

REGISTERED COMPANY NUMBER: 07275807 (England and Wales)
REGISTERED CHARITY NUMBER: 1136470

**Report of the Trustees and
Financial Statements
for the Year Ended 31 July 2019
for
UNIVERSITY OF WOLVERHAMPTON
STUDENTS' UNION**

Haines Watts Bristol Limited
Chartered Accountants and Statutory Auditors
Bath House
6-8 Bath Street
Bristol
BS1 6HL

**UNIVERSITY OF WOLVERHAMPTON
STUDENTS' UNION**

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FOR THE YEAR ENDED 31 JULY 2019**

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**Report of the Trustees
FOR THE YEAR ENDED 31 JULY 2019**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 July 2019. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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.

OBJECTIVES AND ACTIVITIES

Objectives and aims

As laid out in the Students' Union (SU) governing document the objects remain as:

The advancement of education of students at the University of Wolverhampton for the public benefit by:

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

The core aims of the Students Union remain:

- o **To enhance the student voice across the University**
- o **To maximise the student experience for all students**
- o **To promote and support students' success**

ACHIEVEMENT AND PERFORMANCE

2018/19 has again been a challenging year for the Students' Union and the Chief Executive, Ann Gough has been on long-term leave since March 2019. An Interim Chief Executive, Antony Blackshaw was brought in by the Trustee Board to support the Students' Union during this time.

As reported last year, the independent external review which reported in March 2018 made a number of recommendations for the trustees to consider. The resulting Improvement Plan has now been actioned. Specifically, new Memorandum and Articles of Association were written and approved by the membership at a General Meeting on the 17th May 2019. These were then formally approved by the University Board of Governors, in line with the requirements of the 1994 Education Act at their meeting on the 3rd July 2019. These are currently with the Charity Commission for approval. Work has also begun on the new Bye-laws to support these Articles and these will be put to the student membership in October for approval. These Bye-laws include proposals for the new democratic decision-making structures of the Students' Union which will build in digital as well as physical methods for students to engage with Students' Union democracy, building on the Success of the Create Change programme. Other changes have seen a new Head of Student Engagement (Conrad Jones) appointed to significantly increase the management capacity of the SU as recommended in the report.

It was not possible to use the existing Strategic Plan to direct objectives due to the changes of leadership and other changes in the SU and the University. However, a set of eight strategic objectives for the two years from 2019-21 were produced and used as the basis for a funding bid to the University for 2019/20. This bid resulted in agreed additional funding to extend the reception opening hours, subsidise the loss-making café and bar operation at Walsall and to fund the Interim CEO post. Additionally, for the first time in some years, a cost-of-living uplift of 2% in the Block Grant has been included in the settlement for 2019/20.

**Report of the Trustees
FOR THE YEAR ENDED 31 JULY 2019**

FINANCIAL REVIEW

Reserves policy

Scope of Reserves Policy and Definition of "Free Reserves":

The reserve policy covers all free reserves held at UWSU. UWSU defines free reserves as that part of a charity's income funds that is freely available to spend for any or all of the charity's purposes once it has met its commitments and covered its other planned expenditure.

Funds excluded from the definition of free reserves, and hence the policy, are:

- Restricted funds held including Santander Employment Support Fund;
- Designated Funds including Societies and Employment Support Fund (ESF);
- The Operating Reserve (3 months' operating costs);
- The Fixed Asset Reserve element of designated funds, reflecting expenditure on fixed assets already purchased.

The designation of funds is not binding, however, and the Trustee Board may change its plans and release these amounts to "free reserves".

Reasons for Holding Reserves:

The reserves policy determines the level of reserves required to enable UWSU to:

- fund working capital
- fund unexpected expenditure when unplanned events occur
- fund shortfalls in anticipated income

Calculation of Required Reserves:

The policy for activities run by UWSU is based on its two major income streams affecting the level of free reserves:

- I. University Block Grant (73.4% of total income)
- II. Trading Activity Income. (7.8% of total income)

The minimum reserves required are calculated as:-

"3 Months operating costs (as defined by the annual budgeted organisational expenditure), known as the 'operating reserve'."

