

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

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UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2019

Trustees	Marta Szurmiej (resigned 14 June 2019) ¹ Simone Ziel (resigned 14 June 2019) ¹ Wesley Clowes (resigned 14 June 2019) ¹ Zunera Siraj (resigned 26 June 2019) ² Callum Mitchell (appointed 1 July 2018) ^{1,2,4} Lennon Norris (resigned 3 April 2019) ² Eleanor Lockett ² Oliver Williams, Vice Chair (resigned 1 April 2019) ³ Josh Smith (resigned 1 June 2019) ³ Katie Taylor (appointed 15 June 2019, resigned 27 September 2019) ¹ Roosevelt Avi (appointed 31 January 2019) ³ Andrew Fisher (appointed 31 January 2019) ³ ¹ Sabbatical Officers ² Student Trustees ³ External Trustees ⁴ Appointed Student Trustee 1 July 2018; 15 June 2019 appointed as Sabbatical Officer
Charity registered number	1165619
Principal office	UCA Students' Union Farnham Campus Falkner Road Farnham GU9 7DS
Chief executive officer	Jamie Stratton (resigned 9 August 2018) Andy Squire (interim appointment 09 July 2018, permanent appointment 11 October 2018)
Independent auditors	Moore Kingston Smith LLP Chartered Accountants & Statutory Auditors Devonshire House 60 Goswell Road London EC1M 7AD
Bankers	National Westminster Bank Plc 39 The Borough Farnham Surrey GU9 7NR

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2019

The Trustees present their annual report for the year ended 31 July 2019 under the Charities Act 2011, together with the audited financial statements of the charity for the year.

University for the Creative Arts Students' Union (UCASU) is an unincorporated charity.

Reference and administrative details

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

The Trustees

The trustees who served the charity during the period are noted on page 1.

Key Management Personnel

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

Chief Executive	Andy Squire
Head of Membership Engagement	Sophie Jackson

Throughout the year 2018-2019, UCASU's senior management team consisted of just these two individuals.

Structure, Governance and Management

UCASU is constituted under the Education Act 1994 as a charity, with internal regulations or Rules approved by the governing body of University for the Creative Arts (the University). UCASU's charitable objectives are:

- 1) promoting the interests and welfare of Students at the University for the Creative Arts during their course of study and representing, supporting and advising Students;
- 2) being the recognised representative channel between Students and University for the Creative Arts and any other external bodies;
- 3) providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its Students.

The Full Time Officers are elected annually by cross-campus secret ballot of the UCASU membership. These are President Kent and President Surrey. These are new positions, as a result of a vote by Executive Committee to change from a structure which included a Union President position. The Full Time Officers began their term of office on June 15th 2018. These roles are full-time posts remunerated as authorised by the Education Act 1994 and cannot exceed two years duration for each holder. The two full-time, four volunteer Student Trustees and three volunteer External Trustees are regarded as the charity Trustees of UCASU for the purposes of the Charities Act. The External Trustees may serve a term of 2 years, with an opportunity for their term to be renewed for an additional 2 years.

All sabbatical Officer Trustees and student Trustees are elected via a cross campus ballot in our election. This is according to the election regulations set out in the Education Act 1994.

All external Trustees are selected by the Union's appointments committee. To ensure continuity, we appoint up to four external Trustees on a two-year term with an option for an additional two years (maximum four years per Trustee). Our current external Trustees, Andrew Fisher and Roosevelt Avi have served on the board since January 2019 respectively. There is a system in place to recruit new Trustees to ensure continuity of board make up for the future.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019

Organisational Management

a. Structure and responsibilities

The structure for 2018-2019 was that the Executive Committee and Sabbatical Officers were responsible for suggesting and approving the general policy of the Union.

