REGISTERED CHARITY NUMBER: 1145405

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019 FOR FALMOUTH & EXETER STUDENTS' UNION

Lang Bennetts
Statutory Auditors
The Old Carriage Works
Moresk Road
TRURO
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FALMOUTH & EXETER STUDENTS' UNION

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FALMOUTH & EXETER STUDENTS' UNION

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2019

The trustees present their report with the financial statements of the charity for the year ended 31 July 2019. The trustees have adopted the provisions of 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).

REFERENCE AND ADMINISTRATIVE DETAILS

Name: The formal name of the organisation is Falmouth & Exeter Students' Union. More commonly it is known and referred to as FXU.

Charitable status:	FXU is a registered charity in accordance with the Charities Act 1993, Registration number 1145405. Registered as of 11th January 2012.
Principal Office:	Penryn Campus, Penryn, Cornwall, TR10 9FE.
Auditors:	Lang Bennetts, The Old Carriage Works, Moresk Road, Truro, Cornwall, TR1 1DG.
Bankers:	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ (reg no. 268369).

Trustees

The members of the FXU Board are the trustees of FXU. Throughout this report they will be referred to as the Board.

Members of the Board for the year ended 31st July 2019 were as follows:

Trustee Officers	**2018-19 (from July 2018)**
Isabel Robe	Falmouth and Exeter Students' Union President University of Exeter
Callie Edwards	Falmouth and Exeter Students' Union President Falmouth University
Sarah Redman	Falmouth and Exeter Students' Union President Student Experience
Harry Bishop	Falmouth and Exeter Students' Union President Community & Welfare

Trustee Officers	**2019-20 (from July 2019)**
Joe Rigby	Falmouth and Exeter Students' Union President University of Exeter
Callie Edwards	Falmouth and Exeter Students' Union President Falmouth University
Sarah Redman	Falmouth and Exeter Students' Union President Student Experience
Allie Guy	Falmouth and Exeter Students' Union President Community and Welfare

Independent Student Trustees
Melissa Bertram
Amy Gilles
Christopher Bigland
John Brereton
Fraya Dawa

Independent External Trustees
Andy Harbert
Paul Northmore
Rosie Hunnam

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2019

REFERENCE AND ADMINISTRATIVE DETAILS

The Trustees delegate the day to day management of the charity to the Chief Executive and the Senior Management Team. During 2018-2019 the senior managers were as follows:-

Chief Executive Officer	Joff Cooke (until last day in post on 19th July)
Activities Director & Deputy CEO	Hanna Brixton (Maternity leave from December 2017 – Jan 2018)
Deputy CEO	Hanna Brixton (from Jan 2018 - 19th July then Interim CEO)
Student Voice Director	Ben Rowswell
Advice Director	Richard Scrase
Activities Director (Maternity Cover)	Hayley Rowley (Nee Curtis) (from December 2017 – Jan 2018)
Activities Director	Hayley Rowley from Jan 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Students' Union's charitable objectives are to promote the interests and welfare of its students and representing, supporting and advising students; being the recognised representative channel between students and the universities and other external bodies; providing social, cultural, sporting and recreational activities and forums for discussion and debate for the personal development of its students.

The Unions principal governing document is its Constitution agreed by the members in a General Meeting or in a referendum. It is also ratified by the University Board of Governors. Copies of the Constitution are available from the Union's offices.

The trustees of the Union are the four Officer Trustees; President Exeter, President Falmouth, President Student Experience, President Community & Welfare; two selected student trustees and two selected, independent, external trustees and one other Trustee who will be either a student trustee or an external trustee.

The Officer Trustees are elected annually by a cross-campus ballot of all student members and are full time remunerated officers. The Officer Trustees are only permitted to remain in post for a maximum of two years and receive comprehensive training on appointment. Each officer has specific responsibility for aspects of the Union's activities and is supported by permanent staff who are organised in four departments - Activities, Student Voice, Advice and Central Services.

Accountability of the Officer Trustees is performed via our Student Leadership Team whose members are elected each year in a cross campus ballot for one year only. The Student Leadership Team meets on average six times per year and is provided with reports from the Officer Trustees. The Trustee Board meets at least three times each year and is responsible for maintaining legal, financial and reputational integrity and for setting strategic direction. The Chair(s) and a designated external Trustee from the Trustee Board has delegated responsibility from the Board to monitor the performance of the Chief Executive Officer and make recommendations to the board relating to the Chief Executive Officer's annual performance review.

The finances of the Union are also reported to the Universities.