Reserves in excess of the required reserves are held as 'free reserves' or 'designated reserves', in accordance with the Trustee Board. If reserves fall below 3 months' operating costs for more than 6 months, the Trustees would ask the management to formulate a recovery plan to be submitted to Trustee Board for approval. If there are surplus funds available above the minimum level, the Committee should plan to utilise these within three years.

The Union sets aside a designated reserve to cover 3 months worth of operating costs so that there are sufficient funds available in an 'operating reserve' to ensure adequate security for the Union exists.

**Report of the Trustees
FOR THE YEAR ENDED 31 JULY 2019**

FUTURE PLANS

The next 12 months

Key objectives

- o To implement the new Bye-laws and the associated changes to the democratic structures and processes.
- o To expand and grow the School Rep system in conjunction with the University.
- o To finalise all objectives within the Improvement plan.
- o To extend the opening hours of the Students' Union at both City (8.30am - 6pm) and Walsall (10am-11pm) Monday to Friday throughout term time.
- o To reduce barriers to access to the Advice Service including electronic booking systems and other online resources.
- o To prepare and implement a Memorandum of Understanding between the University and the Students Union.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company registered in England and Wales, limited by guarantee, as defined by the Companies Act 2006. The Students' Union is constituted in accordance with its Constitution and is administered and managed by the Trustees.

The sabbatical officers are elected by the membership, through a secret cross campus ballot, to take office on 1 July in the year in which they are elected and hold office for one year until the following 30 June.

The new governing document includes the ability to increase the number of Trustees on the Board, specifically to bring the number of Lay Trustees up to a maximum of 5 (including a University-nominated trustee) and to increase the number of Student Trustees to four. The Board is now chaired by the Convenor, who is one of the Lay Trustees.

New Committees of the Board have been introduced including Management Committee, Audit & Risk Committee and People and Culture Committee.

Recruitment and appointment of new trustees

The Board appointed a new Lay Trustee, Bilgin Yuksel in February 2019. Recruitment of an additional Lay Trustee took place in September 2019. Recruitment of new Student Trustees will take place once the students are back at University from September.

**Report of the Trustees
FOR THE YEAR ENDED 31 JULY 2019**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The University of Wolverhampton Students' Union (hereafter referred to as the Students' Union) falls under the definition of a "Students' Union" in section 20(1) of the Education Act 1994. The Students' Union is a company limited by guarantee with charitable status.

Wolverhampton University (hereafter referred to as the University) exercises its duty under the Education Act 1994 to take such steps as are reasonably practicable to secure that the Students' Union operates in a fair and democratic manner and is accountable for its finances. The Students' Union and the University have a Partnership Agreement in place, which will be replaced by a more comprehensive Memorandum of Understanding document during the year ahead. This will include financial arrangements, building agreements and data-sharing agreements.

Democratic structures

A wide-ranging review of democratic processes and structures is being undertaken during Summer 2019 with the intention to go out to student consultation early in the new Academic Year and to move to implementation by the start of 2020.

Management structure

The Students' Union employs professional staff to ensure effective management of its many activities and to implement the policy decisions made by the Board of Trustees and Union Council. There is delegated authority, through the Chief Executive Officer, for operational decision-making and accountability within the various areas of the Students' Union, in accordance with agreed structures.

Risk management

The Trustees, in consultation with the professional management team reviewed the major strategic, business and operational risks which culminated in an approved Risk Register. The Board have a schedule for the review and refresh of all its policies which ensures there is a planned programme in place to ensure all policies are up to date and in line with any legislative changes.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07275807 (England and Wales)

Registered Charity number

1136470

Registered office

Students' Union
Wulfruna Street
Wolverhampton
West Midlands
WV1 1LY

**Report of the Trustees
FOR THE YEAR ENDED 31 JULY 2019**

Trustees

Sarah Bishop - External Trustee - Appointed 26th October 2015
Rajinder Mann - External Trustee - Appointed 15th January 2018
Bilgin Yuksel - External Trustee - Appointed 8th February 2019
Gary Butler - University Trustee - Appointed 28th June 2018
Jade Francis - Sabbatical Officer - Appointed 2nd July 2018 - Resigned 30th June 2019
Favour Ngene - Sabbatical Officer - Re-appointed 1st July 2019
Nabil Alibi - Sabbatical Officer - Re-appointed 1st July 2019
Ayokunle Falana - Sabbatical Officer - Appointed 1st July 2019
Esther Shonibare - Sabbatical Officer - Appointed 1st July 2019

