UNIVERSITY OF SALFORD STUDENTS' UNION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2017**

**e) Governance costs allocation**

Governance costs are those costs related to the governance of the entity, to allow it to operate, and to generate information for public accountability. Direct costs will include audit and accountancy, legal advice to trustees and costs of trustees meetings.

**f) Fund accounting**

The entity has the following funds which are shown separately in the accounts:

- i) **Restricted funds** are funds that are used in accordance with specific restrictions imposed by donors or that have been raised by the entity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. Details of the restricted funds held are given in note 19 to the financial statements.
- ii) **Unrestricted funds** are funds which are available for use at the discretion of the Trustees in furtherance of the objects of the entity and which have not been designated for other purposes.
- iii) **Designated funds** are unrestricted funds that are allocated for specific purposes as set out in note 19 to the financial statements

**g) Fixed assets and depreciation**

Fixed assets are stated at cost less accumulated depreciation.

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

Fixtures, Fittings & Equipment: 10% to 25% straight line per annum

Building Improvements: 2% to 4% straight line per annum

Motor Vehicles: 33.3% straight line per annum

**h) Stocks**

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

**i) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**j) Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**k) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be

# UNIVERSITY OF SALFORD STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2017

measured or estimated reliably. Creditors and provisions are normally recognised at their settlement after allowing for any trade discounts due.

### **l) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### **m) Pension costs**

The Union operates two defined benefit pension schemes for all qualifying employees.

The Greater Manchester Pension fund operates on a pooled arrangement with contributions agreed centrally. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. Under the terms of FRS102, in these circumstances, contributions can be accounted for as if the scheme was a defined contribution scheme based on actual contributions paid throughout the year.

The Union of Salford Students Union Pension and Life Assurance Scheme contributions are accounted for on a full actuarial valuation basis as at the year-end.

Following the introduction of auto enrolment a National Employment Savings Trust (NEST) has now been set up in order to provide pension arrangements for any staff that now become eligible jobholders.

### **n) Taxation**

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.

### **o) Significant judgements and estimates**

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include assumptions around the financial assets and liabilities of pension scheme commitments, and the discount rate applied thereto, and the valuation of stock.

# UNIVERSITY OF SALFORD STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2017

	General Funds £	Designated Funds £	Restricted Funds £	2017 £	2016 £
<b>2 Donations and legacies</b>					
University Block Grant	984,000	-	-	984,000	984,000
University Grant re bar/catering refurbishment	-	-	-	-	12,345
	<b>984,000</b>	<b>-</b>	<b>-</b>	<b>984,000</b>	<b>996,345</b>
<b>3 Income from charitable activities</b>					
Bar	385,051	-	-	385,051	360,679
Catering	198,452	-	-	198,452	239,495
Student Shops	-	-	-	-	536,512
Entertainments	33,834	-	-	33,834	17,074
NUS Extra, Bus Pass & Graduate Portrait	62,357	-	-	62,357	67,763
Commissions					
Student Services e.g. Society Memberships	21,603	-	1,500	23,103	25,578
Net Clubs & Societies Income	-	-	6,346	6,346	-
Give Sport a Go	-	-	35,355	35,355	37,404
	<b>701,297</b>	<b>-</b>	<b>43,200</b>	<b>744,497</b>	<b>1,284,504</b>
<b>4 Income from other trading activities</b>					
Venue Hire and Franchise Income	71,896	-	-	71,896	26,813
Media Sales	37,969	-	-	37,969	32,793
	<b>109,865</b>	<b>-</b>	<b>-</b>	<b>109,865</b>	<b>59,606</b>
<b>5 Investments</b>					
Interest received from Bank & Building Society Accounts	10,694	-	-	10,694	10,203
	<b>10,694</b>	<b>-</b>	<b>-</b>	<b>10,694</b>	<b>10,203</b>



