

The University of Northampton Students' Union
Financial Statements for the
Year Ended 31st July 2018

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**The University of Northampton Students' Union (UNSU)
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for the year ended 31st July 2018**

ADMINISTRATIVE DETAILS

Charitable Status

The University of Northampton Students' Union (UNSU) is an unincorporated charity established under the Education Act 1994 and registered with the Charity Commission (No. 1144827) since 28th November 2011, when Students' Unions connected with exempt higher/ further education institutions were removed by section 11(9), Charities Act 2006, from the list of exempt charities in Schedule 2 to the Charities Act 1993.

Principal Address

University of Northampton Students Union
Park Campus
Boughton Green Road
Northampton
NN2 7AL

Trustees of the Charity

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees who have served during the year and since the year end were as follows:

Name	Appointed	Resigned
G. Gannoway	01/12/2015	
R. Aveling	01/12/2015	
W. Irwin	13/11/2017	
J. Corbett	01/12/2017	
M. Storr	17/11/2016	
I. Nagra	17/11/2016	
R. Garcia-Krailing	01/06/2018	
G. Lovegrove	01/06/2018	
R. Bradshaw	01/06/2018	
S. Ji	01/06/2018	
P. Henry	30/04/2018	
D. Lewis	01/07/2017	30/06/2018
D. Zhong	01/07/2017	30/06/2018
R. Chapman	11/04/2017	10/05/2018
A. Artemiou	01/08/2016	13/12/2017
S. Nixon	25/10/2016	31/07/2017

Full-time (Sabbatical) Officers

President
Vice-President Union Development
Vice-President Education
Vice-President Welfare

July 2018

R. Garcia-Krailing
R. Bradshaw
G. Lovegrove
S. Ji

July 2017

R. Garcia-Krailing
D. Lewis
D. Zhong
-

Auditors

Clifford Roberts,
Chartered Auditors,
Pacioli House,
9 Brookfield,
Duncan Close,
Moulton Park,
Northampton,
NN3 6WL

Bankers

Santander UK Plc.,
2 Triton Square,
Regents Place,
London,
NW1 3AN

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Key Management Personnel

UNSU employs a Chief Executive to work closely with the Executive Officers and ensure effective management of the charity as head of a senior management team as follows:-

Chief Executive	P. Sturgeon
HR & Administration Manager	Y. Anderson
Membership Services Manager	R. Weston
SU Enterprises (Licensed Trade) Manager	W. Greasley
Marketing & Communications Manager	A. Berrie
Finance Manager	B. Fenning

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REPORT OF THE PRESIDENT FOR THE YEAR ENDED 31 JULY 2018

The President presents his Annual Report for the year ended 31 July 2018, which includes the administrative information set out on page 3 and 4, together with the audited accounts for that year.

Structure, governance and management

UNSU is constituted under the Education Act 1994 as a charity with internal regulations or Rules approved by the governing body of The University of Northampton. UNSU's Charitable Objects under the Act, to advance the University's educational purposes by providing representation and support for the students of the University, are supplemented by the further Object of providing social, cultural, sporting and recreational activities, and forums for discussions and debate, for the personal development of its members.

UNSU is managed by the Board of Trustees (see above). Chaired by the President, one of four full-time 'sabbatical' officers elected annually by cross-campus secret ballot of the UNSU membership. The Board of Trustees has delegated the day-to-day running of UNSU to the Chief Executive. Trustees receive an induction into their legal and administrative responsibilities, with an on-going training programme as and when needed for issues arising during their term of office.

UNSU's representation and campaigning activity is led by its Executive Committee of 17 students, elected annually by cross-campus secret ballot. This includes the four posts of President, Vice-President Education Vice-President Union Development and Vice President Welfare which are full-time 'sabbatical' posts remunerated as authorised by the Education Acts and which cannot exceed two years duration for each holder. The four sabbaticals are automatically Trustees, and three additional elected students are charity trustees of UNSU for the purposes of the Charities Acts.

The Executive Committee meets regularly to receive reports from individual Officers, to review Officers' activity and performance, and to discuss policy issues arising. UNSU also employs a number of non-student full-time staff to ensure continuity in the management of its many activities. Staff are accountable to the Chief Executive for the performance of their duties.

UNSU operates on democratic principles, with supervisory power vested in UNSU Student Council, which can veto decisions made by the Executive Committee, also propose and approve policy. The annual accounts are approved at the Annual General Meeting. UNSU Student Council is also responsible for holding the elected officers, both full- and part-time, to account. UNSU Student Council's membership comprises all elected officers plus 21 elected Councillors from across the student body, and is quorate where at least 20 of the members are present.

Pay and remuneration of key management personnel is determined by a remuneration committee including a mixture of executive and non-executive trustees.

The recruitment, appointment and training of new trustees are conducted by existing trustees.

