



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

for the year ended

31 July 2020

# University of Bath Students' Union

## TRUSTEES AND UNION INFORMATION

for the year ended 31 July 2020

### REFERENCE AND ADMINISTRATIVE DETAILS

Overview of Charity’s key details				
Charity name:	The University of Bath Students’ Union			
Other names:	The SU			
Charity number:	1143154			
Charity address:	The SU Bath, University of Bath, Claverton Down, Bath, BA2 7AY			
Governing document:	Articles of Association			
Constitution:	Unincorporated association			
Details of Charity’s professional services				
Bank name:	National Westminster Bank Plc			
Bank address:	39 Milsom Street, Bath, BA1 1DS			
Auditor name:	RSM UK Audit LLP			
Auditor address:	Hartwell House, 55 – 61 Victoria Street, Bristol, BS1 6AD			
Senior SU Management				
Chief Executive:	Andrew McLaughlin			
Deputy Chief Executive:	Mandy Wilson-Garner			
Secretary to the Board:	Greg Noakes			
Board of Trustees				
Trustee name	Office	Start date	End date	Appointment
Eve Alcock	President (Chair)	02/07/2018	28/06/2020	Elected by Members
Ruqia Osman	Education Officer	01/07/2019	28/06/2020	Elected by Members
Jiani Zhou	Postgraduate Officer	02/07/2018	28/06/2020	Elected by Members
Alisha Lobo	Community Officer	02/07/2018	28/06/2020	Elected by Members
Francesco Masala	Activities Officer	01/07/2019	28/06/2020	Elected by Members
Paul Freeston	Independent Trustee	17/06/2015	17/10/2019	Appointed by the Board
Francesco Masala	President (Chair)	29/06/2020	27/06/2021	Elected by Members
Annie Willingham	Education Officer	29/06/2020	27/06/2021	Elected by Members
Ka Ho Ho	Postgraduate Officer	29/06/2020	27/06/2021	Elected by Members
Freya Jackson	Community Officer	29/06/2020	27/06/2021	Elected by Members
Tomasz Sawko	Sport Officer	01/07/2019	27/06/2021	Elected by Members
Rob Tyrell	Activities Officer	29/06/2020	27/06/2021	Elected by Members
Marian McNeir	Independent Trustee	20/06/2017	28/06/2023	Appointed by the Board
Rob Clay	Independent Trustee	12/10/2015	12/10/2021	Appointed by the Board
Jordan Kenny	Independent Trustee	19/12/2019	19/12/2022	Appointed by the Board
Alexander Robinson	Independent Trustee	19/12/2019	19/12/2022	Appointed by the Board
Vikas Mistry	Independent Trustee	19/12/2019	26/02/2019	Appointed by the Board
Valerie Copenhagen	Independent Trustee	19/12/2019	19/12/2022	Appointed by the Board
Kate Aldridge	Independent Trustee	19/12/2019	19/12/2022	Appointed by the Board
VACANT	Independent Trustee	27/02/2019	-	-

# University of Bath Students' Union

## TRUSTEES' REPORT

for the year ended 31 July 2020

### CHARITY INTRODUCTION

#### Charitable Status

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

#### Trustees' Report

The Board of Trustees present their Annual Report together with the financial statements for the year ended 31 July 2020. The report has been prepared in accordance with the Charities Act 2011. The Trustees have had regard to the Charity Commission guidance on public benefit entities.

#### Relationship with the University of Bath

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

### OBJECTIVES AND ACTIVITIES

#### Charitable Purpose

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

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

#### Our cause

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

#### SU Strategy 2017-2020

This year marks the end of our strategy for 2017-20. The table below shows Key Performance Indicator (KPI) progress over the full duration of the strategy, including baseline data from 2016/17 where available.

KPIs	2016/17 (baseline)	2017/18	2018/19	2019/20
Student participation	64%	70%	66%	64%
Student satisfaction	-	63%	62%	56%
Student impact	-	66%	65%	63%
Staff satisfaction	80%	-	85%	-
Staff engagement	70%	-	84%	-

Data for the student KPIs was based on interactions on The SU website and physical event attendance monitoring. The monthly student life pulse survey gathered feedback on student satisfaction and opinion. Data for staff engagement and satisfaction was collected through the biennial staff survey.

# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

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Student participation in The SU peaked in 2017/18, primarily due to heightened engagement with The SU in the period immediately before the resignation of the then Vice-Chancellor. The results for 2019/20, in particular student satisfaction, were affected by negative reaction to University staff strike action and the national Covid-19 lockdown introduced in March 2020.

The key deliverables for the strategy were highlighted as 'strategic objectives' reflecting student, staff and stakeholder feedback. The below summarises the success that has been achieved in delivering these between 2017-20.

**1) Embedding our cause in all we do**

We worked through a process to co-create the articulation of our cause. This is now agreed and embedded as part of our strategy for 2020-23. Student and staff workshops have been excellent engagement platforms and established positive ways of working. The language of cause has also been incredibly powerful tool, unifying our approach in different areas.

**2) Deliver fewer bigger better initiatives**

The term 'fewer bigger better' has had an important cultural impact, communicating the need to focus on doing fewer things that have a bigger impact. Major changes include the re-branding exercise, which put much tighter controls over our use of sub-brands, stopping multiple social media accounts, integrating student leader training, and halting campaigns where we could not demonstrate meaningful impact.

**3) Build the skills and capability of our people**

The increase in staff satisfaction and engagement reflects positive cultural changes within the staff group. A restructure in 2019/20 helped better resource core functions, building capacity in those areas. Managers are meeting frequently to share challenges and practices, and some have adopted objectives to develop their leadership skills. There is still some work to complete which we are working with the University's HR team on this.

**4) Improve our financial processes**

We have upgraded both the server and the finance package we use to improve the efficiency of our systems. In 2019/20 we launched a new app to improve the payments system for student groups and created a new chart of accounts to improve transparency.

**5) Improve our communications**

The 2016/17 rebrand provided The SU with a clear and more flexible visual identity and the concurrent web re-design project added much-needed structure and improved usability. We are now making steady progress at improving the overall usability and accessibility of the website which will help student groups and staff as this platform becomes more central to our communications. We have rationalised the number of social media channels that we operate, though a further reduction is needed so we can invest in those with better cut-through for key audiences.

**6) Increase our knowledge**

The monthly Student Life Pulse has provided a rich source of data for The SU, enabling us to identify trends and benchmark with other students' unions. The three reports throughout the year provide a clearer picture of how the student experience shifts throughout the course of the year.

**7) Improve development, recognition and reward for student leaders**

We secured funding from the University for the new Skills & Development Co-ordinator. We have also received external funding for the development of online training modules (*project due to complete in 2021/22*). Work is also underway to bring together disparate student training activities within The SU to form a more consolidated approach to development and recognition, and student trainer training sessions are now being advertised as part of the University skills hub.

# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

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### **8) Support the independent student voice**

We secured funding from the University for the Student Voice Coordinator role. This role provides much-needed support for campaigns and development of the liberation groups. Allowing student groups, such as Amnesty and People & Planet, to lead activities with senior management at University meetings has been key to achieving notable successes over the last three years, including refugee scholarships and campaigns to divestment funding from fossil fuel companies. We have also supported independent student voice activities, such as the People's Vote march, and other activities where students derive benefit from leading campaigns of their own.

### **9) Improve and extend peer-to-peer support**

Our peer assisted learning (PAL) and peer mentoring has gone from strength to strength during this period. We have added additional resource through the 2019/20 restructure and secured Widening Participation funding to increase the size of the team, allowing us to better support our volunteers and develop schemes. We now also offer peer-to-peer support for most doctoral and placement students, mentoring for new Gold Scholars and a PAL scheme for language learners in partnership with the Skills Centre.

### **10) Enhance the postgraduate student experience**

The role of the postgraduate officer was created for the start of 2016/17. Since then, the post has been responsible for leading work to represent postgraduate student interest, for example around office space provision, and lead postgraduate student engagement within The SU. Participation data for postgraduate students shows that there has been good progress in engaging more taught postgraduate students even as their overall numbers have increased, but there has been no perceptible change amongst doctoral students. The University created the Doctoral College in 2017/18 and adopted activity where The SU might traditionally have played a stronger role.

## **ACHIEVEMENTS AND PERFORMANCE**

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

The SU is divided into five main areas: student voice, student groups, student support, student experiences and student development. These areas work with student members to provide regular advice, representation, activities and events in line with our charitable purpose and cause.

### **Significant Activities undertaken for 2019/20**

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

In the autumn we were successful in getting the University to work with First Bus to address the major transport issue for students commuting between the city and campus. Previously this had been an issue that we campaigned heavily on, recognising the change to timetables and routes was negatively impacting all students. The introduction of marshals and increased capacity resulted in a significant improvement in service on the previous year, and the University is now working much more closely with the company in dealing with outstanding issues and the response to Covid-19.

We co-ordinated a campus-wide Black History Month in October, securing funding from the University, celebrating the work of student groups and bringing together different departments from across the University. Going forward, The SU has committed to making this a core part of the programme as part of its equalities, diversity and inclusion work in the wake of the tragic death of George Floyd in the USA. The SU has also been instrumental in helping shape the University's response and improvements to its work on race and inclusion.

In November, The SU supported the strike action called by UCU over pay, pensions and conditions of University staff following an all-student referendum. However, a second similar strike action called after Christmas was not supported by students in a second referendum, reflecting the impact on studies in the run-up to exams.

In the lead up to the 2019 general election, The SU ran a major campaign aimed at encouraging students to register and then vote. We gave away thousands of doughnuts as part of our 'doughnut forget to register' campaign, with staff and students facilitating registration at stalls in the student centre.

# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

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We appointed five new Independent Trustees to the Board in December following a successful recruitment process, though one resigned before they could take up their post. This built upon the previous year's work of reviewing our articles of governance, expanding the size of the Board to allow for more external scrutiny and challenge. The new Trustees have brought a wide range of skills and perspectives to the Board, the benefits of which have been immediately apparent at Board meetings.