**UNIVERSITY OF SALFORD STUDENTS' UNION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2017**

**6 Analysis of Expenditure**

	Cost of Sales	Staff Costs	Other Costs	Gov'ce Costs	Support Costs	<b>2017 Total Cost</b>	2016 Total Cost
	£	£	£	£	£	£	£
Raising Funds	-	33,600	10,152	1,115	14,405	<b>59,272</b>	46,681
Charitable Activities:							
Bar	126,794	163,334	127,316	10,636	137,433	<b>565,512</b>	535,488
Catering	74,650	98,503	40,239	5,437	70,254	<b>289,083</b>	319,355
Student Shops	-	-	-	-	-	-	724,080
Entertainments	-	33,279	41,987	1,918	24,779	<b>101,963</b>	81,340
Student Services incl. societies	-	353,257	223,505	14,696	189,885	<b>781,343</b>	784,506
Give Sport a Go	-	22,389	12,915	-	-	<b>35,304</b>	48,500
	<b>201,444</b>	<b>670,762</b>	<b>445,961</b>	<b>32,687</b>	<b>422,351</b>	<b>1,773,205</b>	<b>2,493,269</b>
Other:							
Re-organisation costs	-	-	-	-	-	-	39,331
Fixed Assets write off	-	-	-	-	-	-	91,437
Investments write off	-	-	-	-	-	-	4,000
	<b>201,444</b>	<b>704,362</b>	<b>456,113</b>	<b>33,802</b>	<b>436,756</b>	<b>1,832,477</b>	<b>2,674,718</b>

The re-organisation costs related to a re-organisation of the bars & catering facility and were agreed in July 2016 and settled between August 2016 and December 2016.

The fixed assets written off related to the net book value of the Frederick Road shop.

The investments written off related to the shares held in Student Direct Ltd which are considered to have a nil value as the company was placed into liquidation on 30 April 2012. A first and final dividend of £9,632 has been received from the completion of the liquidation since the year end, (see note 26).

Of the total expenditure £1,797,173 was unrestricted (2016: £2,613,927) and £35,304 was restricted (2016: £60,791).

The support costs and governance costs are allocated to activity based on the proportion of that activity's direct costs to total costs.

Governance and support costs can be analysed as follows:

	<b>2017 £</b>	2016 £
Staff costs	<b>271,517</b>	280,436
Staff Recruitment, training & social costs	<b>40,591</b>	29,904
Facility Costs	<b>19,398</b>	31,967
Office & finance costs	<b>31,142</b>	55,529
Travel, subsistence & conference costs	<b>7,707</b>	7,174
Legal, professional & consultancy	<b>53,538</b>	73,580
Marketing/Website costs	<b>3,852</b>	11,320
Irrecoverable VAT	<b>21,253</b>	16,744
Depreciation	<b>16,259</b>	15,327
Sundry costs	<b>5,301</b>	4,461
	<b>470,558</b>	<b>526,442</b>

**UNIVERSITY OF SALFORD STUDENTS' UNION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2017**

**7 Net income/(expenditure) for the year**

This is stated after charging:

	<b>2017</b>	2016
	<b>£</b>	£
Depreciation	<b>95,442</b>	100,669
Loss on fixed assets write off	-	91,437
Bad debts	<b>2,818</b>	3,879
Auditors remuneration	<b>6,000</b>	5,000
	<hr/>	<hr/>

**8 Analysis of staff costs and the cost of key management personnel**

	<b>2017</b>	2016
	<b>£</b>	£
Staff costs were as follows:		
Salaries and wages	<b>877,640</b>	974,240
Social Security costs	<b>60,966</b>	61,674
Employer's contribution to a defined contribution pension	<b>3,239</b>	3,707
Operating costs of defined benefit pension schemes	<b>24,274</b>	23,064
Other employee benefits	<b>2,500</b>	2,908
	<hr/> <b>968,619</b>	<hr/> 1,065,594

The following number of employees received employee benefits (excluding employer pension costs) during the between:

	<b>2017</b>	2016
	<b>No</b>	No
£60,000 - £69,999	<hr/> -	<hr/> 1

The total employee benefits including pension contributions of the key management personnel were £195,489 (2016: £209,952). Key management personnel include the employees and trustees noted on pages 1 and 2 of the accounts.