Company Secretary

D V Williams

Auditors

Haines Watts Bristol Limited
Chartered Accountants and Statutory Auditors
Bath House
6-8 Bath Street
Bristol
BS1 6HL

PUBLIC BENEFIT

The Trustees have had regard to the guidance provided by the Charity Commission regarding public benefit and believe that the Union demonstrates the benefits it provides to the public by the charitable activities described above.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of University of Wolverhampton Students' Union for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Report of the Trustees
FOR THE YEAR ENDED 31 JULY 2019**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- 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 auditors are aware of that information.

AUDITORS

The auditors, Haines Watts Bristol Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 28 October 2019 and signed on its behalf by:

S Bishop - Trustee

Opinion

We have audited the financial statements of University of Wolverhampton Students' Union (the 'charitable company') for the year ended 31 July 2019 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2019 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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 Report of the Independent Auditors 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. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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

**Report of the Independent Auditors to the Members of
University of Wolverhampton
Students' Union**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Bracher FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts Bristol Limited
Chartered Accountants and Statutory Auditors
Bath House
6-8 Bath Street
Bristol
BS1 6HL

29 October 2019

**UNIVERSITY OF WOLVERHAMPTON
STUDENTS' UNION**

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
FOR THE YEAR ENDED 31 JULY 2019**

		Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	950,872	5,500	956,372	892,117
Charitable activities					
5					
Welcome Week		-	-	-	2,360
Societies		8,572	-	8,572	9,190
TOTUM		22,163	-	22,163	34,897
Student Services		1,132	8,700	9,832	17,593
Other trading activities	3	82,914	-	82,914	95,484
Investment income	4	2,779	-	2,779	2,031
Other income		-	-	-	878
Total		1,068,432	14,200	1,082,632	1,054,550
EXPENDITURE ON					
Raising funds	6	120,009	5,500	125,509	89,546
Charitable activities					
7					
Advice and Representation Centre		451,459	8,700	460,159	367,365
Welcome Week		-	-	-	28,953
Societies		20,248	-	20,248	15,290
TOTUM		22,175	-	22,175	34,090
Student Services		470,898	3,306	474,204	504,799
Total		1,084,789	17,506	1,102,295	1,040,043
NET INCOME/(EXPENDITURE)		(16,357)	(3,306)	(19,663)	14,507
RECONCILIATION OF FUNDS					
Total funds brought forward		319,804	3,306	323,110	308,603
TOTAL FUNDS CARRIED FORWARD		303,447	-	303,447	323,110

The notes form part of these financial statements

UNIVERSITY OF WOLVERHAMPTON
STUDENTS' UNION (REGISTERED NUMBER: 07275807)

Balance Sheet
31 JULY 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
FIXED ASSETS					
Tangible assets	13	4,908	-	4,908	1,336
CURRENT ASSETS					
Stocks	14	3,638	-	3,638	4,700
Debtors	15	53,323	-	53,323	39,715
Cash at bank and in hand		312,755	-	312,755	350,676
		369,716	-	369,716	395,091
CREDITORS					
Amounts falling due within one year	16	(71,177)	-	(71,177)	(73,317)
NET CURRENT ASSETS		298,539	-	298,539	321,774
TOTAL ASSETS LESS CURRENT LIABILITIES		303,447	-	303,447	323,110
NET ASSETS		303,447	-	303,447	323,110
FUNDS	18				
Unrestricted funds				303,447	319,804
Restricted funds				-	3,306
TOTAL FUNDS				303,447	323,110

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 28 October 2019 and were signed on its behalf by:

S Bishop - Trustee

A Falana - Trustee

The notes form part of these financial statements

**UNIVERSITY OF WOLVERHAMPTON
STUDENTS' UNION**

**Cash Flow Statement
FOR THE YEAR ENDED 31 JULY 2019**

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	(32,828)	22,768
Net cash (used in)/provided by operating activities		(32,828)	22,768
Cash flows from investing activities			
Purchase of tangible fixed assets		(5,093)	(1,095)
Net cash used in investing activities		(5,093)	(1,095)
Change in cash and cash equivalents in the reporting period		(37,921)	21,673
Cash and cash equivalents at the beginning of the reporting period		350,676	329,003
Cash and cash equivalents at the end of the reporting period		312,755	350,676