The Officer Trustees and the Senior Management Team meet weekly to discuss on-going operational issues and to provide effective oversight of Union activities. Falmouth and Exeter Students' Union employs a number of non-student full time staff to ensure effective management of its many activities and to implement the policy decisions made by the Trustees. There is delegated authority through the Chief Executive Officer for operational decision making and accountability within the departments of the Students' Union in accordance with its organisational structure. When reviewing our objectives and planning our activities, we have given due consideration to the Charity Commission's general and relevant supplementary guidance on public benefit.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Relationship with Falmouth University and the University of Exeter

The Students' Union receives grant funding from the Universities and part-occupies a building owned by the Universities, which also pays for utilities and any structural maintenance. This support is intrinsic to the relationship between the Universities and the Students' Union and has not been valued. Although the Students' Union runs some minor trading activities, which may be developed, it will always be dependent on the support of the Universities.

There is no reason to believe that this support will not continue for the foreseeable future, as the Education Act 1994 imposes a duty on the Universities to ensure the financial viability of its student representative body. The Universities therefore require notification of any changes in the governance of the Union and regular reports on the Union's activities, management and financial situation.

Governing Document

Falmouth and Exeter Students' Union gained full charitable status on 11th January 2012. Prior to this date Falmouth and Exeter Students' Union continued to operate under its Memorandum of Understanding. From this date the new charitable Constitution was adopted in full. A series of Bye-laws have developed to support the implementation of all commitments and legal obligations as outlined in this governing document.

Appointment of Trustees

In 2012 the Falmouth and Exeter Students' Union Board of Trustees and Student Council approved an Appointments Committee. One key role of this committee is to appoint up to two external trustees, two student trustees and one trustee who may be either a student or external trustee. The Appointments Committee appointed 2 x student trustees and 2 x external trustee from 1st July 2016. An additional External Trustee joined the Trustee Board in July 2016.

Trustees Induction & Training

This year, the Presidential Officer Trustees received training regarding their responsibilities and duties from Falmouth and Exeter Students' Union staff and Coole Insight Ltd.

Consultancy Support

As directed by The Students' Union's Chair of the Board Trustees, Coole Insight Ltd (in a consultancy capacity) provided the following services from 1 July – 30 September;

- Coaching and supporting the Students' Union's Sabbatical Officers
- Development of a 'six-months plan' for the Students' Union ready for implementation
- Delivery of an all-staff 'away day'
- Delivery of a Trustee Board development day
- Preparation of a trustee and governance self-assessment report together with recommendations and action plan
- Provision of support for The Students' Union's Interim Chief Executive Officer and Senior Management Team
- Preparation for and delivery of the new permanent Chief Executive Officer's induction

How Falmouth and Exeter Students' Union achieve public benefit

In pursuit of these aims for the public benefit, Falmouth and Exeter Students' Union will ensure the diversity of its membership is recognised, valued and supported and has established departments and services for use by its members and to support its work with the Universities and other organisations on behalf of students. These include the Advice Team, the Student Voice Team, Sports Clubs, Societies, Volunteering and Raising and Giving (RAD). Trustee and Executive Officers of Falmouth and Exeter Students' Union sit on all relevant committees of both universities and meet regularly with the local authority and other providers of public services affecting students.

Falmouth and Exeter Students' Union continues to represent the students of both universities on relevant local, national and international issues by maintaining a high proportion of student representatives. Student representatives now sit and contribute to many of the universities committees and academic programme forums which allow the union to cater effectively to the needs of students.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related Parties

Falmouth and Exeter Students' Union has close relationships with Falmouth University, University of Exeter Cornwall Campuses and Exeter Guild of Students. In addition, Falmouth and Exeter Students' Union works closely with Falmouth Exeter Plus commonly referred to as FX Plus; the organisation established to deliver combined services on behalf of the both universities in Cornwall (IT, accommodation, student support services etc.).

During the year the elected representatives and senior managers have been involved in consultation, planning and decision-making processes at all levels of both universities and FX Plus.

Risk Management

The Trustee Board of Falmouth and Exeter Students' Union is responsible for the management of the risks faced by the Union. Detailed considerations of risk are delegated to the heads of each department. Risks are identified, assessed and controls established throughout the year. A risk register has been established and is reviewed and updated by the Board of Trustees annually.

Budgetary and internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers and participants on all activities organised by the Union. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

During the course of the year, each service area has worked closely with the Institutions' Health & Safety Advisers and FX Plus staff to ensure that all potential risks involved in activities undertaken by Falmouth and Exeter Students' Union have been considered and appropriately managed. In terms of emergency procedures, Falmouth and Exeter Students' Union complies with those relating to the relevant campus and Institution(s).

All insurance policies are reviewed annually and provide continuous cover.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Health & Safety

Health & Safety support is provided to Falmouth and Exeter Students' Union from the FX Plus Health and Safety team. Regular inspections take place and a Health & Safety target are established and being worked towards. In 2017-18, Falmouth and Exeter Students' Union established an internal Health and Safety Operation group to review all operational Health and Safety issues. An Audit and Risk Sub-Committee of the Board of Trustees has been established to enable an appropriate regular reporting structure into the Board of Trustees on these and other risk matters.