**UNIVERSITY OF SALFORD STUDENTS' UNION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2017**

**9 Trustees remuneration and expenses**

	<b>2017</b> <b>£</b>	2016 <b>£</b>
Trustees' remuneration and employer's NI	<b>81,582</b>	95,520
Trustees' expenses	<b>7,188</b>	5,759
	<b>88,770</b>	101,279

Each of the sabbatical officers received a salary of £17,898 per annum as authorised in the Articles of Association of the University of Salford Students' Union for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities. The work includes voicing student opinion with the University and local community, defending and extending the rights of students through petitions, and discussions with local MP's.

The trustees expenses were incurred by 5 (2016: 5) trustees in respect of travel and subsistence costs in the course of their duties.

**10 Staff Numbers**

The average number of employees (head count based on number of staff employed) during the year was made up as follows:

	<b>2017</b> <b>No</b>	2016 <b>No</b>
Raising Funds	<b>1.5</b>	1.5
Bar	<b>2.2</b>	1.9
Catering	<b>3.3</b>	8.2
Entertainments	<b>1.4</b>	2.0
Shops	<b>-</b>	3.3
Student Services	<b>15.5</b>	17.5
Governance	<b>0.5</b>	0.5
Support Services	<b>6.7</b>	6.1
	<b>31.1</b>	41.0

**UNIVERSITY OF SALFORD STUDENTS' UNION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2017**

**11 Tangible Fixed Assets**

	<b>Building Improvements</b>	<b>Fixtures, Fittings &amp; Equipment</b>	<b>Motor Vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 August 2016	1,037,906	195,354	15,068	1,248,328
Additions	-	11,468	-	11,468
At 31 July 2017	<b>1,037,906</b>	<b>206,822</b>	<b>15,068</b>	<b>1,259,796</b>
<b>Depreciation</b>				
At 1 August 2016	333,096	158,280	15,068	506,444
Charge for the year	77,397	18,045	-	95,442
At 31 July 2017	<b>410,493</b>	<b>176,325</b>	<b>15,068</b>	<b>601,886</b>
<b>Net Book Value</b>				
At 31 July 2017	<b>627,413</b>	<b>30,497</b>	<b>-</b>	<b>657,910</b>
At 31 July 2016	704,810	37,074	-	741,884

Assets are only capitalised if they have a value above £500.

**12 Stock**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bars	10,195	7,173
Catering	2,350	2,081
Shops	-	350
	<b>12,545</b>	<b>9,604</b>

**13 Debtors**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade debtors	84,828	62,245
Other debtors	6,648	3,900
Prepayments & accrued income	70,137	104,129
	<b>161,613</b>	<b>170,274</b>

**UNIVERSITY OF SALFORD STUDENTS' UNION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2017**

**14 Current Investments**

	2017 £	2016 £
Carrying value at beginning of year	867,350	1,016,711
Additions to investments at cost	1,001	110,639
Disposals at carrying value	(120,000)	(260,000)
Carrying value at end of year	<u>748,351</u>	<u>867,350</u>

**15 Creditors: amounts falling due within one year**

	2017 £	2016 £
Trade creditors	60,917	49,726
Social Security and other taxes	19,591	17,717
Other creditors	11,265	10,766
Accruals & deferred income	75,675	95,664
	<u>167,448</u>	<u>173,873</u>

**16 Deferred Income**

Deferred income comprises media sales invoiced in advance of Welcome Week

	2017 £	2016 £
Carrying value at beginning of year	300	10,807
Amounts released from previous year	(300)	(10,807)
Amounts deferred during the year	22,150	300
Carrying value at end of year	<u>22,150</u>	<u>300</u>