The notes form part of these financial statements

Notes to the Cash Flow Statement
FOR THE YEAR ENDED 31 JULY 2019

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM
OPERATING ACTIVITIES

	2019 £	2018 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(19,663)	14,507
Adjustments for:		
Depreciation charges	1,521	2,368
Decrease in stocks	1,062	3,187
(Increase)/decrease in debtors	(13,608)	13,679
Decrease in creditors	(2,140)	(10,973)
	<hr/>	<hr/>
Net cash (used in)/provided by operations	<u>(32,828)</u>	<u>22,768</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on the going concern basis.

The relationship between the University of Wolverhampton and the University of Wolverhampton Students' Union is established in the Regulations of the University and detailed in the University of Wolverhampton Students' Union's articles approved by both organisations. The University of Wolverhampton Students' Union receives a block grant from the University and part occupies a number of buildings. The University pays for utilities, portering and some cleaning staff. This non-monetary support is intrinsic to the relationship between the University and the Students' Union.

Although the University of Wolverhampton Students' Union continues to generate supplementary funding from various primary purpose trading activities, it will always be dependent upon the University's support.

There is no reason to believe that this or equivalent support from the University of Wolverhampton 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. The Trustees have decided that it is therefore appropriate to prepare the financial statements on the going concern basis.

The Students' Union is a Public Benefit entity as defined under FRS102.

The financial statements are prepared in sterling, which is the functional currency of the entity. Monetary amounts in these financial statements are rounded to the nearest £.

Income

The Students' Union receives a block grant and other miscellaneous grants from the University of Wolverhampton each financial year. These are included within donations and legacies on a receivable basis.

Donated services and facilities donated by the University of Wolverhampton are included within donations and legacies at their estimated value to the Students' Union when received, and under the appropriate expenditure heading depending on the nature of the service or facility provided. Time donated by the Students' Union members is not recognised in the financial statements as this cannot be reliably measured.

All income from charitable activities and trading activities are recognised on an accruals basis, exclusive of value added tax, with any money received for services provided after the year end deferred.

Other income is credited to the Statement of Financial Activities in the year in which it is receivable.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life less any residual value.

Office equipment - 33% straight line

Fixtures and fittings - 25% straight line

Assets are capitalised if they cost more than £1,000 and are expected to last more than a year.

Stocks

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

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are funds set aside by the Board of Trustees for a specific purpose and are included within unrestricted reserves within the financial statements.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

1. ACCOUNTING POLICIES - continued

Financial instruments

Basic financial assets

Basic financial assets, which include trade and other debtors, and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs.

2. DONATIONS AND LEGACIES

	2019	2018
	£	£
Grants	795,157	795,157
Santander Employment fund	-	5,000
Other grants	5,500	5,500
Donated services and facilities	155,715	86,460
	<u>956,372</u>	<u>892,117</u>

The amount relating to donated services and facilities has been re-estimated this financial year on advice from the University concerning the value of the costs associated with the accommodation and related services provided.

Grants received, included in the above, are as follows:

	2019	2018
	£	£
University of Wolverhampton block grant	<u>795,157</u>	<u>795,157</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

3. OTHER TRADING ACTIVITIES

	2019	2018
	£	£
Events	8,961	10,971
Advertising income	35,285	42,145
Café	38,668	42,368
	<u>82,914</u>	<u>95,484</u>

4. INVESTMENT INCOME

	2019	2018
	£	£
Investment income	<u>2,779</u>	<u>2,031</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2019	2018
		£	£
Welcome week income	Welcome Week	-	2,360
Society income	Societies	8,572	9,190
TOTUM card sales	TOTUM	22,163	34,897
Printing, laminating and binding	Student Services	1,132	5,152
Student voice income	Student Services	8,700	8,700
Student Union awards	Student Services	-	3,741
		<u>40,567</u>	<u>64,040</u>