Throughout the year, The SU has been experimenting with new forms of 'collective intelligence' approaches to developing responses to some of the major challenges we face. We brought engaged students together to consider what we could do together in response to the issues of mental health and the climate emergency. The SU has since joined the University in declaring a climate emergency, committing in its new strategy to important work in this area. The SU was later awarded a 'Good' in the National Union of Students' Green Impact Students' Union Award, recognising the work that The SU has already done to demonstrate leadership on embedding sustainability and social justice across campus, the curriculum, and within the wider society.

In response to the national lockdown for Covid-19, The SU made the shift to online working. During this time, we were instrumental in raising key student issues with the University in relation to online provisions for teaching and exams. We were successful in getting the University to agree to the adoption of a no-detriment policy for all final-year students and taught postgraduate students. All taught students also had blanket mitigations applied to their achievements.

We also set up a Facebook 'Corona Community' which received excellent engagement with almost 4,000 members enjoying content produced by our Sport and Activities Officers, as well as a range of student groups.

The SU joined national campaigns calling for tuition fee refunds to be paid for from the government on the back of the inevitable decline in the quality of teaching and supervision due to the Covid-19 pandemic and earlier strikes. We did this in collaboration with a campaign launched by the University of Manchester students' union, which also included the needs of international students in their 'asks'.

In July, The SU was able to secure a larger space for a prayer room on campus. We were also delighted to learn that a final year Lloyds Scholar, Lyam England, won the award for 'Lloyds Champion of the Year.' Chosen from the graduating scholars of the eight partnership Universities, this award is for a scholar who has fulfilled and promoted the scholarship scheme above and beyond expectations.

On the 29<sup>th</sup> June 2020 we received the sad news that Rob Tyrell, our newly elected Activities Officer, had sadly passed away unexpectedly. Rob was much loved within the student community and will be sadly missed. We will be engaging in a number of different activities throughout 2020/21 to remember Rob. These will include honouring some of his manifesto points around support for international student societies and climate action.

### **FINANCIAL REVIEW**

The overall deficit for the year, before reserve transfer, on unrestricted funds was £170,024 (2018/19: Deficit of £246,630). This was mainly due to the loss of commercial income caused by Covid-19. The deficit in the previous year was a result of planned project expenditure from reserves. These projects were concluded in 2019/20.

Bars and entertainments remained the principal focus for The SU's commercial activity during 2019/20. Performance in this area was affected by campus closure due to Covid-19 in March, ending with a less than budgeted surplus, before overhead apportionment, of £37,192 (2018/19: £127,933).

The Balance Sheet continues to reflect a robust financial position for the Union with net current assets of £600,803 (2018/19: £690,564).

# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

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### Reserves Policy

Reserves are needed:

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

The total reserves held by the reporting entity at 31 July 2020 was £740,522 (2019: £894,003), of which £420,781 (2019: £561,930) are regarded as unrestricted funds and £319,741 (2019: £332,073) are regarded as restricted funds.

The balance held as unrestricted general funds, excluding designated funds, at 31 July 2020 was £414,150 (2019: £557,471), of which £326,010 (2018/19: £434,487) are regarded as free reserves, after allowing for funds tied up in tangible fixed assets.

As at 31 July 2020 the use of the free reserves was designated by the trustees for the following purposes:

- To avoid the necessity of realising fixed assets held for The SU's use;
- To manage income risk through commercial services by covering deficit to maximum £150k;
- To provide for working capital requirements; and
- To provide funding for a number of specific refurbishments and projects.

### Going Concern

The COVID-19 pandemic is having a material impact on The SU, especially commercial income. The SU has modelled scenarios for the Financial Year 2020/21, each of which has been reviewed with Trustees. The SU has also taken immediate steps to reduce costs.

As noted above, The SU holds reserves of £326k. The Board has agreed to accept a budget for 2020/21 with a deficit up to £150,000, leaving further reserves of £176k still available for budget shortfall.

The SU main source of funding is the block grant from the University, which has committed a level of grant for 2020/21 that has been built into the Budget.

Trustees and The SU have been closely monitoring the budget at both Board and Finance & Audit Committee meetings, with greater frequency and closer scrutiny. In addition to the scenario modelling, The SU has identified a series of decision-points through the year where different elements of our income and expenditure crystallise, such that we can dynamically revise our Budget and (if necessary) our cost base to ensure we stay within the approved £150,000 deficit.

The SU continues in close communication with the University in case additional funding may become available in preference to some of these decision points during the year, but no such additional funding is relied upon.

### Conclusion

The Trustees have considered the consequences of Covid-19, the scenario-planning and the revised budget, and are satisfied that The SU will not exceed the budgeted deficit by an amount that might consume remaining reserves, and therefore conclude that The SU remains a going concern for the 2020/21 year.

The SU has performed a detailed review to the period to 31 December 2021. The university has confirmed that the block grant for the SU for the 2021/22 year will be of comparable magnitude to the grant committed for 2020/21. The Trustees therefore conclude that the SU will be able to set and operate a budget for 2021/22 well within that grant and its remaining Reserves.

# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

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### **Risk Management**

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

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

The framework exists to:

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

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

The risk register:

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

The Board of Trustees reviews the major strategic, business and operational risks faced by the Students' Union on an annual basis as a minimum. The Covid-19 pandemic is having a wide-ranging effect on the types of activities that students can participate in, and its impact is felt in a number of areas of The SU risk register. The 2019/20 register identifies six high level risks:

1. Reduced income from University block grant and/or commercial activities;
2. Fraud;
3. Staff/Student Member serious injury or fatality;
4. Data breach;
5. IT Support Services; and
6. Sudden reduction in staffing resources.

These risks have been mitigated through a number of improvement actions, controls and processes, reducing all identified risks to 'medium'. The risks will be re-assessed for the production of The SU Risk Register 2020/21.

### **Future Developments**

At the start of the summer the University began a consultation process about transferring responsibility for large parts of the arts and cultural facility (The Edge) to The SU. This shift will be transformative for The SU, answering long-standing challenges to do with space and access on campus, and providing an outstanding platform for future development.

The University has leased premises in Dartmouth Avenue, and The SU will be the main occupants of this space. It is free of rent and maintenance costs and will be used for extracurricular activities for students including the SU Volunteer team with student-led community volunteer groups running activities and raising funds for charity. The Student Community Partnership (SCP) team will also be based here, putting them at the heart of the off-campus community.



# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

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The University committed to supporting The SU in delivering a blended Freshers' Week experience, mixing face-to-face and virtual events with £96k of funding. The SU also responded to the challenge set by the University to increase the overall capacity for things to do on campus, resulting in the University-funded East Village marquees which, in partnership with local community venues, provide a safe venue for evening entertainment and will remain in place for the rest of Semester 1.

The SU's ongoing approach to Covid-19 is to continue to provide safe in-person events and venues, as well as supporting student groups in delivering events and activities that help communities of students continue to grow and thrive. This includes provision of virtual activities that help to engage students not based in Bath, and in the event of any further lockdown. Providing ongoing support to students who need it, particularly given the mental health and wellbeing challenges, will be absolutely key, as will ensuring that the student voice is central to the decisions that will affect them over the coming months.

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

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

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

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

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

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

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

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

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

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

# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

The Board of Trustees has the following committees:

<b>Finance &amp; Audit committee</b>	
<b>Responsibility:</b> <ul style="list-style-type: none"><li>• Monitoring, reporting and making recommendations on the budget to the Board</li><li>• Approving unbudgeted expenditures that will exceed £10,000</li><li>• Approving budgeted expenditures that will exceed £50,000</li><li>• Reviewing financial policies</li><li>• Monitoring and reporting on audit recommendations to the Board</li><li>• Keeping under review a register of assets</li></ul>	
<b>2019/20 Membership</b> Rob Clay Jiani Zhou Tomasz Sawko Ruqia Osman	<b>2020/21 Membership</b> Rob Clay Tomasz Sawko Francesco Masala Jordan Kenny Kate Aldridge Valerie Copenhagen
<b>Appointment:</b> <ul style="list-style-type: none"><li>• All Trustees are appointed by the Board</li></ul>	
<b>Number of meetings:</b> <ul style="list-style-type: none"><li>• Three meetings planned a year</li><li>• Additional meetings can be called</li></ul>	

<b>Governance committee</b>	
<b>Responsibility:</b> <ul style="list-style-type: none"><li>• Reviewing the Articles of Governance</li><li>• Reviewing general policies</li><li>• Reviewing Board effectiveness</li><li>• Overseeing the recruitment and induction of new trustees</li></ul>	
<b>2019/20 Membership</b> Eve Alcock Alisha Lobo Jiani Zhou Ruqia Osman	<b>2020/21 Membership</b> <i>Board decided to disband this committee as it had completed the original function it was set up to do which was to review the Articles of Governance.</i>
<b>Appointment:</b> <ul style="list-style-type: none"><li>• All Trustees are appointed by the Board</li></ul>	
<b>Number of meetings:</b> <ul style="list-style-type: none"><li>• This committee meets as and when necessary.</li><li>• For 2019/20 this committee met three times.</li></ul>	

# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2020

<b>Complaints &amp; Disciplinary committee</b>	
<b>Responsibility:</b> <ul style="list-style-type: none"><li>Hearing appeals for complaints and Student Member disciplinary.</li></ul>	
<b>2019/20 Membership</b> Marian McNeir Alisha Lobo Tomasz Sawko Jiani Zhou (Reserve) Ruqia Osman (Reserve)	<b>2020/21 Membership</b> Marian McNeir Alexander Robinson Freya Jackson Kate Aldridge (Reserve) Annie Willingham (Reserve)
<b>Appointment:</b> <ul style="list-style-type: none"><li>All Trustees are appointed by the Board</li></ul>	
<b>Number of meetings:</b> <ul style="list-style-type: none"><li>This committee meets as and when necessary.</li><li>For 2019/20 this committee met once.</li></ul>	