**17 Capital Commitments**

There were no capital commitments as at 31 July 2017 (2016: £nil)

**UNIVERSITY OF SALFORD STUDENTS' UNION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2017**

**18 Financial Instruments**

	<b>2017</b>	2016
	<b>£</b>	<b>£</b>
Financial assets measured at amortised cost	<b>109,427</b>	105,858
Financial assets measured at fair value	<b>816,558</b>	869,340
Financial liabilities measured at amortised cost	<b>(145,298)</b>	(173,573)
Financial liabilities measured at fair value through the Statement of Financial Activities	<b>(525,900)</b>	(782,900)

Financial assets held at amortised cost comprise trade debtors and other debtors excluding prepaid costs.  
Financial assets measured at fair value comprise short term investments and cash at bank and in hand.  
Financial liabilities held at amortised cost comprise trade creditors, other creditors and accruals.  
Financial liabilities measured at fair value through the Statement of Financial Activities comprise the pension deficit liability.

The charity's income, expense, gains and losses in respect of financial instruments are:

	<b>2017</b>	2016
	<b>£</b>	<b>£</b>
Total interest income for financial assets held at amortised cost	<b>10,694</b>	10,203
Total interest expense for financial liabilities held at amortised cost	<b>3,023</b>	5,620

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**19 Statement of funds movement**

	<b>01-Aug</b>	<b>Movement in Funds</b>		<b>Pension</b>	<b>Transfer</b>	<b>Balance</b>
	<b>2016</b>	<b>Income</b>	<b>Expenditure</b>	<b>Deficit</b>	<b>Between</b>	<b>31-Jul</b>
	£	£	£	Gain	Funds	2017
				£	£	£
<b>Unrestricted funds:</b>						
General Fund	(30,685)	1,805,856	(1,701,731)	104,370	16,532	<b>194,342</b>
<b>Designated funds:</b>						
Pension Liability Fund	28,000	-	-	-	(28,000)	-
Fixed Assets Fund	741,884	-	(95,442)	-	11,468	<b>657,910</b>
	769,884	-	(95,442)	-	(16,532)	<b>657,910</b>
<b>Restricted Funds:</b>						
Give Sport a Go	29,727	35,354	(35,304)	-	-	<b>29,777</b>
Student Services	1,176	1,500	-	-	-	<b>2,676</b>
Clubs & Societies funds	64,227	6,346	-	-	-	<b>70,573</b>
	95,130	43,200	(35,304)	-	-	<b>103,026</b>
<b>TOTAL FUNDS</b>	<b>834,329</b>	<b>1,849,056</b>	<b>(1,832,477)</b>	<b>104,370</b>	<b>-</b>	<b>955,278</b>

	<b>01-Aug</b>	<b>Movement in Funds</b>		<b>Pension</b>	<b>Transfer</b>	<b>Balance</b>
	<b>2015</b>	<b>Income</b>	<b>Expenditure</b>	<b>Deficit</b>	<b>Between</b>	<b>31-Jul</b>
	£	£	£	Cost	Funds	2016
				£	£	£
<b>Unrestricted funds:</b>						
General Fund	98,624	2,299,909	(2,417,821)	(396,533)	385,136	<b>(30,685)</b>
<b>Designated funds:</b>						
Pension Liability Fund	425,000	-	-	-	(397,000)	<b>28,000</b>
Fixed Assets Fund	914,781	12,345	(192,106)	-	6,864	<b>741,884</b>
Investments Fund	4,000	-	(4,000)	-	-	-
	1,343,781	12,345	(196,106)	-	(390,136)	<b>769,884</b>
<b>Restricted Funds:</b>						
Give Sport a Go	35,825	37,404	(48,502)	-	5,000	<b>29,727</b>
Student Services	2,324	1,000	(2,148)	-	-	<b>1,176</b>
Clubs & Societies funds	74,368	-	(10,141)	-	-	<b>64,227</b>
	112,517	38,404	(60,791)	-	5,000	<b>95,130</b>
<b>TOTAL FUNDS</b>	<b>1,554,922</b>	<b>2,350,658</b>	<b>(2,674,718)</b>	<b>(396,533)</b>	<b>-</b>	<b>834,329</b>

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### Designated funds

The designated funds are unrestricted funds that are created by the trustees for specific purposes.