The Trustee Board meets quarterly to receive reports from individual Sabbatical Officers, sub-committees and the Chief Executive, to review the charity's performance and administration generally and to decide policy issues arising. UCASU also employs a number of non-student full-time (FT) staff for the sake of continuity in the management of its many activities. Those staff are accountable to the Chief Executive for the performance of their duties. The staff team consists of eight FT staff (not including the paid sabbatical Trustees), including and led by the Chief Executive.

The charity has a wider network within the National Union of Students, who we affiliate to as a national body, and provide us with support and training to support staff in their role.

The remuneration of key management personnel is set by the Board, with the policy objective of ensuring that they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Union's success.

We currently do not have any exemptions from disclosure. The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with other Unions to ensure that the Union remains sensitive to the broader issues of pay and employment conditions elsewhere. We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope to be rewarded for excellence. Delivery of the Union's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

b. Relationship with University for the Creative Arts

The relationship between the University and UCASU is established in the Regulations of the University and detailed in UCASU Rules approved by both organisations. UCASU receives a Block Grant from the University that is agreed annually. UCASU part occupies a building owned by the University, which also pays for utilities, caretaking and cleaning staff. This non-monetary support is intrinsic to the relationship between the University and UCASU. Although UCASU continues to generate supplementary funding from various mutual trading activities, it will always be dependent on the University's support.

The Trustees consider it reasonable to anticipate that this or equivalent support from the University will continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body in one form or another. The Trustees therefore consider the Union to be financially viable for the foreseeable future.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019

Strategic report (continued)

Organisational Management (continued)

c. Principal Risks and Uncertainties

The Board reviews the Union's current and planned future activities in the light of any major risks arising from time to time and the effectiveness of systems and procedures designed to manage them. The Trustee Board takes reasonable steps to be informed of, and assess in order to mitigate, the strategic and operational risks that face UCASU, and is responsible for maintaining a risk register that has allocated risk owners alongside them. This is reviewed twice a year by the audit, finance and risk committee. The principal risks and uncertainties currently facing the Union are considered to be;

- Overreliance on the university block grant
- Not meeting income targets
- Failing to recruit and retain high calibre staff
- Unequal provision of SU activities across the four campuses

Our current financial position places heavy reliance on the university's block grant given to us. In challenging economic times, it is a risk to place such emphasis on one source of income. We are therefore working to diversify our income streams in order to support our financial position. The success of these new income streams will affect our position and performance going forward.

With these risks being considered, the Trustees considered that there are no principal uncertainties for the charity as a going concern.

Financial review

a. Overview

UCASU has completed the 2018-19 financial year with an overall deficit of £17.3k. The budget approved in August 2018 would have resulted in a c£24k deficit, and this was reduced to break even when the scale of the 2017-18 deficit was known in month six, January 2019. While break even was ultimately not achieved, a range of new financial controls introduced at that time are now in place.

Commercial income has been strong, reflecting our efforts to provide more and better activities and goods to students. The targets for income generation have been ambitious in previous years, and realistic targets for 2018-19 have proven better for budgeting.

The Trustees have asked management to aim for balanced budgets over coming periods, building on the investment made particularly in clubs and societies and capital expenditure for events to ensure financial sustainability in future budgets.

b. Reserves policy

Reserves of unrestricted funds stood at £121,430 at the year-end (compared to £134,816 at year-end 2017-2018). The Trustees agreed in 2016-2017 a reserves policy for three months of the Union's budgeted income. For 2019-2020, this level stands at just above £121,000 so it is necessary to ensure spending is kept under control.

