



**UNIVERSITY OF BATH STUDENTS' UNION  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

for the year ended

31 July 2019

# University of Bath Students' Union

## TRUSTEES AND UNION INFORMATION

for the year ended 31 July 2019

### Overview of Charity's key details

<b>Charity name:</b>	The University of Bath Students' Union
<b>Other names:</b>	The SU
<b>Charity number:</b>	1143154
<b>Charity address:</b>	The SU Bath, University of Bath, Claverton Down, Bath, BA2 7AY
<b>Governing document:</b>	Articles of Association
<b>Constitution:</b>	Unincorporated association

### Details of Charity's professional services

<b>Bank name:</b>	National Westminster Bank Plc
<b>Bank address:</b>	39 Milsom Street, Bath, BA1 1DS
<b>Auditor name:</b>	RSM UK Audit LLP
<b>Auditor address:</b>	Hartwell House, 55 – 61 Victoria Street, Bristol, BS1 6AD

### Senior SU Management

<b>Chief Executive:</b>	Andrew McLaughlin
<b>Deputy Chief Executive:</b>	Mandy Wilson-Garner
<b>Secretary to the Board:</b>	Greg Noakes

### Board of Trustees

Trustee name	Office	Start date	End date	Appointment
Eve Alcock	President (Chair)	02/07/2018	02/07/2020	Elected by Members
Jack Kitchen	Education Officer	02/07/2018	01/07/2019	Elected by Members
Jiani Zhou	Postgraduate Officer	02/07/2018	02/07/2020	Elected by Members
Alisha Lobo	Community Officer	02/07/2018	02/07/2020	Elected by Members
Andy Galloway	Sport Officer	02/07/2018	01/07/2019	Elected by Members
Kimberley Pickett-McAttackney	Activities Officer	02/07/2017	01/07/2019	Elected by Members
Ruqia Osman	Education Officer	01/07/2019	02/07/2020	Elected by Members
Tomasz Sawko	Sport Officer	01/07/2019	02/07/2020	Elected by Members
Francesco Masala	Activities Officer	01/07/2019	02/07/2020	Elected by Members
Rob Clay	Independent Trustee	12/10/2015	12/10/2021	Appointed by the Board
Marian McNeir	Independent Trustee	20/06/2017	20/06/2020	Appointed by the Board
Paul Freeston	Independent Trustee	17/06/2015	21/06/2021	Appointed by the Board

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

### Charitable Status

On the 29th July 2011 the University of Bath Students' Union (The SU) successfully registered as a charity with the Charity Commission (charity number 1143154). The charity is governed by the constitution adopted on 1<sup>st</sup> July 2009 and amended on 12th March 2019.

### Trustees' Report

The Board of Trustees present their Annual Report together with the financial statements for the year ended 31 July 2019. The report has been prepared in accordance with the Charities Act 2011. The trustees have had regard to the Charity Commission guidance on public benefit entities.

### Relationship with the University of Bath

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

## OBJECTIVES AND ACTIVITIES

### Charitable Purpose

The objects of The SU are the advancement of education of students at The University of Bath for the public benefit by:

- promoting the interests and welfare of students at the University of Bath during their course of study and representing, supporting and advising members;
- being the recognised representative channel between students and the University of Bath and any other external bodies; and
- providing social, cultural, sporting and recreational activities and forums for discussion and debate for the personal development of its members.

### Our cause

We believe that students can and want to shape the community they are part of for the better. We create opportunities for students to come together to do just that, and support them as active citizens who contribute to the communities they are part of.

### SU Strategy 2017/20

The SU operates a three-year strategy, the full details of which are on our website. Over the next year, work will begin on the development of our next strategy 2020-2023.

The following updates on the progress made against our strategy in 2018/19:

- 1) Embedding our cause in all we do:

Through a participative process involving students, staff and stakeholders we have articulated our cause and are using this to shape plans and activity for the next strategic plan.

- 2) Deliver 'fewer bigger better' initiatives:

The language of 'fewer bigger better' has gained traction and is helping us plan ways of rationalising the work we are undertaking – through communications, campaigns and structures in The SU.

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

3) Build the skills and capability of our people:

Work on the employer branding, process improvement, regrading, and role profile improvements have advanced.

4) Improve our financial processes:

Work on the new chart of accounts has been completed and new systems and processes are in place. The new finance App is ready for student groups when they return in 2019.

5) Improve our communications:

Our e-marketing project is mid-way through and is reporting strong open rates amongst targeted groups.

6) Improve development, recognition and reward for student leaders:

We have recruited a new Skills & Development Co-ordinator and they are progressing work on the project to improve digital training for student leaders.

7) Support the independent student voice:

We have facilitated opportunities for independent students to raise issues with the Council, Senate & SU (CSSU) group. We have been active in encouraging students to register to vote for the EU and local authority elections.

8) Improve and extend peer-to-peer support:

Our pilot sports referral scheme has been a success, and the restructure proposal announced at the end of the year will help to further increase resource in this area.

9) Enhance the postgraduate student experience:

There have been some gradual improvements around activity provision for postgraduate students in The SU, and we continue to explore ways to improve academic representation. Feedback from doctoral students remains that they see The SU as undergraduate-focused, though there has been another improvement in taught postgraduate participation with The SU.

### Success Criteria

We currently measure how successful we have been through five key performance indicators (KPIs).

Key Performance Indicators (KPIs):	2016/17	2017/18	2018/19
Student participation	64%	70%	66%
Student satisfaction	-	63%	64%
Student impact	-	67%	67%
Staff satisfaction	80%	-	85%
Staff engagement	70%	-	84%

This is the first time that we have been able to collect year-on-year data and can begin analysing some of the reasons and trends behind performance. The change in student participation reflects a slight downturn in undergraduate participation on last year, mainly because of the high levels of engagement around the then Vice-Chancellor's pay. Satisfaction and impact have both decreased slightly, and work in the new academic year will help us identify causes and opportunities. Staff satisfaction and engagement have increased on the back of the people enabling programme, and more participative ways of working within the organisation.

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

### ACHIEVEMENTS AND PERFORMANCE

#### Statement of regular activities undertaken by the Charity

The SU is divided into five main activity areas; student voice, student groups, student support, student experiences and student development.

These areas work with student members to provide regular advice, representation, activities and events.

#### Significant Activities undertaken for 2018/19

In addition to our normal activities we have been involved in the following significant activities this year:

We attained a rating of 'Very Good' with many areas of 'Excellence' as part of the NUS Quality Students' Unions (QSU) assessment scheme. This achievement marks The SU as amongst the very best students' unions in the UK, and was recognised formally at a parliamentary reception in June.

We also received national recognition as part of a Home Office-approved scheme that promotes responsible management of bars and nightclubs. We achieved the 'Gold' Best Bar None - National Winner Award - for the second year running.

We reviewed and amended our governing document this year, with the new articles of governance approved by University Council on the 21st February and students through a referendum on the 12th March. The amendments were made to improve the efficiency and transparency of our governance.

Professor Ian White arrived as the new Vice-Chancellor of the University of Bath and students from The SU played a key role in this important appointment, with The SU President involved as part of the interview and selection panel.

At the end of the year a restructure proposal was announced in order to reduce The SU's budget deficit and increase resourcing for business-critical and strategically important areas. In all, seven roles were removed from the structure and five new roles were created.

The local bus service provision by First Bus proved to be a major issue for students throughout the year, and campaigning by The SU President helped to resolve some of the routing issues, but many outstanding concerns remain.

Errors in exam scripts emerged as an issue, and The SU Education Officer played a key role in raising the issue, identifying the scale of the problem and negotiating improvements with the University.

The SU is continuing to lobby for improvements in the transparency of the University's income and expenditure, particularly with the Estates department and internal charging. Bath Time (student magazine) published an investigation on the issue, and The SU continues to apply pressure on this theme.

We have been successful this year in lobbying the University around issues to do with doctoral students being properly safeguarded in their work away from campus. As a direct response of our work, the University has established a working group which is updating health and safety guidelines and procedures in this area.

Sadly not all of our lobbying with the University has met with the same success. A campaign we ran lobbying the University for the extension of the nursery provision was unsuccessful in achieving the desired aim of improving provisions provided to student parents and carers.

Also, we have noted that despite our success last year in getting the University to promise to build a 3G pitch, a decade on from when we first raised this issue there is still no timeframe for the delivery of this promise.

Throughout this year we have worked hard to support the University in implementing changes proposed by the Halpin Review of the University's governance.

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

### FINANCIAL REVIEW

The overall deficit for the year, before reserve transfers, on unrestricted funds was £246,630 (2017/18: Deficit of £28,435).

Bars and Entertainments remained the principal focus for the Union's commercial activity during 2018/19. Performance in this area exceeded budget with a surplus, before overhead apportionment, of £127,933 (2017/18: £128,217).

The Balance Sheet continues to reflect a robust financial position for the Union with net current assets of £690,564 (2017/18: £832,287).

### Reserves Policy and Going Concern

Reserves are needed:-

- To provide funds which can be designated to specific projects to enable these projects to be undertaken at short notice;
- To protect the financial stability of The SU against adverse economic conditions within commercial operations; and
- To provide a fund for capital replacement or refurbishment.

The total reserves held by the reporting entity at 31 July 2019 was £894,003 (2018: £1,018,788), of which £561,930 (2018: £768,384) are regarded as unrestricted funds and £332,073 (2018: £250,404) are regarded as restricted funds.

The balance held as unrestricted general funds, excluding designated funds, at 31 July 2019 was £557,471 (2017/18: £764,082), of which £434,487 (2017/18: £629,265) are regarded as free reserves, after allowing for funds tied up in tangible fixed assets.

As at 31 July 2019 the level of free reserves was fully allocated by the Trustees for the following:

- To avoid the necessity of realising fixed assets held for Bath SU's use;
- To manage income risk through commercial services by covering 25% of one year's net trading income;
- To provide for working capital requirements; and
- To provide funding for a number of specific refurbishments and projects.

The surplus achieved in 2018/19 alongside any project funding available for reallocation will be considered within the Reserves Policy 2019/20.

The Trustees confirm that there are no material uncertainties with regard to considering the Students' Union as a going concern.

### Risk Management

The SU has a formal risk management framework that embeds consideration of risk when reviewing the annual planning and budgeting process.

This approach is designed to directly aid the quality of Trustee and management decision-making, improve potential outcomes and provide the clear accountability required to all its members.

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

The framework exists to:

- formally document the strategies that The SU follows on behalf of its members to reduce risk over the short and medium-term time span;
- confirm that appropriate risk management policies and operational procedures are embedded within the day to day operations of The SU; and
- provide a practical framework for SU staff to follow.

Each key risk is assessed and documented under an appropriate category, and grouped together under additional classifications where relevant.

The risk register:

- Establishes the key risks within each category;
- Classifies the risks within each category where appropriate;
- Evaluates the likelihood and impact of the key risks;
- Prioritises the risks based on the weighting to determine the most critical risks; and
- Plans the response to controlling the risk.

The Board of Trustees reviews the major strategic, business and operational risks faced by the Students' Union on an annual basis as a minimum. The SU Risk Register 2018/19 identifies no risks at the level of 'critical' or 'major' but five at the lower classification of risk of 'significant':

1. Failure to ensure there are adequate health and safety procedures covering all The SU activities;
2. Failure to obtain grant funding from the University in an uncertain higher education sector;
3. Failure to comply with GDPR laws in relation to personal data consent, security and retention;
4. Failure to achieve commercial targets; and
5. Failure to obtain the funding, capacity or support for The SU strategy.

These risks have been mitigated through a number of improvement actions, controls and processes, reducing all identified risks to 'medium'. The risks will be re-assessed for the production of The SU Risk Register 2019/20.

### **FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

Raise & Give (RAG) is a student led society with the aim of fundraising for a variety of local and national charitable causes whilst providing students with a number of development opportunities. This includes fundraising itself as well as organisational and leadership roles.

The financial transactions of RAG are kept separate from those of the Students' Union through the use of unique coding and custody of the assets falls within the general security arrangements of the wider University.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Board of Trustees is responsible for the strategic direction, governance and sustainability of The SU.

Pay and remuneration is set by the University of Bath through its annual remuneration process. All wages and salaries are paid to staff by the University of Bath with the relevant costs recharged to The SU.

The Board is made up of six Student Officers and seven Independent Trustees.