6. RAISING FUNDS

Other trading activities

	2019	2018
	£	£
Staff costs	67,455	50,709
Events	24,595	10,335
Advertising	4,619	4,858
Café	28,840	23,644
	<u>125,509</u>	<u>89,546</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Advice and Representation Centre	203,907	256,252	460,159
Societies	8,973	11,275	20,248
TOTUM	9,824	12,351	22,175
Student Services	210,130	264,074	474,204
	<u>432,834</u>	<u>543,952</u>	<u>976,786</u>

8. SUPPORT COSTS

	Management £	Finance £	Human resources £
Advice and Representation Centre	77,412	41,483	21,001
Societies	3,406	1,824	925
TOTUM	3,731	1,998	1,013
Student Services	79,776	42,750	21,643
	<u>164,325</u>	<u>88,055</u>	<u>44,582</u>

	Marketing £	Governance costs £	Totals £
Advice and Representation Centre	113,138	3,218	256,252
Societies	4,978	142	11,275
TOTUM	5,454	155	12,351
Student Services	116,589	3,316	264,074
	<u>240,159</u>	<u>6,831</u>	<u>543,952</u>

9. NET INCOME/(EXPENDITURE)

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

	2019 £	2018 £
Auditors' remuneration - audit	6,831	6,923
Depreciation - owned assets	<u>1,521</u>	<u>2,368</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

10. TRUSTEES' REMUNERATION AND BENEFITS

In accordance with the University of Wolverhampton Students' Union memorandum and articles of association, salaries and employer pension contributions of £56,603 (2018: £70,546) were paid to the elected officers in respect of qualifying services.

Trustees' expenses

For the years ended 31 July 2019 and 31 July 2018 travel expenses of £189 (2018 - £597) were reimbursed to trustees as part of their role as officers.

11. STAFF COSTS

	2019	2018
	£	£
Wages and salaries	616,290	613,889
Social security costs	43,588	42,366
Other pension costs	19,599	20,292
	<u>679,477</u>	<u>676,547</u>

The average monthly number of employees during the year was as follows:

	2019	2018
Full Time	25	27
Student Staff	15	19
	<u>40</u>	<u>46</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2019	2018
£60,001 - £70,000	1	-
	<u>1</u>	<u>-</u>

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	881,617	10,500	892,117
Charitable activities			
Welcome Week	2,360	-	2,360
Societies	9,190	-	9,190
TOTUM	34,897	-	34,897
Student Services	5,393	12,200	17,593
Other trading activities	95,484	-	95,484
Investment income	2,031	-	2,031
Other income	878	-	878

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Total	1,031,850	22,700	1,054,550
EXPENDITURE ON			
Raising funds	89,546	-	89,546
Charitable activities			
Advice and Representation Centre	367,365	-	367,365
Welcome Week	23,453	5,500	28,953
Societies	15,290	-	15,290
TOTUM	34,090	-	34,090
Student Services	487,987	16,812	504,799
Total	1,017,731	22,312	1,040,043
NET INCOME	14,119	388	14,507
RECONCILIATION OF FUNDS			
Total funds brought forward	305,685	2,918	308,603
TOTAL FUNDS CARRIED FORWARD	319,804	3,306	323,110

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

13. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 August 2018	104,220
Additions	5,093
	<hr/>
At 31 July 2019	109,313
	<hr/>
DEPRECIATION	
At 1 August 2018	102,884
Charge for year	1,521
	<hr/>
At 31 July 2019	104,405
	<hr/>
NET BOOK VALUE	
At 31 July 2019	4,908
	<hr/>
At 31 July 2018	1,336
	<hr/>

14. STOCKS

	2019	2018
	£	£
Stocks	3,638	4,700
	<hr/>	<hr/>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	9,350	2,150
Other debtors	5,004	5,004
VAT	8,512	1,521
Prepayments and accrued income	30,457	31,040
	<hr/>	<hr/>
	53,323	39,715
	<hr/>	<hr/>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	32,194	22,157
Social security and other taxes	12,432	9,965
Other creditors	3,891	2,957
Accruals and deferred income	22,660	38,238
	71,177	73,317

Included in accruals and deferred income is £350 (2018 - £5,067) relating to income received but relating to future periods.