OBJECTIVES AND ACTIVITIES

The Union's objects are the advancement of education of students at Falmouth University & the University of Exeter's Cornwall Campuses for the public benefit by:

- promoting the interests and welfare of Students at Falmouth University & the University of Exeter Cornwall Campuses during their course of study and representing, supporting and advising Students;
- being the recognised representative channel between students and Falmouth University and University of Exeter (Cornwall Campuses), and any other external bodies; and
- Providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its Students.

OBJECTIVES AND ACTIVITIES

Falmouth and Exeter Students' Union's key areas of activity are:

- Student representation (e.g. through the work of the Presidents, Executive Officers, and Student Reps);
- Democratic activities including referenda, general meetings, debates and elections;
- Provision of advice, support and guidance through Students' Union Advice;
- Supporting students in planning and participating in voluntary opportunities and charitable fundraising;
- Supporting students in planning and participating in sports and recreational activities;
- Co-ordination of social events and entertainments including freshers' activities;
- Campaigning to ensure the improvement of the wellbeing of members.

Falmouth University Student figures at February 2019 6,269 (6,007 - February 2018) comprising:

Campus based	5,153	(5,280)
Franchise	674	(412)
Online	442	(315)
Total:	6,269	(6,007)

Actual 2018/19 University of Exeter, Cornwall Campuses:

Penryn Campus	2,720	(2,731)

Operational Objectives

Falmouth and Exeter Students' Union strategic direction, 2018-23

The Students' Union for Falmouth University and the University of Exeter in Cornwall (FXU) has set a direction for where we are going, how we will get there, and what you can expect from us as we work towards our vision.

Our **vision** is:

"A world class student experience for all our students"

In striving for this, our **mission** is:

"To have a positive impact on each or our members' personal student journey"

Our **core values**:

We will always be:

1. **Inclusive** – we consider the impact of our work on and for everyone, not just those who are most visible. We strive to reach, respect and work with those who may need our help and support the most.

2. **Collaborative** – we work in partnership with our universities, other organisations, and the wider community to achieve the best student experience for our members.

3. **Empowering** – we want to help people achieve the best they can. We focus on giving enough support to help people to help themselves and succeed.

Our **personal behaviours**:

Our people will always be:

1. **Professional** – open, trusting and trustworthy in all our dealings.

2. **Caring** – always consider others needs and expectations.

3. **Fun!** – where appropriate, have a good time at work!

OBJECTIVES AND ACTIVITIES

Our Strategic Objectives – student focussed

To have the most positive impact on our members' lives as students, we will focus on the ***academic, social and support*** needs of all, such that ***all students should feel able to state***:

1. **"I belong"** – whether full time or part time, undergraduate or postgraduate, UK or international, campus or distance learner, or any other factor that impacts on a sense of belonging, FXU will focus on helping students achieve their sense of belonging in the student environment.

2. **"I am heard"** – as the collective voice for all our students, FXU will work to build effective processes that enable us to listen to all our students, ensuring a strong and effective 'student voice' for everyone, wherever and whenever it is needed.

3. **"I am realising my potential"** – making the most of your time as a student enables greater success after graduation. FXU will provide a diversity of opportunities and activities for everyone to maximise personal success for all our students.

4. **"I am supported"** – Having the right support, at the right time, delivered in the right way is essential for student success. FXU will work with the universities to ensure the best support and advice is available to all.

The Enabling Strategies that help us achieve these objectives

1. Governance – open, clear and effective

2. People first – students, officers and staff

3. Sustainability – ethical, environmental and financial/resourced

4. Community – engaged, positive and partnered

Celebrating our success in 2018/19

This year we hosted two separate ceremonies to enable us to recognise the achievements of our students and partners. The Student Voice Awards and the Activities Awards provide the opportunity to recognise and celebrate students' achievements outside of their academic studies and the significant contributions of individual staff members to the student experience, as well as raising the profile of Falmouth and Exeter Students' Union in the community.

Our commitment to sustainability was also rewarded by achieving the 'Good' standard in the NUS Green Impact Awards.

This year, we also held our inaugural Annual Review where we celebrated the winners of our two awards ceremonies and shared our work for the year with our many stakeholders.