The Student Officers are elected through cross-campus ballot by the members each year, normally serving for one year in office but can serve a second term if re-elected.

The Independent Trustees are recruited to the Board to bring a wider perspective and skill set from outside of The SU. A term for Independent Trustees lasts for up to three years and they can serve for a maximum of six years.

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

Upon appointment all Trustees are briefed on their legal obligations and other Trustee responsibilities. All Trustees receive an induction information pack which includes their role responsibilities, their legal responsibilities, historical and current information about The SU, information on its Strategic Plan and how to deal with potential conflicts of interest.

The Board of Trustees has the following committees:

### **Finance & Audit committee**

#### **Responsibility:**

Monitoring, reporting and making recommendations on the budget to the Board

Approving unbudgeted expenditures that will exceed £10,000

Approving budgeted expenditures that will exceed £50,000

Reviewing financial policies

Monitoring and reporting on audit recommendations to the Board

Keeping under review a register of assets

#### **2018/19 Membership**

Rob Clay  
Andrew Galloway  
Jack Kitchen  
Jiani Zhou

#### **2019/20 Membership**

Rob Clay  
Paul Freeston  
Jiani Zhou  
Tomasz Sawko

#### **Appointment:**

All Trustees are appointed by the Board

#### **Number of meetings:**

Three meetings planned a year

Additional meetings can be called

### **Health & Safety committee**

#### **Responsibility:**

Monitoring and reporting on health & safety issues to the Board

Reviewing health & safety related policies

Keeping under review transport

Reviewing the risk register and recommending changes to the Board

Keeping under review risk management policies

Monitoring and reporting on staff wellbeing to the Board

#### **2018/19 Membership**

Kimberley Pickett-McAtackney  
Eve Alcock  
Alisha Lobo  
Paul Freeston

#### **2019/20 Membership**

Rob Clay  
Paul Freeston  
Jiani Zhou  
Tomasz Sawko

#### **Appointment:**

All Trustees are appointed by the Board

#### **Number of meetings:**

Two meetings planned a year

Additional meetings can be called



# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

### **Governance committee**

#### **Responsibility:**

Reviewing the Articles of Governance  
Reviewing general policies  
Reviewing Board effectiveness  
Overseeing the recruitment and induction of new trustees

#### **2018/19 Membership**

Eve Alcock  
Alisha Lobo  
Jiani Zhou  
Andrew Galloway  
Jack Kitchen  
Kimberley Pickett

#### **2019/20 Membership**

Eve Alcock  
Alisha Lobo  
Jiani Zhou  
Ruqia Osman

#### **Appointment:**

All Trustees are appointed by the Board

#### **Number of meetings:**

This committee meets as and when necessary.

### **Complaints & Disciplinary committee**

#### **Responsibility:**

Hearing complaints under stage 2 of the Complaints & Disciplinary procedure  
Hearing disciplinary appeals under stage 2 of the Complaints & Disciplinary procedure

#### **2018/19 Membership**

Marian McNeir  
Alisha Lobo  
Andrew Galloway  
Jiani Zhou (Reserve)  
Eve Alcock (Reserve)

#### **2019/20 Membership**

Marian McNeir  
Alisha Lobo  
Tomasz Sawko  
Jiani Zhou (Reserve)  
Ruqia Osman (Reserve)

#### **Appointment:**

All Trustees are appointed by the Board

#### **Number of meetings:**

This committee meets as and when necessary.

### **Leadership committee**

#### **Responsibility:**

Monitoring, reporting and making recommendations on the strategic plan to the Board  
Approving and overseeing campaigns and projects  
Identifying and monitoring reputational risks

#### **2018/19 Membership**

Jack Kitchen  
Alisha Lobo  
Andrew Galloway  
Jiani Zhou  
Eve Alcock  
Kimberley Pickett

#### **2019/20 Membership**

Francesco Masala  
Eve Alcock  
Alisha Lobo  
Tomasz Sawko  
Jiani Zhou  
Ruqia Osman

#### **Appointment:**

All Trustees are appointed by the Board

#### **Number of meetings:**

This committee meets as and when necessary.

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

### Statement as to Disclosure of Information to the Auditor

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees Members in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor

### Auditor

RSM UK Audit LLP has indicated its willingness to continue in office. The Trustees' Report was approved by the Trustees on 17/10/19 and signed on their behalf by:

Chief Executive  
Andrew McLaughlin



Date: 17/10/19

Students' Union President

Eve Alcock



Date:

17/10/19

# University of Bath Students' Union

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

for the year ended 31 July 2019

---

The Trustees are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Union and of the incoming resources and application of resources of the Union for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Union and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. When reviewing the aims and objectives of the charitable group and in planning its future activities they the Trustees refer to the guidance and consider, in particular, how planned activities will contribute to the aims and objectives they have set.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF BATH STUDENTS' UNION

---

### Opinion

We have audited the financial statements of the University of Bath Students' Union (the 'charity') for the year ended 31 July 2019 which comprise the Statement of Financial Activities (including income and expenditure account), the Balance Sheet, the Statement of Cash Flows 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 FRS 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 charity's affairs as at 31 July 2019 and of its incoming resources and application of resources 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 have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 [group and parent charity/charity] in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the [group's or parent] 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' 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, 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF BATH STUDENTS' UNION

---

### **Matters on which we are required to report by exception**

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

- the information given in the 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 and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*RSM UK Audit LLP*

RSM UK Audit LLP  
Statutory Auditor  
Chartered Accountants  
Hartwell House  
55-61 Victoria Street  
Bristol  
BS1 6AD

Date: *23 October 2019*

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# University of Bath Students' Union

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

for the year ended 31 July 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
INCOME FROM:							
Donations and grants	3	2,036,212	96,099	2,132,311	2,023,509	103,343	2,126,852
Charitable activities							
Bars and entertainment		1,174,305	-	1,174,305	1,151,725	-	1,151,725
Clubs and societies		18,956	287,071	306,027	2,138	308,095	310,233
Sports associations		-	869,931	869,931	-	791,123	791,123
Events		390,454	-	390,454	402,358	-	402,358
Other trading activities		176,960	956	177,916	181,713	2,216	183,929
Investments	4	3,864	-	3,864	1,656	-	1,656
<b>TOTAL</b>		<b>3,800,751</b>	<b>1,254,057</b>	<b>5,054,808</b>	<b>3,763,099</b>	<b>1,204,777</b>	<b>4,967,876</b>
EXPENDITURE ON:							
Raising funds	5	(195,293)	(8,905)	(204,198)	(245,338)	(35,825)	(281,163)
Charitable activities	5	(3,842,038)	(1,123,307)	(4,965,345)	(3,536,396)	(1,187,921)	(4,724,317)
Other	5	(10,050)	-	(10,050)	(9,800)	-	(9,800)
<b>TOTAL</b>		<b>(4,047,381)</b>	<b>(1,132,212)</b>	<b>(5,179,593)</b>	<b>(3,791,534)</b>	<b>(1,223,746)</b>	<b>(5,015,280)</b>
<b>NET INCOME/ (EXPENDITURE)</b>	<b>7</b>	<b>(246,630)</b>	<b>121,845</b>	<b>(124,785)</b>	<b>(28,435)</b>	<b>(18,969)</b>	<b>(47,404)</b>
Transfers between fund 15,16		40,176	(40,176)	-	23,303	(23,303)	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(206,454)</b>	<b>81,669</b>	<b>(124,785)</b>	<b>(5,132)</b>	<b>(42,272)</b>	<b>(47,404)</b>
RECONCILIATION OF FUNDS:							
Total funds brought forward		768,384	250,404	1,018,788	773,516	292,676	1,066,192
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>561,930</b>	<b>332,073</b>	<b>894,003</b>	<b>768,384</b>	<b>250,404</b>	<b>1,018,788</b>

All income and expenses relate to continuing operations.

# University of Bath Students' Union

## BALANCE SHEET

as at 31 July 2019

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Intangible assets	9	-	-
Tangible assets	10	203,439	186,501
		<u>203,439</u>	<u>186,501</u>
<b>CURRENT ASSETS</b>			
Stocks		26,654	21,319
Debtors	11	187,359	148,870
Cash at bank and in hand		606,203	911,512
		<u>820,216</u>	<u>1,081,701</u>
CREDITORS: Amounts falling due within one year	12	(129,652)	(249,414)
NET CURRENT ASSETS		<u>690,564</u>	<u>832,287</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>894,003</u>	<u>1,018,788</u>
<b>RESERVES</b>			
Unrestricted funds - general	15	557,471	764,082
Unrestricted funds - designated	15	4,459	4,302
Restricted funds:			
SCP	16	36,317	26,549
Alumni	16	30,771	32,453
Student development	16	39,354	37,584
Sports and Societies funding	16	145,176	102,134
Club asset reserve	16	80,455	51,684
		<u>894,003</u>	<u>1,018,788</u>

The notes on pages 16 to 28 form an integral part of the financial statements.

These financial statements were approved and authorised for issue by the Trustees on 17/10/19 and signed on their behalf by:



Chief Executive – Andrew McLaughlin



Students' Union President – Eve Alcock

17/10/19

University of Bath Students' Union  
STATEMENT OF CASH FLOWS  
for the year ended 31 July 2019

	Notes	2019 £	2018 £
CASH FLOW FROM OPERATING ACTIVITIES:			
Cash (used)/generated by operations	22	(231,010)	125,366
NET CASH FROM OPERATING ACTIVITIES		(231,010)	125,366
CASH FLOW FROM INVESTING ACTIVITIES:			
Income and proceeds from investments		3,864	1,656
Purchase of tangible assets		(78,163)	(144,598)
NET CASH USED BY INVESTING ACTIVITIES		(74,299)	(142,942)
MOVEMENT IN CASH		(305,309)	(17,576)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD		911,512	929,088
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		606,203	911,512
ANALYSIS OF CASH AND CASH EQUIVALENTS:			
Cash at bank and in hand		606,203	911,512



# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2019

---

### 1 ACCOUNTING POLICIES

#### **Basis of Accounting**

The University of Bath Students' Union is a registered charity with the Charity Commission. The registered office is The University of Bath Students' Union, Norwood House, Claverton Down, Bath, BA2 7AY.

The SU is a charitable unincorporated organisation.

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) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011. The accounting policies as disclosed have been applied consistently throughout the current and preceding year.

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

The University of Bath Students' Union meets the definition of a public benefit entity under section 34 of FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy.

The principal objectives of the charity are detailed in the Trustees report found on page 2 of these accounts.

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

#### **Going Concern**

The trustees consider the charity to be a going concern with no material uncertainties. These financial statements have therefore been prepared on a going concern basis.

#### **Income**

The annual grant from the University of Bath is intended to meet recurrent costs and is credited directly to the SoFA. Commercial activities represent income such as advertising income and commission from photographs and hire, this income is recognised when the charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Other income is included in the SoFA account on a cash received basis or on a receivables basis where there is reasonable probability of receipt.

#### **Expenditure**

Expenditure includes irrecoverable VAT. Charitable expenditure comprises the direct and indirect costs of delivering public benefit. Indirect staff costs are apportioned to charitable activities by headcount in particular areas. Indirect overhead costs are apportioned to charitable activities pro rata to the total costs of particular activities undertaken. Governance costs are those incurred for compliance with constitutional and statutory requirements, such as the annual audit.

# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### for the year ended 31 July 2019

---

#### 1 ACCOUNTING POLICIES *(continued)*

##### **Intangible Fixed Assets**

Intangible assets acquired are recognised as a cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following basis:

Software	-	3 years straight line
----------	---	-----------------------

##### **Fixed Assets**

Fixed asset purchases in excess of £1,000 are capitalised at cost and subsequently measured at cost less accumulated depreciation, or where applicable amortisation, and impairment.

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

Equipment	-	2-5 years straight line
Motor vehicles	-	4 years straight line
Leasehold Improvements	-	8 years straight line

##### **Fund Accounting**

The SU administers and/or accounts for a number of charitable funds, as follows: -

- i. **Unrestricted Funds** representing unspent income which may be used for any activity / purpose within the charitable objects at the Executive Committee's own discretion;
- ii. **Designated Funds** set aside by the Executive Committee to be spent on some specific purpose at its own discretion;
- iii. **Restricted Funds** raised and administered by The SU for specific purposes as determined by students, such as Club and Societies Accounts, as well as revenue received for purposes specified by the donor and also (if not material enough to require a separate column in the SoFA) any small capital grants received from the University; and
- iv. **Custodian Funds** entrusted to The SU for safekeeping, but not under its management control, e.g. the annual RAG. Such custodian activities are disclosed in the Annual Report, but as the funds are not managed by The SU they are not included in the accounts.