<b>Leadership committee</b>	
<b>Responsibility:</b> <ul style="list-style-type: none"><li>Monitoring, reporting and making recommendations on the strategic plan to the Board</li><li>Approving and overseeing campaigns and projects</li><li>Identifying and monitoring reputational risks</li></ul>	
<b>2019/20 Membership</b> Francesco Masala Eve Alcock Alisha Lobo Tomasz Sawko Jiani Zhou Ruqia Osman	<b>2020/21 Membership</b> Francesco Masala Tomasz Sawko Annie Willingham Freya Jackson Ka Ho Ho
<b>Appointment:</b> <ul style="list-style-type: none"><li>All Trustees are appointed by the Board</li></ul>	
<b>Number of meetings:</b> <ul style="list-style-type: none"><li>This committee normally meets monthly.</li></ul>	

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

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

#### Auditor

RSM UK Audit LLP has indicated its willingness to continue in office. The Trustees' Report was approved by the Trustees on 17<sup>TH</sup> December 2020 and signed on their behalf by:



Students' Union President  
Francesco Masala

Date: 17th December 2020

# University of Bath Students' Union

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

for the year ended 31 July 2020

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF  
BATH STUDENTS' UNION  
for the year ended 31 July 2020

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**Opinion**

We have audited the financial statements of University of Bath Students' Union (the 'charity') for the year ended 31 July 2020 which comprise the Statement of Financial Activities (including income and expenditure account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the [group's and] charity's affairs as at 31 July 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

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

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

**Conclusions relating to going concern**

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

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

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF  
BATH STUDENTS' UNION  
for the year ended 31 July 2020

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

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

**Use of our report**

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

*RSM UK Audit LLP*

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

Date: 17.12.20

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

# University of Bath Students' Union

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

for the year ended 31 July 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
INCOME FROM:							
Donations and grants	3	2,251,959	32,500	2,284,459	2,036,212	96,099	2,132,311
Charitable activities							
Bars and entertainment		869,008	-	869,008	1,174,305	-	1,174,305
Clubs and societies		60,565	200,066	260,631	18,956	287,071	306,027
Sports associations		-	722,953	722,953	-	869,931	869,931
Events		260,112	-	260,112	390,454	-	390,454
Other trading activities		42,969	-	42,969	176,960	956	177,916
Investments	4	3,041	-	3,041	3,864	-	3,864
<b>TOTAL</b>		<b>3,487,654</b>	<b>955,519</b>	<b>4,443,173</b>	<b>3,800,751</b>	<b>1,254,057</b>	<b>5,054,808</b>
EXPENDITURE ON:							
Raising funds	5	(36,968)	-	(36,968)	(195,293)	(8,905)	(204,198)
Charitable activities	5	(3,610,110)	(938,975)	(4,549,085)	(3,842,038)	(1,123,307)	(4,965,345)
Other	5	(10,600)	-	(10,600)	(10,050)	-	(10,050)
<b>TOTAL</b>		<b>(3,657,678)</b>	<b>(938,975)</b>	<b>(4,596,653)</b>	<b>(4,047,381)</b>	<b>(1,132,212)</b>	<b>(5,179,593)</b>
<b>NET INCOME/ (EXPENDITURE)</b>	<b>7</b>	<b>(170,024)</b>	<b>16,544</b>	<b>(153,480)</b>	<b>(246,630)</b>	<b>121,845</b>	<b>(124,785)</b>
Transfers between funds	14,15	28,875	(28,875)	-	40,176	(40,176)	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(141,149)</b>	<b>(12,331)</b>	<b>(153,480)</b>	<b>(206,454)</b>	<b>81,669</b>	<b>(124,785)</b>
RECONCILIATION OF FUNDS:							
Total funds brought forward		561,930	332,073	894,003	768,384	250,404	1,018,788
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>420,781</b>	<b>319,742</b>	<b>740,523</b>	<b>561,930</b>	<b>332,073</b>	<b>894,003</b>

All income and expenses relate to continuing operations.

# University of Bath Students' Union

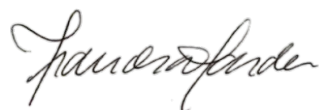
## BALANCE SHEET

for the year ended 31 July 2020

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Intangible assets	9	-	-
Tangible assets	10	139,717	203,439
		<u>139,717</u>	<u>203,439</u>
<b>CURRENT ASSETS</b>			
Stocks		18,053	26,654
Debtors	11	128,745	187,359
Cash at bank and in hand		568,347	606,203
		<u>715,145</u>	<u>820,216</u>
CREDITORS: Amounts falling due within one year	12	(114,342)	(129,652)
NET CURRENT ASSETS		<u>600,803</u>	<u>690,564</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>740,520</u>	<u>894,003</u>
<b>RESERVES</b>			
Unrestricted funds - general	14	414,150	557,471
Unrestricted funds - designated	14	6,631	4,459
Restricted funds:			
SCP	15	22,636	36,317
Alumni	15	48,748	30,771
Student development	15	43,064	39,354
Sports and Societies funding	15	153,713	145,176
Club asset reserve	15	51,580	80,455
		<u>740,522</u>	<u>894,003</u>

The notes on pages 14 to 29 form an integral part of the financial statements.

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



Students' Union President  
Francesco Masala

Date: 17th December 2020

Charity No 1143154



# University of Bath Students' Union

## BALANCE SHEET

for the year ended 31 July 2020

	Notes	2020 £	2019 £
CASH FLOW FROM OPERATING ACTIVITIES:			
Cash (used)/generated by operations	21	(42,364)	(231,010)
NET CASH FROM OPERATING ACTIVITIES		<u>(42,364)</u>	<u>(231,010)</u>
CASH FLOW FROM INVESTING ACTIVITIES:			
Income and proceeds from investments		3,041	3,864
Purchase of tangible assets		1,470	(78,163)
NET CASH FROM/(USED) BY INVESTING ACTIVITIES		<u>4,511</u>	<u>(74,299)</u>
MOVEMENT IN CASH		<u>(37,853)</u>	<u>(305,309)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD		606,203	911,512
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		<u>568,350</u>	<u>606,203</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS:			
Cash at bank and in hand		<u>568,350</u>	<u>606,203</u>

# University of Bath Students' Union

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

### for the year ended 31 July 2020

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#### 1 ACCOUNTING POLICIES

##### **Basis of Accounting**

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

The SU is a charitable unincorporated organisation.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011. The accounting policies as disclosed have been applied consistently throughout the current and preceding year.

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

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

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

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

##### **Going Concern**

The Trustees require The SU to prepare a budget each year, demonstrating that reserves will be maintained at or above agreed levels. In the light of wider COVID-related economic and social disruption, the SU has modelled scenarios (both Budget and Cashflow) for the period to 31 December 2021, each of which has been reviewed with Trustees. The SU has also taken immediate steps to reduce costs.

The SU then updates actual results each month and the Trustees review at least once a quarter to ensure reserves are going to be maintained as agreed. In this COVID year, Trustees and The SU have been closely monitoring the budget, at both Board and Finance & Audit Committee meetings, with greater frequency and closer scrutiny. In addition to the scenario modelling, the SU has identified a series of decision-points through the year where different elements of our income and expenditure crystallise, such that we can dynamically revise our Budget and (if necessary) our cost base to ensure we stay within the approved budget.

The Trustees note that the majority of The SU income is received in the form of block grant from the University, which has been received at a materially consistent level for some years. The trustees further note that (i) the grant for the coming year has been committed by the University and (ii) the University has also confirmed it's 5 year forecast includes the same level of funding, adjusted for inflation, in future years.

The Trustees have received confirmation that the funding level from the University for the year ended 31 July 2022 will remain at the same level as committed for the year ended 31 July 2021.

Based on this assessment, the trustees consider The SU to be a going concern and these financial statements have been prepared on that basis.

# University of Bath Students' Union

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

for the year ended 31 July 2020

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### 1 ACCOUNTING POLICIES (*continued*)

#### **Income**

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

#### **Expenditure**

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

#### **Intangible Fixed Assets**

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

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

Software	-	3 years straight line
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#### **Fixed Assets**

Fixed asset purchases in excess of £2,500 are capitalised at cost and subsequently measured at cost less accumulated depreciation, or where applicable amortisation, and impairment.

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

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

#### **Fund Accounting**

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

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

# University of Bath Students' Union

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

for the year ended 31 July 2020

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### 1 ACCOUNTING POLICIES (*continued*)

#### **Fund Accounting (*continued*)**

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

#### **Stocks**

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

#### **Operating Lease Agreements**

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

#### **Financial Instruments**

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

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Basic financial assets

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

#### Impairment of financial assets

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

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

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

#### De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# University of Bath Students' Union

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

for the year ended 31 July 2020

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### 1 ACCOUNTING POLICIES (*continued*)

#### Financial liabilities

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

#### Basic financial liabilities

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

#### De-recognition of financial liabilities

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

#### Cash and cash equivalents

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

#### **Taxation**

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

#### **Pensions**

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

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

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

### 2 ACCOUNTING JUDGEMENTS AND ESTIMATES

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

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

University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS (*continued*)  
for the year ended 31 July 2020

3 DONATIONS AND GRANTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Grant income	2,241,904	32,500	2,274,404	2,021,020	96,099	2,117,119
Sponsorship income	10,055	-	10,055	15,192	-	15,192
	<u>2,251,959</u>	<u>32,500</u>	<u>2,284,459</u>	<u>2,036,212</u>	<u>96,099</u>	<u>2,132,311</u>

During the year, The SU qualified for the government's Job Retention Scheme, a measure introduced in response to the Covid-19 pandemic and received grant of £99,704 for staff costs included in Grant income. At the year end, a balance of £12,579 was due to The SU.

