



University of York Students' Union
Annual report and consolidated
financial statements
for the year ended 31 July 2019

UNIVERSITY OF YORK STUDENTS' UNION

Contents

	Page
Introduction from the new YUSU President and CEO	3
Report of the Board of Trustees including Directors Report	6
Statement of trustees' responsibilities	17
Reference and administrative details	18
Independent auditor's report	20
Consolidated statement of financial activities	24
Consolidated balance sheet	25
Charity balance sheet	27
Consolidated cash flow statement	29
Notes to the financial statements	30

Introduction from the new YUSU President – Samara Jones



I take up the office of president as we move towards the end of the existing YUSU strategic plan launched almost 5 years ago. We are reflecting on how far we have come and also starting to look forward. This will inform our “2020 and Beyond Strategy”. Significant changes have been made since we launched our “2020 Plan” but the world around us has changed lots as well. Perhaps it has changed more than we, the University or our students could have ever imagined when we set that path.

I am excited by the prospect of working with staff, trustees, elected officers and most of all, with students, to think about the opportunities and challenges for YUSU that exist beyond 2020 and how we make YUSU an organisation which can inspire trust and help students make valuable connections. I am proud to be president of a union that is constantly changing and I am committed to making sure that the foundations I put in place this year for change are strategic, ambitious and deeply student focused. Our biggest successes and developments will be delivered by working with the University, the wider community and most of all by working with our students.

A note from the Chief Executive – Ben Vulliamy

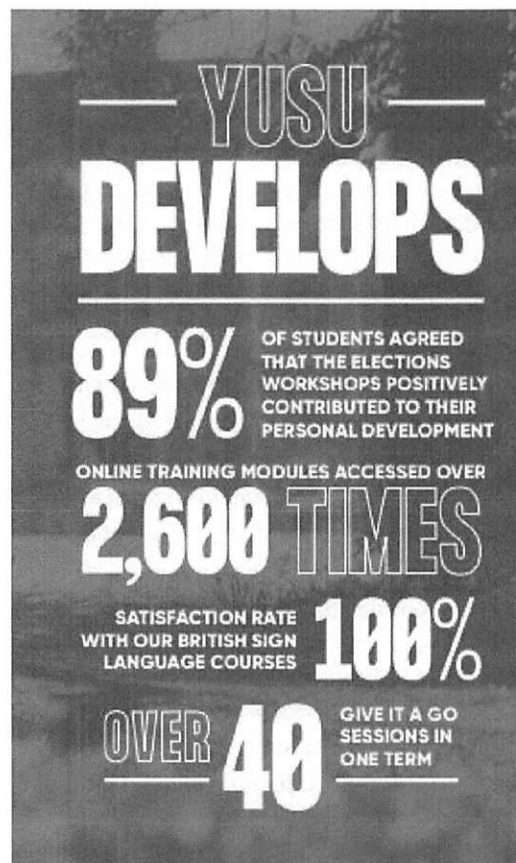
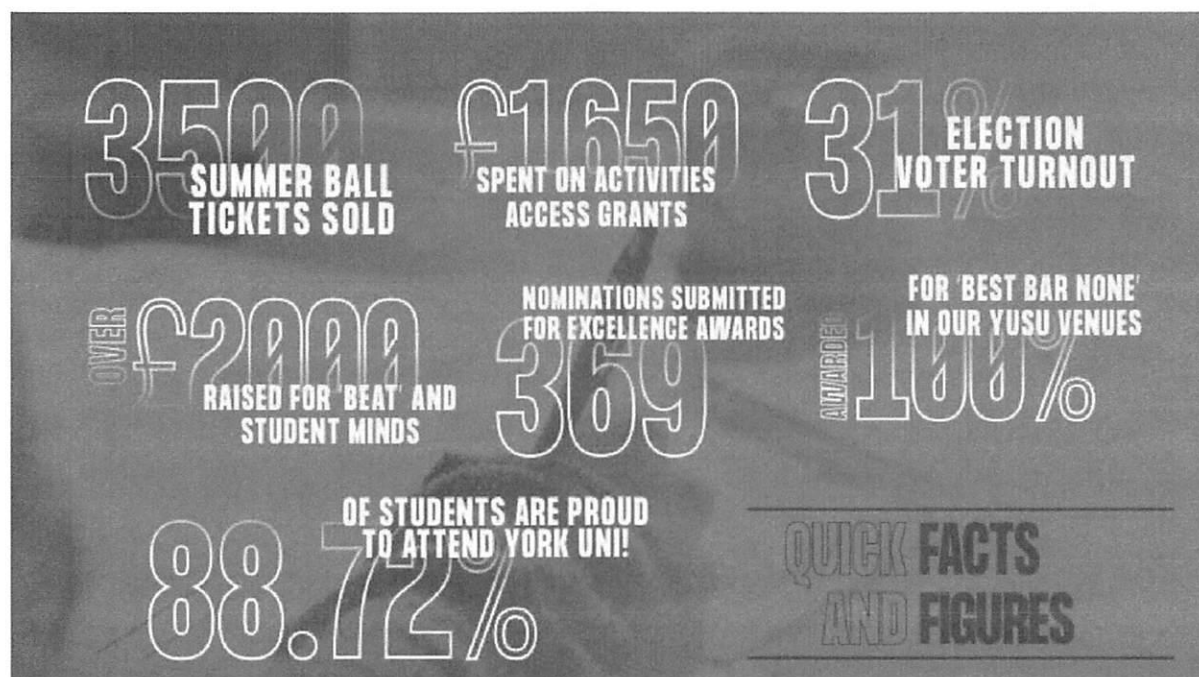
2018/19 was an exciting year for YUSU in many ways. We opened 3 new YUSU venues which have performed well in their first year allowing us to release some capital to invest in them for the future. We have paid out our largest ever amount of grants funds in a single year, investing over £175,000 of grant funds into sports clubs, societies, student media, volunteering, liberation groups and fundraising activities which help students develop and make new friends. We organised home Roses, Europe’s largest inter-sport varsity tournament and saw wider and more positive community engagement with the tournament than ever. Our student sports teams and athletes responded well and York won Roses yet again. We secured a record election turn out and generated a more diverse student sabbatical and part time officer team than in previous years with far stronger female representation from our officers for the future. We have worked closely with the University on recruiting a new vice chancellor with student focus groups contributing to the process, elected officers on recruitment panels and briefings with candidates and recruitment consultants. This shifts our institutional relationship and allows us to start to evolve a stronger culture of student engagement by the union and the University.



But we must also acknowledge that it was a challenging year in a variety of respects. Democracy and politics is an increasingly combative space. Trust in government, charities and public bodies is at an all-time low across the country and the Western world. Generating a consensus in and around policy debates is increasingly complex. The value for money agenda is pushing us to generate more income from our trading activity while paying higher salaries, ensuring better standards and reducing the cost to our students. The absence of a fit for purpose student centre building on campus is increasingly evident as our student population grows and they look for the spaces and facilities that can enable their lifestyles and relationships to flourish.

We recognise that we don’t have the resources that many of our benchmark students unions do, particularly in regards to physical space. This contributes to a sense of enterprise and creativity which we should try to harness because, despite our lack of resource, our students want to engage in our student groups, want us to deliver bigger and harder hitting campaigns, want us to develop better venues, provide more student jobs, distribute more grant funding and we must do our best to meet that expectation.

Report of the Board of Trustees including Directors Report
FOR THE YEAR ENDED 31 JULY 2019



"Without help from ASC I don't think I would have carried on with my studies".

"The support I received made a big difference, and they were willing to go above and beyond when I needed someone the most".

100% of people asked felt that the information, advice and support they received made a difference.

75% of people asked felt the advice that they received from ASC enabled them to better manage their studies.