Expenditure on refurbishments and repairs of assets where The SU does not have the risks or rewards of ownership is expensed in the year. This includes all refurbishment to the Union building which is leased from the University on a yearly basis under an informal agreement. As the maximum term of the lease is a period of one year then all refurbishments and repairs of the Union building is expensed.

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to disposal.

##### **Operating Lease Agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### for the year ended 31 July 2019

---

#### 1 ACCOUNTING POLICIES *(continued)*

##### **Financial Instruments**

As the charity only has basic financial instruments it has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102, to all of its financial instruments.

Financial instruments are recognised when the charity 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.

##### Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

##### Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the SOFA.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the SOFA.

##### De-recognition of financial assets

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.

##### Financial liabilities

Financial liabilities are classified according to substance of the contractual arrangements entered into.

##### Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price.

##### De-recognition of financial liabilities

Financial liabilities are derecognised when, and only when, the charities contractual obligations are discharged, cancelled or they expire.

##### Cash and cash equivalents

Cash and cash equivalents includes cash and short term highly liquid investments with a short maturity period.

# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### for the year ended 31 July 2019

---

#### 1 ACCOUNTING POLICIES *(continued)*

##### **Taxation**

No corporation tax has been provided in the financial statements of the charity as the income of the charity is covered by the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

##### **Pensions**

The two principal pension schemes in which The SU participates are the Universities Superannuation Scheme and the Bath & North East Somerset Local Government Pension Scheme, both of which are defined benefit schemes, externally funded and contracted out of the State Earnings-Related Pension Scheme. Both funds are externally valued, normally every three years by professionally qualified independent actuaries using the projected unit method, the rates of contribution payable being determined by the Trustees on the advice of the actuaries. In the intervening years, the actuaries review the progress of the schemes. Pension costs are assessed in accordance with the advice of the actuaries based on the latest actuarial valuations of the schemes and are accounted for on the basis of charging the cost of providing pensions over the estimated period during which the Union benefits from the employees' services.

The University of Bath Students' Union does not directly employ staff. All staff are employed by the University of Bath who then recharge the Union for the use of these staff. Details relating to both of these schemes are included in the accounts of the University. The Universities Superannuation Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share in the underlying assets and liabilities can be directly attributed to The SU. Under the terms of FRS 102 section 28, in these circumstances contributions are accounted for as if the schemes were defined contribution schemes based on actual contributions paid through the year.

The Bath & North East Somerset Local Government Pension Scheme operates as a multi-employer scheme where the share of assets and liabilities applicable to each employer can be defined. The University (the employer) has accounted for the scheme under FRS 102 section 28 as a defined contribution scheme. As the Union does not directly employ staff it does not recognise any of the liability.

#### 2 ACCOUNTING JUDGEMENTS AND ESTIMATES

In the application of the charity's and group's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**University of Bath Students' Union**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
for the year ended 31 July 2019

**3 DONATIONS AND GRANTS**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £
Grant income	2,021,020	96,099	2,117,119	2,002,159	103,343	2,105,502
Sponsorship income	15,192	-	15,192	21,350	-	21,350
	<u>2,036,212</u>	<u>96,099</u>	<u>2,132,311</u>	<u>2,023,509</u>	<u>103,343</u>	<u>2,126,852</u>

**4 INVESTMENT INCOME**

	2019 £	2018 £
Unrestricted bank interest receivable	3,864	1,656
	<u>3,864</u>	<u>1,656</u>

**5 EXPENDITURE**

	Staff 2019 £	Direct 2019 £	Support 2019 £	Total 2019 £	Total 2018 £
Costs of raising funds:					
Commercial activities	140,463	63,735	-	204,198	281,163
<b>TOTAL</b>	<u>140,463</u>	<u>63,735</u>	<u>-</u>	<u>204,198</u>	<u>281,163</u>
Charitable Activities:					
Bars & Entertainment	441,210	600,101	121,728	1,163,039	1,121,508
Clubs & Societies	105,773	297,940	94,660	498,373	543,450
Sports Associations	226,878	925,108	270,112	1,422,098	1,287,736
Events	39,357	348,386	-	387,743	405,816
Student Activities & Advice	846,747	123,511	240,880	1,211,138	1,108,283
Volunteering	217,909	11,301	53,744	282,954	257,614
<b>TOTAL</b>	<u>1,877,874</u>	<u>2,306,347</u>	<u>781,124</u>	<u>4,965,345</u>	<u>4,724,407</u>
Governance	-	10,050	-	10,050	9,800
<b>TOTAL EXPENDITURE</b>	<u>2,018,337</u>	<u>2,380,132</u>	<u>781,124</u>	<u>5,179,593</u>	<u>5,015,370</u>

Included within staff costs above are support staff costs of £571,794 (2018: £528,849).

University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
for the year ended 31 July 2019

---

6 ANALYSIS OF SUPPORT COSTS

	Bars & Entertainment	Clubs & Societies	Sports Associations	Student Activities & Advice	Volunteering	Total	Total
	2019 £	2019 £	2019 £	2019 £	2019 £	2019 £	2018 £
SU Officer accommodation	-	5,861	16,725	14,086	3,328	40,000	40,000
Facilities	121,728	34,773	99,225	83,572	19,743	359,041	363,717
Admin and maintenance	-	54,026	154,162	143,222	30,674	382,083	240,091
	<u>121,728</u>	<u>94,660</u>	<u>270,112</u>	<u>240,880</u>	<u>53,744</u>	<u>781,124</u>	<u>643,808</u>

Support costs are apportioned based on the total proportion of staff and direct costs in each activity. Events are excluded from this calculation. Approximately, one third of the rent is allocated to bars and post office and the rest of the rent cost is apportioned to the other activities with the remaining support costs.

**University of Bath Students' Union**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**for the year ended 31 July 2019**

**7 OPERATING CHARGES**

Net income for the year is stated after charging:

	2019 £	2018 £
Auditor's remuneration – as auditor	10,050	9,800
Auditor's remuneration – other	13,313	7,350
Depreciation	61,225	41,204
Operating lease charges	387,107	380,369
Stock recognised as an expense	400,203	394,628

**8 STAFF COSTS**

The Union does not directly employ staff, all wages and salaries included within these accounts are recharged from the University of Bath. The recharged staff costs in the year were:

	2019 £	2018 £
Wages and salaries	1,688,669	1,572,251
Social security costs	102,826	95,075
Other pension costs	226,842	200,478
	<u>2,018,337</u>	<u>1,867,804</u>

The Trustees of the Union include The SU Officers. The SU Officers receive remuneration for their services as provided for within the Constitution. The amount payable under such contracts in the year was:

	Remuneration 2019 £	Pension contributions 2019 £	Other Benefits 2019 £	Remuneration 2018 £	Pension contributions 2018 £	Other Benefits 2018 £
B J Davies	-	-	-	15,151	2,860	-
W C Galloway	-	-	-	15,183	2,860	-
B J Palmer	-	-	-	14,915	2,815	-
C H Page	-	-	-	14,722	2,821	-
L Emery	-	-	-	14,658	2,815	-
K Pickett	15,419	2,961	-	16,049	3,082	-
J Zhou	16,854	3,236	944	1,994	383	-
E Alcock	16,850	3,236	-	1,994	383	-
A Galloway	15,728	2,961	-	1,994	383	-
J Kitchen	15,451	4,212	-	1,994	383	-
AA Lobo	16,850	3,236	-	1,994	383	-
F Masala	2,194	421	-	-	-	-
R Osman	2,091	402	-	-	-	-
T F Sawko	2,091	402	-	-	-	-

During the year no trustees reclaimed expenses (2018: £nil).

The number of employees whose employee benefits exceeded £60,000 was:

	2019 No.	2018 No.
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1

University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
for the year ended 31 July 2019

9 INTANGIBLE FIXED ASSETS

	Software £
<b>COST</b>	
At 1 August 2018	2,846
Transfer	15,541
At 31 July 2019	<u>18,387</u>
<b>AMORTISATION</b>	
At 1 August 2018	2,846
Transfer	15,541
At 31 July 2019	<u>18,387</u>
<b>NET BOOK VALUE</b>	
At 31 July 2019	-
At 31 July 2018	<u>-</u>

Intangible fixed assets relate to purchased software assets.

10 TANGIBLE FIXED ASSETS

	Equipment £	Leasehold Improvements £	Motor vehicles £	Total £
<b>COST</b>				
At 1 August 2018	408,826	18,043	1,796	428,665
Additions	34,012	44,151	-	78,163
Transfer	(15,541)	-	-	(15,541)
At 31 July 2019	<u>427,297</u>	<u>62,194</u>	<u>1,796</u>	<u>491,287</u>
<b>DEPRECIATION</b>				
At 1 August 2018	239,429	939	1,796	242,164
Charge for year	53,246	7,979	-	61,225
Transfer	(15,541)	-	-	(15,541)
At 31 July 2019	<u>277,134</u>	<u>8,918</u>	<u>1,796</u>	<u>287,848</u>
<b>NET BOOK VALUE</b>				
At 31 July 2019	<u>150,163</u>	<u>53,276</u>	<u>-</u>	<u>203,439</u>
At 31 July 2018	<u>169,397</u>	<u>17,104</u>	<u>-</u>	<u>186,501</u>



University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
for the year ended 31 July 2019

---

11 DEBTORS

	2019	2018
	£	£
Trade debtors	1,896	57,009
Other debtors	27,665	551
Prepayments and accrued income	157,798	91,310
	<u>187,359</u>	<u>148,870</u>

12 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	45,933	55,126
University of Bath	11,190	152,789
Accruals and deferred income	71,660	39,362
Other creditors	869	-
Other tax and social security	-	2,137
	<u>129,652</u>	<u>249,414</u>

DEFERRED INCOME

	2019	2018
	£	£
Deferred income as at 1 August 2018	14,429	3,220
Income deferred in the year	3,981	14,429
Income released in the year	(14,429)	(3,220)
Deferred income as at 31 July 2019	<u>3,981</u>	<u>14,429</u>

Included within accruals and deferred income is deferred income of £3,981 (2018: £14,429).

Deferred income relates to sponsorship income for FY19/20 of £3,981 (2018: £14,429).

**University of Bath Students' Union**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**for the year ended 31 July 2019**

**13 FINANCIAL INSTRUMENTS**

	2019	2018
	£	£
Financial assets that are debt instruments measured at amortised cost:		
Trade debtors	1,896	57,009
Other debtors	78,019	91,861
	<u>          </u>	<u>          </u>
Financial liabilities measured at amortised cost:		
Trade creditors	45,933	55,126
University of Bath	57,618	95,976
Accruals	21,251	24,933
	<u>          </u>	<u>          </u>

**14 PENSIONS**

The University of Bath Students' Union does not directly employ staff. All Union staff are employed by the University of Bath and are eligible to join either the Avon Pension Fund or the Universities Superannuation Scheme. Any shortfall in actuarial value of these funds would be the responsibility of the University of Bath, however the University would expect the Students' Union to meet the cost of any such shortfall. No provision has been made for any shortfall.

**15 UNRESTRICTED RESERVES**

	General fund	Designated Club & Societies	Total
	£	£	£
Balance at 01 August 2017	771,352	2,164	773,516
Retained (deficit)/surplus for the financial year	(30,573)	2,138	(28,435)
Transfers	23,303	-	23,303
Balance at 31 July 2018	<u>764,082</u>	<u>4,302</u>	<u>768,384</u>
Balance at 01 August 2018	764,082	4,302	768,384
Retained (deficit)/surplus for the financial year	(246,787)	157	(246,630)
Transfers	40,176	-	40,176
Balance at 31 July 2019	<u>557,471</u>	<u>4,459</u>	<u>561,930</u>

The designated funds relate to clubs and societies. It is expected that these will be expensed during the 2019/20 academic year.

The transfer from the general fund to the club asset reserve represents £29,618 of depreciation on the restricted tangible fixed assets (2018: £23,303).

The transfer from general fund to the Alumni reserves represents £10,558 of funds being released from restricted reserves due to reclassification.

# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS *(continued)* for the year ended 31 July 2019

### 16 RESTRICTED RESERVES

At 31 July 2019	SCP	Alumni	Student Development	Sports and Societies Funding	Club Asset Reserve	Total
	£	£	£	£	£	£
Balance at 01 August 2017	19,502	48,611	47,717	101,859	74,987	292,676
Income	49,426	19,667	36,128	1,099,556	-	1,204,777
Expenditure	(42,379)	(35,825)	(46,261)	(1,099,281)	-	(1,223,746)
Transfers	-	-	-	-	(23,303)	(23,303)
Balance at 31 July 2018	26,549	32,453	37,584	102,134	51,684	250,404
Balance at 01 August 2018	26,549	32,453	37,584	102,134	51,684	250,404
Income	50,500	20,000	26,509	1,157,048	-	1,254,057
Expenditure	(40,732)	(11,124)	(24,739)	(1,055,617)	-	(1,132,212)
Transfers	-	(10,558)	-	(58,389)	28,771	(40,176)
Balance at 31 July 2019	36,317	30,771	39,354	145,176	80,455	332,073

SCP (Student Community Partnership) is a joint venture between University of Bath, Bath & North East Somerset Council and Bath Spa University to promote positive community relationships between the Universities and local residents.

Alumni funds are transferred from the University of Bath Alumni Fund to the Students' Union and represent successful funding bids by various student groups within The SU.

The Student Development fund is monies granted specifically to The SU to support the Bath Award accreditation scheme and student enterprise. It also includes grants for student supported learning and awareness.

Sports and Societies Funding is funding received by The SU for the purpose of specific sports and society activity.

Club Asset Reserve represents the net book value of capital assets purchased by Sports Clubs with restricted funds. The depreciation expense and restricted fixed asset additions are transferred from the general fund annually.

### 17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 July 2019 are represented by:	Unrestricted £	Designated £	Restricted £	Total £
Tangible assets	122,984	-	80,455	203,439
Current assets	564,139	4,459	251,618	820,216
Current liabilities	(129,652)	-	-	(129,652)
Total net assets	557,471	4,459	332,073	894,003

# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### for the year ended 31 July 2019

---

#### 18 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2019 The SU had annual commitments under non-cancellable operating leases as set out below:

	2019 £	2018 £
Operating leases which expire:		
In less than 1 year	5,814	20,751
Within 2 to 5 years	5,584	10,155
	<u>11,398</u>	<u>41,367</u>

#### 19 FUNDS HELD ON BEHALF OF THIRD PARTIES

During the year University of Bath Students' Union acted as a custodian of the annual RAG proceeds from fundraising events organised by students. Funds raised by this year's RAG not distributed to charities amounted to £140 (2018: £5,928) which were held by The SU as agreed.

Amounts received and expended during the year and the liability at the year-end in relation to this fund are detailed below:

	At 1 August 2018 £	Amounts received £	Amounts expended £	At 31 July 2019 £
RAG	5,928	52,138	(57,926)	140
	<u>5,928</u>	<u>52,138</u>	<u>(57,926)</u>	<u>140</u>

#### 20 RELATED PARTY TRANSACTIONS

The SU became a registered charity on 29 July 2011 but previously derived charitable status from its governing parent body, the University of Bath. The SU is in receipt of a recurrent grant from the parent body of £1,568,000 (2018: £1,567,000).

The SU occupies a University building under an informal licence. The SU is charged by the University a contribution to the costs of maintaining the building. The amount charged in the year was £350,146 (2018: £350,146). This is a notional charge to the Statement of Financial Activities for which equivalent income is shown within 'Donations and grants'.

Included in creditors falling due within one year is £57,618 (2018: £152,789) owed to the University of Bath which has no securities or interest attached.

The University also pays all wages and salaries on behalf of The SU and recharges them accordingly. Staff costs are disclosed in note 8.

The key management personnel are considered to be the Chief Executive, the Deputy Chief Executive and the trustees. Their total remuneration in the year was £252,893 (2018: £244,668). These are paid by the University and recharged accordingly.

# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 July 2019

---

### 21 CONTROLLING PARTY

The SU is controlled by the Board of Trustees comprising The SU Officers, who are subject to democratic election by the voting membership of The SU, and non-executive Trustees who are appointed by a simple majority of the Board of Trustees. The ultimate control of The SU is vested under the Articles of Governance in the Board of Trustees. As such no single person or entity controls The SU as defined by FRS 102 section 9.

### 22 CASH GENERATED FROM OPERATIONS

	2019 £	2018 £
Net (expenditure)/income	(124,785)	(47,404)
<b>Adjustments for:</b>		
Investment income received	(3,864)	(1,656)
Depreciation	61,225	41,204
Profit on disposal of investments	-	-
	<u>(67,424)</u>	<u>(7,856)</u>
(Increase)/decrease in stock	(5,335)	1,932
(Increase)/decrease in debtors	(38,489)	42,666
(Decrease)/Increase in creditors	(119,762)	88,624
	<u>(231,010)</u>	<u>125,366</u>
Net cash provided by operating activities	(231,010)	125,366

No restrictions apply to the cash or cash equivalents.



**UNIVERSITY OF BATH STUDENTS' UNION  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

for the year ended

31 July 2019

# University of Bath Students' Union

## TRUSTEES AND UNION INFORMATION

for the year ended 31 July 2019

### Overview of Charity's key details

<b>Charity name:</b>	The University of Bath Students' Union
<b>Other names:</b>	The SU
<b>Charity number:</b>	1143154
<b>Charity address:</b>	The SU Bath, University of Bath, Claverton Down, Bath, BA2 7AY
<b>Governing document:</b>	Articles of Association
<b>Constitution:</b>	Unincorporated association

### Details of Charity's professional services

<b>Bank name:</b>	National Westminster Bank Plc
<b>Bank address:</b>	39 Milsom Street, Bath, BA1 1DS
<b>Auditor name:</b>	RSM UK Audit LLP
<b>Auditor address:</b>	Hartwell House, 55 – 61 Victoria Street, Bristol, BS1 6AD

### Senior SU Management

<b>Chief Executive:</b>	Andrew McLaughlin
<b>Deputy Chief Executive:</b>	Mandy Wilson-Garner
<b>Secretary to the Board:</b>	Greg Noakes

### Board of Trustees

Trustee name	Office	Start date	End date	Appointment
Eve Alcock	President (Chair)	02/07/2018	02/07/2020	Elected by Members
Jack Kitchen	Education Officer	02/07/2018	01/07/2019	Elected by Members
Jiani Zhou	Postgraduate Officer	02/07/2018	02/07/2020	Elected by Members
Alisha Lobo	Community Officer	02/07/2018	02/07/2020	Elected by Members
Andy Galloway	Sport Officer	02/07/2018	01/07/2019	Elected by Members
Kimberley Pickett-McAttackney	Activities Officer	02/07/2017	01/07/2019	Elected by Members
Ruqia Osman	Education Officer	01/07/2019	02/07/2020	Elected by Members
Tomasz Sawko	Sport Officer	01/07/2019	02/07/2020	Elected by Members
Francesco Masala	Activities Officer	01/07/2019	02/07/2020	Elected by Members
Rob Clay	Independent Trustee	12/10/2015	12/10/2021	Appointed by the Board
Marian McNeir	Independent Trustee	20/06/2017	20/06/2020	Appointed by the Board
Paul Freeston	Independent Trustee	17/06/2015	21/06/2021	Appointed by the Board

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

### **Charitable Status**

On the 29th July 2011 the University of Bath Students' Union (The SU) successfully registered as a charity with the Charity Commission (charity number 1143154). The charity is governed by the constitution adopted on 1<sup>st</sup> July 2009 and amended on 12th March 2019.

### **Trustees' Report**

The Board of Trustees present their Annual Report together with the financial statements for the year ended 31 July 2019. The report has been prepared in accordance with the Charities Act 2011. The trustees have had regard to the Charity Commission guidance on public benefit entities.

### **Relationship with the University of Bath**

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

## **OBJECTIVES AND ACTIVITIES**

### **Charitable Purpose**

The objects of The SU are the advancement of education of students at The University of Bath for the public benefit by:

- promoting the interests and welfare of students at the University of Bath during their course of study and representing, supporting and advising members;
- being the recognised representative channel between students and the University of Bath and any other external bodies; and
- providing social, cultural, sporting and recreational activities and forums for discussion and debate for the personal development of its members.

### **Our cause**

We believe that students can and want to shape the community they are part of for the better. We create opportunities for students to come together to do just that, and support them as active citizens who contribute to the communities they are part of.

### **SU Strategy 2017/20**

The SU operates a three-year strategy, the full details of which are on our website. Over the next year, work will begin on the development of our next strategy 2020-2023.

The following updates on the progress made against our strategy in 2018/19:

- 1) Embedding our cause in all we do:

Through a participative process involving students, staff and stakeholders we have articulated our cause and are using this to shape plans and activity for the next strategic plan.

- 2) Deliver 'fewer bigger better' initiatives:

The language of 'fewer bigger better' has gained traction and is helping us plan ways of rationalising the work we are undertaking – through communications, campaigns and structures in The SU.



# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

3) Build the skills and capability of our people:

Work on the employer branding, process improvement, regrading, and role profile improvements have advanced.

4) Improve our financial processes:

Work on the new chart of accounts has been completed and new systems and processes are in place. The new finance App is ready for student groups when they return in 2019.

5) Improve our communications:

Our e-marketing project is mid-way through and is reporting strong open rates amongst targeted groups.

6) Improve development, recognition and reward for student leaders:

We have recruited a new Skills & Development Co-ordinator and they are progressing work on the project to improve digital training for student leaders.

7) Support the independent student voice:

We have facilitated opportunities for independent students to raise issues with the Council, Senate & SU (CSSU) group. We have been active in encouraging students to register to vote for the EU and local authority elections.

8) Improve and extend peer-to-peer support:

Our pilot sports referral scheme has been a success, and the restructure proposal announced at the end of the year will help to further increase resource in this area.

9) Enhance the postgraduate student experience:

There have been some gradual improvements around activity provision for postgraduate students in The SU, and we continue to explore ways to improve academic representation. Feedback from doctoral students remains that they see The SU as undergraduate-focused, though there has been another improvement in taught postgraduate participation with The SU.

### Success Criteria

We currently measure how successful we have been through five key performance indicators (KPIs).

Key Performance Indicators (KPIs):	2016/17	2017/18	2018/19
Student participation	64%	70%	66%
Student satisfaction	-	63%	64%
Student impact	-	67%	67%
Staff satisfaction	80%	-	85%
Staff engagement	70%	-	84%

This is the first time that we have been able to collect year-on-year data and can begin analysing some of the reasons and trends behind performance. The change in student participation reflects a slight downturn in undergraduate participation on last year, mainly because of the high levels of engagement around the then Vice-Chancellor's pay. Satisfaction and impact have both decreased slightly, and work in the new academic year will help us identify causes and opportunities. Staff satisfaction and engagement have increased on the back of the people enabling programme, and more participative ways of working within the organisation.

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

### ACHIEVEMENTS AND PERFORMANCE

#### Statement of regular activities undertaken by the Charity

The SU is divided into five main activity areas; student voice, student groups, student support, student experiences and student development.

These areas work with student members to provide regular advice, representation, activities and events.

#### Significant Activities undertaken for 2018/19

In addition to our normal activities we have been involved in the following significant activities this year:

We attained a rating of 'Very Good' with many areas of 'Excellence' as part of the NUS Quality Students' Unions (QSU) assessment scheme. This achievement marks The SU as amongst the very best students' unions in the UK, and was recognised formally at a parliamentary reception in June.

We also received national recognition as part of a Home Office-approved scheme that promotes responsible management of bars and nightclubs. We achieved the 'Gold' Best Bar None - National Winner Award - for the second year running.

We reviewed and amended our governing document this year, with the new articles of governance approved by University Council on the 21st February and students through a referendum on the 12th March. The amendments were made to improve the efficiency and transparency of our governance.

Professor Ian White arrived as the new Vice-Chancellor of the University of Bath and students from The SU played a key role in this important appointment, with The SU President involved as part of the interview and selection panel.

At the end of the year a restructure proposal was announced in order to reduce The SU's budget deficit and increase resourcing for business-critical and strategically important areas. In all, seven roles were removed from the structure and five new roles were created.