Our restricted funds level stands at £8,376 (compared to £12,306 at year-end 2017/18) and these restricted funds are used for our clubs and societies accounts.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019

Strategic report (continued)

Financial review (continued)

c. Custodian Activities: Clubs and Societies' Funds and the annual RAG

UCASU is custodian of the annual RAG proceeds from fundraising events organised by the students under UCASU auspices for distribution to the intended charities. We currently do not have a RAG programme and therefore no funds have been raised under RAG for 2018-2019.

d. Policy on grant making

UCASU has made no grants in 2018-2019 and currently has no plans to in the future. We therefore do not have a grant making policy. UCASU does not engage external professional fundraisers or commercial participators to undertake any fundraising activities and has received no complaints about fundraising practices in the year of review or subsequently.

e. Policy on social investment including program related investment

UCASU has no social investments as defined by the Charity SORP.

f. Contribution by volunteers

The charity relies heavily on the work of our volunteers in order to drive the student experience. Our volunteers are made up entirely from the student body and we have over 5% of our student population who are an active volunteer within our core activities such as course reps, clubs and societies, campaigners and democratic engagement. We are greatly appreciative of all of the hard work undertaken by our volunteers and without their work, we would not be able to operate effectively as a student led organisation.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019

Aims, Objectives and Activities

a. Vision, Objectives and Activities

The Trustee Board have identified the following as the mission, vision and values of the union. This is part of the union's strategic plan that was agreed from July 2016.

Vision :

All students are empowered to flourish in their passion and their individuality in becoming the new wave of creatives.

Mission :

To strengthen the creative community and ensure equality of opportunity by championing students ideas, removing barriers to education and supporting innovative students.

Values :

Strong
Supportive
Visionary
Diverse and Inclusive
Student Led

The following are themes and objectives as part of the main strategy;

Theme 1 — A thriving community; which supports students in and beyond university

Objectives:

We will grow and develop large and diverse social communities that bring students together for a collective purpose. We will ensure that all students have an opportunity to be part of a large scale, diverse community by 2020.

We will create fun and exciting campus communities that transform the physical environment at UCA. We will ensure that all students feel part of a safe and inclusive environment and work with the university to create a positive learning environment and a secure social environment.

We will develop active links between the university, students and our local communities in order to foster a community of social activists. We will create partnerships and close links between local councils and volunteering organisations in order significantly boost our reputation within the local community and to foster and support student ideas in order to make positive change.

Theme 2 - A transformative education; which means that all students can thrive during their time at UCA and beyond.

Objectives:

- We will develop a partnership with the university that enables students to directly influence their own learning and teaching. We will ensure that all students are able to influence and develop new, progressive ideas and we will ensure UCA recognises the students union at all levels of decision making.
- We will provide access to detailed welfare, wellbeing and learner support for all students. UCASU will work in partnership with the university to provide high quality provision and support within all areas and will be able to shape a high quality educational experience by 2020.
- We will ensure that every student has the equal opportunity to succeed in their chosen academic field

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019

Aims, Objectives and Activities (continued)

and reach their full potential. UCASU will work with the university to ensure that every student has fair and equal access to high quality provision and is able to fully support themselves through their academic journey

Theme 3 — Accomplished and fulfilled students; ready to make a creative impact

Objectives:

- We will support students to be innovative and start their own enterprises. We will become known as a supportive and nurturing hub and become recognised for producing ambitious and exciting led social enterprises and a hub for live practices and creatives.
- We will equip our students with skills and knowledge in order to become a successful graduate. Students will be able to recognise a direct impact that UCASU has had on their development and we will continue to ensure that students are supported throughout their journey into employment.
- We will develop a variety of opportunities for students to participate in paid internships, placements and networking opportunities. We will be recognised for producing high quality graduates and by 2020, we will be accessed by high profile organisations for students who were involved within UCASU.
- In pursuit of these aims for the public benefit, UCASU will ensure the diversity of its membership is recognised, valued and supported and has established departments and services for use by its members and to support its work with the university and other organisations on behalf of students.
- UCASU continues to represent the students of this University on relevant local, national and international issues by maintaining a high proportion of student representatives. Student representatives now sit on and contribute to all University committees and school and course boards which allows the Union to cater effectively to the needs of the students. Student representatives are present on all policy and strategy making boards.
- To further enhance the student experience, UCASU attract students from all walks of life to get involved in the Union, the University and the local community by actively promoting the benefits of volunteering in student-led activities.
- When reviewing our objectives and planning our activities, we have given due consideration to the Charity Commission's general and relevant supplementary guidance on public benefit.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019