- The pension liability fund is a reserve to meet pension deficits payable in the future
- The fixed asset fund is the net book value of assets purchased with unrestricted funds.

### Restricted funds

The restricted funds comprise:

- The Give Sport a Go fund represents grants provided for the involvement and participation of sport amongst students.
- The Student Services fund represents grants provided for the enhancement of the student experience.
- The clubs & societies funds represent the balance on the clubs & societies own income accounts.

### Reserve transfers

Transfers are made from general reserves to other reserves in order to ensure that adequate funds are available in order to fulfil the purpose of each fund.

## 20 Analysis of net Assets between funds – current year

	General Funds £	Designated Funds £	Restricted Funds £	Total £
Tangible Fixed Assets	-	657,910	-	657,910
Cash & short term investments	713,532	-	103,026	816,558
Other net current assets/(liabilities)	6,710	-	-	6,710
Defined benefit pension liability	(525,900)	-	-	(525,900)
	194,342	657,910	103,026	955,278

## Analysis of net Assets between funds – prior year

	General Funds £	Designated Funds £	Restricted Funds £	Total £
Tangible Fixed Assets	-	741,884	-	741,884
Cash & short term investments	746,210	28,000	95,130	869,340
Other net current assets/(liabilities)	6,005	-	-	6,005
Defined benefit pension liability	(782,900)	-	-	(782,900)
	(30,685)	769,884	95,130	834,329



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

	2017 £	2016 £
Net movement in funds	120,949	(720,593)
Add back depreciation charge	95,442	100,669
(Profit)/loss on disposal of fixed assets	-	91,437
Loss on write off of investments	-	4,000
(Increase)/decrease in stocks	(2,941)	83,126
(Increase)/decrease in debtors	8,661	2,113
(Decrease)/increase in creditors	(6,425)	7,015
(Decrease)/increase in defined benefit pension liability	(257,000)	236,200
	<b>(41,314)</b>	<b>(196,034)</b>

### 22 Analysis of cash and cash equivalents

	2017 £	2016 £
Cash in hand	6,310	3,476
Current accounts	61,897	(1,486)
Deposit accounts	748,351	867,350
	<b>816,558</b>	<b>869,340</b>

### 23 Related Party Transactions

The following have been identified as related party transactions per the requirements of FRS 102.

- The University of Salford: In the year the University of Salford Students' Union received total grants of £984,000 (2016: £996,345) from the University of Salford, there was £52,567 (2016: £71,550) of purchase recharges and £107,363 (2016: £48,882) of sales recharges. The net year end debtor with the University, including funds on deposit was £103,712 (2016: £245,476).
- Trustees of the University of Salford Students' Union : see note 9 – Trustees remuneration and expenses.
- National Union of Students Services Ltd (NUSSL): The University of Salford Students' Union is an affiliated member of NUSSL who operate a purchasing consortium within the students' union movement.

### 24 Pensions

#### University of Salford Students' Union Pension and Life Assurance Scheme

The Union operated a defined benefit pension scheme which was closed to future accrual of service on 1 April 2006. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was carried out at 31 July 2014 and updated to 31 July 2017 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The most recent actuarial valuation showed a deficit of £867,000. The Union has agreed with the trustees that it will aim to eliminate the deficit over a period of 4 years 5 months from 1 August 2015 by the payment of a single contribution of £250,000 by 1 August 2015 and annual contributions of £132,000 increasing at 3 % per annum in

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respect of the deficit, payable monthly from 1 August 2015. The first increase took effect from 1 August 2016. In addition and in accordance with the actuarial valuation, the Union has agreed with the trustees it will pay £16,000 per annum, payable monthly towards the expenses charged under the standard policy administration procedure. All other expenses including Pension Protection Fund levies will be met by the Union in addition.