Relationship with Northampton University

The relationship between the University and UNSU is established in the Regulations of the University and detailed in UNSU Rules approved by both organisations. UNSU receives a Block Grant from the University, and occupies six buildings owned by the University, which also pays for utilities, caretaking and cleaning staff. This non-monetary support is intrinsic to the relationship between the University and UNSU. As recommended by the Charities SORP, which has been adopted for this and future financial years for due compliance with the new requirements for Students' Unions provided for in the Charities Act 2011, an estimated value to UNSU for this free serviced accommodation has been included in the accounts, priced at a conservative £133,158 subject to further research on market prices for the few viable alternatives possible. UNSU is currently dependent on the University's support.

There is no reason to believe that this or equivalent support from the University will not continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body.

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Risk Management

The Board of Trustees has examined the major strategic, business and operational risks faced by UNSU. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Budgetary and internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers and participants on all activities organised by the Union. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Aims, Objectives and activities

The Board of Trustees have confirmed UNSU's mission as '*to help every student at the University of Northampton to have the best possible Higher Education experience*', with the following long-term aims:

- (i) by delivering support services to them, and by representing their interests;
- (ii) provide students with opportunities for personal development through our democratic structures, our volunteer programmes and our clubs and societies; and
- (iii) to employ students in roles throughout our provision, providing valuable opportunities to acquire new skills and get real work experience – increasing their employability for the future.

In pursuit of these aims for the public benefit, UNSU will ensure the diversity of its membership is recognised, valued and supported and has established departments and services for use by its members and to support its work with the University and other organisations on behalf of students. Executive Officers of UNSU sit on many University committees.

UNSU continues to represent the students of this University on relevant local, national and international issues by maintaining a high proportion of student representatives. In 2017-18 there was 437 elected Course Representatives and 12 Faculty Representatives. The new Representation Policy now ensures that Course Representatives now sit on SSLC's (Staff-Student Liaison Committee) at programme level, meaning student voice is heard at a ground level, and not just at senior committee level.

To further enhance the student experience, UNSU attract students from all walks of life to get involved in the Union, the University and the local community by actively promoting the benefits of volunteering in student-led activities.

When reviewing our objectives and planning our activities, we have given due consideration to the Charity Commission's general and relevant supplementary guidance on public benefit.

Public Benefit

All of our activities are undertaken to further our charitable purpose for the benefit of students at the University of Northampton. The Trustees have had regard to Charity Commission guidance on public benefit in section four of the Charities Act 2011. The main benefits which have arisen during the year from the organisation's aims and objectives are detailed in the following sections.

Achievements and performance

UNSU's achieved the following published objectives for 2017/18:

Objective	Achievement
i. To provide a quality system for clubs and societies that demonstrates our charitable aims in terms of student development.	The Meditation Society achieved the Best Hobby and Interest Society Award at the Society of the Year at the NUS National Society Awards.

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| ii. Commence delivery of the Waterside Campus Engine Shed activity plan following the successful receipt of a £1.3million Heritage Lottery Fund grant. | The Students' Union has now successfully moved into the Engine Shed on Waterside Campus. |
| iii. Achieve Best Bar None accreditation for the seventh consecutive year. | The Students' Union achieved Best Bar None accreditation for the seventh consecutive year, achieving a 10% increase on the year previous' score, moving from Bronze to Silver. |
| iv. Take a responsible approach to environmental issues with activities that enhance and encourage student engagement and development. | The NUS Most Improved Green Impact Students' Union in the country was awarded to the Students' Union this year. |
| v. Maximise opportunities for member participation and involvement in the student electoral process. | The main election saw a record turnout of 25.2%, an increase of 6.2% from the previous year. |
| vi. Strive towards increasing campaigns that reflect and support the diversity of the student body. | Month long campaigns were held for Black History Month, LGBTQ month and International Women's Rights |
| vii. To achieve a surplus for the eighth consecutive year. | A surplus of £12,007 was achieved in the period to 31st July 2018 |

Future plans

In the past year elected representatives, members, staff and trustees have engaged in consultative and developmental activities to inform the writing of a Strategic Plan that will take us to 2021. The direction of travel is one of developing new engagement strategies with students who may interact with the Students' Union and staff less frequently and may experience difficulties during their tenure at university.

As such, UNSU's key objectives for 2018/19 are to:

- i. Increase our relevance to students at Northampton by effectively representing and supporting them and inspiring them to achieve their ambitions whilst advocating change and engaging in democratic processes
- ii. Achieve Best Bar None accreditation for the eighth consecutive year and Best Bar None 'Best Late Night Venue' award;
- iii. Continue to improve and develop student engagement and development in terms of improved environmentally sustainable activities
- iv. To provide activities to both staff and students, including an increased diversity of campaigns that promote, engage and sustain staff and student health and wellbeing and fully supported by the Welfare Sabbatical officer.
- v. Continue to improve and develop relationships with other stakeholders such as Changemaker to create opportunities for students so they feel supported in their personal and professional development outside the classroom.
- vi. To provide additional accountability and transparency, through the formation of a separate company to support commercial trading activities.
- vii. To continue to achieve a surplus in the year to follow.