4 INVESTMENT INCOME

	2020 £	2019 £
Unrestricted bank interest receivable	3,041	3,864
	<u>3,041</u>	<u>3,864</u>

5 EXPENDITURE

	Staff 2020 £	Direct 2020 £	Support 2020 £	Total 2020 £	Total 2019 £
Costs of raising funds:					
Commercial activities	27,515	3,686	5,768	36,969	204,198
TOTAL	<u>27,515</u>	<u>3,686</u>	<u>5,768</u>	<u>36,969</u>	<u>204,198</u>
Charitable Activities:					
Bars & Entertainment	391,138	345,370	211,977	948,485	1,163,039
Clubs & Societies	128,273	193,904	85,232	407,409	498,373
Sports Associations	376,302	763,289	324,405	1,463,996	1,422,098
Events	32,944	190,276	16,712	239,932	387,743
Student Activities & Advice	942,030	43,447	198,144	1,183,621	1,211,138
Volunteering	265,063	7,091	33,488	305,642	282,954
TOTAL	<u>2,135,750</u>	<u>1,543,377</u>	<u>869,958</u>	<u>4,549,085</u>	<u>4,965,345</u>
Governance	-	-	10,600	10,600	10,050
TOTAL EXPENDITURE	<u>2,163,265</u>	<u>1,547,063</u>	<u>886,326</u>	<u>4,596,654</u>	<u>5,179,593</u>

Included within staff costs above are support staff costs of £717,914 (2019: £571,794).

University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS (*continued*)  
for the year ended 31 July 2020

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6 ANALYSIS OF SUPPORT COSTS

	Bars & Entertainment	Clubs & Societies	Sports Associations	Events	Student Activities & Advice	Volunteering	Total	Total
	2020 £	2020 £	2020 £	2020 £	2020 £	2020 £	2020 £	2019 £
SU Officer accommodation	-	5,568	20,815	-	11,506	2,111	40,000	40,000
Facilities	136,690	34,716	129,910	-	71,398	13,131	385,845	359,041
Admin and maintenance	75,287	47,226	182,198	16,712	119,948	19,110	460,482	382,083
	<u>211,977</u>	<u>87,510</u>	<u>332,923</u>	<u>16,712</u>	<u>202,852</u>	<u>34,352</u>	<u>886,326</u>	<u>781,124</u>

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

# University of Bath Students' Union

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

### for the year ended 31 July 2020

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#### 7 OPERATING CHARGES

Net income for the year is stated after charging:

	2020	2019
	£	£
Auditor's remuneration – as auditor	10,600	10,050
Auditor's remuneration – other	5,500	13,313
Depreciation	62,595	61,225
Operating lease charges	408,654	387,107
Stock recognised as an expense	308,812	400,203

#### 8 STAFF COSTS

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

	2020	2019
	£	£
Wages and salaries	1,733,019	1,688,669
Social security costs	109,789	102,826
Other pension costs	246,665	226,842
	<u>2,089,473</u>	<u>2,018,337</u>

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

	2020	2019
	£	£
K Ho	2,684	-
F Jackson	4,246	-
A A Lobo	18,760	-
R Tyrrell	889	-
A Willingham	2,668	-
K Pickett	-	18,380
J Zhou	18,760	21,034
E Alcock	16,661	20,086
A Galloway	-	18,689
J Kitchen	-	19,663
AA Lobo	-	20,086
F Masala	20,645	2,615
R Osman	18,760	2,493
T F Sawko	20,645	2,493

During the year, 2 trustees reclaimed expenses totalled to £384 (2019: £nil) in relation to travel purposes.

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

	2020	2019
	No.	No.
£60,001 - £70,000	-	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-



University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS (*continued*)  
for the year ended 31 July 2020

9 INTANGIBLE FIXED ASSETS

	Software £
COST	
At 1 August 2019	18,387
At 31 July 2020	<u>18,387</u>
AMORTISATION	
At 1 August 2019	18,387
At 31 July 2020	<u>18,387</u>
NET BOOK VALUE	
At 31 July 2020	-
At 31 July 2019	<u>-</u>

Intangible fixed assets relate to purchased software assets and the associated amortisation features in support costs within charitable activities.

10 TANGIBLE FIXED ASSETS

	Equipment £	Leasehold Improvements £	Motor vehicles £	Total £
COST				
At 1 August 2019	427,297	62,194	1,796	491,287
Disposals	(1,470)	-	-	(1,470)
At 31 July 2020	<u>425,827</u>	<u>62,194</u>	<u>1,796</u>	<u>489,817</u>
DEPRECIATION				
At 1 August 2019	277,134	8,918	1,796	287,848
Charge for year	52,686	9,909	-	62,595
Eliminated on disposal	(343)	-	-	(343)
At 31 July 2020	<u>329,477</u>	<u>18,827</u>	<u>1,796</u>	<u>350,100</u>
NET BOOK VALUE				
At 31 July 2020	<u>96,350</u>	<u>43,367</u>	<u>-</u>	<u>139,717</u>
At 31 July 2019	<u>150,163</u>	<u>53,276</u>	<u>-</u>	<u>203,439</u>

Depreciation is recognised in the statement of financial activities in charitable activities.

# University of Bath Students' Union

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

### for the year ended 31 July 2020

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#### 11 DEBTORS

	2020	2019
	£	£
Trade debtors	18,221	1,896
Other debtors	9,824	27,665
Prepayments and accrued income	100,700	157,798
	<u>128,745</u>	<u>187,359</u>

#### 12 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	12,735	45,933
University of Bath	72,430	11,190
Accruals and deferred income	26,116	71,660
Other creditors	3,061	869
	<u>114,342</u>	<u>129,652</u>

#### DEFERRED INCOME

Included within accruals and deferred income is deferred income of £nil (2019: £3,981).

	2020	2019
	£	£
Deferred income as at 1 August 2019	3,981	14,429
Income deferred in the year	-	3,981
Income released in the year	(3,981)	(14,429)
Deferred income as at 31 July 2020	<u>-</u>	<u>3,981</u>

Deferred income relates to sponsorship income for FY20/21 of £nil (2019: £3,981).

#### 13 PENSIONS

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

University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS (*continued*)  
for the year ended 31 July 2020

14 UNRESTRICTED RESERVES

	General fund	Designated Club & Societies	Total
	£	£	£
Balance at 1 August 2018	764,082	4,302	768,384
Retained (deficit)/surplus for the financial year	(246,787)	157	(246,630)
Transfers	40,176	-	40,176
Balance at 31 July 2019	<u>557,471</u>	<u>4,459</u>	<u>561,930</u>
Balance at 1 August 2019	557,471	4,459	561,930
Retained (deficit)/surplus for the financial year	(172,196)	2,172	(170,024)
Transfers	28,875	-	28,875
Balance at 31 July 2020	<u>414,150</u>	<u>6,631</u>	<u>420,781</u>

The designated funds relate to clubs and societies. It is expected that these will be expensed during the 2020/21 academic year.

The transfer from the general fund to the club asset reserve represents £28,875 of depreciation on the restricted tangible fixed assets (2019: £29,618).

15 RESTRICTED RESERVES

At 31 July 2020	SCP	Alumni	Student Develop- ment	Sports and Societies Funding	Club Asset Reserve	Total
	£	£	£	£	£	£
Balance at 1 August 2018	26,549	32,453	37,584	102,134	51,684	250,404
Income	50,500	20,000	26,509	1,157,048	-	1,254,057
Expenditure	(40,732)	(11,124)	(24,739)	(1,055,617)	-	(1,132,212)
Transfers	-	(10,558)	-	(58,389)	28,771	(40,176)
Balance at 31 July 2019	<u>36,317</u>	<u>30,771</u>	<u>39,354</u>	<u>145,176</u>	<u>80,455</u>	<u>332,073</u>
Balance at 1 August 2019	36,317	30,771	39,354	145,176	80,455	332,073
Income	37,215	20,000	37,500	860,804	-	955,519
Expenditure	(50,896)	(2,023)	(36,846)	(849,211)	-	(938,975)
Transfers	-	-	3,056	(3,056)	(28,875)	(28,875)
Balance at 31 July 2020	<u>22,636</u>	<u>48,748</u>	<u>43,064</u>	<u>153,713</u>	<u>51,580</u>	<u>319,742</u>

# University of Bath Students' Union

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

for the year ended 31 July 2020

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### 15 RESTRICTED RESERVES (CONTINUED)

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

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

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

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

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

The transfer of £3,056 from Sports and Societies Funding to Student Development represents a reclassification of restricted funds.

### 16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 July 2020 are represented by:	Unrestricted £	Designated £	Restricted £	Total £
Tangible assets	88,137	-	51,580	139,717
Current assets	440,352	6,631	268,162	715,145
Current liabilities	(114,342)	-	-	(114,342)
Total net assets	<u>414,147</u>	<u>6,631</u>	<u>319,742</u>	<u>740,520</u>

### 17 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2020 The SU had annual commitments under non-cancellable operating leases as set out below:

	2020 £	2019 £
Operating leases which expire:		
In less than 1 year	4,467	5,814
Within 2 to 5 years	1,117	5,584
	<u>5,584</u>	<u>11,398</u>

# University of Bath Students' Union

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

### for the year ended 31 July 2020

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

During the year The SU acted as a custodian of the annual Raising and Giving (RAG) proceeds from fundraising events organised by students. Funds raised by this year's RAG not distributed to charities amounted to £1,781 (2019: £140) which were held by The SU as agreed.

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

	At 1 August 2019 £	Amounts received £	Amounts expended £	At 31 July 2020 £
RAG	140	40,631	(38,989)	1,781
	<u>140</u>	<u>40,631</u>	<u>(38,989)</u>	<u>1,781</u>
	<u><u>140</u></u>	<u><u>40,631</u></u>	<u><u>(38,989)</u></u>	<u><u>1,781</u></u>

#### 19 RELATED PARTY TRANSACTIONS

The SU became a registered charity on 29 July 2011 but previously derived charitable status from its governing parent body, the University of Bath. The SU is in receipt of a recurrent grant from the parent body of £1,775,000 (2019: £1,568,000).