The contributions paid into the scheme in respect of eligible employees amounted to £148,000 (2016: £148,000) less administrative expenses of £13,800 (2016: £15,900).

**Present values of defined benefit obligation, fair value of assets and defined benefit asset/(liability):**

	2017 £	2016 £
Fair value of plan assets	5,504,000	5,672,700
Present value of defined benefit obligation	6,029,900	6,455,600
Surplus/(deficit) in plan	(525,900)	(782,900)
Unrecognised surplus	-	-
Defined benefit asset/(liability) to be recognised	(525,900)	(782,900)

**Reconciliation of opening and closing balances of the defined benefit obligation:**

	Year ended 31 July 2017 £	Year ended 31 July 2016 £
Defined benefit obligation at start of period	6,455,600	5,645,000
Expenses	13,800	15,900
Interest expense	152,600	195,300
Actuarial losses/(gains)	(126,600)	872,700
Benefits paid & expenses	(465,500)	(273,300)
Defined benefit obligation at end of period	6,029,900	6,455,600

**Reconciliation of opening and closing balances of the fair value of plan assets:**

	Year ended 31 July 2017 £	Year ended 31 July 2016 £
Fair value of plan assets at start of period	5,672,700	5,098,300
Interest income	135,100	176,300
Actuarial gains/(losses)	13,700	523,400
Contributions by the company	148,000	148,000
Benefits paid & expenses	(465,500)	(273,300)
Fair value of plan assets at the end of period	5,504,000	5,672,700

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**Defined benefit costs recognised in profit or loss:**

	<b>Year ended 31 July 2017 £</b>	<b>Year ended 31 July 2016 £</b>
Expense	<b>13,800</b>	15,900
Net interest cost	<b>17,500</b>	19,000
Defined benefit costs recognised in profit and loss account	<b>31,300</b>	<b>34,900</b>

**Defined benefit costs recognised in other comprehensive income:**

	<b>Year ended 31 July 2017</b>	<b>Year ended 31 July 2016</b>
Return on plan assets (excluding amounts included in net interest cost) – gain/(loss)	<b>13,700</b>	523,400
Experience gains and losses arising on the plan liabilities - gain/(loss)	<b>27,500</b>	52,400
Effects of changes in the demographic and financial assumptions underlying the present value of the plan liabilities – gain/(loss)	<b>99,100</b>	(925,100)
Total amount recognised in other comprehensive income – gain/(loss)	<b>140,300</b>	<b>(349,300)</b>

**Assets:**

	<b>2017 £</b>	<b>2016 £</b>
UK Equities	<b>713,700</b>	697,200
Overseas Equities	<b>373,200</b>	319,600
Corporate Bonds	<b>136,800</b>	138,900
Government Bonds	<b>396,200</b>	464,400
Property	<b>7,100</b>	7,700
Cash	<b>359,100</b>	351,900
Insured Pensioners	<b>3,517,900</b>	3,693,000
Total assets	<b>5,504,000</b>	<b>5,672,700</b>

None of the fair values of the assets shown above include any direct investments in the company's own financial instruments or any property occupied by, or other assets used by, the Union.