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Financial review

UNSU's gross income from all sources this year totalled £6,212,091, of which £2,413,937 related to capital funding received relevant to purchases for the Platform and The Engine Shed. Total expenditure of £4,183,833 on the wide-ranging student benefits we provide within a broadly balanced budget, as well as on the modest fundraising and other revenue-generating activities we undertake, left a surplus for the year of £2,028,258 increasing UNSU's total reserves from £723,083 to £2,751,341. Capital grant funds increased from £366,223 to £2,339,265 in the year due to the amount of capital funding received in the year.

UNSU has continued to benefit from the recognition and support of the University, and this year the annual block grant went up by £2,575,885 to £4,383,030. This includes £2,413,937 in capital funding from the University predominantly to cover the costs of the development for the Platform and Engine Shed.

Current free reserves stand at £154,820.

Custodian Activities: Clubs' & Societies' Funds and the annual RAG

UNSU acts as custodian for funds raised by the students' many Clubs and Societies themselves, amounting to £164,950 at the year-end, in addition to the grant-support funds it disburses to them as shown in the accounts. UNSU is also custodian of the annual RAG proceeds from fundraising events organised by the students under UNSU auspices for distribution to the intended charities. Funds raised by this year's RAG amounting to £5,843 where all distributed during the year.

Future Funding

The Executive Committee confirms that UNSU has sufficient funds to meet all its obligations. The Block Grant for 2018/19 has been confirmed at £1,557,861.

Trustee Board's Responsibilities

Charity law and UNSU's constitution require us as the charity trustees to prepare annual financial statements giving a true and fair view of the state of affairs of UNSU at its financial year-end and of UNSU's income and expenditure for the year. In preparing those financial statements we are required to:-

- select the most suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is not appropriate to presume that UNSU will continue in business.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with charity law and the particular requirements of UNSU Student Council and the University under the Education Act 1994. We are also responsible for safeguarding the assets of the charity and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charity's auditors is unaware;
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of the information.



R Garcia-Krailing
President

Dated: 16th November, 2018

**The University of Northampton Students' Union (UNSU)
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Independent Auditor's Report to the trustees of University of Northampton Students' Union

We have audited the financial statements of University of Northampton Students' Union for the year ended 31st July 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st July 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusion 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 trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

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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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Respective responsibilities of trustees and auditor

As explained more fully in the trustees' responsibilities statement set out on page 8, 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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. This description forms part of our Report of the Auditors.

Use of Report

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 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 in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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Clifford Roberts
Chartered Accountants & Statutory Auditor
Pacioli House
9 Brookfield
Duncan Close
Moulton Park
Northampton
NN3 6WL

Date..... 16th November, 2018

Clifford Roberts Chartered Accountants is eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31st JULY 2018

Note	Unrestricted income	Custodian funds	Restricted funds	Capital Grants	Total £	2017 Total £
Income and endowments from:						
Voluntary Income:						
-Gifted Block Grant	133,158	-	-	-	133,158	127,636
-University Funding	1,969,093	-	-	2,413,937	4,383,030	1,807,147
Activities to generate funds:						
NUS Extra	8,381	-	-	-	8,381	20,537
Charitable activities for students:						
-Bars & Catering	559,143	-	-	-	559,143	443,336
-Retail	841,286	-	-	-	841,286	908,205
-Events	124,491	-	-	-	124,491	128,625
-Marketing	29,536	-	-	-	29,536	34,912
-Lettings	17,052	-	-	-	17,052	7,151
-Clubs & Societies	28,755	18,517	-	-	47,272	82,665
-Social Enterprise	-	-	-	-	-	112
Other income						
-Minibus	-	-	7,575	-	7,575	13,580
-P2 Project	-	-	-	-	-	-
-RAG	-	-	5,843	-	5,843	5,423
-Heritage Lottery Fund	-	-	52,111	-	52,111	-
-Investment income	3,213	-	-	-	3,213	3,209
Total income	£3,714,108	£18,517	£65,529	£2,413,937	£6,212,091	£3,582,538
Resources expended						
Charitable Activities for students:						
-Bars & Catering	1,194,047	-	-	-	1,194,047	551,795
-Retail	900,944	-	-	-	900,944	1,046,276
-Events	608,103	-	-	-	608,103	701,898
-Lettings	67,125	-	-	-	67,125	28,298
-Marketing	68,493	-	-	-	68,493	103,627
-Clubs & Societies	156,077	214,415	-	-	370,492	678,385
-Social Enterprise	-	-	-	-	-	360
-Advice & Representation	922,977	-	-	-	922,977	567,013
-Minibus	-	-	14,419	-	14,419	14,572
-P2 Project	-	-	885	-	885	196
-RAG	-	-	6,051	-	6,051	3,685
-Heritage Lottery Fund	-	-	24,801	-	24,801	-
-Governance	5,496	-	-	-	5,496	5,070
Total expenditure	£3,923,262	£214,415	£46,156	-	£4,183,833	£3,701,175
Net incoming resources for the year	(209,154)	(195,898)	19,373	2,413,937	2,028,258	(118,637)
Capital grant amortisation	435,723	-	5,172	(440,895)	-	-
Fund transfer	(214,562)	214,562	-	-	-	-
Net movement in funds	12,007	18,664	24,546	1,973,042	2,028,258	(118,637)
Reconciliation of funds:						
Total funds brought forward	142,813	146,286	67,761	366,223	723,083	841,720
Total funds carried forward	£154,820	£164,950	£92,307	£2,339,265	£2,751,341	£723,083