The SU occupies a University building under an informal licence. The SU is charged by the University a contribution to the costs of maintaining the building. The amount charged in the year was £340,000 (2019: £350,146). This is a notional charge to the Statement of Financial Activities for which equivalent income is shown within 'Donations and grants'.

Included in creditors falling due within one year is £72,430 (2019: £57,618) owed to the University of Bath which has no securities or interest attached.

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

The key management personnel are considered to be the Chief Executive, the Deputy Chief Executive and the Trustees. Their total remuneration in the year was £292,789 (2019: £252,893). These are paid by the University and recharged accordingly.

#### 20 CONTROLLING PARTY

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

# University of Bath Students' Union

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

### for the year ended 31 July 2020

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#### 21 CASH GENERATED FROM OPERATIONS

	2020 £	2019 £
Net (expenditure)/income	(153,480)	(124,785)
<b>Adjustments for:</b>		
Investment income received	(3,041)	(3,864)
Depreciation	62,252	61,225
Profit on disposal of investments	-	-
	<u>(94,269)</u>	<u>(67,424)</u>
Decrease/(increase) in stock	8,601	(5,335)
Decrease/(increase) in debtors	58,614	(38,489)
(Decrease)/increase in creditors	(15,310)	(119,762)
	<u>(42,364)</u>	<u>(231,010)</u>
Net cash provided by operating activities		

No restrictions apply to the cash or cash equivalents.

#### 22 NET DEBT ANALYSIS

	At 1 August 2019 £	Cashflows £	At 31 July 2020 £
Cash at bank and in hand	606,203	(37,511)	568,347
	<u>606,203</u>	<u>(37,511)</u>	<u>568,347</u>
	=====	=====	=====



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

for the year ended

31 July 2020

# University of Bath Students' Union

## TRUSTEES AND UNION INFORMATION

for the year ended 31 July 2020

### REFERENCE AND ADMINISTRATIVE DETAILS

Overview of Charity’s key details				
Charity name:	The University of Bath Students’ Union			
Other names:	The SU			
Charity number:	1143154			
Charity address:	The SU Bath, University of Bath, Claverton Down, Bath, BA2 7AY			
Governing document:	Articles of Association			
Constitution:	Unincorporated association			
Details of Charity’s professional services				
Bank name:	National Westminster Bank Plc			
Bank address:	39 Milsom Street, Bath, BA1 1DS			
Auditor name:	RSM UK Audit LLP			
Auditor address:	Hartwell House, 55 – 61 Victoria Street, Bristol, BS1 6AD			
Senior SU Management				
Chief Executive:	Andrew McLaughlin			
Deputy Chief Executive:	Mandy Wilson-Garner			
Secretary to the Board:	Greg Noakes			
Board of Trustees				
Trustee name	Office	Start date	End date	Appointment
Eve Alcock	President (Chair)	02/07/2018	28/06/2020	Elected by Members
Ruqia Osman	Education Officer	01/07/2019	28/06/2020	Elected by Members
Jiani Zhou	Postgraduate Officer	02/07/2018	28/06/2020	Elected by Members
Alisha Lobo	Community Officer	02/07/2018	28/06/2020	Elected by Members
Francesco Masala	Activities Officer	01/07/2019	28/06/2020	Elected by Members
Paul Freeston	Independent Trustee	17/06/2015	17/10/2019	Appointed by the Board
Francesco Masala	President (Chair)	29/06/2020	27/06/2021	Elected by Members
Annie Willingham	Education Officer	29/06/2020	27/06/2021	Elected by Members
Ka Ho Ho	Postgraduate Officer	29/06/2020	27/06/2021	Elected by Members
Freya Jackson	Community Officer	29/06/2020	27/06/2021	Elected by Members
Tomasz Sawko	Sport Officer	01/07/2019	27/06/2021	Elected by Members
Rob Tyrell	Activities Officer	29/06/2020	27/06/2021	Elected by Members
Marian McNeir	Independent Trustee	20/06/2017	28/06/2023	Appointed by the Board
Rob Clay	Independent Trustee	12/10/2015	12/10/2021	Appointed by the Board
Jordan Kenny	Independent Trustee	19/12/2019	19/12/2022	Appointed by the Board
Alexander Robinson	Independent Trustee	19/12/2019	19/12/2022	Appointed by the Board
Vikas Mistry	Independent Trustee	19/12/2019	26/02/2019	Appointed by the Board
Valerie Copenhagen	Independent Trustee	19/12/2019	19/12/2022	Appointed by the Board
Kate Aldridge	Independent Trustee	19/12/2019	19/12/2022	Appointed by the Board
VACANT	Independent Trustee	27/02/2019	-	-



# University of Bath Students' Union

## TRUSTEES' REPORT

for the year ended 31 July 2020

### CHARITY INTRODUCTION

#### Charitable Status

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

#### Trustees' Report

The Board of Trustees present their Annual Report together with the financial statements for the year ended 31 July 2020. The report has been prepared in accordance with the Charities Act 2011. The Trustees have had regard to the Charity Commission guidance on public benefit entities.

#### Relationship with the University of Bath

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

### OBJECTIVES AND ACTIVITIES

#### Charitable Purpose

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

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

#### Our cause

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

#### SU Strategy 2017-2020

This year marks the end of our strategy for 2017-20. The table below shows Key Performance Indicator (KPI) progress over the full duration of the strategy, including baseline data from 2016/17 where available.

KPIs	2016/17 (baseline)	2017/18	2018/19	2019/20
Student participation	64%	70%	66%	64%
Student satisfaction	-	63%	62%	56%
Student impact	-	66%	65%	63%
Staff satisfaction	80%	-	85%	-
Staff engagement	70%	-	84%	-

Data for the student KPIs was based on interactions on The SU website and physical event attendance monitoring. The monthly student life pulse survey gathered feedback on student satisfaction and opinion. Data for staff engagement and satisfaction was collected through the biennial staff survey.

# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

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Student participation in The SU peaked in 2017/18, primarily due to heightened engagement with The SU in the period immediately before the resignation of the then Vice-Chancellor. The results for 2019/20, in particular student satisfaction, were affected by negative reaction to University staff strike action and the national Covid-19 lockdown introduced in March 2020.

The key deliverables for the strategy were highlighted as 'strategic objectives' reflecting student, staff and stakeholder feedback. The below summarises the success that has been achieved in delivering these between 2017-20.

**1) Embedding our cause in all we do**

We worked through a process to co-create the articulation of our cause. This is now agreed and embedded as part of our strategy for 2020-23. Student and staff workshops have been excellent engagement platforms and established positive ways of working. The language of cause has also been incredibly powerful tool, unifying our approach in different areas.

**2) Deliver fewer bigger better initiatives**

The term 'fewer bigger better' has had an important cultural impact, communicating the need to focus on doing fewer things that have a bigger impact. Major changes include the re-branding exercise, which put much tighter controls over our use of sub-brands, stopping multiple social media accounts, integrating student leader training, and halting campaigns where we could not demonstrate meaningful impact.

**3) Build the skills and capability of our people**

The increase in staff satisfaction and engagement reflects positive cultural changes within the staff group. A restructure in 2019/20 helped better resource core functions, building capacity in those areas. Managers are meeting frequently to share challenges and practices, and some have adopted objectives to develop their leadership skills. There is still some work to complete which we are working with the University's HR team on this.

**4) Improve our financial processes**

We have upgraded both the server and the finance package we use to improve the efficiency of our systems. In 2019/20 we launched a new app to improve the payments system for student groups and created a new chart of accounts to improve transparency.

**5) Improve our communications**

The 2016/17 rebrand provided The SU with a clear and more flexible visual identity and the concurrent web re-design project added much-needed structure and improved usability. We are now making steady progress at improving the overall usability and accessibility of the website which will help student groups and staff as this platform becomes more central to our communications. We have rationalised the number of social media channels that we operate, though a further reduction is needed so we can invest in those with better cut-through for key audiences.

**6) Increase our knowledge**

The monthly Student Life Pulse has provided a rich source of data for The SU, enabling us to identify trends and benchmark with other students' unions. The three reports throughout the year provide a clearer picture of how the student experience shifts throughout the course of the year.

**7) Improve development, recognition and reward for student leaders**

We secured funding from the University for the new Skills & Development Co-ordinator. We have also received external funding for the development of online training modules (*project due to complete in 2021/22*). Work is also underway to bring together disparate student training activities within The SU to form a more consolidated approach to development and recognition, and student trainer training sessions are now being advertised as part of the University skills hub.

# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

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### **8) Support the independent student voice**

We secured funding from the University for the Student Voice Coordinator role. This role provides much-needed support for campaigns and development of the liberation groups. Allowing student groups, such as Amnesty and People & Planet, to lead activities with senior management at University meetings has been key to achieving notable successes over the last three years, including refugee scholarships and campaigns to divestment funding from fossil fuel companies. We have also supported independent student voice activities, such as the People's Vote march, and other activities where students derive benefit from leading campaigns of their own.

### **9) Improve and extend peer-to-peer support**

Our peer assisted learning (PAL) and peer mentoring has gone from strength to strength during this period. We have added additional resource through the 2019/20 restructure and secured Widening Participation funding to increase the size of the team, allowing us to better support our volunteers and develop schemes. We now also offer peer-to-peer support for most doctoral and placement students, mentoring for new Gold Scholars and a PAL scheme for language learners in partnership with the Skills Centre.

### **10) Enhance the postgraduate student experience**

The role of the postgraduate officer was created for the start of 2016/17. Since then, the post has been responsible for leading work to represent postgraduate student interest, for example around office space provision, and lead postgraduate student engagement within The SU. Participation data for postgraduate students shows that there has been good progress in engaging more taught postgraduate students even as their overall numbers have increased, but there has been no perceptible change amongst doctoral students. The University created the Doctoral College in 2017/18 and adopted activity where The SU might traditionally have played a stronger role.