Aims, Objectives and Activities (continued)

b. Achievements and performance

UCASU achieved the following during 2018/19:

- 54 clubs and societies received over 500 memberships across all campuses, helping students make friends and create a sense of belonging.
- Over 10,000 individual student attendances were recorded during our Freshers programme of activities.
- Unify, our pop-up gallery in a vacant shopfront in Farnham exhibited work by more than 30 students and helped them raise over £2,000 through selling to the public.
- Our advice service provided assistance to students in 258 cases, ranging from academic appeals to mitigating circumstances.
- The 'Open' events programme delivered more than 500 free or cheap activities to students at all campuses, providing new experiences and opportunities to meet others who share similar interests.
- Commercial event attendances are at the highest level in recent years.

We have performed well against objectives set within our strategy. We have been successful in our strong membership engagement targets around clubs and societies, course reps, liberation groups and democratic engagement regarding elections.

Future plans

The UCASU team has decreased by three since the 2017-2018 year and the organisation will experience a drop of £23,000 in funding from the institution. These factors combined with ambitions for an increase in activity to promote engagement across a geographic spread of four sites over 100 miles means the Union's operating conditions are under significantly higher pressure. It will be necessary to seek support from the institution or aggressive commercial development to undertake any substantial development of our offer.

We will develop our Communities programming to continue our success around enhancing campus communities and fostering a sense of belonging among our members.

Our Freshers activities will improve in quality of offer, building on the foundation of commercial reconfiguration started in 2016. Following this, we will continue to create opportunities within the local community, through which at least 50 members will contribute to building links between students and the campus town or city.

Our work to represent marginalised or under-represented groups will expand, making our activity in this area more visible and impactful.

When things aren't going to plan, we will provide a supportive hand to students who need it. Our advice service is key to this and will assist over 200 students through the year.

Post Balance Sheet events

The impact of Covid-19 has been considered on the charity's future plans and budgeting processes and the effect of the outbreak is not expected to present a significant risk into the July 2020 year end. The effect on this year's financial statements has been considered in note 22 – Post Balance Sheet Events of the financial statements.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019

Members' liability

The Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

Statement of Trustees' responsibilities

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 & 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 charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Moore Kingston Smith LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2019**

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Callum Mitchell

Date: 27/05/2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

Opinion

We have audited the financial statements of University of the Creative Arts Students' Union for the year ended 31 July 2019 which comprise the Statement of Financial Activities, 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 conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION (CONTINUED)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; 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 required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement], 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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP, Statutory Auditor
Chartered Accountants & Statutory Auditors
Devonshire House
60 Goswell Road
London
EC1M 7AD

Moore Kingston Smith LLP.

Date: 28/05/2020

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

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

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

	Note	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Income from:					
Charitable activities	2	-	449,055	449,055	444,701
Other trading activities	3	-	880	880	2,150
Investments	4	-	179	179	63
Other income	5	14,384	38,181	52,565	38,076
Total income		<u>14,384</u>	<u>488,295</u>	<u>502,679</u>	<u>484,990</u>
Expenditure on:					
Charitable activities	6	17,414	454,520	471,934	479,544
Other expenditure	7	900	47,161	48,061	65,224
Total expenditure		<u>18,314</u>	<u>501,681</u>	<u>519,995</u>	<u>544,768</u>
Net movement in funds		<u>(3,930)</u>	<u>(13,386)</u>	<u>(17,316)</u>	<u>(59,778)</u>
Reconciliation of funds:					
Total funds brought forward		12,306	134,816	147,122	206,900
Net movement in funds		(3,930)	(13,386)	(17,316)	(59,778)
Total funds carried forward		<u>8,376</u>	<u>121,430</u>	<u>129,806</u>	<u>147,122</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 30 form part of these financial statements.