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

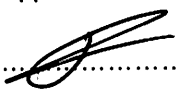
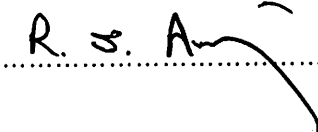
The notes on pages 15 to 27 form part of these accounts

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BALANCE SHEET AS AT 31st July 2018

		2018		2017	
	Note	£	£	£	£
Fixed assets					
Tangible assets	6		3,376,486		810,390
			3,376,486		810,390
Current assets					
Stocks	7	103,121		129,687	
Debtors	8	199,101		168,259	
Cash at bank and in hand		1,882,859		1,179,468	
		2,185,081		1,477,414	
Current Liabilities					
Creditors: amounts falling due within one year	9	(2,810,226)		(1,564,721)	
Net current assets / (liabilities)			(625,145)		(87,307)
Net assets			2,751,341		723,083
Representing Charitable Funds:-					
Capital Grant Fund					
Capital Grant	12		2,339,265		366,223
Restricted Income/ Custodian Funds					
RAG Reserve	13	8,100		8,308	
Club & Society Reserve	14	164,910		146,246	
Minibus Reserve	15	1,182		2,854	
P2 Reserve	16	55,714		56,599	
Social Enterprise	17	40		40	
Heritage Lottery Fund	18	27,310		-	
			257,256		214,047
			2,596,521		580,270
Unrestricted Income Funds					
Undesignated Fund	19	154,820		142,813	
			154,820		142,813
Total charity funds	20		2,751,341		723,083

Approved on behalf of the University of Northampton Students' Union on 14th November 2018 by:

 R Garcia-Krailing -President
 R. Aveling -Chair of Finance Committee

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CASHFLOW STATEMENT FOR THE YEAR ENDED 31st July 2018

	Note	2018 £	2017 £
Cash flow from operating activities	23	3,720,283	1,303,495
Interest paid		-	-
		<u>3,720,283</u>	<u>1,303,495</u>
Net cash flow from operating activities			
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(3,016,892)	(656,677)
Receipts from sales of tangible fixed assets		-	-
Interest received		-	-
Grant income received		-	118,580
		<u>(3,016,892)</u>	<u>(538,097)</u>
Net cash flow from investing activities			
Cash flow from financing activities			
Receipts from issue of new long term loans		-	-
Repayment of long term loans		-	-
Repayment of finance lease liabilities		-	-
Interest paid		-	-
		<u>-</u>	<u>-</u>
Net cash flow from financing activities			
Net increase in cash and cash equivalents		703,391	765,398
Cash and cash equivalents at 1st August 2017		1,179,468	414,070
Cash and cash equivalents at 31st July 2018		<u>1,882,859</u>	<u>1,179,468</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		1,882,859	1,179,468
Short term deposits		-	-
Cash and cash equivalents at 31st July 2018		<u>1,882,859</u>	<u>1,179,468</u>

The notes on pages 15 to 27 form part of these accounts

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2018

1 Summary of significant accounting policies

(a) General information and basis of preparation

University of Northampton Students' Union is an unincorporated Charity in the United Kingdom established under the Education Act 1994. The address of the registered office is given in the charity information on page 3 of these financial statements.

The nature of the charity's operations and principal activities are to support students at the university as they progress through their studies by providing guidance and support for educational needs; delivering welfare awareness campaigns; providing personal and team development opportunities, through sports clubs and other societies; and providing social space and activities.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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), and UK Generally Accepted Practice as it applies from 1 January 2015.

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

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

(b) Going concern

The financial statements are prepared on a going concern basis as the charity receives the continued support of the University of Northampton.

(c) Financial instrument

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

(d) Incoming resources

All income and capital resources are recognised in the Statement of Financial Activity (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty. The University grant of free serviced accommodation on the campus is accounted for as income and expenditure of the year at an estimated value to UNSU by reference to the alternatives available on the commercial market.

(e) Fund accounting

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

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

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

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1 Accounting Policies (continued)

Custodian funds entrusted to UNSU for safekeeping, but not under its management control, eg, Clubs & Societies funds. Such custodian activities are disclosed in the financial statements.