98% strongly agreed that the staff at the Advice & Support Centre were friendly and approachable.

Our Advice and Support team is an essential part of YUSU. While university is a great experience for so many people, for others it isn't always plain sailing. ASC provide independent and confidential support and guidance on academic, pastoral, and welfare issues for when you need a bit of help.

Report of the Board of Trustees including Directors Report
FOR THE YEAR ENDED 31 JULY 2019

**“ The best crowds I have ever
seen at College Varsity**


**403 STUDENTS
TRAVELLED
TO DURHAM
FOR VARSITY**


**54 TRAINED
VOLUNTEERS
AT ROSES**

**BESPOKE ROSES
LAGER, CREATED
BY BREW YORK!**

**TOTAL HOURS
VOLUNTEERED
AT ROSES: 427**

**10P OF EVERY
LAGER SOLD
WENT TO
OUR CHARITY
PARTNERS**

 **YORK SPORT
AND ROSES**

STUDENT VOICE 

430 nominations and 2027 votes for Course Rep elections
(the highest number of online votes YUSU has ever received!)

30 Department Reps

343 Course Reps

56.92% of students believe that YUSU effectively represents them.

First female University Challenge team member in 5 years!

Report of the Board of Trustees Including Directors Report
FOR THE YEAR ENDED 31 JULY 2019

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

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

The Directors of the charitable company are its Trustees for the purposes of charity law.

Key developments and successes 2018/19

YUSU reopened new venues and event space following the hand over from the University of the Vanburgh Arms, D Bar, the Jack Lyons Theatre Bar and expanded venue space in Central Hall and at Greg's Place. These had been underperforming within the University portfolio in 2017/18 and we took them on with a view to developing stronger propositions through a mix of bulk purchasing with NUSL, effective use of student staff, modest capital investment and a strong central marketing. These venues increased sales year on year and generated sufficient bottom line to enable some further overdue investment during summer 2019. Our venues portfolio secured 100% in Best Bar None and a Best Bar None Gold Award.

Our annual voter turnout passed 31% of all students voting, a record number of total votes cast sees YUSU as one of the best performing students' unions in the UK for voter participation. A key objective around candidate diversity saw us secure significant increases in gender representation in particular. As a result we have 4 women on our sabbatical officer team for 2019/20 and they will represent students' views to the University and the City, with the largest ever mandate from a York student population.

Our annual Summer Ball held at the York Race Course to see out the academic year saw over 3,500 tickets sold. Despite some serious unseasonal weather conditions which created challenges for the venue and event management, the superb levels of support for the event saw a strong turn out and a huge celebration to end the academic year.

Our suite of learning and professional development opportunities for students started in 2017/18 when we recruited a full-time learning and development coordinator. An important element of our strategy this work intends to enhance the personal development outcomes of our student opportunities portfolio. During 2018/19 we launched through the program: accredited sign language courses, accredited first aid training and dramatically enhanced training for college chairs and leaders of societies securing excellent satisfaction ratings from participants.

As part of our work to widen participation in student opportunities, we launched a new YUSU opportunities access grant scheme for YUSU Student opportunities distributing £1,650 to students from low income backgrounds to help them engage in our clubs and societies. Work is being done to extend this scheme in collaboration with the university widening-participation scheme.

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

Key campaigns on 'Rent Rant' looking at making student accommodation more affordable, better quality and more accessible and 'Bustice' looking at public transport across the City were launched led by our officers and supported by a range of staff. These high profile campaigns responded to key areas of student concern in our annual membership survey (The Big Student Survey) and saw us bring together Colleges, part-time and full-time officers and liberation groups, and even residents across the City. So far the officers driving this work have secured a council scrutiny group looking into public transport, a new UoY accommodation affordability policy, online budgeting tool and enhancements to the economy rooms proposition. We have also jointly commissioned research into student housing across York in conjunction with York St John Students' Union and the York CAB.

We secured a Quality Students Union award with a rating of 'Very Good'. YUSU is one of the first unions to undertake this external assessment and audit of our union's governance, management, activities and impact. QSU is the only students' unions specific organisational evaluation framework. It was developed by the NUS Charity Board and is endorsed by a wide range of sector partners including the Committee of University Chairs, Universities UK, Guild HE and the Leadership Foundation. It was originally designed with support and funding from HEFCE. We received our award in summer 2019 at a parliamentary reception.

In our annual Green Impact Assessment we secured a 'very good' rating for the first time and fell just 3 points short of a maximum "excellent" rating which we will continue to pursue in 2019/20. This work has been a catalyst for significant new initiatives in YUSU and a much stronger collaboration with our Environment and Ethics officers. New recycling facilities have been installed, we have secured sponsorship for tree planting and new policy work has identified key lobbying targets for the Union around Green Impact.

Overview

University of York Students' Union formed a new charity as a company limited by guarantee in 2017/18. As part of the process, the Charity Commission issued a direction linking the former charity, The University of York Students' Union (no 1145259), to the new charity, University of York Students' Union (no 1173404).

The effect of this direction means that the Trustees are able to prepare a single set of accounts for the reporting charity and the linked charity.

Objectives and Activities

2016-2020 Strategy

YUSU's 2016-2020 Strategic Plan was officially launched in September 2016. This five year strategy continues to focus the Union on a larger and more diverse population benefiting from the organisation's activities and services.

Mission

The YUSU mission is simple: represent, provide opportunities and run services for all students.

Vision

Students at the heart of everything.

Values

- For, with and by students – YUSU is focused on the needs of students
- Brave – YUSU is not afraid to take on new challenges and opportunities
- Inclusive – Everyone can find their place at YUSU.

Report of the Board of Trustees including Directors Report FOR THE YEAR ENDED 31 JULY 2019

Our objects

The charitable objects of YUSU are to seek to enhance the student-experience at the University of York by providing representation, welfare services, social space and opportunities for student-development within the Union and the wider community. The aims agreed in 2011 and set out within the governing document are;

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

Public benefit

The Trustees have a duty to report on 'public benefit' by explaining the significant activities undertaken in order to carry out the aims for the public benefit and the achievements measured against those aims. The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

YUSU aims to improve and positively impact on students' lives so they enjoy their time at university and feel part of a supportive community that values all students. This is achieved through the provision of services, support and representation available for use by all members.

Through our representation work YUSU deliver democratic services and activities and co-ordinate a programme of academic representation across campus to ensure that students' voices are heard and students are supported to both shape and get the most out of their academic experience.

Through our opportunities work YUSU aim to provide a range of activities including sports clubs, societies, student media, volunteering, RAG and training and development opportunities for our student body. These activities set out to enhance the student experience, supporting them to build networks, friendships and skills that they can take with them beyond their time at the University of York.

Through our community work YUSU strives to ensure students feel part of a community that enhances their student life and create strong links with the wider York-community.

Through our well-being work YUSU deliver welfare support, information, advocacy and meet the support needs of students by providing a professional Advice and Support Centre and engaging in collaborative work to support students to develop life-skills and build resilience.

YUSU provides student job opportunities and a team of experienced and professional staff to deliver support functions. Strong communications and branding, user friendly and accessible systems, as well as the provision of safe, fun, and professional spaces and facilities support students in getting the most out of their time at university.

Achievements and performance indicators (KPIs)

Below highlights some of the key qualitative responses from our 2019 Big Student Survey which saw our largest ever volume of responses with 3139 unique responses. The survey has some key lines of inquiry designed around our "Strategy 2020" vision, mission and values. We are starting to move away from these performance metrics to a more robust range of hard measures that we will be able to generate from our new digital platform and a new approach to business and membership intelligence. We anticipate moving away from a dependency on subjective view points and towards hard measures of, for example, election turn out, club and society membership levels, grant funding allocations (with better intelligence of how this grant funding impacts on our charitable objectives) and we believe this will provide clearer intelligence on performance and impact. It should also reduce our volume and complexity of surveying, an approach that frustrates some of our trustees and members.