The local bus service provision by First Bus proved to be a major issue for students throughout the year, and campaigning by The SU President helped to resolve some of the routing issues, but many outstanding concerns remain.

Errors in exam scripts emerged as an issue, and The SU Education Officer played a key role in raising the issue, identifying the scale of the problem and negotiating improvements with the University.

The SU is continuing to lobby for improvements in the transparency of the University's income and expenditure, particularly with the Estates department and internal charging. Bath Time (student magazine) published an investigation on the issue, and The SU continues to apply pressure on this theme.

We have been successful this year in lobbying the University around issues to do with doctoral students being properly safeguarded in their work away from campus. As a direct response of our work, the University has established a working group which is updating health and safety guidelines and procedures in this area.

Sadly not all of our lobbying with the University has met with the same success. A campaign we ran lobbying the University for the extension of the nursery provision was unsuccessful in achieving the desired aim of improving provisions provided to student parents and carers.

Also, we have noted that despite our success last year in getting the University to promise to build a 3G pitch, a decade on from when we first raised this issue there is still no timeframe for the delivery of this promise.

Throughout this year we have worked hard to support the University in implementing changes proposed by the Halpin Review of the University's governance.

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

### FINANCIAL REVIEW

The overall deficit for the year, before reserve transfers, on unrestricted funds was £246,630 (2017/18: Deficit of £28,435).

Bars and Entertainments remained the principal focus for the Union's commercial activity during 2018/19. Performance in this area exceeded budget with a surplus, before overhead apportionment, of £127,933 (2017/18: £128,217).

The Balance Sheet continues to reflect a robust financial position for the Union with net current assets of £690,564 (2017/18: £832,287).

### Reserves Policy and Going Concern

Reserves are needed:-

- To provide funds which can be designated to specific projects to enable these projects to be undertaken at short notice;
- To protect the financial stability of The SU against adverse economic conditions within commercial operations; and
- To provide a fund for capital replacement or refurbishment.

The total reserves held by the reporting entity at 31 July 2019 was £894,003 (2018: £1,018,788), of which £561,930 (2018: £768,384) are regarded as unrestricted funds and £332,073 (2018: £250,404) are regarded as restricted funds.

The balance held as unrestricted general funds, excluding designated funds, at 31 July 2019 was £557,471 (2017/18: £764,082), of which £434,487 (2017/18: £629,265) are regarded as free reserves, after allowing for funds tied up in tangible fixed assets.

As at 31 July 2019 the level of free reserves was fully allocated by the Trustees for the following:

- To avoid the necessity of realising fixed assets held for Bath SU's use;
- To manage income risk through commercial services by covering 25% of one year's net trading income;
- To provide for working capital requirements; and
- To provide funding for a number of specific refurbishments and projects.

The surplus achieved in 2018/19 alongside any project funding available for reallocation will be considered within the Reserves Policy 2019/20.

The Trustees confirm that there are no material uncertainties with regard to considering the Students' Union as a going concern.

### Risk Management

The SU has a formal risk management framework that embeds consideration of risk when reviewing the annual planning and budgeting process.

This approach is designed to directly aid the quality of Trustee and management decision-making, improve potential outcomes and provide the clear accountability required to all its members.

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

The framework exists to:

- formally document the strategies that The SU follows on behalf of its members to reduce risk over the short and medium-term time span;
- confirm that appropriate risk management policies and operational procedures are embedded within the day to day operations of The SU; and
- provide a practical framework for SU staff to follow.

Each key risk is assessed and documented under an appropriate category, and grouped together under additional classifications where relevant.

The risk register:

- Establishes the key risks within each category;
- Classifies the risks within each category where appropriate;
- Evaluates the likelihood and impact of the key risks;
- Prioritises the risks based on the weighting to determine the most critical risks; and
- Plans the response to controlling the risk.

The Board of Trustees reviews the major strategic, business and operational risks faced by the Students' Union on an annual basis as a minimum. The SU Risk Register 2018/19 identifies no risks at the level of 'critical' or 'major' but five at the lower classification of risk of 'significant':

1. Failure to ensure there are adequate health and safety procedures covering all The SU activities;
2. Failure to obtain grant funding from the University in an uncertain higher education sector;
3. Failure to comply with GDPR laws in relation to personal data consent, security and retention;
4. Failure to achieve commercial targets; and
5. Failure to obtain the funding, capacity or support for The SU strategy.

These risks have been mitigated through a number of improvement actions, controls and processes, reducing all identified risks to 'medium'. The risks will be re-assessed for the production of The SU Risk Register 2019/20.

### **FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

Raise & Give (RAG) is a student led society with the aim of fundraising for a variety of local and national charitable causes whilst providing students with a number of development opportunities. This includes fundraising itself as well as organisational and leadership roles.

The financial transactions of RAG are kept separate from those of the Students' Union through the use of unique coding and custody of the assets falls within the general security arrangements of the wider University.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Board of Trustees is responsible for the strategic direction, governance and sustainability of The SU.

Pay and remuneration is set by the University of Bath through its annual remuneration process. All wages and salaries are paid to staff by the University of Bath with the relevant costs recharged to The SU.

The Board is made up of six Student Officers and seven Independent Trustees.

The Student Officers are elected through cross-campus ballot by the members each year, normally serving for one year in office but can serve a second term if re-elected.

The Independent Trustees are recruited to the Board to bring a wider perspective and skill set from outside of The SU. A term for Independent Trustees lasts for up to three years and they can serve for a maximum of six years.

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

Upon appointment all Trustees are briefed on their legal obligations and other Trustee responsibilities. All Trustees receive an induction information pack which includes their role responsibilities, their legal responsibilities, historical and current information about The SU, information on its Strategic Plan and how to deal with potential conflicts of interest.

The Board of Trustees has the following committees:

### **Finance & Audit committee**

#### **Responsibility:**

Monitoring, reporting and making recommendations on the budget to the Board

Approving unbudgeted expenditures that will exceed £10,000

Approving budgeted expenditures that will exceed £50,000

Reviewing financial policies

Monitoring and reporting on audit recommendations to the Board

Keeping under review a register of assets

#### **2018/19 Membership**

Rob Clay  
Andrew Galloway  
Jack Kitchen  
Jiani Zhou

#### **2019/20 Membership**

Rob Clay  
Paul Freeston  
Jiani Zhou  
Tomasz Sawko

#### **Appointment:**

All Trustees are appointed by the Board

#### **Number of meetings:**

Three meetings planned a year

Additional meetings can be called

### **Health & Safety committee**

#### **Responsibility:**

Monitoring and reporting on health & safety issues to the Board

Reviewing health & safety related policies

Keeping under review transport

Reviewing the risk register and recommending changes to the Board

Keeping under review risk management policies

Monitoring and reporting on staff wellbeing to the Board

#### **2018/19 Membership**

Kimberley Pickett-McAtackney  
Eve Alcock  
Alisha Lobo  
Paul Freeston

#### **2019/20 Membership**

Rob Clay  
Paul Freeston  
Jiani Zhou  
Tomasz Sawko

#### **Appointment:**

All Trustees are appointed by the Board

#### **Number of meetings:**

Two meetings planned a year

Additional meetings can be called

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

### **Governance committee**

#### **Responsibility:**

Reviewing the Articles of Governance  
Reviewing general policies  
Reviewing Board effectiveness  
Overseeing the recruitment and induction of new trustees

#### **2018/19 Membership**

Eve Alcock  
Alisha Lobo  
Jiani Zhou  
Andrew Galloway  
Jack Kitchen  
Kimberley Pickett

#### **2019/20 Membership**

Eve Alcock  
Alisha Lobo  
Jiani Zhou  
Ruqia Osman

#### **Appointment:**

All Trustees are appointed by the Board

#### **Number of meetings:**

This committee meets as and when necessary.

### **Complaints & Disciplinary committee**

#### **Responsibility:**

Hearing complaints under stage 2 of the Complaints & Disciplinary procedure  
Hearing disciplinary appeals under stage 2 of the Complaints & Disciplinary procedure

#### **2018/19 Membership**

Marian McNeir  
Alisha Lobo  
Andrew Galloway  
Jiani Zhou (Reserve)  
Eve Alcock (Reserve)

#### **2019/20 Membership**

Marian McNeir  
Alisha Lobo  
Tomasz Sawko  
Jiani Zhou (Reserve)  
Ruqia Osman (Reserve)

#### **Appointment:**

All Trustees are appointed by the Board

#### **Number of meetings:**

This committee meets as and when necessary.

### **Leadership committee**

#### **Responsibility:**

Monitoring, reporting and making recommendations on the strategic plan to the Board  
Approving and overseeing campaigns and projects  
Identifying and monitoring reputational risks

#### **2018/19 Membership**

Jack Kitchen  
Alisha Lobo  
Andrew Galloway  
Jiani Zhou  
Eve Alcock  
Kimberley Pickett

#### **2019/20 Membership**

Francesco Masala  
Eve Alcock  
Alisha Lobo  
Tomasz Sawko  
Jiani Zhou  
Ruqia Osman

#### **Appointment:**

All Trustees are appointed by the Board

#### **Number of meetings:**

This committee meets as and when necessary.

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2019

---

### Statement as to Disclosure of Information to the Auditor

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees Members in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor

### Auditor

RSM UK Audit LLP has indicated its willingness to continue in office. The Trustees' Report was approved by the Trustees on 17/10/19 and signed on their behalf by:

Chief Executive  
Andrew McLaughlin



Date: 17/10/19

Students' Union President

Eve Alcock



Date:

17/10/19

# University of Bath Students' Union

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

for the year ended 31 July 2019

---

The Trustees are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Union and of the incoming resources and application of resources of the Union for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Union and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. When reviewing the aims and objectives of the charitable group and in planning its future activities they the Trustees refer to the guidance and consider, in particular, how planned activities will contribute to the aims and objectives they have set.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF BATH STUDENTS' UNION

---

### Opinion

We have audited the financial statements of the University of Bath Students' Union (the 'charity') for the year ended 31 July 2019 which comprise the Statement of Financial Activities (including income and expenditure account), the Balance Sheet, the Statement of Cash Flows 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 FRS 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 charity's affairs as at 31 July 2019 and of its incoming resources and application of resources 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 have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 [group and parent charity/charity] in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the [group's or parent] 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' 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, 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF BATH STUDENTS' UNION

---

### **Matters on which we are required to report by exception**

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

- the information given in the 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 and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*RSM UK Audit LLP*

RSM UK Audit LLP  
Statutory Auditor  
Chartered Accountants  
Hartwell House  
55-61 Victoria Street  
Bristol  
BS1 6AD

Date: *23 October 2019*

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# University of Bath Students' Union

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

for the year ended 31 July 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
INCOME FROM:							
Donations and grants	3	2,036,212	96,099	2,132,311	2,023,509	103,343	2,126,852
Charitable activities							
Bars and entertainment		1,174,305	-	1,174,305	1,151,725	-	1,151,725
Clubs and societies		18,956	287,071	306,027	2,138	308,095	310,233
Sports associations		-	869,931	869,931	-	791,123	791,123
Events		390,454	-	390,454	402,358	-	402,358
Other trading activities		176,960	956	177,916	181,713	2,216	183,929
Investments	4	3,864	-	3,864	1,656	-	1,656
<b>TOTAL</b>		<b>3,800,751</b>	<b>1,254,057</b>	<b>5,054,808</b>	<b>3,763,099</b>	<b>1,204,777</b>	<b>4,967,876</b>
EXPENDITURE ON:							
Raising funds	5	(195,293)	(8,905)	(204,198)	(245,338)	(35,825)	(281,163)
Charitable activities	5	(3,842,038)	(1,123,307)	(4,965,345)	(3,536,396)	(1,187,921)	(4,724,317)
Other	5	(10,050)	-	(10,050)	(9,800)	-	(9,800)
<b>TOTAL</b>		<b>(4,047,381)</b>	<b>(1,132,212)</b>	<b>(5,179,593)</b>	<b>(3,791,534)</b>	<b>(1,223,746)</b>	<b>(5,015,280)</b>
<b>NET INCOME/ (EXPENDITURE)</b>	<b>7</b>	<b>(246,630)</b>	<b>121,845</b>	<b>(124,785)</b>	<b>(28,435)</b>	<b>(18,969)</b>	<b>(47,404)</b>
Transfers between fund 15,16		40,176	(40,176)	-	23,303	(23,303)	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(206,454)</b>	<b>81,669</b>	<b>(124,785)</b>	<b>(5,132)</b>	<b>(42,272)</b>	<b>(47,404)</b>
RECONCILIATION OF FUNDS:							
Total funds brought forward		768,384	250,404	1,018,788	773,516	292,676	1,066,192
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>561,930</b>	<b>332,073</b>	<b>894,003</b>	<b>768,384</b>	<b>250,404</b>	<b>1,018,788</b>

All income and expenses relate to continuing operations.