(f) Expenditure recognition

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

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose. Charitable expenditure comprises the direct and indirect costs of delivering public benefit. Governance costs are those incurred for compliance with constitutional and statutory requirements. Such as the annual audit, annual elections and training for sabbatical officers. The value of free serviced campus accommodation is apportioned on estimated floor space occupied. Other central overhead costs are apportioned to charitable and other projects/ activities on a usage basis, pro rata to the total costs of each project or activity undertaken.

(g) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs and governance costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

(h) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation. The charity enforces a policy by which assets below the value of £2,500 cost per item/set will not be capitalised.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures, fitting and equipment	- 25% straight line
Motor vehicles	- 25% straight line
Improvements to property	- 10% straight line

Due to the relocation of the University, all non-moveable assets have been fully depreciated up to 31st July 2018.

Grant income for the purpose of purchasing fixed assets is netted off against the cost of the fixed asset in the financial statements.

(i) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

(j) Debtors and creditors receivable / payable within one year

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

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1 Accounting Policies (continued)

(k) Impairment

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

(l) Tax

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

(m) Leases

Rentals payable under operating leases are charged as expenditure on a straight line basis over the period of the lease.

(n) Pension costs

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the profit and loss account in the period to which they relate.

(o) Reserves

Reserves should be at least £40,000, this being a sum large enough to provide a buffer against long term sickness absence but not large enough to unnecessarily hold funding back from delivering direct services to students. Due to the nature of the annual funding from the university it was not felt appropriate to adopt a 'proportion of annual costs' method. The reserves above £40,000 will be re-invested to support new projects.

Current free reserves stand at £154,820 (2017: £142,813)

(p) Judgements and key sources of estimation uncertainty

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

- Valuation of fixed assets.
- Valuation of stock.
- Calculation of accruals.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- The continued support from the University of Northampton.

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2 Charitable and other Activity costs

	COS £	Staff costs £	2018 Rent & rates £	Other costs £	Total £	2017 Total £
Charitable activities						
Bar and catering	207,513	356,997	122,333	507,205	1,194,048	551,795
Shops	671,959	127,944	58,382	42,659	900,944	1,046,276
Entertainments	227,275	95,081	20,639	265,108	608,103	701,898
Marketing	-	38,837	2,278	26,010	67,125	103,627
Clubs & societies	-	104,847	5,297	45,933	156,077	383,212
Governance advice & representation	-	540,238	31,512	356,722	928,472	572,083
Lettings	-	21,977	2,325	44,191	68,493	28,298
	£1,106,747	£1,285,921	£242,766	£1,287,828	£3,923,262	£3,387,189

Included in the above governance costs is the annual audit fee of £5,896 (2017: £5,070).

3 Central Overhead Costs included in Note 2

Charitable activities	Comm Usage %	Usage %	Staff £	Rent & Rates £	Other £	Total £
Bar and catering	44%	30%	42,436	40,526	62,785	145,747
Shops	46%	23%	32,019	30,578	47,373	109,970
Events & security	31%	15%	21,612	20,639	31,975	74,226
Marketing	-	2%	2,386	2,278	3,530	8,194
Clubs & societies	-	4%	5,547	5,297	8,207	19,051
Governance & representation	-	24%	32,998	31,512	48,821	113,331
Lettings	-	1%	2,434	2,325	3,601	8,360
Totals			£139,432	£133,155	£206,292	£478,879

The charity accounts for gifted services based on a reasonable estimate of the external cost of those services. The total estimated cost of £127,638 is apportioned according to the usage as detailed above and is shown as income on the summary of Financial Activities.

Other Costs comprised:-	£
Disallowed VAT	14,167
Depreciation	7,381
Staff training & expenses	31,861
Insurance	30,911
Legal & professional	65,326
Printing & stationery	5,207
Finance charges	35,898
Sundry expenses	15,542
	206,293

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4 Staff Costs

	2018	2017
	£	£
Wages and salaries	972,924	832,295
Student labour	199,384	149,310
Social security	85,513	72,647
Pension costs	50,951	48,640
	1,308,772	1,102,892

During the year there was an average of 52 (2017: 47) members of staff. Total emoluments were between £10,000 and £60,000 including trustees. In addition to this there was one employee of the Charity whose total emoluments were over £60,000.

The average staffing was as follows:-

	2018	2017
Commercial Activities	16	15
Administration and Services	22	19
Sabbatical Officers	3	3
Student staff analysed as full time equivalent	11	10
	52	47

5 Trustees' Remuneration and Expenses

Name	Salary £	Pension £	Expenses £	Total 2018 £	Total 2017 £
R. Bradshaw	3,468	64	-	3,532	-
G. Lovegrove	3,468	64	-	3,532	-
L. Bligh	-	-	-	-	19,263
D. Lewis	19,090	354	199	19,643	19,492
D. Zhong	19,096	354	43	19,493	23,395
R. Garcia-Krailing	20,830	1,931	710	23,471	5,041
S. Ji	3,468	64	-	3,532	-
G. Gannaway	-	-	165	165	312
I. Nagra	-	-	274	274	443
Total	£69,420	£2,831	£1,391	£73,642	£67,946

During the year there was a new position created for the Vice President of Welfare which is held by S. Ji. The Vice President of Union Development, D. Lewis, and The Vice President of Education, D. Zhong, both stood down during the year to be replaced by R. Bradshaw & G. Lovegrove. Each of the Executive Committee's four sabbatical officers receive a salary as authorised in the Union's governing document, for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities. This work includes voicing student opinion with the institution and local community, defending and extending the rights of students through petitions, discussions with MPs and also organising and supporting student volunteers and service provisions for them. The total salary costs for the sabbatical officers amounted to £69,420.