OBJECTIVES AND ACTIVITIES

Some key engagement numbers for Falmouth and Exeter Students' Union for the 2018/19 year were:

Student Voice

- 105 Exeter Course Reps elected
- 256 Falmouth Course Reps elected
- 18 Exeter Subject Chairs elected
- 18 Falmouth Department Chairs elected
- 24 Student Council Leadership Team members elected
- 12 Course Rep training sessions delivered (8 campus training event, 1 Truro training event and 3 Falmouth Flexible online training session123 Reps logging 2,313 student's views and opinions through the Rep Online System (ROS)
- Student Staff Meetings: 12 Exeter Student Staff Liaison Committee (SSLC) meetings and 26 Falmouth Student Staff Liaison Group (SSLG) meetings
- 150 Course Reps providing feedback at the BIG Rep Meeting: 6 Falmouth academic topics, 5 Exeter academic topics, 8 broader student experience topics and 19 senior staff members listening to feedback at the Big Rep Meetings.

Activities

- 7,616 memberships were purchased and 3281 individuals (42.91% of students, 64% Exeter, 29% Falmouth) were involved in at least one student groups, made up of:

  Societies: 3290, 2041 individuals

  Sports: 2873, 1935 individuals

  SLVPs: 1164, 843 individuals

- 155 activity groups were supported, made up of:
  82 societies
  57 sports clubs
  16 students led volunteer projects

- There were 4,285 student-led activities during 2018/19
- 38,665 volunteer hours were logged by 485 student volunteers, earning Legend awards:

  317 Bronze awards (25 hours)
  96 Silver awards (100 hours)
  44 Gold awards (200 hours)
  12 Platinum awards (500 hours)
  2 Crystal awards (750 hours)

- Our students raised just under £90,000 for charities this year.
- 35 student activity groups adopted a charity this year.
- 10 students were awarded Sports Bursaries.
- Awarded £7,800 from BUCS for improving well-being through physical activity, campaign called Choose your day, worked with other departments to engage those that had not engaged before and over 250 joined the scheme in 8 weeks.
- Own it Campaign featured 3 videos of students that stayed at university though interaction with an Activity Group, linking to retention.
- Launched an Enterprise & Employability Fund through TEF.

OBJECTIVES AND ACTIVITIES

- Introduction of Sports, Societies & Green Committees.
- Introduction to further training opportunities for Committee members including Bystander training
- Staff were trained in Mental Health, Autism and CMI level 5
- 12 TEF, 11 Green Fund, 5 SLEPF Fund projects supported
- Our Sports Clubs achievements highlights were:
  - Cheerleading – 3rd in category at Future Cheer UK University Nationals in Manchester's Central Arena.
  - Hip Hop – UDO's British Street Dance Championships in Somerset results below:
    1st Place for Over 18 Beginners
    2nd Place University Division
    2nd Place Over 18 Beginner Solos
    3rd Place Over 18 Beginner Solos
  - Athletics - Sports Bursar – qualified for British Indoor Championships (9th/10th Feb)
  - BUCS Surf Champs – 2nd male team
  - Ladies Football – Supplementary Cup Final
  - FXUnion (football) finished top of the Cornwall Combined Sunday League
  - 2nd Team finished 2nd in the Cornwall Netball League Division 5 (2 points off top) and were promoted
  - Social Netball Team finished top of the Social league being undefeated!
  - Dodgeball Finished a narrow 2nd in the South West Dodgeball League
  - CSM Badminton Mixed team - finished 2nd in West Cornwall Mixed League

Awards

- National Societies Awards – Best Fundraising / Campaigning Society: The Beach Clean Project (5 groups shortlisted in total)
- National Student Fundraising Awards – Best Student Fundraising Group: Raise and Donate
- British Longboard Championship – First place in the Women's Division: Sports Bursar
- Falmouth Anchor won two awards at Student Publication Associations Regional Conference – Best Impact & Best Development
- NUS Green Impact – Good Rating
- Community Wardens launched and they won special recognition at Community Hero awards after just 4 months.

Advice

2018-19 figures are:

556 student cases supported through the year, made up of:
388 Falmouth case
168 Exeter cases

This represents a 9% reduction on 2017-18, is explained by:

1. A greater number of 'complex cases'.

RESERVES POLICY

The Falmouth and Exeter Students' Union trustees have set a reserves policy. Reserves are built and maintained at a level, which ensures that 3 months of organisation's core activity could continue during a period of unforeseen difficulty.

- A proportion of reserves are maintained in a readily realisable form.

RESERVES POLICY

- To develop a Designated Reserve for the purpose of:

1. Maintaining the objectives of the Union through the payment to the elected Officer for 3 months.
2. Payment of designated staff for 3 months (non-Falmouth University contracted)
3. Payment of immediate liabilities, creditors control
4. PAYE & NI
5. Accountancy and legal fees
6. Costs in disposal of assets

- A Designated Reserve of £32,700 is set aside for this purpose and is set aside from the unallocated reserves. 100% of reserves are maintained in cash.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

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

Approved by order of the board of trustees on 30th September 2019 and signed on its behalf by:

Joe Rigby - Trustee

Date 31/10/19

Callie Edwards - Trustee

Date 31/10/19

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF FALMOUTH & EXETER STUDENTS' UNION

Opinion
We have audited the financial statements of Falmouth & Exeter Students' Union (the 'charity') for the year ended 31 July 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:
- give a true and fair view of the state of the 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF FALMOUTH & EXETER STUDENTS' UNION

Responsibilities of trustees

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.