# University of Bath Students' Union

## BALANCE SHEET

as at 31 July 2019

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Intangible assets	9	-	-
Tangible assets	10	203,439	186,501
		<u>203,439</u>	<u>186,501</u>
<b>CURRENT ASSETS</b>			
Stocks		26,654	21,319
Debtors	11	187,359	148,870
Cash at bank and in hand		606,203	911,512
		<u>820,216</u>	<u>1,081,701</u>
CREDITORS: Amounts falling due within one year	12	(129,652)	(249,414)
NET CURRENT ASSETS		<u>690,564</u>	<u>832,287</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>894,003</u>	<u>1,018,788</u>
<b>RESERVES</b>			
Unrestricted funds - general	15	557,471	764,082
Unrestricted funds - designated	15	4,459	4,302
Restricted funds:			
SCP	16	36,317	26,549
Alumni	16	30,771	32,453
Student development	16	39,354	37,584
Sports and Societies funding	16	145,176	102,134
Club asset reserve	16	80,455	51,684
		<u>894,003</u>	<u>1,018,788</u>

The notes on pages 16 to 28 form an integral part of the financial statements.

These financial statements were approved and authorised for issue by the Trustees on 17/10/19 and signed on their behalf by:



Chief Executive – Andrew McLaughlin



Students' Union President – Eve Alcock

17/10/19

University of Bath Students' Union  
STATEMENT OF CASH FLOWS  
for the year ended 31 July 2019

	Notes	2019 £	2018 £
CASH FLOW FROM OPERATING ACTIVITIES:			
Cash (used)/generated by operations	22	(231,010)	125,366
NET CASH FROM OPERATING ACTIVITIES		(231,010)	125,366
CASH FLOW FROM INVESTING ACTIVITIES:			
Income and proceeds from investments		3,864	1,656
Purchase of tangible assets		(78,163)	(144,598)
NET CASH USED BY INVESTING ACTIVITIES		(74,299)	(142,942)
MOVEMENT IN CASH		(305,309)	(17,576)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD		911,512	929,088
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		606,203	911,512
ANALYSIS OF CASH AND CASH EQUIVALENTS:			
Cash at bank and in hand		606,203	911,512

# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2019

---

### 1 ACCOUNTING POLICIES

#### **Basis of Accounting**

The University of Bath Students' Union is a registered charity with the Charity Commission. The registered office is The University of Bath Students' Union, Norwood House, Claverton Down, Bath, BA2 7AY.

The SU is a charitable unincorporated organisation.

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) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011. The accounting policies as disclosed have been applied consistently throughout the current and preceding year.

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

The University of Bath Students' Union meets the definition of a public benefit entity under section 34 of FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy.

The principal objectives of the charity are detailed in the Trustees report found on page 2 of these accounts.

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

#### **Going Concern**

The trustees consider the charity to be a going concern with no material uncertainties. These financial statements have therefore been prepared on a going concern basis.

#### **Income**

The annual grant from the University of Bath is intended to meet recurrent costs and is credited directly to the SoFA. Commercial activities represent income such as advertising income and commission from photographs and hire, this income is recognised when the charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Other income is included in the SoFA account on a cash received basis or on a receivables basis where there is reasonable probability of receipt.

#### **Expenditure**

Expenditure includes irrecoverable VAT. Charitable expenditure comprises the direct and indirect costs of delivering public benefit. Indirect staff costs are apportioned to charitable activities by headcount in particular areas. Indirect overhead costs are apportioned to charitable activities pro rata to the total costs of particular activities undertaken. Governance costs are those incurred for compliance with constitutional and statutory requirements, such as the annual audit.

# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### for the year ended 31 July 2019

---

#### 1 ACCOUNTING POLICIES *(continued)*

##### **Intangible Fixed Assets**

Intangible assets acquired are recognised as a cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following basis:

Software	-	3 years straight line
----------	---	-----------------------

##### **Fixed Assets**

Fixed asset purchases in excess of £1,000 are capitalised at cost and subsequently measured at cost less accumulated depreciation, or where applicable amortisation, and impairment.

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

Equipment	-	2-5 years straight line
Motor vehicles	-	4 years straight line
Leasehold Improvements	-	8 years straight line

##### **Fund Accounting**

The SU administers and/or accounts for a number of charitable funds, as follows: -

- i. **Unrestricted Funds** representing unspent income which may be used for any activity / purpose within the charitable objects at the Executive Committee's own discretion;
- ii. **Designated Funds** set aside by the Executive Committee to be spent on some specific purpose at its own discretion;
- iii. **Restricted Funds** raised and administered by The SU for specific purposes as determined by students, such as Club and Societies Accounts, as well as revenue received for purposes specified by the donor and also (if not material enough to require a separate column in the SoFA) any small capital grants received from the University; and
- iv. **Custodian Funds** entrusted to The SU for safekeeping, but not under its management control, e.g. the annual RAG. Such custodian activities are disclosed in the Annual Report, but as the funds are not managed by The SU they are not included in the accounts.

Expenditure on refurbishments and repairs of assets where The SU does not have the risks or rewards of ownership is expensed in the year. This includes all refurbishment to the Union building which is leased from the University on a yearly basis under an informal agreement. As the maximum term of the lease is a period of one year then all refurbishments and repairs of the Union building is expensed.

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to disposal.

##### **Operating Lease Agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### for the year ended 31 July 2019

---

#### 1 ACCOUNTING POLICIES *(continued)*

##### **Financial Instruments**

As the charity only has basic financial instruments it has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102, to all of its financial instruments.

Financial instruments are recognised when the charity 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.

##### Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

##### Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the SOFA.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the SOFA.

##### De-recognition of financial assets

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.

##### Financial liabilities

Financial liabilities are classified according to substance of the contractual arrangements entered into.

##### Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price.

##### De-recognition of financial liabilities

Financial liabilities are derecognised when, and only when, the charities contractual obligations are discharged, cancelled or they expire.

##### Cash and cash equivalents

Cash and cash equivalents includes cash and short term highly liquid investments with a short maturity period.



# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### for the year ended 31 July 2019

---

#### 1 ACCOUNTING POLICIES *(continued)*

##### **Taxation**

No corporation tax has been provided in the financial statements of the charity as the income of the charity is covered by the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

##### **Pensions**

The two principal pension schemes in which The SU participates are the Universities Superannuation Scheme and the Bath & North East Somerset Local Government Pension Scheme, both of which are defined benefit schemes, externally funded and contracted out of the State Earnings-Related Pension Scheme. Both funds are externally valued, normally every three years by professionally qualified independent actuaries using the projected unit method, the rates of contribution payable being determined by the Trustees on the advice of the actuaries. In the intervening years, the actuaries review the progress of the schemes. Pension costs are assessed in accordance with the advice of the actuaries based on the latest actuarial valuations of the schemes and are accounted for on the basis of charging the cost of providing pensions over the estimated period during which the Union benefits from the employees' services.

The University of Bath Students' Union does not directly employ staff. All staff are employed by the University of Bath who then recharge the Union for the use of these staff. Details relating to both of these schemes are included in the accounts of the University. The Universities Superannuation Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share in the underlying assets and liabilities can be directly attributed to The SU. Under the terms of FRS 102 section 28, in these circumstances contributions are accounted for as if the schemes were defined contribution schemes based on actual contributions paid through the year.

The Bath & North East Somerset Local Government Pension Scheme operates as a multi-employer scheme where the share of assets and liabilities applicable to each employer can be defined. The University (the employer) has accounted for the scheme under FRS 102 section 28 as a defined contribution scheme. As the Union does not directly employ staff it does not recognise any of the liability.

#### 2 ACCOUNTING JUDGEMENTS AND ESTIMATES

In the application of the charity's and group's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**University of Bath Students' Union**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
for the year ended 31 July 2019

**3 DONATIONS AND GRANTS**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £
Grant income	2,021,020	96,099	2,117,119	2,002,159	103,343	2,105,502
Sponsorship income	15,192	-	15,192	21,350	-	21,350
	<u>2,036,212</u>	<u>96,099</u>	<u>2,132,311</u>	<u>2,023,509</u>	<u>103,343</u>	<u>2,126,852</u>

**4 INVESTMENT INCOME**

	2019 £	2018 £
Unrestricted bank interest receivable	3,864	1,656
	<u>3,864</u>	<u>1,656</u>

**5 EXPENDITURE**

	Staff 2019 £	Direct 2019 £	Support 2019 £	Total 2019 £	Total 2018 £
Costs of raising funds:					
Commercial activities	140,463	63,735	-	204,198	281,163
<b>TOTAL</b>	<u>140,463</u>	<u>63,735</u>	<u>-</u>	<u>204,198</u>	<u>281,163</u>
Charitable Activities:					
Bars & Entertainment	441,210	600,101	121,728	1,163,039	1,121,508
Clubs & Societies	105,773	297,940	94,660	498,373	543,450
Sports Associations	226,878	925,108	270,112	1,422,098	1,287,736
Events	39,357	348,386	-	387,743	405,816
Student Activities & Advice	846,747	123,511	240,880	1,211,138	1,108,283
Volunteering	217,909	11,301	53,744	282,954	257,614
<b>TOTAL</b>	<u>1,877,874</u>	<u>2,306,347</u>	<u>781,124</u>	<u>4,965,345</u>	<u>4,724,407</u>
Governance	-	10,050	-	10,050	9,800
<b>TOTAL EXPENDITURE</b>	<u>2,018,337</u>	<u>2,380,132</u>	<u>781,124</u>	<u>5,179,593</u>	<u>5,015,370</u>

Included within staff costs above are support staff costs of £571,794 (2018: £528,849).

University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
for the year ended 31 July 2019

---

6 ANALYSIS OF SUPPORT COSTS

	Bars & Entertainment	Clubs & Societies	Sports Associations	Student Activities & Advice	Volunteering	Total	Total
	2019 £	2019 £	2019 £	2019 £	2019 £	2019 £	2018 £
SU Officer accommodation	-	5,861	16,725	14,086	3,328	40,000	40,000
Facilities	121,728	34,773	99,225	83,572	19,743	359,041	363,717
Admin and maintenance	-	54,026	154,162	143,222	30,674	382,083	240,091
	<u>121,728</u>	<u>94,660</u>	<u>270,112</u>	<u>240,880</u>	<u>53,744</u>	<u>781,124</u>	<u>643,808</u>

Support costs are apportioned based on the total proportion of staff and direct costs in each activity. Events are excluded from this calculation. Approximately, one third of the rent is allocated to bars and post office and the rest of the rent cost is apportioned to the other activities with the remaining support costs.

**University of Bath Students' Union**  
**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*  
**for the year ended 31 July 2019**

**7 OPERATING CHARGES**

Net income for the year is stated after charging:

	2019 £	2018 £
Auditor's remuneration – as auditor	10,050	9,800
Auditor's remuneration – other	13,313	7,350
Depreciation	61,225	41,204
Operating lease charges	387,107	380,369
Stock recognised as an expense	400,203	394,628

**8 STAFF COSTS**

The Union does not directly employ staff, all wages and salaries included within these accounts are recharged from the University of Bath. The recharged staff costs in the year were:

	2019 £	2018 £
Wages and salaries	1,688,669	1,572,251
Social security costs	102,826	95,075
Other pension costs	226,842	200,478
	<u>2,018,337</u>	<u>1,867,804</u>

The Trustees of the Union include The SU Officers. The SU Officers receive remuneration for their services as provided for within the Constitution. The amount payable under such contracts in the year was:

	Remuneration 2019 £	Pension contributions 2019 £	Other Benefits 2019 £	Remuneration 2018 £	Pension contributions 2018 £	Other Benefits 2018 £
B J Davies	-	-	-	15,151	2,860	-
W C Galloway	-	-	-	15,183	2,860	-
B J Palmer	-	-	-	14,915	2,815	-
C H Page	-	-	-	14,722	2,821	-
L Emery	-	-	-	14,658	2,815	-
K Pickett	15,419	2,961	-	16,049	3,082	-
J Zhou	16,854	3,236	944	1,994	383	-
E Alcock	16,850	3,236	-	1,994	383	-
A Galloway	15,728	2,961	-	1,994	383	-
J Kitchen	15,451	4,212	-	1,994	383	-
AA Lobo	16,850	3,236	-	1,994	383	-
F Masala	2,194	421	-	-	-	-
R Osman	2,091	402	-	-	-	-
T F Sawko	2,091	402	-	-	-	-

During the year no trustees reclaimed expenses (2018: £nil).