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

**BALANCE SHEET
AS AT 31 JULY 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	10	11,979	9,751
		<u>11,979</u>	<u>9,751</u>
Current assets			
Stocks	11	8,153	11,114
Debtors	12	42,462	17,444
Cash at bank and in hand		99,395	175,170
		<u>150,010</u>	<u>203,728</u>
Creditors: amounts falling due within one year	13	(32,183)	(66,357)
Net current assets		<u>117,827</u>	<u>137,371</u>
Total assets less current liabilities		<u>129,806</u>	<u>147,122</u>
Net assets		<u>129,806</u>	<u>147,122</u>
Total net assets		<u><u>129,806</u></u>	<u><u>147,122</u></u>
Charity funds			
Restricted funds	15	8,376	12,306
Unrestricted funds	15	121,430	134,816
Total funds		<u><u>129,806</u></u>	<u><u>147,122</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Callum Mitchell



Date: 27/05/2020

The notes on pages 17 to 30 form part of these financial statements.

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2019**

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash used in operating activities	18	(69,057)	<i>(24,358)</i>
Cash flows from investing activities			
Purchase of tangible fixed assets		(6,718)	<i>(10,123)</i>
Net cash used in investing activities		(6,718)	<i>(10,123)</i>
Cash flows from financing activities			
Net cash provided by financing activities		-	<i>-</i>
Change in cash and cash equivalents in the year		(75,775)	<i>(34,481)</i>
Cash and cash equivalents at the beginning of the year		175,170	<i>209,651</i>
Cash and cash equivalents at the end of the year		<u>99,395</u>	<i><u>175,170</u></i>

The notes on pages 17 to 30 from part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

1.2 Going concern

The trustees have assessed whether the use of going concern is appropriate and made this assessment for a period of at least one year from the date of the approval of these financial statements.

The trustees have given due consideration for the effects of the Covid-19 outbreak, which occurred before these financial statements were signed. The charity is largely sheltered from the expected effects of this due to its major income stream being a block grant from the University of Creative Arts. Although the total amount of this grant for 2020/21 and the timing of its receipt has not been formally approved by the University at the date of signing these financial statements, the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body in one form or another and therefore the Trustees are confident of its receipt. Events and society programmes that were expected to take place throughout the 2020/21-financial year will be affected, although it is anticipated that whilst these income streams will fall they will be offset by a fall in associated expenditure.

The Trustees are therefore confident that the charity will continue to meet its obligations as they fall due and that the going concern basis continues to be appropriate. _

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income from trading, including merchandising, retailing and entertainment services, is derived from the Student Union's primary purpose trading activities. Income is recognised as receivable excluding VAT.

Grants, where entitlement is conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

The subvention grant represents the block grant receivable from the university for the year and is reviewed annually. It is recognised in the period for which it falls due.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the Students' Union.

Governance costs, included with support costs, relate to those costs incurred in connection with the administration of the Students' Union and compliance with statutory and constitutional matters.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £200 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Computers and office equipment	- 25% straight line
Bar and entertainment equipment	- between 25% and 50% straight line

1.7 Stocks

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

1. Accounting policies (continued)

1.8 Employee Benefits

The cost of short-term employee benefits are recognised as a cost and any unpaid amounts as a liability.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services have been received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.12 Financial instruments

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

1.13 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

1. Accounting policies (continued)

1.14 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

2. Income from charitable activities

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Subvention grant	392,245	392,245	392,141
Entertainment income	33,871	33,871	25,833
Entertainment fundraising income	22,939	22,939	26,727
Total 2019	<u>449,055</u>	<u>449,055</u>	<u>444,701</u>

3. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Amusement machine income	880	880	2,161
Other income	-	-	(11)
	<u>880</u>	<u>880</u>	<u>2,150</u>

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

4. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Interest receivable	<u>179</u>	<u>179</u>	<u>63</u>