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018
	£	£
Within one year	8,268	8,268
Between one and five years	8,268	16,536
	16,536	24,804

18. MOVEMENT IN FUNDS

	At 1.8.18	Net movement in funds	At 31.7.19
	£	£	£
Unrestricted funds			
General fund	319,804	(16,357)	303,447
Restricted funds			
Restricted Funds	3,306	(3,306)	-
TOTAL FUNDS	323,110	(19,663)	303,447

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,068,432	(1,084,789)	(16,357)
Restricted funds			
Restricted Funds	14,200	(17,506)	(3,306)
TOTAL FUNDS	<u>1,082,632</u>	<u>(1,102,295)</u>	<u>(19,663)</u>

Comparatives for movement in funds

	At 1.8.17 £	Net movement in funds £	At 31.7.18 £
Unrestricted funds			
General fund	305,685	14,119	319,804
Restricted funds			
Restricted Funds	2,918	388	3,306
TOTAL FUNDS	<u>308,603</u>	<u>14,507</u>	<u>323,110</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,031,850	(1,017,731)	14,119
Restricted funds			
Restricted Funds	22,700	(22,312)	388
TOTAL FUNDS	<u>1,054,550</u>	<u>(1,040,043)</u>	<u>14,507</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

18. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.17 £	Net movement in funds £	At 31.7.19 £
Unrestricted funds			
General fund	305,685	(2,238)	303,447
Restricted funds			
Restricted Funds	2,918	(2,918)	-
TOTAL FUNDS	<u>308,603</u>	<u>(5,156)</u>	<u>303,447</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,100,282	(2,102,520)	(2,238)
Restricted funds			
Restricted Funds	36,900	(39,818)	(2,918)
TOTAL FUNDS	<u>2,137,182</u>	<u>(2,142,338)</u>	<u>(5,156)</u>

Restricted funds are as follows:

Santander Employment Fund grant - £NIL (2018 - £3,306)

Included within unrestricted funds are the following designated funds:

Societies - £2,828 (2018 - £3,934)
Employment support fund - £6,437 (2018 - £8,205)
Fixed asset reserve - £4,908 (2018 - 1,336)
Operating reserve - £203,567 (2018 - £208,701)
Capital improvements reserve - £50,000 (2018 - £NIL)

Societies

Any unspent income at the end of the year, whether raised by members or as a result of unspent grant income from the Union, is carried forward for use in future periods. Any deficit of a society at the end of a year is written off to the SOFA so as not to prejudice future members of that society.

Employment support fund

18. MOVEMENT IN FUNDS - continued

The employment support fund is available to assist students with the practical elements of obtaining employment such as workwear and transport costs.

Fixed asset reserve

The fixed asset reserve reflects fixed assets already purchased. As these assets are depreciated, a transfer is made from the designated reserve to the general reserve.

Operating reserve

The operating reserve represents three months operating costs in line with the Union's stated reserves policy.

At the year end the general reserve, which is used for the ongoing business of the Union in general, stood at £35,707 (2018 - £97,628).

19. EMPLOYEE BENEFIT OBLIGATIONS

The University of Wolverhampton Students' Union operates a defined contribution pension scheme. The assets of the scheme are held in a separately administered fund. The pension cost charge represents contributions payable by the Union to the fund and amounted to £19,598 (2018 - £21,023). Included within other creditors are unpaid pension contributions of £3,891 (2018 - £2,957).

20. CONTINGENT LIABILITIES

At the point of approving the financial statements, conditions exist which may give rise to a future liability to the Students' Union, which cannot be currently accurately assessed as to quantum.

21. RELATED PARTY DISCLOSURES

The University of Wolverhampton Students' Union received a recurrent block grant from the University of Wolverhampton of £795,157 (2018 - £795,157) during the year. In addition the Union received other grants and other income of £15,169 (2018 - £17,700) during the year. A balance of £8,700 (2018 - £NIL) was owed to the Students' Union at the year end and is included within debtors.

The Union made purchases of £25,027 (2018 - £14,533) from the University of Wolverhampton during the year. A balance owed to the University at the year end of £368 (2018 - £489) is included in creditors.

The Union occupies the University's buildings on a rent free basis under an informal arrangement. In accordance with the Charities SORP FRS102 the trustees have estimated the use of the buildings and utilities with reference to market rents at £155,715 (2018 - £86,460).