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6 Tangible Fixed Assets

	Improvements to property £	Fixtures, fittings and equipment £	Motor Vehicles £	Total £
Cost or valuation:				
At 31 st July 2017	1,397,863	758,160	27,736	2,183,759
Additions	2,566,512	450,380	-	3,016,892
Disposals	(576,020)	(590,455)	-	(1,166,475)
At 31st July 2018	£3,388,355	£618,085	£27,736	£4,034,176
Depreciation:				
At 31 st July 2017	755,802	602,823	14,744	1,373,369
Charge for the year	317,500	128,125	5,172	450,797
Eliminated on disposals	(576,020)	(590,455)	-	(1,166,475)
At 31st July 2018	£497,282	£140,492	£19,916	£657,690
Net book value:				
At 31st July 2018	£2,891,073	£477,593	£7,820	£3,376,486
At 31 st July 2017	642,061	155,337	12,992	810,390

All assets are used within the Charity for the benefit of the charitable purpose.

7 Stocks

	2018 £	2017 £
Stock	103,121	129,687
	£103,121	£129,687

The amount of stock recognised in the profit & loss as an expense during the year was £899,319.

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8 Debtors

	2018	2017
	£	£
Trade debtors	13,776	22,127
Other debtors	141,670	131,003
Prepayments and accrued income	43,655	15,129
	£199,101	£168,259

9 Creditors: Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	66,708	106,429
Accruals & deferred income	2,701,285	1,437,794
Other creditors	42,233	20,498
	£2,810,226	£1,564,721

10 Operating Lease Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Within one year	75,000	23,833
Between one and five years	493,750	-
	£568,750	£23,833

The charity is committed to one operating lease for the rental of property in Northampton town centre which is used as The Platform Club. The operating lease in the prior year also related to the rental of property however this lapsed during the year and was not renewed.

11 Deferred income

	Under 1 year	Total
	£	£
At 1 st August 2017	1,085,961	1,085,961
Additions during the year	2,523,081	2,523,081
Amounts released to income	(1,085,961)	(1,085,961)
At 31 st July 2018	£ 2,523,081	£ 2,523,081

Income for the up-front payment of 'freshers activities' held in September 2018 has been deferred into the year ended 31st July 2018. Income for the September 2017 'fresher activities' has been released during the year. Funding from the University was also received in the current year. This has been deferred into the 31st July 2019 year end. The grant income for the new town centre venue is to be deferred over the life of the assets.

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12 Capital Grant Fund

	2018 £	2017 £
At 1 st August 2017	366,223	524,603
Funding for capital expenditure	2,413,937	245,433
Amortisation	(440,895)	(403,813)
	£2,339,265	£366,223
At 31 st July 2018	£2,339,265	£366,223

The capital grant fund is a designated fund. The fund is to be used for improvement to the student union properties at the discretion of the trustees.

13 RAG Fund

	2018 £	2017 £
Funds held at 1 st August 2017	8,308	6,570
Donations received	5,843	5,423
Fundraising costs	-	-
Contribution to administration costs	-	720
Donations paid	(6,051)	(4,405)
	£8,100	£ 8,308
Funds held at 31st July 2018	£8,100	£ 8,308

The RAG fund (raising and giving fund) is a restricted fund for the raising and donation of money for charitable purposes.

**14 Student Society/Club
material funds held were:-**

	Brought Forward	Income for Fund (including reserve transfer)	Expenditure	Carried Forward
	£	£	£	£
Clubs:				
American Football	702	3,842	(2,606)	1,938
Archery	1,754	2,669	(3,216)	1,207
Athletics	1,355	6,198	(8,069)	(516)
Badminton	1,039	8,868	(9,587)	320
Boxing	2,795	3,062	(2,794)	3,063
Cheerleading	559	13,128	(11,404)	2,283
Cricket	2,214	3,239	(3,348)	2,105
Dance	13,196	10,384	(8,702)	14,878
Futsal Club	94	-	-	94
Equestrian	1,222	7,402	(3,716)	4,908
Jitsu	499	500	(1,128)	(129)
Judo	204	2,690	(1,842)	1,052
Men's Basketball	324	2,132	(2,179)	277
Men's Football	4,270	14,372	(17,940)	702
Men's Hockey	1,885	8,684	(8,974)	1,595
Men's Lacrosse	1,882	-	35	1,917
Men's Rugby League	1,313	8,266	(8,441)	1,138
Men's Rugby Union	4,240	9,601	(12,449)	1,392
Men's Volleyball	570	2,902	(2,587)	885
Netball	2,434	12,358	(12,999)	1,793
Pool Sports Club	864	800	(1,527)	137
Rounders	3,242	1,720	(3,285)	1,677
Rowing	2,834	2,144	(1,907)	3,071