5. Other incoming resources

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Advertising income	-	2,254	2,254	1,696
Merchandising	-	15,744	15,744	13,862
Market stalls	-	11,705	11,705	1,453
Membership income	-	7,178	7,178	11,904
Clubs and societies subscriptions	14,384	-	14,384	9,161
Other income	-	1,300	1,300	-
	<u>14,384</u>	<u>38,181</u>	<u>52,565</u>	<u>38,076</u>
<i>Total 2018</i>	<u>9,161</u>	<u>28,915</u>	<u>38,076</u>	

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Support costs	-	21,800	21,800	24,439
Students' Union	17,414	432,720	450,134	455,105
	<u>17,414</u>	<u>454,520</u>	<u>471,934</u>	<u>479,544</u>
<i>Total 2018</i>	<u>8,544</u>	<u>471,000</u>	<u>479,544</u>	

7. Other expenditure

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Bars and fundraising	-	1,170	1,170	1,387
Commercial services	900	6,428	7,328	17,542
Entertainment	-	39,563	39,563	46,295
	<u>900</u>	<u>47,161</u>	<u>48,061</u>	<u>65,224</u>
<i>Total 2018</i>	<u>764</u>	<u>64,460</u>	<u>65,224</u>	

8. Auditors' remuneration

	2019 £	<i>2018 £</i>
Fees payable to the charity's Auditor for the audit of the charity's annual accounts	<u>9,500</u>	<u>9,000</u>

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

9. Staff costs

	2019 £	2018 £
Wages and salaries	306,142	304,043
Social security costs	19,696	21,398
Contribution to defined contribution pension schemes	10,950	10,034
	<u>336,788</u>	<u>335,475</u>

The average number of persons employed by the charity during the year was as follows:

	2019 No.	2018 No.
Staff	<u>11</u>	<u>11</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel include the Trustees, Chief Executive and senior staff as described in the Trustees Report. The total employee benefits of the charity's key management personnel were £82,636 (2018: £116,480). The salaries of sabbatical officers (who are also Trustees) are not included in this total and are disclosed below.

Trustees' Expenses

Expenses for travel, subsistence and accommodation amounting to £2,276 (2018: £4,061) was reimbursed to three (2018: six) Trustees during the year.

Five Trustees (2018: five) received remuneration totalling £57,349 (2018: £56,335) as permitted by the Constitution and By-Laws for services as sabbatical officers in the period.

At the year end, three Trustees were owed £493 (2018: four Trustees owed £216).

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

10. Tangible fixed assets

	Computers and office equipment £	Bar and entertainment equipment £	Total £
Cost or valuation			
At 1 August 2018	30,958	7,793	38,751
Additions	3,461	3,257	6,718
At 31 July 2019	<u>34,419</u>	<u>11,050</u>	<u>45,469</u>
Depreciation			
At 1 August 2018	27,675	1,325	29,000
Charge for the year	1,850	2,640	4,490
At 31 July 2019	<u>29,525</u>	<u>3,965</u>	<u>33,490</u>
Net book value			
At 31 July 2019	<u><u>4,894</u></u>	<u><u>7,085</u></u>	<u><u>11,979</u></u>
<i>At 31 July 2018</i>	<u><u>3,283</u></u>	<u><u>6,468</u></u>	<u><u>9,751</u></u>

11. Stocks

	2019 £	2018 £
Merchandise	<u><u>8,153</u></u>	<u><u>11,114</u></u>

12. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	32,340	12,796
Other debtors	4,626	711
Prepayments and accrued income	5,496	3,937
	<u><u>42,462</u></u>	<u><u>17,444</u></u>

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

13. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	13,067	16,487
Other taxation and social security	2,729	12,807
Other creditors	2,805	51
Accruals and deferred income	13,582	37,012
	<u>32,183</u>	<u>66,357</u>

14. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through income and expenditure	99,395	175,170
Financial assets that are debt instruments measured at amortised cost	36,966	13,506
	<u>136,361</u>	<u>188,676</u>