The number of employees whose employee benefits exceeded £60,000 was:

	2019 No.	2018 No.
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1

University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
for the year ended 31 July 2019

9 INTANGIBLE FIXED ASSETS

	Software £
<b>COST</b>	
At 1 August 2018	2,846
Transfer	15,541
At 31 July 2019	<u>18,387</u>
<b>AMORTISATION</b>	
At 1 August 2018	2,846
Transfer	15,541
At 31 July 2019	<u>18,387</u>
<b>NET BOOK VALUE</b>	
At 31 July 2019	-
At 31 July 2018	<u>-</u>

Intangible fixed assets relate to purchased software assets.

10 TANGIBLE FIXED ASSETS

	Equipment £	Leasehold Improvements £	Motor vehicles £	Total £
<b>COST</b>				
At 1 August 2018	408,826	18,043	1,796	428,665
Additions	34,012	44,151	-	78,163
Transfer	(15,541)	-	-	(15,541)
At 31 July 2019	<u>427,297</u>	<u>62,194</u>	<u>1,796</u>	<u>491,287</u>
<b>DEPRECIATION</b>				
At 1 August 2018	239,429	939	1,796	242,164
Charge for year	53,246	7,979	-	61,225
Transfer	(15,541)	-	-	(15,541)
At 31 July 2019	<u>277,134</u>	<u>8,918</u>	<u>1,796</u>	<u>287,848</u>
<b>NET BOOK VALUE</b>				
At 31 July 2019	<u>150,163</u>	<u>53,276</u>	<u>-</u>	<u>203,439</u>
At 31 July 2018	<u>169,397</u>	<u>17,104</u>	<u>-</u>	<u>186,501</u>

University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS *(continued)*  
for the year ended 31 July 2019

---

11 DEBTORS

	2019	2018
	£	£
Trade debtors	1,896	57,009
Other debtors	27,665	551
Prepayments and accrued income	157,798	91,310
	<u>187,359</u>	<u>148,870</u>

12 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	45,933	55,126
University of Bath	11,190	152,789
Accruals and deferred income	71,660	39,362
Other creditors	869	-
Other tax and social security	-	2,137
	<u>129,652</u>	<u>249,414</u>

DEFERRED INCOME

	2019	2018
	£	£
Deferred income as at 1 August 2018	14,429	3,220
Income deferred in the year	3,981	14,429
Income released in the year	(14,429)	(3,220)
Deferred income as at 31 July 2019	<u>3,981</u>	<u>14,429</u>

Included within accruals and deferred income is deferred income of £3,981 (2018: £14,429).

Deferred income relates to sponsorship income for FY19/20 of £3,981 (2018: £14,429).

# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### for the year ended 31 July 2019

#### 13 FINANCIAL INSTRUMENTS

	2019 £	2018 £
Financial assets that are debt instruments measured at amortised cost:		
Trade debtors	1,896	57,009
Other debtors	78,019	91,861
	<u>          </u>	<u>          </u>
Financial liabilities measured at amortised cost:		
Trade creditors	45,933	55,126
University of Bath	57,618	95,976
Accruals	21,251	24,933
	<u>          </u>	<u>          </u>

#### 14 PENSIONS

The University of Bath Students' Union does not directly employ staff. All Union staff are employed by the University of Bath and are eligible to join either the Avon Pension Fund or the Universities Superannuation Scheme. Any shortfall in actuarial value of these funds would be the responsibility of the University of Bath, however the University would expect the Students' Union to meet the cost of any such shortfall. No provision has been made for any shortfall.

#### 15 UNRESTRICTED RESERVES

	General fund £	Designated Club & Societies £	Total £
Balance at 01 August 2017	771,352	2,164	773,516
Retained (deficit)/surplus for the financial year	(30,573)	2,138	(28,435)
Transfers	23,303	-	23,303
Balance at 31 July 2018	<u>764,082</u>	<u>4,302</u>	<u>768,384</u>
Balance at 01 August 2018	764,082	4,302	768,384
Retained (deficit)/surplus for the financial year	(246,787)	157	(246,630)
Transfers	40,176	-	40,176
Balance at 31 July 2019	<u>557,471</u>	<u>4,459</u>	<u>561,930</u>

The designated funds relate to clubs and societies. It is expected that these will be expensed during the 2019/20 academic year.

The transfer from the general fund to the club asset reserve represents £29,618 of depreciation on the restricted tangible fixed assets (2018: £23,303).

The transfer from general fund to the Alumni reserves represents £10,558 of funds being released from restricted reserves due to reclassification.

# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 July 2019

### 16 RESTRICTED RESERVES

At 31 July 2019	SCP	Alumni	Student Development	Sports and Societies Funding	Club Asset Reserve	Total
	£	£	£	£	£	£
Balance at 01 August 2017	19,502	48,611	47,717	101,859	74,987	292,676
Income	49,426	19,667	36,128	1,099,556	-	1,204,777
Expenditure	(42,379)	(35,825)	(46,261)	(1,099,281)	-	(1,223,746)
Transfers	-	-	-	-	(23,303)	(23,303)
Balance at 31 July 2018	26,549	32,453	37,584	102,134	51,684	250,404
Balance at 01 August 2018	26,549	32,453	37,584	102,134	51,684	250,404
Income	50,500	20,000	26,509	1,157,048	-	1,254,057
Expenditure	(40,732)	(11,124)	(24,739)	(1,055,617)	-	(1,132,212)
Transfers	-	(10,558)	-	(58,389)	28,771	(40,176)
Balance at 31 July 2019	36,317	30,771	39,354	145,176	80,455	332,073

SCP (Student Community Partnership) is a joint venture between University of Bath, Bath & North East Somerset Council and Bath Spa University to promote positive community relationships between the Universities and local residents.

Alumni funds are transferred from the University of Bath Alumni Fund to the Students' Union and represent successful funding bids by various student groups within The SU.

The Student Development fund is monies granted specifically to The SU to support the Bath Award accreditation scheme and student enterprise. It also includes grants for student supported learning and awareness.

Sports and Societies Funding is funding received by The SU for the purpose of specific sports and society activity.

Club Asset Reserve represents the net book value of capital assets purchased by Sports Clubs with restricted funds. The depreciation expense and restricted fixed asset additions are transferred from the general fund annually.

### 17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 July 2019 are represented by:	Unrestricted £	Designated £	Restricted £	Total £
Tangible assets	122,984	-	80,455	203,439
Current assets	564,139	4,459	251,618	820,216
Current liabilities	(129,652)	-	-	(129,652)
Total net assets	557,471	4,459	332,073	894,003



# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### for the year ended 31 July 2019

---

#### 18 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2019 The SU had annual commitments under non-cancellable operating leases as set out below:

	2019 £	2018 £
Operating leases which expire:		
In less than 1 year	5,814	20,751
Within 2 to 5 years	5,584	10,155
	<u>11,398</u>	<u>41,367</u>

#### 19 FUNDS HELD ON BEHALF OF THIRD PARTIES

During the year University of Bath Students' Union acted as a custodian of the annual RAG proceeds from fundraising events organised by students. Funds raised by this year's RAG not distributed to charities amounted to £140 (2018: £5,928) which were held by The SU as agreed.

Amounts received and expended during the year and the liability at the year-end in relation to this fund are detailed below:

	At 1 August 2018 £	Amounts received £	Amounts expended £	At 31 July 2019 £
RAG	5,928	52,138	(57,926)	140
	<u>5,928</u>	<u>52,138</u>	<u>(57,926)</u>	<u>140</u>

#### 20 RELATED PARTY TRANSACTIONS

The SU became a registered charity on 29 July 2011 but previously derived charitable status from its governing parent body, the University of Bath. The SU is in receipt of a recurrent grant from the parent body of £1,568,000 (2018: £1,567,000).

The SU occupies a University building under an informal licence. The SU is charged by the University a contribution to the costs of maintaining the building. The amount charged in the year was £350,146 (2018: £350,146). This is a notional charge to the Statement of Financial Activities for which equivalent income is shown within 'Donations and grants'.

Included in creditors falling due within one year is £57,618 (2018: £152,789) owed to the University of Bath which has no securities or interest attached.

The University also pays all wages and salaries on behalf of The SU and recharges them accordingly. Staff costs are disclosed in note 8.

The key management personnel are considered to be the Chief Executive, the Deputy Chief Executive and the trustees. Their total remuneration in the year was £252,893 (2018: £244,668). These are paid by the University and recharged accordingly.

# University of Bath Students' Union

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended 31 July 2019

---

### 21 CONTROLLING PARTY

The SU is controlled by the Board of Trustees comprising The SU Officers, who are subject to democratic election by the voting membership of The SU, and non-executive Trustees who are appointed by a simple majority of the Board of Trustees. The ultimate control of The SU is vested under the Articles of Governance in the Board of Trustees. As such no single person or entity controls The SU as defined by FRS 102 section 9.

### 22 CASH GENERATED FROM OPERATIONS

	2019 £	2018 £
Net (expenditure)/income	(124,785)	(47,404)
<b>Adjustments for:</b>		
Investment income received	(3,864)	(1,656)
Depreciation	61,225	41,204
Profit on disposal of investments	-	-
	<u>(67,424)</u>	<u>(7,856)</u>
(Increase)/decrease in stock	(5,335)	1,932
(Increase)/decrease in debtors	(38,489)	42,666
(Decrease)/Increase in creditors	(119,762)	88,624
	<u>(231,010)</u>	<u>125,366</u>
Net cash provided by operating activities	(231,010)	125,366

No restrictions apply to the cash or cash equivalents.



# UNIVERSITY OF BATH STUDENTS' UNION

## Final Audit Findings Report

Year ended 31 July 2019

Presented to the Finance and Audit Committee  
By RSM UK Audit LLP

on 17 October 2019



## CONTENTS

1	Introduction and coverage.....	3
2	Audit and accounting issues identified at planning stage .....	4
3	Audit and accounting issues identified during the audit.....	6
4	Unadjusted/adjusted misstatements .....	7
5	deficiencies in internal control .....	8
6	Significant findings from the audit .....	10
7	Fees .....	11
8	Independence .....	11
	Appendix A - Draft letter of representation.....	12

This report has been prepared for the sole use of University of Bath Students' Union and must not be disclosed to any third party, or quoted or referred to, without our written consent. No responsibility is assumed to any other person in respect of this report.

# 1 INTRODUCTION AND COVERAGE

This report summarises our key findings in connection with the audit of the financial statements of University of Bath Students' Union in respect of the year ended 31 July 2019.

The scope of our work has already been communicated to you via our Audit Plan document dated 3 September 2019.

A summary of adjusted and unadjusted misstatements identified during the audit has been prepared and is included in Section 4.

We consider that the audit approach adopted will provide the Trustees with the required confidence that a thorough and robust audit has been carried out.

We can confirm that, at the date of this report, we anticipate no modifications from our pro-forma audit report provided in the Audit Plan previously communicated to you.

## 2 AUDIT AND ACCOUNTING ISSUES IDENTIFIED AT PLANNING STAGE

### Management over ride of internal controls

<b>Area of audit focus</b>	In any organisation management will have the opportunity to override controls to some extent. This can be necessary in the performance of their duties, for example making manual corrections of errors etc. The risk is that this ability is misused.
<b>Our approach</b>	<p>We will:</p> <ul style="list-style-type: none"><li>(a) Test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of financial statements;</li><li>(b) Review accounting estimates for biases that could result in material misstatement due to fraud; and</li><li>(c) Obtain an understanding of the business rationale of significant transactions that we become aware of that are outside of the normal course of business for the charity, or that otherwise appear to be unusual given our understanding of the charity and its environment.</li></ul>
<b>Response</b>	<p>We have tested a sample of journals and all items selected were found to be appropriate accounting postings. Our review of journals found no unusual or inappropriate activity. We have noted one control point in section 5.</p> <p>We did not note any significant accounting estimates or significant transactions outside the normal course of business.</p>

### Cash sales

<b>Area of audit focus</b>	The Union has a high volume of cash transactions from its trading activities which are by their nature more susceptible to fraud and error.
<b>Our approach</b>	We will review the controls in place over cash sales. We will test the controls in place to confirm that they are operating effectively.
<b>Response</b>	We have reviewed the controls in place over cash sales and performed a walkthrough to confirm our understanding. Testing has been performed on a sample of cash transactions, and for those tested the controls have been appropriately followed.