Trustee and key management personnel remuneration for the year was £116,248 (2018 - £130,430).

22. ULTIMATE CONTROLLING PARTY

The ultimate control of the University of Wolverhampton Students' Union is vested under the Constitution in the members in General Meetings. As such no single person or entity controls the Union as defined by Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

**UNIVERSITY OF WOLVERHAMPTON
STUDENTS' UNION**

**Detailed Statement of Financial Activities
FOR THE YEAR ENDED 31 JULY 2019**

	2019 £	2018 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	795,157	795,157
Santander Employment fund	-	5,000
Other grants	5,500	5,500
Donated services and facilities	155,715	86,460
	956,372	892,117
Other trading activities		
Events	8,961	10,971
Advertising income	35,285	42,145
Café	38,668	42,368
	82,914	95,484
Investment income		
Investment income	2,779	2,031
Charitable activities		
Welcome week income	-	2,360
TOTUM card sales	22,163	34,897
Printing, laminating and binding	1,132	5,152
Society income	8,572	9,190
Student voice income	8,700	8,700
Student Union awards	-	3,741
	40,567	64,040
Other income		
Sundry Income	-	878
Total incoming resources	1,082,632	1,054,550
EXPENDITURE		
Other trading activities		
Wages	62,225	47,198
Social security	3,592	2,136
Pensions	1,638	1,375
Events	24,595	10,335
Carried forward	92,050	61,044

This page does not form part of the statutory financial statements

**UNIVERSITY OF WOLVERHAMPTON
STUDENTS' UNION**

**Detailed Statement of Financial Activities
FOR THE YEAR ENDED 31 JULY 2019**

	2019 £	2018 £
Other trading activities		
Brought forward	92,050	61,044
Advertising	4,619	4,858
Café	28,840	23,644
	125,509	89,546
Charitable activities		
Wages	319,088	339,347
Social security	22,082	23,922
Pensions	8,185	9,392
Training and development	-	11,070
Affiliations	31,806	29,267
Campaigns	2,321	-
Conferences	6,402	-
Elections and referenda	2,304	1,416
Projects	-	836
Awards and events	121	12,527
Volunteer costs	2,037	-
Subscriptions	6,447	1,426
Licences	-	1,040
Society expenditure	8,973	7,711
Sport development fund	4,105	2,735
Society development fund	3,819	3,538
TOTUM	9,824	17,194
Santander Employment fund	5,074	4,612
Insurance	246	413
Event Production Costs	-	12,957
	432,834	479,403
Support costs		
Management		
Wages	110,203	122,912
Social security	9,825	9,568
Pensions	5,065	5,376
Insurance	12,630	12,282
Postage and stationery	1,769	2,249
Sundries	88	351
Repairs and maintenance	4,459	3,679
Equipment purchases	5,856	12,892
Travel	3,156	4,142
Refreshments and hospitality	2,095	2,526
Photocopier leasing and maintenance	8,318	8,318
Carried forward	163,464	184,295

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**UNIVERSITY OF WOLVERHAMPTON
STUDENTS' UNION**

**Detailed Statement of Financial Activities
FOR THE YEAR ENDED 31 JULY 2019**

	2019 £	2018 £
Management		
Brought forward	163,464	184,295
Depreciation	861	1,697
	164,325	185,992
Finance		
Wages	65,944	62,740
Social security	5,132	4,797
Pensions	3,190	3,121
Sundries	-	1
Bank charges	3,631	3,992
Cash in transit charges	325	661
Computer software, licences and support	1,614	1,356
Accountancy fees	1,450	1,478
Irrecoverable VAT	6,769	11,199
	88,055	89,345
Human resources		
Sundries	1,886	220
Recruitment	2,100	2,046
Training and development	6,944	6,117
HR support	29,788	19,369
Payroll administration	3,864	4,203
	44,582	31,955
Marketing		
Wages	58,830	41,692
Social security	2,957	1,943
Pensions	1,521	1,028
Printing	4,453	3,472
Sundries	5,946	9,237
Website charges	10,738	13,047
Facilities in kind	155,714	86,460
	240,159	156,879
Governance costs		
Auditors' remuneration - audit	6,831	6,923
Total resources expended	1,102,295	1,040,043
Net (expenditure)/income	(19,663)	14,507

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