UNIVERSITY OF YORK STUDENTS' UNION

Report of the Board of Trustees Including Directors Report FOR THE YEAR ENDED 31 JULY 2019

Key strategic lines of enquiry. To what extent do you agree with the following statements?

YUSU is run for with and by students and is focused of the needs of students.	74.01%
YUSU is a brave organisation that is not afraid to take on new challenges and opportunities	50.61%
YUSU is inclusive where anyone can find their place	70.69%
YUSU is making a positive impact on my life as a student	63.03%
YUSU puts students at the heart of everything it does	68.22%
The University puts students at the heart of everything it does	61.21%

How satisfied are you with the following YUSU Opportunities?

YUSU Societies	84.89%
York Sport Union Club	78.26%
College Sport Team	76.04%
YUSU volunteering	79.33%
YUSU RAG opportunities	80.41%
GIAG	84.16%

Commercial Services

How would you rate The Courtyard on the following:

Helpful staff	96.59%
Friendly staff	97.22%
Quality of products	92.06%
Availability of products	90.59%
General price	82.88%
Venue atmosphere	96.20%
Total average score	94.13%

How would you rate The Lounge on the following:

Helpful staff	94.65%
Friendly staff	94.27%
Quality of products	89.94%
Availability of products	84.84%
General price	80%
Venue atmosphere	78.47%
Total average score	87.39%

UNIVERSITY OF YORK STUDENTS' UNION

Report of the Board of Trustees including Directors Report FOR THE YEAR ENDED 31 JULY 2019

How would you rate The Glasshouse on the following:	
Helpful staff	96.94%
Friendly staff	96.59%
Quality of products	91.60%
Availability of products	89.52%
General price	82.69%
Venue atmosphere	91%
Total average score	91.30%

How would you rate the Kitchen@Alcuin on the following:	
Helpful staff	97.42%
Friendly staff	97.10%
Quality of products	94.52%
Availability of products	85.26%
General price	77.85%
Venue atmosphere	94.19%
Total average score	94.36%

How would you rate The Vanbrugh Arms on the following:	
Helpful staff	98.37%
Friendly staff	97.20%
Quality of products	94.64%
Availability of products	91.14%
General price	86.48%
Venue atmosphere	89.04%
Total average score	92.89%

How would you rate D-Bar on the following:	
Helpful staff	96.18%
Friendly staff	97.10%
Quality of products	90.36%
Availability of products	88.90%
General price	88.18%
Venue atmosphere	67.64%
Total average score	89.63%

Report of the Board of Trustees including Directors Report FOR THE YEAR ENDED 31 JULY 2019

Officer profiles

I am aware of the position and understand what they do	2019
YUSU president	41.41%
YUSU academic officer	32.37%
YUSU community and well-being officer	47.35%
YUSU student activities	41.72%
YUSU York Sport president	52.16%

Representation

To what extent do you agree with the following statements	
YUSU enables students to lead their academic experience	66.91%
YUSU enables students to make change happen	61.95%
YUSU provides simple ways to provide feedback about student life	73.62%
YUSU represents all students	60.34%
YUSU effectively represents me	56.92%

Future plans

Over the course of 2019/20 we are preparing for a new Strategic Plan for 2020 and beyond. We will engage students, funders, staff, trustees and wider-community stakeholders in developing a robust plan that prioritises our work and resources in the areas that will have the greatest impact. We will simultaneously work on our existing infrastructure and resources to ensure they are resilient, student focused, and well managed. This will include:

- Continuing the implementation and roll out of our new digital partnership,
- Establishing a new people-and-leadership program for our managers,
- Developing clarity in the relationship between our charity and commercial services,
- Securing mutually respectful, but honest and challenging relationships with key stakeholders,
- Developing our membership communications, and
- Enhancing the quality of our managed estate (our venues and our student centre)

Key challenges and impacts

- Economic uncertainty following UK exit from Europe
 - Fall in interest rates result in decreased investment income
 - Fall in interest rates result in increased rise in pension deficits/liabilities
 - Impact on main funders through access to EU research grant funding and anticipated changes to the demographic profile of students
- The Impact of an early general election in a complex, rapidly changing, and challenging political climate for our students and wider society.
- Looking at the structural relationship between YUSU and our wholly owned commercial subsidiary to ensure it is efficient and gives students suitable influence and leadership of our commercial direction.
- Potential increased demand on student services as tightening of public finances impact on higher education.
- Navigating the effects of social media and anonymous media on public trust and accountability.

Report of the Board of Trustees including Directors Report
FOR THE YEAR ENDED 31 JULY 2019

- Corporate and governance risks associated with ongoing policy debates on issues such as:
 - Prevent, part of the government's counter-terrorism strategy
 - Free speech
 - No platforming
- Developing strategic synergy with the University's new management, leadership and future strategy.
- Developing understanding from the institution of how we articulate constructive challenge in the Union's approach to representation and campaigning.

Financial review

YUSU has had a good financial year. Overall income increased to £5,354,373 (2018 £5,123,390) despite YUSU closing down the retail at the end of the 2017/18 year. YUSU finished the year with an increased balanced sheet so as to improve our reserves position and enable modest capital spending plans for our new venues. The year finished with an increased cash balance of £953,371 (2018; £887,223).

Overview

These are YUSU's third consolidated financial statements prepared under Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) (FRS 102) that incorporate disclosures in relation to defined benefit pension scheme deficits held on the balance sheet.

Statement of comprehensive income & expenditure - overall movements in the year were:

	2019	2018	Movement
	£	£	£
Total income	5,354,373	5,123,390	230,983
Total expenditure	<u>5,305,055</u>	<u>5,091,488</u>	<u>213,567</u>
Net incoming resources	49,318	31,902	17,416

Unrestricted income for the year increased by £87,062 (2.4%) to £3,785,371 (2018: £3,698,309) with unrestricted expenditure increasing by £32,331 (0.9%) to £3,731,916 (2018: £3,699,585) resulting in a surplus of £58,455 (2018: deficit was £1,276).

In order to accommodate the defined benefit pension scheme provision there has been careful management of charitable funds throughout the year which has resulted in an overall unrestricted balance sheet surplus position of £50,118.

Income streams have performed well overall. The annual recurrent grant contribution from the University increased by £64,453 (5%) to £1,260,783 (2018: £1,195,330).

Trading income (excluding retail) continues to grow year on year with Bars up 50.0% and Catering down 6.5%. Your Shop closed at the end of 2018. Overall trading income has decreased by £32,796 (1.8%) to £1,788,087 (2018: £1,820,883).

Unrestricted income from charitable activities reduced overall by £51,418 (8.4%) to £662,783 (2018: £611,365). This is mainly due to the increase in income in relation to the bi-annual Roses sporting event being held at home this year.

Expenditure overall is in line with income and includes the Unions' increased contribution towards Students' Union Superannuation Scheme pension deficit recovery plans. Support and staff costs are 14% and 34% of direct costs respectively (2018: 14% and 42%).

Report of the Board of Trustees including Directors Report
FOR THE YEAR ENDED 31 JULY 2019

Balance sheet - overall movements in the year were:

	2019	2018	Movement
	£	£	£
Tangible fixed assets	86,405	110,358	(23,953)
Current assets	1,225,266	1,187,407	37,859
Creditors falling due within one year	(307,199)	(324,861)	17,662
Defined benefit pension scheme liability	<u>(508,056)</u>	<u>(525,806)</u>	<u>17,750</u>
Net assets	496,416	447,098	49,318

The decrease in tangible fixed assets is due to a mix of routine renewals and depreciation.