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**Assumptions:**

	<b>31 July 2017</b>	<b>31 July 2016</b>
	<b>% per annum</b>	<b>% per annum</b>
Discount rate	<b>2.55</b>	2.45
Inflation (RPI)	<b>3.20</b>	2.80
Inflation (CPI)	<b>2.40</b>	2.00
Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less	<b>2.40</b>	2.00
Allowance for pension in payment increases of RPI or 5% p.a. if less, minimum 3% p.a.	<b>3.70</b>	3.50
Allowance for commutation of pension for cash at retirement	<b>100% of Post A Day</b>	100% of Post A Day

The mortality assumptions adopted at 31 July 2017 imply the following life expectancies:

	<b>Life expectancy at age 62 (Years)</b>
Male retiring in 2017	<b>24.6</b>
Female retiring in 2017	<b>26.8</b>
Male retiring in 2037	<b>26.1</b>
Female retiring in 2037	<b>28.4</b>

The best estimate of the amount to be paid by the Union to the scheme for the period commencing 1 August 2017 is £156,039.

**Greater Manchester Pension Fund (GMPF)**

The Union is a member of the GMPF, which is an externally funded defined benefit pension scheme, which is contracted out of the State Second Pension, where contributions payable are held in a trust separately from the Union.

The scheme is subject to triennial valuation by independent actuaries, the last valuation being carried out as at 31 March 2016 using the project unit credit method in which the actuarial liability makes allowance for projected future earnings.

The following actuarial assumptions were applied:

Investment returns	4.2% per annum
Inflation	3.2% per annum
Salary growth	2.9% per annum
Pension increases	2.1% per annum

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At the last actuarial valuation date the market value of the assets of the scheme were only sufficient to cover 93% of the benefits that had accrued to members after allowing for the effect of future increases in earnings. The common rate of contributions payable by each employing authority as at 31 March 2016 is 16.7% of pensionable pay.

The contributions paid into the scheme in respect of eligible employees amounted to £31,530 (2016: £30,281).

#### **National Employment Savings Trust (NEST)**

Following the Student Unions auto enrolment staging date in May 2014 the NEST scheme has been set up in order to provide pension arrangements for any staff that become eligible employees.

The contributions paid into the scheme during the year were £5,830 (2016: £6,672)

#### **25 Legal status of the charity**

The charity is an unincorporated association and has no share capital.

#### **26 Post Balance Sheet Events**

At 31<sup>st</sup> July 2017 the Union held a 33.33% share of an unlisted investment in Student Direct Ltd, a company incorporated in the United Kingdom and originally set up to provide a telephone directory and weekly newspaper to students in the Greater Manchester area. The company went into liquidation during April 2012. The value of the investment has in a prior year been written down to £nil as it was not expected to receive a dividend. Since the year end, however, a first and final dividend of £9,632 has been received.

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**27 Comparative statement of financial activity**

		Unrestricted Funds			2016
	Note	General Funds	Designated Funds	Restricted Funds	Total
		£	£	£	£
<b>Income from:</b>					
Donations and Legacies	2	984,000	12,345	-	996,345
Charitable Activities	3	1,246,100	-	38,404	1,284,504
Other Trading Activities	4	59,606	-	-	59,606
Investments	5	10,203	-	-	10,203
<b>Total income</b>		2,299,909	12,345	38,404	2,350,658
<b>Expenditure on:</b>					
Raising Funds		45,607	1,074	-	46,681
Charitable Activities		2,332,883	99,595	60,791	2,493,269
Other		39,331	95,437	-	134,768
<b>Total expenditure</b>	6	2,417,821	196,106	60,791	2,674,718
<b>Net (expenditure)/income</b>	7	(117,912)	(183,761)	(22,387)	(324,060)
Transfers between funds	19	385,136	(390,136)	5,000	-
Movement in Pension Scheme liability	24	(396,533)	-	-	(396,533)
<b>Net Movement in Funds</b>		(129,309)	(573,897)	(17,387)	(720,593)
<b>Reconciliation of funds:</b>					
<b>Total funds brought forward</b>	19	98,624	1,343,781	112,517	1,554,922
<b>Total funds carried forward</b>	19	(30,685)	769,884	95,130	834,329