## Fund Accounting

### Area of audit focus

The Union has several different funds which must be accounted for appropriately. Designation of funds by Trustees and the receipt of funding for a purpose (restricted funds) are common in Student Unions.

All income and their associated costs need to be properly earmarked for the fund to which it relates.

### Our approach

We will obtain complete details of the nature of funds received and receivable, subsequent transactions and adjustments processed in the current year, ensuring that appropriate income and expenditure has been attributed to funds.

Details of specific purposes and anticipated timing of application of designated funds will be obtained and reviewed.

We will review costs allocated against restricted and designated funds and assess these against the terms of the funds. We will make enquiries of management and seek Trustee representations where needed.

### Response

From our review of the charity's funds no errors have been noted and the appropriate income and expenditure appears to have been allocated to each fund.

We have noted that the current process in place does not distinguish between restricted and unrestricted income and expenditure during the year. A journal is posted as part of the accounts preparation process so that the balance carried forward for Sports and Association to equal the Sundry Creditors ledger. We are aware that there is current a project being undertaken to improve the chart of accounts and update the accounting software to resolve these issues.

During the year we also noted further grant income from Santander in respect of student enterprise and development activities. Having reviewed the grant paperwork we noted that the agreement is with the University of Bath and not the Union. The result is that the SORP entitlement criteria is not met for full recognition of the 3 year income in advance. The current treatment of the income is therefore deemed to be appropriate and no adjustments needed to the financial statements.

### 3 AUDIT AND ACCOUNTING ISSUES IDENTIFIED DURING THE AUDIT

#### Balance sheet classifications

**Issue**

During our review of debtors and creditors we noted a couple of items that were in the wrong heading within the balance sheet notes.

The first was £50,354 in respect of Photo Commission which was invoiced after year end and presented as an other debtor, but should have been presented as accrued income.

The second was in respect of two invoices for £46,428 from the University of Bath. Management had correctly included these in the year end accruals schedule but they had been presented within other creditors in the note to the accounts.

**Resolution**

The correcting journals are noted in section 4 below.

#### Invoice cut off

**Issue**

Our review of post year invoices noted one posted to the ledgers on the 1 August 2019 when the invoice was dated as 31 July 2019. The invoice amount of £4,617 from Samsung C&T UK Ltd should have been accrued into the accounts.

**Resolution**

Due to the trivial nature of the amount this has not been reported in section 4.



## 4 UNADJUSTED/ADJUSTED MISSTATEMENTS

A summary of the unadjusted/adjusted errors identified during the course of our work is set out below, analysed between errors of fact and differences in judgement.

We have not disclosed below those items that we consider to be "clearly trivial" in the context of our audit. For this purpose we consider "clearly trivial" to be any matter less than £7,150.

We advised management of all these misstatements on 1 October and requested management to correct them.

	Profit (£)	Net assets (£)	
Adjusted misstatements	Dr/(Cr)	Dr/(Cr)	
Dr Accrued Income		50,354	To reclassify other debtors balance
Cr Other Debtors		(50,354)	as accrued income
Dr Other Payables		46,428	To reclassify University of Bath
Cr Accruals		(46,428)	creditor balance from other payables
			to accruals
Total	-	-	
Unadjusted misstatements Factual	Dr/(Cr)	Dr/(Cr)	
None noted during the course of the audit			
Underlying total	-	-	
Unadjusted misstatements Judgemental	Dr/(Cr)	Dr/(Cr)	
None noted during the course of the audit			
Underlying total	-	-	

## 5 DEFICIENCIES IN INTERNAL CONTROL

We have set out below deficiencies in internal control which came to our attention during the course of our audit work. This does not constitute a comprehensive statement of all deficiencies that may exist in internal controls or of all improvements which may be made and has addressed only those matters which have come to our attention as a result of the procedures performed. An audit is not designed to identify all matters that may be relevant to you and accordingly the audit does not ordinarily identify all such matters.

### Segregation of duties

<b>Fact and potential consequence</b>	<p>There is a lack of segregation of duties in the finance team, although this is caveated as there are few individuals within the finance team and full segregation is not always possible. We are aware that a new post has been created which should reduce this risk.</p> <p>During the year further segregations have been put in place so that journals posted by the Finance Manager are reviewed every month by the Chief Executive.</p>
<b>Possible action</b>	<p>We are aware that during the move to the new Exchequer system, system notes and accounts procedures manual will be produced which will help identify any potential areas of weakness.</p>
<b>Management response</b>	<p>The appointment of a permanent Finance Coordinator from August 2019 provides an improved level of segregation. All journals are reviewed by a senior member of staff with the Chief Exec reviewing those posted by the Head of Finance. Updating the procedures manual will help us to review all processes and systems to mitigate any risk factors incurred by having a small team.</p>
<b>Timing of implementation and responsibility</b>	<p>By end of FY19/20, Head of Finance</p>

### Cash controls

<b>Fact and potential consequence</b>	<p>It has been noted that the University use the Union cash in the safe for their shop floats. The safe cash balance of the Union at year end is £6k of which approximately £4.5k is for the shops.</p> <p>The Union activities are completely separate from University activities and cash floats should not be shared.</p>
<b>Possible action</b>	<p>We would recommend that cash is completely separated from the Union float, stored in its own safe, with its own records and managed by University employees.</p>

## Cash controls

### Management response

A full solution to this issue has not been found as the University continues to use the SU cash office as its central point for delivery and collection of cash on campus. Cash from both organisations remains mixed in one safe, managed by SU staff.

The SU float was used to provide change for retail outlets until August 2019. AHS has since provided its own float, which is kept in a separate safe within the SU cash office, with deliveries overseen by SU staff.

The SU float balance is now reduced reflecting its true cash requirement.

### Timing of implementation and responsibility

## 6 SIGNIFICANT FINDINGS FROM THE AUDIT

### **Accounting practices, including accounting policies and estimates**

We have reviewed the accounting policies and estimates adopted by management. These appear reasonable for the size and complexity of the Union.

### **Financial statement disclosures**

During the course of our audit, we reviewed the adequacy of the disclosures contained within the financial statements and their compliance with both relevant accounting standards, including the applicable Statement of Recommended Practice 'Accounting and Reporting by Charities' ('Charities SORP'), and the requirements of the Charities Act 2011. The following disclosure matters were brought to your attention and subsequently reflected in the revised financial statements:

- The Trustees remuneration note included employers National Insurance contributions in error
- The key management personnel remuneration was stated incorrectly.

### **Significant difficulties identified during the audit**

We did not encounter any significant difficulties during the audit. We would like to thank Helen for her continued help during the audit process.

## 7 FEES

We confirm that the fees charged during the year in respect of services performed for University of Bath Students' Union are consistent with those contained within our Audit Plan submitted to you and dated 3 September 2019.

## 8 INDEPENDENCE

In accordance with International Standard on Auditing (UK) 260 "Communication with those charged with governance", there are no changes to the details of relationships between RSM UK Audit LLP and its related entities and University of Bath Students' Union and its related entities and directors that may reasonably be thought to bear on RSM UK Audit LLP's independence and the objectivity of the audit principal, Kerry Gallagher and the audit staff and the related safeguards from those disclosed in the Audit Plan dated 3 September 2019.

## APPENDIX A - DRAFT LETTER OF REPRESENTATION

RSM UK Audit LLP  
Hartwell House  
55-61 Victoria Street  
Bristol  
BS1 6AD

Dear Sirs

Audit of Financial Statement – Year ended 31 July 2019

This representation letter is provided in connection with your audit of the financial statements of University of Bath Students' Union for the year ended 31 July 2019 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view, in accordance with the applicable financial reporting framework. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Generally Accepted Accounting Practice.

We confirm that to the best of our knowledge and belief, and having made appropriate enquiries of other Trustee and officials of the charity:

### Financial Statements

1. We acknowledge and have fulfilled our responsibilities, as set out in the terms of the audit engagement dated September 2017, for ensuring that the charity maintains adequate accounting records and for the preparation of the financial statements in accordance with the applicable financial reporting framework, in particular the financial statements give a true and fair view in accordance therewith.
2. Significant assumptions used by us in making accounting estimates, including those relating to items measured at fair value, are reasonable.
3. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the applicable financial reporting framework. In particular, full disclosure is made in the financial statements of:
  - a any advances and credits granted by the charity to trustees and guarantees of any kind entered into on behalf of the trustees;
  - b the identity of the party which controls and (if different) the party which ultimately controls the charity, if any;
  - c transactions and balances with related parties including:
    - the names of the transacting party or parties;
    - a description of the relationship between the parties (including the interest of the related party/parties in the transaction);
    - a description of the transactions;

- the amounts involved (even if nil);
  - the amounts due to or from related parties at the balance sheet date and provisions for doubtful debts due from such parties at that date;
  - amounts written off in the period in respect of debts due to or from related parties;
  - the terms and conditions, including any security and the nature of the consideration to be provided in settlement;
  - details of any guarantees given or received; and
  - any other elements of the transactions necessary for an understanding of the financial statements.
4. Full disclosure is made in the financial statements of:
- a outstanding capital commitments contracted for at the balance sheet date;
  - b all contingent liabilities including details of pending litigation and material claims against the charity;
  - c all guarantees or warranties or other financial commitments.
5. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
6. There have been no events (e.g. loss or reduction of source of income, loss of key customer, supplier or member of staff, change in credit terms offered by suppliers, breaches of bank or other covenants, changes in banking or insurance arrangements or facilities) since the balance sheet date that would impact on the ability of the charity to continue as a going concern. Should such events occur prior to your signature of the audit report we will advise you immediately. Except as already incorporated into our cash flow and profit forecasts we have no plans or intentions that would impact on the ability of the charity to continue as a going concern.
7. All events occurring subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed. Should such further material events occur prior to your signature of the audit report we will advise you accordingly.
8. The effects of uncorrected misstatements (whether arising from differences in amount, classification, presentation or disclosure of a reported financial statement item and the amount, classification, presentation or disclosure that is required for the item to be in accordance with the applicable financial reporting framework) are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements including those in relation to disclosures is attached to this representation letter.
9. All charities, companies and trusts controlled by the charity have been consolidated in the group financial statements.
10. All designated and restricted fund balances are correctly shown in the accounts.

**Information Provided**

1. As agreed in the terms of engagement, we have provided you with:
  - a Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters including minutes of members the Finance Committee meetings, committees of the Finance Committee, management held between the beginning of the accounting period and the date of this letter; ;
  - b Additional information that you have requested from us for the purpose of the audit; and
  - c Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the charity and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial statements.
5. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
6. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements. We have also notified you of the actual or contingent consequences which may arise from such non-compliance, including any potential effects on the charity's ability to conduct its activities.
7. We have disclosed to you the identity of the charity's related parties and all the related party relationships and transactions of which we are aware.
8. We have disclosed to you details of all known actual or possible litigation and claims whose effect should be considered when preparing the financial statements.
9. All grants, donations and other incoming resources, the receipt of which is subject to specific terms and conditions, have been notified to you. There have been no breaches of terms and conditions in the application of such incoming resources.
10. We confirm that we have disclosed to you details of all banking and financing arrangements including related contracts and hedging products.



11. We confirm that we have informed you of all tax avoidance schemes used by the charity.

**Charitable Status**

1. We have not conducted, or permitted to be conducted any activities which call into question the charitable nature of the charity.
2. There have been no communications with the Charity Commission or other regulatory bodies during the year or subsequently concerning matters of non-compliance with any administrative duty. We have drawn to your attention all correspondence and notes of meetings with regulators.

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

The contents of this letter were considered and approved by the board at its meeting on [insert date of board approval of financial statements]

Yours faithfully

Signed on behalf of the board of University of Bath Students' Union

.....  
Trustee

Date