Current assets increased across cash at bank and stock; debtors decreased.

Reserves

General unrestricted reserves available at the 31 July 2019 totalled £50,118 (2018: -£3,337). Restricted reserves at 31 July 2019 totalled £446,298 (2018: £450,435).

Free reserves, which are unrestricted funds, not tied up in fixed assets amounted to -£46,127 at 31 July 2019 (2018: -£113,695). In accordance with FRS102 the reserves position includes provision for the 2019 Students' Union Superannuation Scheme (SUSS) pension deficit of £523,021 (2018: £537,483). 2019 free reserves excluding pension deficit declarations and the pension deficit prepayment of £38,923 remained positive at £437,971 (2018: £351,493). This places the free reserves position at just above the bottom of the reserves policy range.

The trustees recognise that the additional provision of the SUSS pension deficit on the face of the balance sheet is a technical accounting standard and does not fundamentally change the financial stability of the charity. The declaration of YUSU's share of pension deficit is a statement of future liabilities calculated to 2033.

Trustees review the reserves policy on an annual basis and have agreed to build reserves annually over the strategic plan period to 2020.

During 2018-19 the Board of Trustees reviewed the reserves policy. Reserve levels have been considered on a risk management basis with a target of one to three months of operational costs being deemed appropriate. This gives a target range of £280,000 to £840,000. This ensures funds are available to maintain the programme of work in the event of unexpected loss of income and allows trustees to meet their obligations and comply with Charity Commission guidance.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Funds held as custodian trustee on behalf of others

YUSU acts as custodian for funds raised by student sports clubs, societies, volunteering projects and college committees as well as the annual Raising and Giving (RAG) proceeds from fundraising events that are distributed to the intended charities accordingly.

Funds held in 2019 were £446,298 (2018: £450,435).

UNIVERSITY OF YORK STUDENTS' UNION

Report of the Board of Trustees including Directors Report FOR THE YEAR ENDED 31 JULY 2019

Structure, governance and management

University of York Students' Union (YUSU) is constituted in accordance with its Memorandum and Articles of Association as amended on 21 June 2018 and is governed by a board of trustees. It is a charitable company limited by guarantee and registered as a charity with the Charity Commission for the England and Wales in June 2017.

The University of York Students' Union is a registered charity and incorporated company limited by guarantee from 1 August 2017. The Charity Commission has issued a direction linking the former charity, The University of York Students' Union (no 1145259), to the new charity, University of York Students' Union (no 1173404).

The former charity had been an unincorporated corporation and been registered with the Charity Commission since January 2012. The two organisations remain linked and constituted with the same charitable objects

Members of the Union

All registered students of the University of York except those who exercise their right to not be a member under clause 22 (c) of the Education Act 1994. Sabbatical officers of the Union are full-members of the Union.

Board of trustees

The Union is administered by its Board of Trustees comprising:

- Up to three external lay members
- Up to three democratically appointed student members who are not sabbatical officers
- Up to five democratically appointed student sabbatical officers (including the president of the Union).

Officers of the Union

The full officer group of the Union comprises:

- sabbatical officer trustees
- Black, Asian & Minority Ethnic (BAME) officer
- disabled student officer
- environment & ethics officer
- international student officer
- LGBTQ officer
- mature student officer
- Raising And Giving (RAG) officer
- volunteering officer
- womens' officer
- working class and social mobility officer.

The sabbatical officers are officer trustees elected through secret ballot by the members each year; these individuals normally serve one year in office but can serve a second year if re-elected. These are full-time posts remunerated as authorised by the Education Act and the governing document of YUSU.

Sabbatical Officers' Committee

The sabbatical officers' committee includes the officer trustees and they meet in accordance with the bye-laws and responsibilities include representation and campaign work and implementation of policy. The chief executive and senior management team attend when necessary.

Board of Trustees

The Board of Trustees meets formally at least four times in an academic year and has ultimate responsibility for oversight of the long term strategy, objectives, and for providing overall financial and organisational control.

Report of the Board of Trustees including Directors Report
FOR THE YEAR ENDED 31 JULY 2019

In order to monitor and scrutinise progress the Board of Trustees is provided with regular and timely information on overall financial performance together with information such as performance against targets and proposed capital expenditure.

The Board of Trustees conducts its business through three sub committees: finance, HR and audit and remuneration. Each committee has terms of reference which are reviewed annually. The decisions of these committees are formally reported to the Board of Trustees.

The Board of Trustees has delegated the day to day running of YUSU to the chief executive with a clear division of responsibility in that the role of chair and chief executive are held by separate individuals. This is consistent with our articles of governance and the model documents agreed with the Charities Commission.

Committees

Finance

The Finance Committee meets formally four times a year and comprises of a minimum of three members of the trustee board including at least one external trustee. It has delegated responsibility for scrutinising the financial performance of the Union and ensuring resources are used efficiently and effectively to support the purpose of the Union and oversee financial risk management.

Human resources and audit

The HR and Audit Committee meet formally three times a year and comprises of a minimum of three members of the trustee board including at least one external trustee. It has delegated responsibility for the HR strategy, ensuring the effectiveness of internal systems and controls including risk management, compliance with all aspects of relevant law, regulations and good practice.

Remuneration

The Remuneration Committee meet formally at least once a year and comprises of a minimum of two members of the trustee board including at least one external trustee and one sabbatical officer. It has delegated responsibility for approving the Union wide pay award, overseeing employee pay policies, remunerations systems, and compliance with associated employment legislation. Annually the committee review the staff pay policy which enables staff progression through the grades over three years, with cost of living increases negotiated annually through the staff representative body. Over the course of 2016-17 a formal pay policy for senior staff was been agreed by the Board of Trustees for implementation in 2017-18 with the pay differential between chief executive and entry level pay grade standing at under 4:3 at the end of 2018-19.

Board effectiveness

Board effectiveness is reviewed periodically with the last formal review undertaken in 2018-19 which included a skill and diversity audit and an organisational assessment of board effectiveness against the new Charity Commission Governance Code the results of which were incorporated into an external trustee recruitment process and board plans for 2018-19 onwards.

Board induction and training

All trustees undergo a structured induction including receiving training and information on their legal obligations and responsibilities. Sabbatical officer trustees' term of office is generally one year and so there is an annual programme of training on all aspects of their roles and responsibilities. This is facilitated through predecessors, senior managers and the National Union of Students over a four week period and ensures they can perform their duties to the best of their abilities. External lay trustees receive training from the chief executive as well as having external training following their appointment to the board from auditors and a students' union governance-expert. The training programme is reviewed annually and updated for relevant changes in statutory and regulatory compliance.

Report of the Board of Trustees including Directors Report
FOR THE YEAR ENDED 31 JULY 2019

Relationship with the University of York

The relationship between the University and the Union is established in the Charter and the Ordinances and the Regulations of the University. YUSU works with the University of York to ensure that the affairs of the Union are properly conducted and that the educational and welfare needs of the Union's members are met, with sabbatical officer trustees representing the student membership at University Council, Court, Senate, and other committees.

YUSU receives a block grant from the University and occupies a building owned by the University (to which we made a capital grant from our free cash reserve previously) which is leased to the Union at an agreed peppercorn rent. The University is our primary funder.

Risk management

The Board of Trustees is responsible for the Union's risk management and has delegated day to day responsibility to the chief executive for maintaining a sound system of internal control that supports the achievement of YUSU's policies, aims and objectives, while safeguarding the funds and assets. The chief executive is also responsible for reporting to the board of trustees any material weakness, or breakdown in internal controls.