	2019 £	2018 £
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(28,631)</u>	<u>(30,776)</u>

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

15. Statement of funds

Statement of funds - current year

	Balance at 1 August 2018 £	Income £	Expenditure £	Balance at 31 July 2019 £
Unrestricted funds				
Reserves	<u>134,816</u>	<u>488,295</u>	<u>(501,681)</u>	<u>121,430</u>
Restricted funds				
Restricted Funds - all funds	<u>12,306</u>	<u>14,384</u>	<u>(18,314)</u>	<u>8,376</u>
Total of funds	<u><u>147,122</u></u>	<u><u>502,679</u></u>	<u><u>(519,995)</u></u>	<u><u>129,806</u></u>

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019

15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 August 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 July 2018 £</i>
Unrestricted funds				
Reserves	<u>194,447</u>	<u>475,829</u>	<u>(535,460)</u>	<u>134,816</u>
Restricted funds				
Restricted Funds - all funds	<u>12,453</u>	<u>9,161</u>	<u>(9,308)</u>	<u>12,306</u>
Total of funds	<u>206,900</u>	<u>484,990</u>	<u>(544,768)</u>	<u>147,122</u>

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

16. Summary of funds

Summary of funds - current year

	Balance at 1 August 2018 £	Income £	Expenditure £	Balance at 31 July 2019 £
General funds	134,816	488,295	(501,681)	121,430
Restricted funds	12,306	14,384	(18,314)	8,376
	<u>147,122</u>	<u>502,679</u>	<u>(519,995)</u>	<u>129,806</u>

Summary of funds - prior year

	<i>Balance at 1 August 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 July 2018 £</i>
General funds	194,447	475,829	(535,460)	134,816
Restricted funds	12,453	9,161	(9,308)	12,306
	<u>206,900</u>	<u>484,990</u>	<u>(544,768)</u>	<u>147,122</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	11,979	11,979
Current assets	8,376	141,634	150,010
Creditors due within one year	-	(32,183)	(32,183)
Total	<u>8,376</u>	<u>121,430</u>	<u>129,806</u>

UNIVERSITY FOR THE CREATIVE ARTS STUDENTS' UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2018 £</i>	<i>Unrestricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	9,751	9,751
Current assets	12,306	191,422	203,728
Creditors due within one year	-	(66,357)	(66,357)
Total	<u>12,306</u>	<u>134,816</u>	<u>147,122</u>

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	(17,318)	(59,778)
Adjustments for:		
Depreciation charges	4,490	4,685
Decrease in stocks	2,961	433
Increase in debtors	(25,017)	(5,048)
Increase/(decrease) in creditors	(34,173)	35,350
Net cash used in operating activities	<u>(69,057)</u>	<u>(24,358)</u>

19. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	99,395	175,170
Total cash and cash equivalents	<u>99,395</u>	<u>175,170</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2019**

20. Pension commitments

The union operates a defined contribution pension scheme for certain of its employees. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the union to the fund and amounted to £10,437 (2018: £10,034) during the year. Pension contributions totalling £2,069 (2018: £Nil) were payable to the fund at the balance sheet date and are included in creditors.

There were no pension payments made in respect of the Trustees for the year (2018: £Nil).

21. Related party transactions

During the year the charity received a subvention grant totally £392,245 (2018: £392,000) from the University for the Creative Arts (UCA).

22. Post balance sheet events

The charity has given due consideration for the effects of the Covid-19 outbreak, which occurred before these financial statements were signed. The charity is largely sheltered from the expected effects of this due to its major income stream being a block grant from the University of Creative Arts, which has been negotiated for 2020. However, events that were expected to take place throughout the following financial year have been affected although it is anticipated that these income streams will fall but will be offset by a fall in associated expenditure.

23. Controlling party

The ultimate control of the Student Union rests with its membership, represented by the Board of Trustees.