## **ACHIEVEMENTS AND PERFORMANCE**

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

The SU is divided into five main areas: student voice, student groups, student support, student experiences and student development. These areas work with student members to provide regular advice, representation, activities and events in line with our charitable purpose and cause.

### **Significant Activities undertaken for 2019/20**

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

In the autumn we were successful in getting the University to work with First Bus to address the major transport issue for students commuting between the city and campus. Previously this had been an issue that we campaigned heavily on, recognising the change to timetables and routes was negatively impacting all students. The introduction of marshals and increased capacity resulted in a significant improvement in service on the previous year, and the University is now working much more closely with the company in dealing with outstanding issues and the response to Covid-19.

We co-ordinated a campus-wide Black History Month in October, securing funding from the University, celebrating the work of student groups and bringing together different departments from across the University. Going forward, The SU has committed to making this a core part of the programme as part of its equalities, diversity and inclusion work in the wake of the tragic death of George Floyd in the USA. The SU has also been instrumental in helping shape the University's response and improvements to its work on race and inclusion.

In November, The SU supported the strike action called by UCU over pay, pensions and conditions of University staff following an all-student referendum. However, a second similar strike action called after Christmas was not supported by students in a second referendum, reflecting the impact on studies in the run-up to exams.

In the lead up to the 2019 general election, The SU ran a major campaign aimed at encouraging students to register and then vote. We gave away thousands of doughnuts as part of our 'doughnut forget to register' campaign, with staff and students facilitating registration at stalls in the student centre.

# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

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We appointed five new Independent Trustees to the Board in December following a successful recruitment process, though one resigned before they could take up their post. This built upon the previous year's work of reviewing our articles of governance, expanding the size of the Board to allow for more external scrutiny and challenge. The new Trustees have brought a wide range of skills and perspectives to the Board, the benefits of which have been immediately apparent at Board meetings.

Throughout the year, The SU has been experimenting with new forms of 'collective intelligence' approaches to developing responses to some of the major challenges we face. We brought engaged students together to consider what we could do together in response to the issues of mental health and the climate emergency. The SU has since joined the University in declaring a climate emergency, committing in its new strategy to important work in this area. The SU was later awarded a 'Good' in the National Union of Students' Green Impact Students' Union Award, recognising the work that The SU has already done to demonstrate leadership on embedding sustainability and social justice across campus, the curriculum, and within the wider society.

In response to the national lockdown for Covid-19, The SU made the shift to online working. During this time, we were instrumental in raising key student issues with the University in relation to online provisions for teaching and exams. We were successful in getting the University to agree to the adoption of a no-detriment policy for all final-year students and taught postgraduate students. All taught students also had blanket mitigations applied to their achievements.

We also set up a Facebook 'Corona Community' which received excellent engagement with almost 4,000 members enjoying content produced by our Sport and Activities Officers, as well as a range of student groups.

The SU joined national campaigns calling for tuition fee refunds to be paid for from the government on the back of the inevitable decline in the quality of teaching and supervision due to the Covid-19 pandemic and earlier strikes. We did this in collaboration with a campaign launched by the University of Manchester students' union, which also included the needs of international students in their 'asks'.

In July, The SU was able to secure a larger space for a prayer room on campus. We were also delighted to learn that a final year Lloyds Scholar, Lyam England, won the award for 'Lloyds Champion of the Year.' Chosen from the graduating scholars of the eight partnership Universities, this award is for a scholar who has fulfilled and promoted the scholarship scheme above and beyond expectations.

On the 29<sup>th</sup> June 2020 we received the sad news that Rob Tyrell, our newly elected Activities Officer, had sadly passed away unexpectedly. Rob was much loved within the student community and will be sadly missed. We will be engaging in a number of different activities throughout 2020/21 to remember Rob. These will include honouring some of his manifesto points around support for international student societies and climate action.

### **FINANCIAL REVIEW**

The overall deficit for the year, before reserve transfer, on unrestricted funds was £170,024 (2018/19: Deficit of £246,630). This was mainly due to the loss of commercial income caused by Covid-19. The deficit in the previous year was a result of planned project expenditure from reserves. These projects were concluded in 2019/20.

Bars and entertainments remained the principal focus for The SU's commercial activity during 2019/20. Performance in this area was affected by campus closure due to Covid-19 in March, ending with a less than budgeted surplus, before overhead apportionment, of £37,192 (2018/19: £127,933).

The Balance Sheet continues to reflect a robust financial position for the Union with net current assets of £600,803 (2018/19: £690,564).

# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

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### Reserves Policy

Reserves are needed:

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

The total reserves held by the reporting entity at 31 July 2020 was £740,522 (2019: £894,003), of which £420,781 (2019: £561,930) are regarded as unrestricted funds and £319,741 (2019: £332,073) are regarded as restricted funds.

The balance held as unrestricted general funds, excluding designated funds, at 31 July 2020 was £414,150 (2019: £557,471), of which £326,010 (2018/19: £434,487) are regarded as free reserves, after allowing for funds tied up in tangible fixed assets.

As at 31 July 2020 the use of the free reserves was designated by the trustees for the following purposes:

- To avoid the necessity of realising fixed assets held for The SU's use;
- To manage income risk through commercial services by covering deficit to maximum £150k;
- To provide for working capital requirements; and
- To provide funding for a number of specific refurbishments and projects.

### Going Concern

The COVID-19 pandemic is having a material impact on The SU, especially commercial income. The SU has modelled scenarios for the Financial Year 2020/21, each of which has been reviewed with Trustees. The SU has also taken immediate steps to reduce costs.

As noted above, The SU holds reserves of £326k. The Board has agreed to accept a budget for 2020/21 with a deficit up to £150,000, leaving further reserves of £176k still available for budget shortfall.

The SU main source of funding is the block grant from the University, which has committed a level of grant for 2020/21 that has been built into the Budget.

Trustees and The SU have been closely monitoring the budget at both Board and Finance & Audit Committee meetings, with greater frequency and closer scrutiny. In addition to the scenario modelling, The SU has identified a series of decision-points through the year where different elements of our income and expenditure crystallise, such that we can dynamically revise our Budget and (if necessary) our cost base to ensure we stay within the approved £150,000 deficit.

The SU continues in close communication with the University in case additional funding may become available in preference to some of these decision points during the year, but no such additional funding is relied upon.

### Conclusion

The Trustees have considered the consequences of Covid-19, the scenario-planning and the revised budget, and are satisfied that The SU will not exceed the budgeted deficit by an amount that might consume remaining reserves, and therefore conclude that The SU remains a going concern for the 2020/21 year.

The SU has performed a detailed review to the period to 31 December 2021. The university has confirmed that the block grant for the SU for the 2021/22 year will be of comparable magnitude to the grant committed for 2020/21. The Trustees therefore conclude that the SU will be able to set and operate a budget for 2021/22 well within that grant and its remaining Reserves.

# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

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### **Risk Management**

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

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

The framework exists to:

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

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

The risk register:

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

The Board of Trustees reviews the major strategic, business and operational risks faced by the Students' Union on an annual basis as a minimum. The Covid-19 pandemic is having a wide-ranging effect on the types of activities that students can participate in, and its impact is felt in a number of areas of The SU risk register. The 2019/20 register identifies six high level risks:

1. Reduced income from University block grant and/or commercial activities;
2. Fraud;
3. Staff/Student Member serious injury or fatality;
4. Data breach;
5. IT Support Services; and
6. Sudden reduction in staffing resources.

These risks have been mitigated through a number of improvement actions, controls and processes, reducing all identified risks to 'medium'. The risks will be re-assessed for the production of The SU Risk Register 2020/21.

### **Future Developments**

At the start of the summer the University began a consultation process about transferring responsibility for large parts of the arts and cultural facility (The Edge) to The SU. This shift will be transformative for The SU, answering long-standing challenges to do with space and access on campus, and providing an outstanding platform for future development.

The University has leased premises in Dartmouth Avenue, and The SU will be the main occupants of this space. It is free of rent and maintenance costs and will be used for extracurricular activities for students including the SU Volunteer team with student-led community volunteer groups running activities and raising funds for charity. The Student Community Partnership (SCP) team will also be based here, putting them at the heart of the off-campus community.

# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

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The University committed to supporting The SU in delivering a blended Freshers' Week experience, mixing face-to-face and virtual events with £96k of funding. The SU also responded to the challenge set by the University to increase the overall capacity for things to do on campus, resulting in the University-funded East Village marquees which, in partnership with local community venues, provide a safe venue for evening entertainment and will remain in place for the rest of Semester 1.

The SU's ongoing approach to Covid-19 is to continue to provide safe in-person events and venues, as well as supporting student groups in delivering events and activities that help communities of students continue to grow and thrive. This includes provision of virtual activities that help to engage students not based in Bath, and in the event of any further lockdown. Providing ongoing support to students who need it, particularly given the mental health and wellbeing challenges, will be absolutely key, as will ensuring that the student voice is central to the decisions that will affect them over the coming months.