A system of internal control is designed to manage risk to a reasonable level, rather than eliminate all risk of failure. Therefore it can only provide reasonable and not absolute assurance of effectiveness. The Union's system of internal control is developed through processes designed to identify and prioritise risk and to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control is continuously updated and improved, based on a framework of regular management information, administrative procedures and a system of delegation and accountability. In particular this includes:

- Annual review by the board of the key organisational risks and how they are monitored and mitigated;
- Comprehensive budgeting system with an annual budget, which is reviewed and agreed by the Board of Trustees;
- Regular reviews by the board of periodic and annual financial reports, which indicate financial performance against forecasts;
- Setting targets to measure financial and other performance;
- Clearly defined capital investment control guidelines;
- Business continuity plans in place and reviewed regularly.

Key risks to note during 2018-19 were:

- That the actions or conduct of associated bodies including but not limited to the University or the NUS are such that the Union's reputation is substantively damaged. The organisation actively mitigates this by engaging in relationship and stakeholder management, and regularly reviewing the communication and public relations strategy.
- The Union fails to retain and recruit suitable calibre staff and volunteers to deliver services to the required standard. HR expertise both in-house and outsourced along with a programme of investment in staff development are in place.
- That the conduct of students and/or elected officers is such that the reputation of the Union is substantively damaged. Review of bye-laws, disciplinary procedures, training and legal support for student groups and media protocols and legal advice are in place to mitigate where possible.

Fundraising

The charity does not contract with a third party to fundraise on the charity's behalf. Fundraising has been mainly limited to raising funds for specific charities which are chosen by the students.

Report of the Board of Trustees including Directors Report

FOR THE YEAR ENDED 31 JULY 2019

Statement of Board of Trustees responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015 (FRS102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK 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 group will continue in operation.

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

The trustees confirm that:

- So far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware;
- The trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on YUSU's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Board of Trustees



Samara Jones (Chair)
YUSU
28 November 2019

UNIVERSITY OF YORK STUDENTS' UNION

Reference and administrative details

FOR THE YEAR ENDED 31 JULY 2018

Charity registered number

1145259

Company registered number

10688097

Trustees

The Board of Trustees who served during the year and up to the date of signature of this report were as listed below:

Appointed by members

J. Durcan	officer trustee	(appointed 30 June 2018, resigned 30 June 2019)
Z. Sheppard	officer trustee	(appointed 30 June 2018, resigned 30 June 2019)
J. Hare	officer trustee	(appointed 30 June 2018, resigned 30 June 2019)
F. Judge	officer trustee	(appointed 30 June 2018, resigned 30 June 2019)
S. Hayle	officer trustee	(appointed 30 June 2018)
E. Ogyenl	student trustee	(appointed 30 June 2017, resigned 23 November 2017)
R. Brabham	student trustee	(appointed 30 June 2017, resigned 30 June 2019)
M. Taher	student trustee	(appointed 1 July 2018, resigned 30 June 2019)
I. Barnett	student trustee	(appointed 1 July 2019)
J. McKenzie	student trustee	(appointed 1 July 2019)
C. Stickels	student trustee	(appointed 1 July 2018)
S. Jones	officer trustee	(appointed 1 July 2019)
O. Martin	officer trustee	(appointed 1 July 2019)
G. Nguyen	officer trustee	(appointed 1 July 2019)
M. Cannell	officer trustee	(appointed 1 July 2019)

Appointed by the Board of Trustees

S. Who	external trustee	(appointed June 2018)
I. Jenner	external trustee	(appointed 23 March 2017)
J. Sims	external trustee	(appointed 30 June 2017)

Executive

Ben Vulliamy, Chief Executive Officer

Kate Williams, Finance & Resources Director and Company Secretary (from 19 August 2019)

Gemma Vessey, Communications & Activities Director

Rachel Barber, Student Support & Representation Director

Laurie Smith, Commercial Operations Director

Principal office

The University of York Students' Union

James College, Newton Way

Heslington

York

North Yorkshire

YO10 5DD

Reference and administrative details

FOR THE YEAR ENDED 31 JULY 2018

Independent auditors

BHP LLP
Chartered Accountants
Rievaulx House
1 St Mary's Court
Blossom Street
York
YO24 1AH

Bankers

Santander UK plc.
7 High Ousegate
York
North Yorkshire
YO1 8RZ

Solicitors

Rollits LLP
Forsyth House
Alpha Court
Monks Cross
York
North Yorkshire
YO32 9WN

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

Opinion

We have audited the financial statements of University of York Students' Union (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2019 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the Union balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2019 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF YORK STUDENTS' UNION (CONTINUED)

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF YORK STUDENTS' UNION (CONTINUED)

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Group or the parent charitable company 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 auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF YORK STUDENTS' UNION (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Marshall (Senior statutory auditor)

for and on behalf of
BHP LLP

Chartered Accountants
Statutory Auditors

Rievaulx House

1 St Mary's Court

Blossom Street

York

YO24 1AH

Date: 

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

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	4	1,327,213	-	1,327,213	1,261,760
Charitable activities	5	662,783	1,569,002	2,231,785	2,036,446
Other trading activities	6	1,788,087	-	1,788,087	1,820,883
Investments	7	7,288	-	7,288	4,301
Total income		3,785,371	1,569,002	5,354,373	5,123,390
Expenditure on:					
Raising funds	8	1,757,862	-	1,757,862	1,853,220
Charitable activities	9	1,974,054	1,573,139	3,547,193	3,238,268
Total expenditure		3,731,916	1,573,139	5,305,055	5,091,488
Net movement in funds		53,455	(4,137)	49,318	31,902
Reconciliation of funds:					
Total funds brought forward		(3,337)	450,435	447,098	415,196
Net movement in funds		53,455	(4,137)	49,318	31,902
Total funds carried forward		50,118	446,298	496,416	447,098

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 30 to 53 form part of these financial statements.

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	15	86,405	110,358
		<u>86,405</u>	<u>110,358</u>
Current assets			
Stocks	17	34,603	22,547
Debtors	18	237,292	277,637
Cash at bank and in hand		953,371	887,223
		<u>1,225,266</u>	<u>1,187,407</u>
Creditors: amounts falling due within one year	19	(307,199)	(324,861)
Net current assets		<u>918,067</u>	<u>862,546</u>
Total assets less current liabilities		<u>1,004,472</u>	<u>972,904</u>
Creditors: amounts falling due after more than one year	20	(508,056)	(525,806)
Net assets excluding pension asset		<u>496,416</u>	<u>447,098</u>
Total net assets		<u><u>496,416</u></u>	<u><u>447,098</u></u>

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2019

	Note	2019	2019 £	2018	2018 £
Charity funds					
Restricted funds	21		446,298		450,435
Unrestricted funds					
Unrestricted funds excluding pension asset	21	573,139		534,146	
Pension reserve	21	(523,021)		(537,483)	
Total unrestricted funds	21		50,118		(3,337)
Total funds			496,416		447,098

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

The financial statements were approved and authorised for issue by the Trustees on 28 November 2019 and signed on their behalf by:

Samara Jones, President



The notes on pages 30 to 53 form part of these financial statements.

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

UNION STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	15	55,238	87,100
Investments	16	1	1
		<u>55,239</u>	<u>87,101</u>
Current assets			
Stocks	17	4,113	10,183
Debtors	18	211,031	318,587
Cash at bank and in hand		834,826	734,323
		<u>1,049,970</u>	<u>1,063,093</u>
Creditors: amounts falling due within one year	19	(201,247)	(225,815)
Net current assets		<u>848,723</u>	<u>837,278</u>
Total assets less current liabilities		<u>903,962</u>	<u>924,379</u>
Creditors: amounts falling due after more than one year	20	(508,056)	(525,806)
Net assets excluding pension asset		<u>395,906</u>	<u>398,573</u>
Total net assets		<u><u>395,906</u></u>	<u><u>398,573</u></u>

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

UNION STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 JULY 2019

	Note	2019 £	2018 £
Charity funds			
Restricted funds	21	446,298	450,435
Unrestricted funds			
Unrestricted funds excluding pension liability	21	472,629	485,621
Pension reserve	21	(523,021)	(537,483)
Total unrestricted funds	21	(50,392)	(51,862)
Total funds		395,906	398,573

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £2,667 (2018: £31,342 profit).