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Snow Sports	4,961	(1,568)	-	3,393
Squash	842	5,869	(4,211)	2,500
Swimming	838	8,057	(6,343)	2,552
Table Tennis	869	241	(943)	167
Tennis	3,297	5,520	(3,519)	5,298
Ten-Pin Bowling Club	817	-	-	817
Trampolining	24	7,573	(5,145)	2,452
Ultimate Frisbee	1,974	(1,974)	-	-
Wheelchair Basketball	1,913	840	(336)	2,417
Women's Basketball	3,733	4,144	(4,495)	3,382
Women's Cricket	-	750	(350)	400
Women's Football	2,992	3,918	(3,426)	3,484
Women's Hockey	2,330	7,940	(7,941)	2,329
Women's Lacrosse	5,807	2,929	(2,276)	6,460
Women's Rugby Union	3,599	5,494	(5,980)	3,113
Women's Volleyball	1,385	791	(1,911)	265
Clubs sub-total	£84,872	£175,485	£(175,541)	£84,816
Societies:				
ACC First Love	120	1,060	(70)	1,110
Adventure Society	107	(107)	-	-
Afro-Caribbean Society	115	1,280	(234)	1,161
AHS Athiest, Humanistic Society	1,732	(1,732)	-	-
Airsoft Society	198	7,250	(1,179)	6,269
Akwaaba Society	237	-	-	237
Allotment Society	407	-	(33)	374
Amateur Dramatics Society	1,254	(1,254)	-	-
Anime Society	2,479	1,843	(255)	4,067
AOK	1	-	-	1
Art	500	-	-	500
Art Film Club	-	150	-	150
Auto-Circle Spectrum Society	986	150	-	1,136
Believers Loveworld	146	1,060	(64)	1,142
Buddies	863	1,139	(1,272)	730
Cake Society	426	(426)	-	-
Chinese Society	1,633	1,279	(1,455)	1,457
Christian Union Society	1,671	1,992	(2,436)	1,227
Climbing Society	315	7,694	(6,193)	1,816
Computer Society	3,106	-	-	3,106
Conservative Society	240	(240)	-	-
Coppafeel! NU Boob Team	121	74	-	195
Corium Club	2,353	1,070	(1,178)	2,245
Creative Thinkers FKA Change	392	-	-	392
Disney Society	1,235	150	-	1,385
Doctor Who Society	1,101	1,060	(201)	1,960
Early Years Society	-	350	-	350
Economics Society	1,303	970	(1,341)	932
Education Society	38	28	-	66
E-Gaming Society	359	1,060	-	1,419
Engineering Society	172	150	-	322
Environmental Society	536	-	-	536
Extreme Hardship Fund	5,995	4,582	(2,673)	7,904
Eye Speak Society	-	150	(18)	132
Fashion Marketing	-	307	(40)	267
Film Society	1,006	(1,006)	-	-
First Love NUCC	395	910	(310)	995
Fitness Bootcamp	188	-	(9)	179
Games Society	265	-	-	265
Geography	164	1,662	(1,049)	777
Global Society	1,621	-	-	1,621
Harry Potter Society	1,130	1,084	(67)	2,147

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Hindu Society	730	(771)	-	(41)
History Society	1,022	2,350	(2,673)	699
Islamic Society	512	150	(16)	646
Inspirational Youth	-	1,060	(202)	858
Korean	197	1,060	(77)	1,180
Krav Maga	-	150	-	150
Law Society	347	1,470	(1,295)	522
LGBT Society	1,119	150	(499)	770
Marrow Team	-	250	(155)	95
MBA (Masters of Business Admin)	225	1,060	(137)	1,148
Media & Journalism	1,168	150	-	1,318
Meditation	1,147	1,732	(273)	2,606
Midwifery	238	881	(637)	482
Nigerian Society	2,095	(2,095)	-	-
Nightline	1,848	900	(1,372)	1,376
Night Owls	3,000	-	-	3,000
Northampton Investment (NIS)	741	1,060	-	1,801
Northampton Sikh Society	-	500	(34)	466
NU Feminism	490	1,060	-	1,550
NU Media	380	-	-	380
Pensa	-	1,060	-	1,060
Photography	471	(471)	-	-
Podiatry Society	-	1,060	-	1,060
Pole Fitness	31	5,696	(4,530)	1,197
Pro Wrestling	681	(1,411)	-	(730)
Project SEED Society	807	-	-	807
Psychology Society	366	1,060	-	1,426
Raeburn Road	-	1,880	(2,874)	(994)
Real Talk Society	4	-	-	4
Robotics	648	1,060	(75)	1,633
Romanian	113	1,331	(219)	1,225
Rotary Club	-	50	(10)	40
Royal Diamond Society	463	660	(574)	549
Royal Indian Society	736	-	-	736
Rumour Quill Society	1,575	150	-	1,725
Salsa Society	539	1,059	(247)	1,351
Sober Squad	367	(1,330)	(679)	(1,642)
Society of Sociology	771	(818)	-	(47)
Somali Society	485	35	-	520
Southern Eastern Africa Society	330	-	-	330
Star Club	-	250	(182)	68
Student Reps	226	-	-	226
Surf & Bodyboarding	150	-	-	150
Sustainable Fashion	411	1,059	(120)	1,350
Tea	300	-	-	300
UoN Medieval Society	1,456	(1,456)	-	-
UoN TV Society	-	40	(38)	2
Video Gaming Society	84	-	-	84
Vietnamese Society	191	1,775	(1,880)	86
Societies sub-total	£61,374	£57,595	£(38,875)	£80,094
Total	£146,246	£233,080	£(214,415)	£164,910