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

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

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

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

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

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

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

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

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

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

# University of Bath Students' Union

## TRUSTEES' REPORT (*continued*)

for the year ended 31 July 2020

The Board of Trustees has the following committees:

<b>Finance &amp; Audit committee</b>	
<b>Responsibility:</b> <ul style="list-style-type: none"><li>• Monitoring, reporting and making recommendations on the budget to the Board</li><li>• Approving unbudgeted expenditures that will exceed £10,000</li><li>• Approving budgeted expenditures that will exceed £50,000</li><li>• Reviewing financial policies</li><li>• Monitoring and reporting on audit recommendations to the Board</li><li>• Keeping under review a register of assets</li></ul>	
<b>2019/20 Membership</b> Rob Clay Jiani Zhou Tomasz Sawko Ruqia Osman	<b>2020/21 Membership</b> Rob Clay Tomasz Sawko Francesco Masala Jordan Kenny Kate Aldridge Valerie Copenhagen
<b>Appointment:</b> <ul style="list-style-type: none"><li>• All Trustees are appointed by the Board</li></ul>	
<b>Number of meetings:</b> <ul style="list-style-type: none"><li>• Three meetings planned a year</li><li>• Additional meetings can be called</li></ul>	

<b>Governance committee</b>	
<b>Responsibility:</b> <ul style="list-style-type: none"><li>• Reviewing the Articles of Governance</li><li>• Reviewing general policies</li><li>• Reviewing Board effectiveness</li><li>• Overseeing the recruitment and induction of new trustees</li></ul>	
<b>2019/20 Membership</b> Eve Alcock Alisha Lobo Jiani Zhou Ruqia Osman	<b>2020/21 Membership</b> <i>Board decided to disband this committee as it had completed the original function it was set up to do which was to review the Articles of Governance.</i>
<b>Appointment:</b> <ul style="list-style-type: none"><li>• All Trustees are appointed by the Board</li></ul>	
<b>Number of meetings:</b> <ul style="list-style-type: none"><li>• This committee meets as and when necessary.</li><li>• For 2019/20 this committee met three times.</li></ul>	



# University of Bath Students' Union

## TRUSTEES' REPORT *(continued)*

for the year ended 31 July 2020

<b>Complaints &amp; Disciplinary committee</b>	
<b>Responsibility:</b> <ul style="list-style-type: none"><li>Hearing appeals for complaints and Student Member disciplinary.</li></ul>	
<b>2019/20 Membership</b> Marian McNeir Alisha Lobo Tomasz Sawko Jiani Zhou (Reserve) Ruqia Osman (Reserve)	<b>2020/21 Membership</b> Marian McNeir Alexander Robinson Freya Jackson Kate Aldridge (Reserve) Annie Willingham (Reserve)
<b>Appointment:</b> <ul style="list-style-type: none"><li>All Trustees are appointed by the Board</li></ul>	
<b>Number of meetings:</b> <ul style="list-style-type: none"><li>This committee meets as and when necessary.</li><li>For 2019/20 this committee met once.</li></ul>	


<b>Leadership committee</b>	
<b>Responsibility:</b> <ul style="list-style-type: none"><li>Monitoring, reporting and making recommendations on the strategic plan to the Board</li><li>Approving and overseeing campaigns and projects</li><li>Identifying and monitoring reputational risks</li></ul>	
<b>2019/20 Membership</b> Francesco Masala Eve Alcock Alisha Lobo Tomasz Sawko Jiani Zhou Ruqia Osman	<b>2020/21 Membership</b> Francesco Masala Tomasz Sawko Annie Willingham Freya Jackson Ka Ho Ho
<b>Appointment:</b> <ul style="list-style-type: none"><li>All Trustees are appointed by the Board</li></ul>	
<b>Number of meetings:</b> <ul style="list-style-type: none"><li>This committee normally meets monthly.</li></ul>	

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

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

#### Auditor

RSM UK Audit LLP has indicated its willingness to continue in office. The Trustees' Report was approved by the Trustees on 17<sup>TH</sup> December 2020 and signed on their behalf by:



Students' Union President  
Francesco Masala

Date: 17th December 2020

# University of Bath Students' Union

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

for the year ended 31 July 2020

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF  
BATH STUDENTS' UNION  
for the year ended 31 July 2020

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**Opinion**

We have audited the financial statements of University of Bath Students' Union (the 'charity') for the year ended 31 July 2020 which comprise the Statement of Financial Activities (including income and expenditure account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the [group's and] charity's affairs as at 31 July 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

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

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

**Conclusions relating to going concern**

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

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

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSITY OF  
BATH STUDENTS' UNION  
for the year ended 31 July 2020

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

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

**Use of our report**

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

*RSM UK Audit LLP*

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

Date: 17.12.20

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

# University of Bath Students' Union

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

for the year ended 31 July 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
INCOME FROM:							
Donations and grants	3	2,251,959	32,500	2,284,459	2,036,212	96,099	2,132,311
Charitable activities							
Bars and entertainment		869,008	-	869,008	1,174,305	-	1,174,305
Clubs and societies		60,565	200,066	260,631	18,956	287,071	306,027
Sports associations		-	722,953	722,953	-	869,931	869,931
Events		260,112	-	260,112	390,454	-	390,454
Other trading activities		42,969	-	42,969	176,960	956	177,916
Investments	4	3,041	-	3,041	3,864	-	3,864
<b>TOTAL</b>		<b>3,487,654</b>	<b>955,519</b>	<b>4,443,173</b>	<b>3,800,751</b>	<b>1,254,057</b>	<b>5,054,808</b>
EXPENDITURE ON:							
Raising funds	5	(36,968)	-	(36,968)	(195,293)	(8,905)	(204,198)
Charitable activities	5	(3,610,110)	(938,975)	(4,549,085)	(3,842,038)	(1,123,307)	(4,965,345)
Other	5	(10,600)	-	(10,600)	(10,050)	-	(10,050)
<b>TOTAL</b>		<b>(3,657,678)</b>	<b>(938,975)</b>	<b>(4,596,653)</b>	<b>(4,047,381)</b>	<b>(1,132,212)</b>	<b>(5,179,593)</b>
<b>NET INCOME/ (EXPENDITURE)</b>	<b>7</b>	<b>(170,024)</b>	<b>16,544</b>	<b>(153,480)</b>	<b>(246,630)</b>	<b>121,845</b>	<b>(124,785)</b>
Transfers between funds	14,15	28,875	(28,875)	-	40,176	(40,176)	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(141,149)</b>	<b>(12,331)</b>	<b>(153,480)</b>	<b>(206,454)</b>	<b>81,669</b>	<b>(124,785)</b>
RECONCILIATION OF FUNDS:							
Total funds brought forward		561,930	332,073	894,003	768,384	250,404	1,018,788
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>420,781</b>	<b>319,742</b>	<b>740,523</b>	<b>561,930</b>	<b>332,073</b>	<b>894,003</b>

All income and expenses relate to continuing operations.

# University of Bath Students' Union

## BALANCE SHEET

for the year ended 31 July 2020

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Intangible assets	9	-	-
Tangible assets	10	139,717	203,439
		<u>139,717</u>	<u>203,439</u>
<b>CURRENT ASSETS</b>			
Stocks		18,053	26,654
Debtors	11	128,745	187,359
Cash at bank and in hand		568,347	606,203
		<u>715,145</u>	<u>820,216</u>
CREDITORS: Amounts falling due within one year	12	(114,342)	(129,652)
NET CURRENT ASSETS		<u>600,803</u>	<u>690,564</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>740,520</u>	<u>894,003</u>
<b>RESERVES</b>			
Unrestricted funds - general	14	414,150	557,471
Unrestricted funds - designated	14	6,631	4,459
Restricted funds:			
SCP	15	22,636	36,317
Alumni	15	48,748	30,771
Student development	15	43,064	39,354
Sports and Societies funding	15	153,713	145,176
Club asset reserve	15	51,580	80,455
		<u>740,522</u>	<u>894,003</u>

The notes on pages 14 to 29 form an integral part of the financial statements.

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



Students' Union President  
Francesco Masala

Date: 17th December 2020

Charity No 1143154

# University of Bath Students' Union

## BALANCE SHEET

for the year ended 31 July 2020

	Notes	2020 £	2019 £
CASH FLOW FROM OPERATING ACTIVITIES:			
Cash (used)/generated by operations	21	(42,364)	(231,010)
NET CASH FROM OPERATING ACTIVITIES		<u>(42,364)</u>	<u>(231,010)</u>
CASH FLOW FROM INVESTING ACTIVITIES:			
Income and proceeds from investments		3,041	3,864
Purchase of tangible assets		1,470	(78,163)
NET CASH FROM/(USED) BY INVESTING ACTIVITIES		<u>4,511</u>	<u>(74,299)</u>
MOVEMENT IN CASH		<u>(37,853)</u>	<u>(305,309)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD		606,203	911,512
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		<u>568,350</u>	<u>606,203</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS:			
Cash at bank and in hand		<u>568,350</u>	<u>606,203</u>

# University of Bath Students' Union

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

### for the year ended 31 July 2020

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#### 1 ACCOUNTING POLICIES

##### **Basis of Accounting**

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

The SU is a charitable unincorporated organisation.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011. The accounting policies as disclosed have been applied consistently throughout the current and preceding year.

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

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

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

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

##### **Going Concern**

The Trustees require The SU to prepare a budget each year, demonstrating that reserves will be maintained at or above agreed levels. In the light of wider COVID-related economic and social disruption, the SU has modelled scenarios (both Budget and Cashflow) for the period to 31 December 2021, each of which has been reviewed with Trustees. The SU has also taken immediate steps to reduce costs.

The SU then updates actual results each month and the Trustees review at least once a quarter to ensure reserves are going to be maintained as agreed. In this COVID year, Trustees and The SU have been closely monitoring the budget, at both Board and Finance & Audit Committee meetings, with greater frequency and closer scrutiny. In addition to the scenario modelling, the SU has identified a series of decision-points through the year where different elements of our income and expenditure crystallise, such that we can dynamically revise our Budget and (if necessary) our cost base to ensure we stay within the approved budget.

The Trustees note that the majority of The SU income is received in the form of block grant from the University, which has been received at a materially consistent level for some years. The trustees further note that (i) the grant for the coming year has been committed by the University and (ii) the University has also confirmed it's 5 year forecast includes the same level of funding, adjusted for inflation, in future years.

The Trustees have received confirmation that the funding level from the University for the year ended 31 July 2022 will remain at the same level as committed for the year ended 31 July 2021.

Based on this assessment, the trustees consider The SU to be a going concern and these financial statements have been prepared on that basis.



# University of Bath Students' Union

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

for the year ended 31 July 2020

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### 1 ACCOUNTING POLICIES (*continued*)

#### **Income**

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

#### **Expenditure**

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

#### **Intangible Fixed Assets**

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

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

Software	-	3 years straight line
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#### **Fixed Assets**

Fixed asset purchases in excess of £2,500 are capitalised at cost and subsequently measured at cost less accumulated depreciation, or where applicable amortisation, and impairment.