Our responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Lang Bennetts

Lang Bennetts
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
The Old Carriage Works
Moresk Road
TRURO
Cornwall
TR1 1DG

Date: 31/10/2017

FALMOUTH & EXETER STUDENTS' UNION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	866,190	67,859	934,049	849,301
Charitable activities	5				
Student welfare		91,414	308,546	399,960	398,276
Other trading activities	3	15,395	-	15,395	46,191
Investment income	4	-	-	-	5,071
Other income		-	-	-	300
Total		972,999	376,405	1,349,404	1,299,139
EXPENDITURE ON					
Raising funds	6	23,172	-	23,172	19,783
Charitable activities	7				
Student welfare		916,799	352,402	1,269,201	1,226,754
Total		939,971	352,402	1,292,373	1,246,537
Net gains/(losses) on investments		-	-	-	(10,000)
NET INCOME		33,028	24,003	57,031	42,602
Transfers between funds	15	16,059	(16,059)	-	-
Net movement in funds		49,087	7,944	57,031	42,602
RECONCILIATION OF FUNDS					
Total funds brought forward		201,813	69,469	271,282	228,680
TOTAL FUNDS CARRIED FORWARD		250,900	77,413	328,313	271,282

The notes form part of these financial statements

FALMOUTH & EXETER STUDENTS' UNION

BALANCE SHEET
AT 31 JULY 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
FIXED ASSETS					
Tangible assets	12	9,493	4,000	13,493	11,164
CURRENT ASSETS					
Debtors	13	26,343	-	26,343	50,521
Cash at bank and in hand		379,355	73,413	452,768	397,624
		405,698	73,413	479,111	448,145
CREDITORS					
Amounts falling due within one year	14	(164,291)	-	(164,291)	(188,027)
NET CURRENT ASSETS		241,407	73,413	314,820	260,118
TOTAL ASSETS LESS CURRENT LIABILITIES		250,900	77,413	328,313	271,282
NET ASSETS		250,900	77,413	328,313	271,282
FUNDS	15				
Unrestricted funds				250,900	201,813
Restricted funds				77,413	69,469
TOTAL FUNDS				328,313	271,282

The financial statements were approved by the Board of Trustees on 30th September 2019 and were signed on its behalf by:

Joe Rigby - Trustee

Date 31/10/19

Callie Edwards - Trustee

Date 31/10/19

The notes form part of these financial statements

FALMOUTH & EXETER STUDENTS' UNION

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from operations	1	67,229	119,646
Interest paid		(4,639)	(6,015)
Net cash provided by (used in) operating activities		62,590	113,631
Cash flows from investing activities:			
Purchase of tangible fixed assets		(7,446)	(8,048)
Sale of tangible fixed assets		-	300
Interest received		-	5,071
Net cash provided by (used in) investing activities		(7,446)	(2,677)
Change in cash and cash equivalents in the reporting period		55,144	110,954
Cash and cash equivalents at the beginning of the reporting period		397,624	286,670
Cash and cash equivalents at the end of the reporting period		452,768	397,624

The notes form part of these financial statements

FALMOUTH & EXETER STUDENTS' UNION

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2019

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019	2018
	£	£
Net income for the reporting period (as per the statement of financial activities)	57,031	42,602
Adjustments for:		
Depreciation charges	5,117	13,296
Losses on investments	-	10,000
Profit on disposal of fixed assets	-	(300)
Interest received	-	(5,071)
Interest paid	4,639	6,015
Decrease/(increase) in debtors	24,178	(4,598)
(Decrease)/increase in creditors	(23,736)	57,702
Net cash provided by (used in) operating activities	67,229	119,646

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/8/18	Cash flow	At 31/7/19
	£	£	£
Net cash			
Cash at bank and in hand	397,624	55,144	452,768
Total	397,624	55,144	452,768

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Income
Income from donations and legacies comprises grants that provide core funding or are of general nature, are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Income from other trading activities are recognised as earned.

Income from investments is included in the year in which it is receivable.

Income from charitable activities includes income from Freshers, events and sporting activities and are recognised as earned. Grant income included in this category provides funding to support the sporting activities, it is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

The value of services provided by volunteers has not been included.

Expenditure
Expenses are recognised when a liability is incurred. Costs are analysed as follows:

Expenditure on raising funds are costs associated with generating voluntary income through fund raising.