Student/club funds are custodian funds. The balances are the money held by the student union on behalf of the club/ society to be used at to be used at their discretion.

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15	Minibus Reserve	2018	2017
		£	£
	At 1 st August 2017	2,854	3,846
	Income	12,747	13,580
	Expenditure	<u>(14,419)</u>	<u>(14,572)</u>
	Balance at 31st July 2018	<u>£1,182</u>	<u>£2,854</u>

The minibus reserve is a restricted fund. The fund is restricted to the cost of shuttle services on university grounds.

16	P2 Project Reserve	2018	2017
		£	£
	At 1 st August 2017	56,599	56,795
	Income	-	-
	Expenditure	<u>(885)</u>	<u>(196)</u>
	Balance at 31st July 2018	<u>£55,714</u>	<u>£56,599</u>

The P2 project reserve is a restricted fund. The fund is restricted to costs only relating to the P2 project.

17	Social Enterprise	2018	2017
		£	£
	At 1 st August 2017	40	288
	Income	-	112
	Expenditure	<u>-</u>	<u>(360)</u>
	Balance at 31st July 2018	<u>£40</u>	<u>£40</u>

The social enterprise fund is a restricted fund. The fund is restricted to activities which look to improve the areas surrounding the university.

18	Heritage Lottery Fund	2018	2017
		£	£
	At 1 st August 2017	-	-
	Income	52,111	-
	Expenditure	<u>(24,801)</u>	<u>-</u>
	Balance at 31st July 2018	<u>£27,310</u>	<u>£-</u>

The Heritage Lottery Fund is a restricted fund. The fund is restricted to the cost of fitting out the new student Union building.

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19 Unrestricted Funds

	2018	2017
	£	£
At 1 st August 2017	142,813	126,029
Income	3,714,108	3,292,770
Expenditure	(3,923,262)	(3,387,189)
Capital grant amortisation	435,723	403,813
Fund transfers	(214,562)	(292,610)
	£154,820	£142,813
Balance at 31st July 2018	£154,820	£142,813

The unrestricted funds is funding available for use in general university activities at the discretion of the trustees.

20 Analysis of Net Assets between Funds

	Unrestricted Funds £	Custodian Funds £	Restricted Income Funds £	Capital Grant Fund £	Total £
Fixed Assets	34,083	-	-	3,342,403	3,376,486
Net current assets	120,737	164,950	92,307	(1,003,138)	(625,145)
Long term liabilities	-	-	-	-	-
	154,820	164,950	92,307	2,339,265	2,751,341

21 Related party Transactions

There are no disclosable related party transactions for the year ended 31st July 2018, nor for the year ended 31st July 2017.

22 Control Relationship

Ultimate control of UNSU rests with its members, represented by UNSU Student council.

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23 Reconciliation of net income to net cash flow from operating activities

	2018 £	2017 £
Net expenditure for year ended 31 st July 2018	2,028,259	(118,637)
Depreciation and impairment of tangible fixed assets	450,797	258,702
Profit/ loss on disposal of tangible fixed assets	-	-
(Increase) in stock	26,564	(3,807)
(Increase) in debtors	(30,842)	(66,337)
Increase in creditors	1,245,505	1,233,574
	3,720,283	1,303,495
Net cash flow from operating activities	3,720,283	1,303,495

24 Financial instruments

There are only basic financial instruments present in the accounts in the year ended 31st July 2018 and 31st July 2017.

All income and expenditure is carried out in Sterling eliminating any foreign currency risk. The majority of income is either grant income or cash income. As a result the credit risk is fairly minimal. The entity relies heavily on funding from the university to carry out its day to day activities posing a financial risk. However, this is partly mitigated by the confirmation from the university that it will continue to support this entity over the coming 12 months.