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

The financial statements were approved and authorised for issue by the Trustees on 28 November 2019 and signed on their behalf by:

Samara Jones, President



The notes on pages 30 to 53 form part of these financial statements.

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

CONSOLIDATED 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	24	102,329	151,509
Cash flows from investing activities			
Dividends, interests and rents from investments		7,288	4,301
Purchase of tangible fixed assets		(43,469)	(19,402)
Net cash used in investing activities		(36,181)	(15,101)
Change in cash and cash equivalents in the year		66,148	136,408
Cash and cash equivalents at the beginning of the year		887,223	750,815
Cash and cash equivalents at the end of the year	25	953,371	887,223

The notes on pages 30 to 53 form part of these financial statements

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

1. General information

University of York Students' Union is a company limited by guarantee (no. 10688097) and a registered charity (no. 1173404). The registered office is James College, Newton Way, Heslington, York, YO10 5DD.

The members of the company are the Trustees named on page 15. In the event of the Union being wound up, the liability in respect of the guarantee is limited to £1 per member of the Union.

2. Accounting policies

2.1 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) as updated by Update Bulletin 1, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

University of York 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.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Union and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

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

The Union has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

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

Although University of York Students' Union continues to generate supplementary funding from various primary purpose trading activities, it will always be dependent on the University's support. There is no reason to believe that this or equivalent support from the University will not continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body. The financial statements have therefore been prepared on the going concern basis.

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

2. Accounting policies (continued)

2.3 Income

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

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

2.4 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. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

2.5 Grants received

Revenue grants other than the block grant are credited to the SOFA in the year in which they are received. The block grant is credited to the SOFA in the year in which it is receivable. In the SOFA grants are shown as income and the related expenditure disclosed as appropriate.

2.6 Interest receivable

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

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

2. Accounting policies (continued)

2.7 Taxation

The Union is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Union is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 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, .

Depreciation is provided on the following bases:

Motor vehicles	- Between 3 & 5 years straight line
Fixtures and fittings	- Between 3 & 5 years straight line
Office equipment	- Between 3 & 5 years straight line
Computer equipment	- Between 3 & 5 years straight line

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.11 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.

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

2. Accounting policies (continued)

2.12 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.

2.13 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 Union 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 Consolidated statement of financial activities as a finance cost.

2.14 Financial instruments

The Group 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.

2.15 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.16 Pensions

The Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. Under the terms of FRS102, in these circumstances contributions are accounted for as if the Scheme were a defined contribution scheme based on actual contributions paid through the year. The present value of the Union's deficit contribution is recognised as a liability in accordance with SORP (FRS102).

The Union also contributes to defined contribution pension schemes for its employees. The pension charge represents the amounts payable by the company to the fund in respect of the year.

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

2. Accounting policies (continued)

2.17 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 Group and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Union makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Pension deficit contribution

The charity has entered into a commitment to provide deficit funding to the Students' Union Superannuation Pension Scheme, of which it is a contributing employer. Under FRS 102, the present value of the commitment is recognised. The calculation of the present value of the commitment is subject to an assumption of the discount rate. The discount rate is determined by reference to market yields at the reporting date on high quality corporate bonds.

(ii) Donation of facilities by University of York

In accordance with the Charities SORP FRS 102, the Union and its trading subsidiary has valued the benefit it receives from occupying facilities owned by the University on a rent-free basis, at the trustees' estimate of market value at £51,430.

(iii) Support costs

Many of the costs incurred by the Union such as support staff costs and service costs are shared between activities. The Union's policy is to allocate these costs on the basis of assessed consumption

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

4. Income from donations and legacies

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Facilities in kind	51,430	51,430	51,430
Block grant from University of York	1,260,783	1,260,783	1,195,330
Other grants	15,000	15,000	15,000
Total 2019	1,327,213	1,327,213	1,261,760
Total 2018	1,261,760	1,261,760	

5. Income from charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Events	132,429	-	132,429	119,429
Graduation dinner and summer ball	97,884	-	97,884	107,912
Graduation photography	52,050	-	52,050	60,233
Marketing	209,232	-	209,232	147,867
Sports clubs and societies	-	1,424,681	1,424,681	1,369,539
Advice and welfare	2,000	-	2,000	2,000
Student activities	30,268	-	30,268	17,480
Sports clubs	84,216	-	84,216	83,271
NUS Extra	37,687	-	37,687	61,252
Other activities - restricted	-	144,321	144,321	55,542
Other activities - unrestricted	17,017	-	17,017	11,921
Total 2019	662,783	1,569,002	2,231,785	2,036,446
Total 2018	611,365	1,425,081	2,036,446	

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bar	1,034,801	1,034,801	685,350
Your Shop	11,307	11,307	342,234
Catering	741,979	741,979	793,299
	<u>1,788,087</u>	<u>1,788,087</u>	<u>1,820,883</u>
Total 2018	<u>1,820,883</u>	<u>1,820,883</u>	

7. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest receivable	<u>7,288</u>	<u>7,288</u>	<u>4,301</u>

The total bank interest received of £4,301 for 2018 was all unrestricted.

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

8. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bar	1,031,519	1,031,519	738,511
Your Shop	18,226	18,226	399,460
Catering	708,117	708,117	715,249
	<u>1,757,862</u>	<u>1,757,862</u>	<u>1,853,220</u>

Fundraising trading expenses in the prior year of £1,853,220 were all unrestricted.

The above figures include contributions to YUSU central operational costs of £nil (2018: £3,327) Yourshop, £116,370 (2018: £108,137) catering and £10,966 (2018: £10,190) bars. YUSU run trading services to generate and invest surpluses into charitable activities and to provide services that improve the lives of students. In addition they contribute to YUSU central operating costs.

9. Analysis of expenditure on charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Charitable activities (notes 10 and 11)	1,962,877	1,573,139	3,536,016	3,226,123
Governance costs (note 12)	11,177	-	11,177	12,145
	<u>1,974,054</u>	<u>1,573,139</u>	<u>3,547,193</u>	<u>3,238,268</u>
Total 2018	<u>1,846,365</u>	<u>1,391,903</u>	<u>3,238,268</u>	

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

10. Direct costs

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Academic Affairs	103,083	-	103,083	94,378
Affiliations	56,481	-	56,481	55,777
Duty of care	22,261	-	22,261	28,019
Events	161,532	-	161,532	131,529
Sports clubs and societies - restricted	-	1,442,782	1,442,782	1,342,471
Representation and democracy	157,274	-	157,274	141,464
Graduation Dinner and Summer Ball	82,694	-	82,694	86,387
Marketing	198,860	-	198,860	223,239
Colleges	66,409	-	66,409	49,757
Societies grant expenditure	77,618	-	77,618	73,898
Sports clubs	361,935	-	361,935	283,702
Advice and welfare	116,043	-	116,043	112,896
Volunteering, RAG and societies central costs	116,839	-	116,839	112,543
NUS Extra	26,617	-	26,617	43,082
Other funds - restricted	-	130,357	130,357	49,432
	1,547,646	1,573,139	3,120,785	2,828,574
Total 2018	1,436,671	1,391,903	2,828,574	