Charitable activities include, all expenditure associated with student welfare and includes direct, support and governance costs.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources e.g. allocating staff costs by time spent and other costs by their usage.

Resources expended are inclusive of any VAT arising, which cannot be recovered.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on cost
Motor vehicles	- 25% on cost

Only assets costing over £250 are capitalised.

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

1. ACCOUNTING POLICIES - continued

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

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

Investment income and gains are allocated to the appropriate fund.

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

2. DONATIONS AND LEGACIES

	2019	2018
	£	£
Grants	934,049	849,301
	934,049	849,301

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

	2019	2018
	£	£
Falmouth University	573,670	545,565
University of Exeter, Cornwall Campus	352,519	303,736
British Universities & Colleges Sport	7,860	-
	934,049	849,301

3. OTHER TRADING ACTIVITIES

	2019	2018
	£	£
Minibus hire	1,500	6,989
Hoodie sales	460	2,173
Miscellaneous income	9,108	5,441
Commissions	4,327	31,588
	15,395	46,191

4. INVESTMENT INCOME

	2019	2018
	£	£
Interest and card charges	-	5,071

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2019 £	2018 £
Freshers' income	Student welfare	91,849	88,820
Entertainment income	Student welfare	-	41,093
Sports and societies income	Student welfare	308,111	268,363
		399,960	398,276

6. RAISING FUNDS

Raising donations and legacies

	2019 £	2018 £
Staff costs	19,169	15,320
Office costs	1,252	1,109
Insurance and subscriptions	2,021	1,549
Depreciation	206	665
Interest payable and similar charges	232	301
	22,880	18,944

Other trading activities

	2019 £	2018 £
Purchases	292	839
Aggregate amounts	23,172	19,783

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Student welfare	687,754	581,447	1,269,201

8. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Student welfare	488,848	92,599	581,447

Support costs, included in the above, are as follows:

8. SUPPORT COSTS - continued

Management

	2019 Student welfare	2018 Total activities
	£	£
Trustees' salaries	80,577	81,935
Trustees' social security	6,556	6,323
Trustees' expenses	2,648	2,915
Wages	260,017	226,525
Office costs	22,535	19,963
Insurance and subscriptions	36,377	27,878
Other expenses	54,540	58,997
Travel and subsistence	4,990	5,226
Training	12,728	14,345
Depreciation of tangible fixed assets	3,705	11,966
Interest and charges	4,175	5,413
	488,848	461,486

Governance costs

	2019 Student welfare	2018 Total activities
	£	£
Trustees' salaries	4,241	4,312
Trustees' social security	345	333
Wages	68,210	58,209
Office costs	1,252	1,109
Insurance	2,021	1,549
Financial consultant fees	10,300	10,000
Accountancy and legal fees	5,792	5,636
Depreciation	206	665
Bank interest	232	301
	92,599	82,114

9. TRUSTEES' REMUNERATION AND BENEFITS

	2019	2018
	£	£
Trustees' salaries	84,818	86,247
Trustees' social security	6,901	6,656
	91,719	92,903

Trustees' expenses

Trustees' expenses are incurred in performing duties for FXU and include such items as subsistence, travel and other expenses. During the year Trustees received expenses amounting to £2,648 (2018: £2,915).

10. STAFF COSTS

	2019	2018
	£	£
Wages and salaries	635,734	592,104
Social security costs	6,901	6,656
	642,635	598,760

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

	2019	2018
Administration	17	18
Management	6	8
	23	26

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows;

	2019	2018
	£	£
£60,000 - £70,000	1	1

Staff numbers are calculated on the basis of the annual total of the average number of employees paid each month, regardless of the number of hours worked.

A number of staff employed by FXU are paid via the Falmouth University payroll scheme and they are members of the Cornwall Council Local Government Pension Scheme, which is a funded defined benefit scheme. As FXU is unable to identify the share of assets and liabilities relating to its employees under the scheme, the contributions payable in respect of these employees are charged to the SOFA in the year in which they are made. Salary costs are funded by grants from Falmouth University and the University of Exeter.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	789,300	60,001	849,301
Charitable activities			
Student welfare	130,986	267,290	398,276
Other trading activities	46,191	-	46,191
Investment income	5,071	-	5,071
Other income	300	-	300
Total	971,848	327,291	1,299,139

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
EXPENDITURE ON			
Raising funds	19,783	-	19,783
Charitable activities			
Student welfare	931,136	295,618	1,226,754
Total	950,919	295,618	1,246,537
Net gains/(losses) on investments	(10,000)	-	(10,000)
NET INCOME	10,929	31,673	42,602
Transfers between funds	13,799	(13,799)	-
Net movement in funds	24,728	17,874	42,602
RECONCILIATION OF FUNDS			
Total funds brought forward	177,085	51,595	228,680
TOTAL FUNDS CARRIED FORWARD	201,813	69,469	271,282

12. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 August 2018	47,886	8,137	37,494	93,517
Additions	7,446	-	-	7,446
At 31 July 2019	55,332	8,137	37,494	100,963
DEPRECIATION				
At 1 August 2018	36,722	8,137	37,494	82,353
Charge for year	5,117	-	-	5,117
At 31 July 2019	41,839	8,137	37,494	87,470
NET BOOK VALUE				
At 31 July 2019	13,493	-	-	13,493
At 31 July 2018	11,164	-	-	11,164

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	6,538	11,384
Other debtors	19,805	39,137
	26,343	50,521

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	16,067	6,952
Taxation and social security	1,309	(4,611)
Other creditors	146,915	185,686
	164,291	188,027

15. MOVEMENT IN FUNDS

	At 1/8/18	Net movement in funds	Transfers between funds	At 31/7/19
	£	£	£	£
Unrestricted funds				
General purpose fund	120,113	33,028	992	154,133
Reserve account	32,700	-	-	32,700
Minibus	49,000	-	-	49,000
Teaching Excellence Framework	-	-	15,067	15,067
	201,813	33,028	16,059	250,900
Restricted funds				
Activity fund	66,948	22,479	(16,059)	73,368
Green living project	2,521	(2,521)	-	-
BUCS Active Fund	-	4,045	-	4,045
	69,469	24,003	(16,059)	77,413
TOTAL FUNDS	271,282	57,031	-	328,313

15. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General purpose fund	972,999	(939,971)	33,028
Restricted funds			
Activity fund	368,545	(346,066)	22,479
Green living project	-	(2,521)	(2,521)
BUCS Active Fund	7,860	(3,815)	4,045
	376,405	(352,402)	24,003
TOTAL FUNDS	1,349,404	(1,292,373)	57,031

Comparatives for movement in funds

	At 1/8/17 £	Net movement in funds £	Transfers between funds £	At 31/7/18 £
Unrestricted Funds				
General purpose fund	95,385	10,487	14,241	120,113
Reserve account	32,700	-	-	32,700
Minibus	49,000	-	-	49,000
Student led event	-	442	(442)	-
	177,085	10,929	13,799	201,813
Restricted Funds				
Activity fund	43,055	33,830	(9,937)	66,948
Green living project	3,605	(1,084)	-	2,521
RAG/RAD Donations	4,935	(1,073)	(3,862)	-
	51,595	31,673	(13,799)	69,469
TOTAL FUNDS	228,680	42,602	-	271,282

15. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General purpose fund	957,333	(936,846)	(10,000)	10,487
Student led event	14,515	(14,073)	-	442
	971,848	(950,919)	(10,000)	10,929
Restricted funds				
Activity fund	328,352	(294,522)	-	33,830
Green living project	12	(1,096)	-	(1,084)
RAG/RAD Donations	(1,073)	-	-	(1,073)
	327,291	(295,618)	-	31,673
TOTAL FUNDS	1,299,139	(1,246,537)	(10,000)	42,602

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

	At 1/8/17 £	Net movement in funds £	Transfers between funds £	At 31/7/19 £
Unrestricted funds				
General purpose fund	95,385	43,515	15,233	154,133
Reserve account	32,700	-	-	32,700
Minibus	49,000	-	-	49,000
Student led event	-	442	(442)	-
Teaching Excellence Framework	-	-	15,067	15,067
Restricted funds				
Activity fund	43,055	56,309	(25,996)	73,368
Green living project	3,605	(3,605)	-	-
RAG/RAD Donations	4,935	(1,073)	(3,862)	-
BUCS Active Fund	-	4,045	-	4,045
	51,595	55,676	(29,858)	77,413
TOTAL FUNDS	228,680	99,633	-	328,313

15. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General purpose fund	1,930,332	(1,876,817)	(10,000)	43,515
Student led event	14,515	(14,073)	-	442
	1,944,847	(1,890,890)	(10,000)	43,957
Restricted funds				
Activity fund	696,897	(640,588)	-	56,309
Green living project	12	(3,617)	-	(3,605)
RAG/RAD Donations	(1,073)	-	-	(1,073)
BUCS Active Fund	7,860	(3,815)	-	4,045
	703,696	(648,020)	-	55,676
TOTAL FUNDS	2,648,543	(2,538,910)	(10,000)	99,633

Designated Funds

Minibus - funds designated for the purchase of an additional minibus.

Reserve account - funds designated as a financial reserve in accordance with the reserves policy as detailed in the Report of the Trustees.

Student Led Event - funds designated towards particular student events and projects which have been awarded to students but remain unspent at the end of the year.

Restricted funds

Active Community Fund - Funds received from Falmouth University, University of Exeter, Cornwall Campus and various other sources to cover costs incurred in supporting students in undertaking volunteering activities.