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

11. Support costs

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Academic affairs	13,542	13,542	12,719
Affiliations	7,150	7,150	7,517
Duty of care	2,818	2,818	3,776
Events	20,449	20,449	17,725
Sports clubs and societies	182,649	182,649	180,754
Representation and democracy	19,910	19,910	19,064
Graduation dinner and Summer ball	10,469	10,469	11,642
Marketing	25,175	25,175	30,084
Colleges	9,653	9,653	6,705
Societies grant expenditure	9,826	9,826	9,959
Sports clubs	45,819	45,819	38,393
Advice and welfare	14,690	14,690	15,214
Volunteering, RAG and societies central costs	14,299	14,299	15,166
NUS Extra	3,369	3,369	5,806
Other funds	16,503	16,503	6,662
Governance costs (note 12)	11,177	11,177	12,145
Pension finance cost	18,910	18,910	16,363
Total 2019	426,408	426,408	409,694
Total 2018	409,694	409,694	

Resources expended are allocated to a particular activity where the cost relates directly to that activity. However, the central cost of administration of each activity are apportioned on the basis of an estimate of the amount of staff time attributable to each activity. These percentages are updated annually to reflect the activities carried out by staff in the relevant year.

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

12. Governance costs

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Auditor's remuneration	10,181	10,181	10,566
Trustees' expenses reimbursed	996	996	1,579
	<u>11,177</u>	<u>11,177</u>	<u>12,145</u>

13. Staff costs

	Group 2019 £	Group 2018 £	Union 2019 £	Union 2018 £
Wages and salaries	1,630,819	1,504,766	1,207,224	1,192,829
National insurance	80,793	102,816	53,061	78,930
Pension costs	32,329	24,022	23,997	19,081
	<u>1,743,941</u>	<u>1,631,604</u>	<u>1,284,282</u>	<u>1,290,840</u>

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

Group 2019 No.	Group 2018 No.
<u>156</u>	<u>156</u>

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

Staff costs (continued)

The average headcount expressed as full-time equivalents was:

	Group	Group	Union	Union
	2019	2018	2019	2018
	No.	No.	No.	No.
Resources	18.5	24.8	18.5	24.8
Representation	6.9	7.0	6.9	7.0
Opportunities	6.7	9.6	6.7	9.6
Wellbeing	4.0	4.5	4.0	4.5
Communities	2.9	3.0	2.9	3.0
Trading activities	31.6	31.0	-	-
	71	80	39	49

Resources include, Finance, HR, IT, Marketing, Communications, Events, Health & Safety and Administration.

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

The total amount of employee benefits (including employers' NI and pension contributions) received by key management personnel was £231,136 (2018: £242,982). The charity considers its key management personnel to comprise of the Chief Executive Officer, Head of Finance and Resources, Head of Representation, Head of Student Opportunities and Head of Commercial Services.

14. Trustees' remuneration and expenses

During the year, Trustees received remuneration totalling £95,454 relating solely to the salaries of the 5 student officers (2018 - £93,583).

During the year ended 31 July 2019, Trustee expenses have been incurred totalling £996 (2018 - £1,579). This related to two Trustees (2018: two).

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

15. Tangible fixed assets

Group

	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
<i>Cost or valuation</i>					
At 1 August 2018	6,250	929,659	120,647	32,934	1,089,490
Additions	5,000	10,703	17,304	10,462	43,469
At 31 July 2019	11,250	940,362	137,951	43,396	1,132,959
<i>Depreciation</i>					
At 1 August 2018	6,055	844,107	104,299	24,671	979,132
Charge for the year	334	49,992	11,380	5,716	67,422
At 31 July 2019	6,389	894,099	115,679	30,387	1,046,554
<i>Net book value</i>					
At 31 July 2019	4,861	46,263	22,272	13,009	86,405
At 31 July 2018	195	85,552	16,348	8,263	110,358

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

15. Tangible fixed assets (continued)

Union

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
<i>Cost or valuation</i>				
At 1 August 2018	868,396	45,370	32,934	946,700
Additions	7,208	-	10,462	17,670
At 31 July 2019	875,604	45,370	43,396	964,370
<i>Depreciation</i>				
At 1 August 2018	795,096	39,833	24,671	859,600
Charge for the year	41,048	2,768	5,716	49,532
At 31 July 2019	836,144	42,601	30,387	909,132
<i>Net book value</i>				
At 31 July 2019	39,460	2,769	13,009	55,238
At 31 July 2018	73,300	5,537	8,263	87,100

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

16. Fixed asset investments

		Investments in subsidiary companies £
<i>Union</i>		
<i>Cost or valuation</i>		
At 1 August 2018		1
		<hr/>
At 31 July 2019		1
		<hr/>
<i>Net book value</i>		
At 31 July 2019		1
		<hr/>
At 31 July 2018		1
		<hr/>

Principal subsidiaries

The following was a subsidiary undertaking of the Union:

Name	Company number	Registered office or principal place of business	Class of shares
YUSU Commercial Services Limited	06796193	The Student Centre, Heslington Lane, York, YO10 5DD	Ordinary
Holding	Included in consolidation		
100% Yes			

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

16. Fixed asset investments (continued)

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss)/ Surplus/ (Deficit) for the year £
YUSU Commercial Services Limited	1,147,218	1,046,709	100,509
Net assets £			
100,511			

17. Stocks

	Group 2019 £	Group 2018 £	Union 2019 £	Union 2018 £
Finished goods and goods for resale	34,603	22,547	4,113	10,183

18. Debtors

	Group 2019 £	Group 2018 £	Union 2019 £	Union 2018 £
<i>Due within one year</i>				
Trade debtors	62,423	77,891	32,464	62,325
Amounts owed by group undertakings	-	-	-	46,349
Other debtors	736	3,421	-	2,707
Prepayments and accrued income	174,133	196,325	178,567	207,206
	237,292	277,637	211,031	318,587

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

19. Creditors: Amounts falling due within one year

	Group 2019 £	Group 2018 £	Union 2019 £	Union 2018 £
Defined benefit pension scheme funding liability	14,965	11,677	14,965	11,677
Trade creditors	77,981	55,608	48,782	36,280
Amounts owed to group undertakings	-	-	3,518	-
Corporation tax	-	1,237	-	-
Other taxation and social security	62,963	54,876	17,711	21,018
Other creditors	10,987	7,765	9,057	6,747
Accruals and deferred income	140,303	193,698	107,214	150,093
	307,199	324,861	201,247	225,815

20. Creditors: Amounts falling due after more than one year

	Group 2019 £	Group 2018 £	Union 2019 £	Union 2018 £
Defined benefit scheme funding deficit liability	508,056	525,806	508,056	525,806

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

21. Statement of funds

Statement of funds - current year

	Balance at 1 August 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2019 £
<i>Unrestricted funds</i>					
<i>Designated funds</i>					
Staff personal development	-	-	-	9,840	9,840
<i>General funds</i>					
YUSU General Fund	485,621	2,637,077	(2,698,593)	38,684	462,789
YUSU Commercial Services	48,525	1,148,294	(1,047,785)	(48,524)	100,510
Pension reserve	(537,483)	-	14,462	-	(523,021)
	(3,337)	3,785,371	(3,731,916)	(9,840)	40,278
<i>Total Unrestricted funds</i>	(3,337)	3,785,371	(3,731,916)	-	50,118
<i>Restricted funds</i>					
Clubs and societies	426,821	1,468,099	(1,512,632)	-	382,288
Other funds	23,614	100,903	(60,507)	-	64,010
	450,435	1,569,002	(1,573,139)	-	446,298
<i>Total of funds</i>	447,098	5,354,373	(5,305,055)	-	496,416

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2018 £
<i>Unrestricted funds</i>					
YUSU General Fund	498,903	2,891,814	(2,905,096)	-	485,621
YUSU Commercial Services reserves	47,966	806,495	(805,936)	-	48,525
Pension reserve	(548,930)	-	11,447	-	(537,483)
	<u>(2,061)</u>	<u>3,698,309</u>	<u>(3,699,585)</u>	<u>-</u>	<u>(3,337)</u>
<i>Restricted funds</i>					
Clubs and societies	370,079	1,369,539	(1,342,471)	29,674	426,821
Other funds	47,178	55,542	(49,432)	(29,674)	23,614
	<u>417,257</u>	<u>1,425,081</u>	<u>(1,391,903)</u>	<u>-</u>	<u>450,435</u>
<i>Total of funds</i>	<u>415,196</u>	<u>5,123,390</u>	<u>(5,091,488)</u>	<u>-</u>	<u>447,098</u>

Clubs and Societies

Where individual clubs and societies raise income in their own right, e.g. through membership fees, any unspent balances at the year end are held as a restricted fund for application in the future.