Activities Fund - Funds received from Falmouth University and University of Exeter, Cornwall Campus, as well as income collected as student memberships, to cover costs incurred in the running of various sporting activities for the students.

Green Living Project - Funds received from NUS which are provided with the aim of producing a generation of environmentally aware students through education, engagement and employment.

BUCS Active fund - Funds received from British Universities & Colleges Sport to fund a project linked to using physical activity to tackle mental health issues.

16. RELATED PARTY DISCLOSURES

Falmouth University

During the year Falmouth University (Falmouth) provided total grant funding of £573,670 (2018: £545,565). This includes £30,000 (2018: £30,000) towards sports and the remainder comprises an unrestricted block grant and other project grants. Falmouth University recharged staff costs of £541,716 (2018: £487,684) to FXU during the year. An amount of £131,127 (2018: £130,472) was included in creditors at the year end. an In addition other expenses of £3,942 (2018: £3,657) were charged to FXU and £4,723 (2018: £3,379) was charged by FXU.

University of Exeter, Cornwall Campus

During the year University of Exeter, Cornwall Campus provided total grant funding of £352,519 (2018: £303,736). This includes £30,000 (2018: £30,000) towards sports and the remainder is an unrestricted block grant and other project grants. During the year an amount of £10,606 (2018: £10,135) was charged to FXU and £3,973 (2018: £12,780) was charged by FXU. At the end of the year an amount of £435 (2018: £5,345) was owed by the University of Exeter and £nil (2018: £550) was due to the University of Exeter.

Falmouth Exeter Plus

During the previous year, the final return on an investment made by FXU in a cafeteria was £23,848. This amount was settled during the current year and the agreement is now being renegotiated. In this financial year FXU was charged £34,138 (2018: £49,288) for various items of expenditure and ticket sales for events, and invoiced £2,922 (2018: £1,064) to Falmouth Exeter Plus. FXU was owed £nil (2018: £23,848) by Falmouth Exeter Plus at the year end.

17. ULTIMATE CONTROLLING PARTY

During the year the FXU was under the control of the FXU Board. The ultimate decision-making body of FXU is the combined student body.

FALMOUTH & EXETER STUDENTS' UNION

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2019

	2019 £	2018 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	934,049	849,301
	934,049	849,301
Other trading activities		
Minibus hire	1,500	6,989
Hoodie sales	460	2,173
Miscellaneous income	9,108	5,441
Commissions	4,327	31,588
	15,395	46,191
Investment income		
Interest and card charges	-	5,071
Charitable activities		
Freshers' income	91,849	88,820
Entertainment income	-	41,093
Sports and societies income	308,111	268,363
	399,960	398,276
Other income		
Gain on sale of tangible fixed assets	-	300
Total incoming resources	1,349,404	1,299,139
EXPENDITURE		
Raising donations and legacies		
Wages	19,169	15,320
Office costs	1,252	1,109
Insurance and subscriptions	2,021	1,549
Depreciation of tangible fixed assets	206	665
Interest and charges	232	301
	22,880	18,944
Other trading activities		
Merchandise	292	839
Charitable activities		
Wages	203,520	205,803
Entertainment	-	14,073
Freshers' fortnight	94,643	51,274
Graduation	(5,073)	88,166
Carried forward	293,090	359,316

FALMOUTH & EXETER STUDENTS' UNION

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2019

	2019 £	2018 £
Charitable activities		
Brought forward	293,090	359,316
Sports clubs and societies	322,062	294,522
Minibus expenses	31,330	16,899
Widening Student Participation	3,622	2,388
Teaching Excellence Framework	20,380	10,029
Volunteering	5,338	-
Community Wardens Expenditure	4,488	-
Project Voices Expenditure	7,444	-
	687,754	683,154
Support costs		
Management		
Trustees' salaries	80,577	81,935
Trustees' social security	6,556	6,323
Trustees' expenses	2,648	2,915
Wages	260,017	226,525
Office costs	22,535	19,963
Insurance and subscriptions	36,377	27,878
Other expenses	54,540	58,997
Travel and subsistence	4,990	5,226
Training	12,728	14,345
Depreciation of tangible fixed assets	3,705	11,966
Interest and charges	4,175	5,413
	488,848	461,486
Governance costs		
Trustees' salaries	4,241	4,312
Trustees' social security	345	333
Wages	68,210	58,209
Office costs	1,252	1,109
Insurance	2,021	1,549
Financial consultant fees	10,300	10,000
Accountancy and legal fees	5,792	5,636
Depreciation	206	665
Bank interest	232	301
	92,599	82,114
Total resources expended	1,292,373	1,246,537
Net income before gains and losses	57,031	52,602
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	-	(10,000)
Net income	57,031	42,602