Junior Common Room Committee funds are included within the total as the Union is deemed to have ultimate control over the Committees.

Other funds

The Union receives funding for a range of other projects and programmes that are restricted in nature including sport and the mental health project and any unspent balances at the year end will be applied to the projects in future years.

Transfers

Transfers represent a reclassification of the nature of the volunteering restricted fund and the creation of a fund for staff personal development

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

22. Summary of funds

Summary of funds - current year

	Balance at 1 August 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2019 £
Designated funds	-	-	-	9,840	9,840
General funds	(3,337)	3,785,371	(3,731,916)	(9,840)	40,278
Restricted funds	450,435	1,569,002	(1,573,139)	-	446,298
	<u>447,098</u>	<u>5,354,373</u>	<u>(5,305,055)</u>	<u>-</u>	<u>496,416</u>

Summary of funds - prior year

	Balance at 1 August 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2018 £
General funds	(2,061)	3,698,309	(3,699,585)	-	(3,337)
Restricted funds	417,257	1,425,081	(1,391,903)	-	450,435
	<u>415,196</u>	<u>5,123,390</u>	<u>(5,091,488)</u>	<u>-</u>	<u>447,098</u>

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	86,405	-	86,405
Current assets	778,968	446,298	1,225,266
Creditors due within one year	(307,199)	-	(307,199)
Creditors due in more than one year	(508,056)	-	(508,056)
Total	<u>50,118</u>	<u>446,298</u>	<u>496,416</u>

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

23. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	110,358	-	110,358
Current assets	736,972	450,435	1,187,407
Creditors due within one year	(324,861)	-	(324,861)
Creditors due in more than one year	(525,806)	-	(525,806)
Total	(3,337)	450,435	447,098

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

	Group 2019 £	Group 2018 £
Net income for the year (as per Statement of Financial Activities)	49,318	31,902
Adjustments for:		
Depreciation charges	67,422	73,015
Dividends, interests and rents from investments	(7,288)	(4,301)
(Increase)/decrease in stocks	(12,055)	22,967
Decrease/(increase) in debtors	40,345	(68,698)
(Decrease)/increase in creditors	(20,950)	108,071
Pension finance cost	18,910	16,363
Pension deficit payments	(33,373)	(27,810)
Net cash provided by operating activities	102,329	151,509

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

25. Analysis of cash and cash equivalents

	Group 2019 £	Group 2018 £
Cash in hand	953,371	887,223
Total cash and cash equivalents	953,371	887,223

26. Contingent liabilities

Future liability for costs of conversion

The Union occupies a building owned by the University of York under an informal arrangement. The costs of converting the building from its previous use as squash courts were met by the University with the agreement that they reserve the right to charge the Union and the other occupiers of the building, the Graduate Student Association, an agreed proportion of the costs of conversion.

The Union's share of these costs would amount to £88,000. No provision is made in these accounts on the basis that the University has at present not defined the terms of the Union's occupancy of the student centre and has no immediate intention of making any recharge. However, it has reserved the right to do so in the future.

Pension deficit

During the year the charitable company was made aware of a possible increase in the liability for the pension deficit. The outcome of this contingent liability is not yet known and it cannot be quantified at this stage. As a result, the charitable company do not consider it necessary to provide for any additional liabilities in the accounts for the year ended 31 July 2019.

27. Pension commitments

The Union participates in the Students' Union Superannuation Scheme, which is a defined benefit scheme whose membership consists of employees of students' unions and related bodies throughout the country. Benefits in respect of service up to 30 September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1 October 2003 onwards accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the scheme closed to future accrual.

The most recent valuation of the Scheme was carried out as at 30 June 2016 and showed that the market value of the Scheme's assets was £101.3m with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £119.7m.

The assumptions which have the most significant effect upon the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumptions applied at 30 June 2016:-

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

27. Pension commitments (continued)

The investment return would be 4.3% per annum before retirement and 2.3% per annum after retirement

Pensions accruing on the CARE basis would revalue at 3.5% per annum.

Present and future pensions would increase at rates specified by Scheme rules with appropriate assumptions where these are dependent on inflation.

The 2016 valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 19 years and 9 months ending June 2033 and will increase by 20% in 2017/18 and 5% each remaining year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates applied with effect from 1 October 2017 and will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2019. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

Under FRS102 the Union is required to recognise as a liability the present value of its agreed share of future deficit contributions. Finance costs are recognised as the present value unwinds.

The total contributions paid into the Scheme by University of York Students' Union in respect of eligible employees for the year ended 31 July 2019 amounted to £33,372 (2018: £27,810). The liability owed by University of York Students' Union in respect of future deficit contributions at the year end was £523,021 (2018: £537,483), split between amounts falling due within one year of £14,965 (2018: £11,677) and amounts falling due after more than one year of £508,056 (2018: £525,806).

The Union participates in the NUS Pension Scheme, a defined contribution pension scheme. The assets of the scheme are held separately from those of the Union in an independently administered fund. The pension costs charged represents contributions payable by the Union to the fund and amounted to £9,310 (2018: £9,310). There are unpaid contributions of £nil (2018: £nil) at the year end.

28. Operating lease commitments

The Group and the Union had no commitments under non-cancellable operating leases at 31 July 2019.

UNIVERSITY OF YORK STUDENTS' UNION
(A company limited by guarantee)

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

29. Related party transactions

The Union is in receipt of a recurrent grant from the University of York of £1,275,783 (2018: £1,210,330)

In addition the Union occupies its building on a rent free basis under an informal licence subject to the Union maintaining the building in a good state of repair. In accordance with the Charities SORP FRS 102, the trustees have estimated that the provision of space and associated services is worth £51,430 (2018: £51,430) to the Union and have recognised this amount in the Statement of Financial Activities.

The full-time officers of the Trustee Board receive remuneration for their services as provided for within the Constitution. The aggregate amount payable under such contracts in the year was £95,454 (2018: £93,583).

YUSU Commercial Services Limited is a wholly owned subsidiary of the University of York Students' Union. Some of the Trustees of the Union are also directors of this company. At the year end, amounts owed to YUSU Commercial Services Limited were £3,518 (2018: £46,349 debtor). During the year the Union received payments from the company relating to equipment rental of £18,750 (2018: £18,750), management charges of £12,000 (2018: £12,000) and a payment under gift aid of £48,524 (2018: £47,965). The Union made payments to YUSU Commercial Services limited of £112,417 (2018: £120,151) under a catering agreement.

30. Controlling party

The Union is controlled by the Trustee Board which is subject to democratic election by the voting membership of the Union. The ultimate control of the Union is vested under the constitution in the membership in General Meeting. As such no single person or entity controls the Union as defined by FRS102.