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

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

#### **Fund Accounting**

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

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

# University of Bath Students' Union

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

for the year ended 31 July 2020

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### 1 ACCOUNTING POLICIES (*continued*)

#### **Fund Accounting (*continued*)**

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

#### **Stocks**

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

#### **Operating Lease Agreements**

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

#### **Financial Instruments**

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

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Basic financial assets

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

#### Impairment of financial assets

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

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

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

#### De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# University of Bath Students' Union

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

for the year ended 31 July 2020

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### 1 ACCOUNTING POLICIES (*continued*)

#### Financial liabilities

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

#### Basic financial liabilities

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

#### De-recognition of financial liabilities

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

#### Cash and cash equivalents

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

#### **Taxation**

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

#### **Pensions**

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

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

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

### 2 ACCOUNTING JUDGEMENTS AND ESTIMATES

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

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

University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS (*continued*)  
for the year ended 31 July 2020

3 DONATIONS AND GRANTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Grant income	2,241,904	32,500	2,274,404	2,021,020	96,099	2,117,119
Sponsorship income	10,055	-	10,055	15,192	-	15,192
	<u>2,251,959</u>	<u>32,500</u>	<u>2,284,459</u>	<u>2,036,212</u>	<u>96,099</u>	<u>2,132,311</u>

During the year, The SU qualified for the government's Job Retention Scheme, a measure introduced in response to the Covid-19 pandemic and received grant of £99,704 for staff costs included in Grant income. At the year end, a balance of £12,579 was due to The SU.

4 INVESTMENT INCOME

	2020 £	2019 £
Unrestricted bank interest receivable	3,041	3,864
	<u>3,041</u>	<u>3,864</u>

5 EXPENDITURE

	Staff 2020 £	Direct 2020 £	Support 2020 £	Total 2020 £	Total 2019 £
Costs of raising funds:					
Commercial activities	27,515	3,686	5,768	36,969	204,198
TOTAL	<u>27,515</u>	<u>3,686</u>	<u>5,768</u>	<u>36,969</u>	<u>204,198</u>
Charitable Activities:					
Bars & Entertainment	391,138	345,370	211,977	948,485	1,163,039
Clubs & Societies	128,273	193,904	85,232	407,409	498,373
Sports Associations	376,302	763,289	324,405	1,463,996	1,422,098
Events	32,944	190,276	16,712	239,932	387,743
Student Activities & Advice	942,030	43,447	198,144	1,183,621	1,211,138
Volunteering	265,063	7,091	33,488	305,642	282,954
TOTAL	<u>2,135,750</u>	<u>1,543,377</u>	<u>869,958</u>	<u>4,549,085</u>	<u>4,965,345</u>
Governance	-	-	10,600	10,600	10,050
TOTAL EXPENDITURE	<u>2,163,265</u>	<u>1,547,063</u>	<u>886,326</u>	<u>4,596,654</u>	<u>5,179,593</u>

Included within staff costs above are support staff costs of £717,914 (2019: £571,794).

University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS (*continued*)  
for the year ended 31 July 2020

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6 ANALYSIS OF SUPPORT COSTS

	Bars & Entertainment	Clubs & Societies	Sports Associations	Events	Student Activities & Advice	Volunteering	Total	Total
	2020 £	2020 £	2020 £	2020 £	2020 £	2020 £	2020 £	2019 £
SU Officer accommodation	-	5,568	20,815	-	11,506	2,111	40,000	40,000
Facilities	136,690	34,716	129,910	-	71,398	13,131	385,845	359,041
Admin and maintenance	75,287	47,226	182,198	16,712	119,948	19,110	460,482	382,083
	<u>211,977</u>	<u>87,510</u>	<u>332,923</u>	<u>16,712</u>	<u>202,852</u>	<u>34,352</u>	<u>886,326</u>	<u>781,124</u>

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

# University of Bath Students' Union

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

for the year ended 31 July 2020

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### 7 OPERATING CHARGES

Net income for the year is stated after charging:

	2020	2019
	£	£
Auditor's remuneration – as auditor	10,600	10,050
Auditor's remuneration – other	5,500	13,313
Depreciation	62,595	61,225
Operating lease charges	408,654	387,107
Stock recognised as an expense	308,812	400,203

### 8 STAFF COSTS

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

	2020	2019
	£	£
Wages and salaries	1,733,019	1,688,669
Social security costs	109,789	102,826
Other pension costs	246,665	226,842
	<u>2,089,473</u>	<u>2,018,337</u>

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

	2020	2019
	£	£
K Ho	2,684	-
F Jackson	4,246	-
A A Lobo	18,760	-
R Tyrrell	889	-
A Willingham	2,668	-
K Pickett	-	18,380
J Zhou	18,760	21,034
E Alcock	16,661	20,086
A Galloway	-	18,689
J Kitchen	-	19,663
AA Lobo	-	20,086
F Masala	20,645	2,615
R Osman	18,760	2,493
T F Sawko	20,645	2,493

During the year, 2 trustees reclaimed expenses totalled to £384 (2019: £nil) in relation to travel purposes.

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

	2020	2019
	No.	No.
£60,001 - £70,000	-	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-

University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS (*continued*)  
for the year ended 31 July 2020

9 INTANGIBLE FIXED ASSETS

	Software £
COST	
At 1 August 2019	18,387
At 31 July 2020	<u>18,387</u>
AMORTISATION	
At 1 August 2019	18,387
At 31 July 2020	<u>18,387</u>
NET BOOK VALUE	
At 31 July 2020	-
At 31 July 2019	<u>-</u>

Intangible fixed assets relate to purchased software assets and the associated amortisation features in support costs within charitable activities.

10 TANGIBLE FIXED ASSETS

	Equipment £	Leasehold Improvements £	Motor vehicles £	Total £
COST				
At 1 August 2019	427,297	62,194	1,796	491,287
Disposals	(1,470)	-	-	(1,470)
At 31 July 2020	<u>425,827</u>	<u>62,194</u>	<u>1,796</u>	<u>489,817</u>
DEPRECIATION				
At 1 August 2019	277,134	8,918	1,796	287,848
Charge for year	52,686	9,909	-	62,595
Eliminated on disposal	(343)	-	-	(343)
At 31 July 2020	<u>329,477</u>	<u>18,827</u>	<u>1,796</u>	<u>350,100</u>
NET BOOK VALUE				
At 31 July 2020	<u>96,350</u>	<u>43,367</u>	<u>-</u>	<u>139,717</u>
At 31 July 2019	<u>150,163</u>	<u>53,276</u>	<u>-</u>	<u>203,439</u>

Depreciation is recognised in the statement of financial activities in charitable activities.

# University of Bath Students' Union

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

for the year ended 31 July 2020

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### 11 DEBTORS

	2020	2019
	£	£
Trade debtors	18,221	1,896
Other debtors	9,824	27,665
Prepayments and accrued income	100,700	157,798
	<u>128,745</u>	<u>187,359</u>

### 12 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	12,735	45,933
University of Bath	72,430	11,190
Accruals and deferred income	26,116	71,660
Other creditors	3,061	869
	<u>114,342</u>	<u>129,652</u>

#### DEFERRED INCOME

Included within accruals and deferred income is deferred income of £nil (2019: £3,981).

	2020	2019
	£	£
Deferred income as at 1 August 2019	3,981	14,429
Income deferred in the year	-	3,981
Income released in the year	(3,981)	(14,429)
Deferred income as at 31 July 2020	<u>-</u>	<u>3,981</u>

Deferred income relates to sponsorship income for FY20/21 of £nil (2019: £3,981).

### 13 PENSIONS

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



University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS (*continued*)  
for the year ended 31 July 2020

14 UNRESTRICTED RESERVES

	General fund	Designated Club & Societies	Total
	£	£	£
Balance at 1 August 2018	764,082	4,302	768,384
Retained (deficit)/surplus for the financial year	(246,787)	157	(246,630)
Transfers	40,176	-	40,176
Balance at 31 July 2019	<u>557,471</u>	<u>4,459</u>	<u>561,930</u>
Balance at 1 August 2019	557,471	4,459	561,930
Retained (deficit)/surplus for the financial year	(172,196)	2,172	(170,024)
Transfers	28,875	-	28,875
Balance at 31 July 2020	<u>414,150</u>	<u>6,631</u>	<u>420,781</u>

The designated funds relate to clubs and societies. It is expected that these will be expensed during the 2020/21 academic year.

The transfer from the general fund to the club asset reserve represents £28,875 of depreciation on the restricted tangible fixed assets (2019: £29,618).

15 RESTRICTED RESERVES

At 31 July 2020	SCP	Alumni	Student Develop- ment	Sports and Societies Funding	Club Asset Reserve	Total
	£	£	£	£	£	£
Balance at 1 August 2018	26,549	32,453	37,584	102,134	51,684	250,404
Income	50,500	20,000	26,509	1,157,048	-	1,254,057
Expenditure	(40,732)	(11,124)	(24,739)	(1,055,617)	-	(1,132,212)
Transfers	-	(10,558)	-	(58,389)	28,771	(40,176)
Balance at 31 July 2019	<u>36,317</u>	<u>30,771</u>	<u>39,354</u>	<u>145,176</u>	<u>80,455</u>	<u>332,073</u>
Balance at 1 August 2019	36,317	30,771	39,354	145,176	80,455	332,073
Income	37,215	20,000	37,500	860,804	-	955,519
Expenditure	(50,896)	(2,023)	(36,846)	(849,211)	-	(938,975)
Transfers	-	-	3,056	(3,056)	(28,875)	(28,875)
Balance at 31 July 2020	<u>22,636</u>	<u>48,748</u>	<u>43,064</u>	<u>153,713</u>	<u>51,580</u>	<u>319,742</u>

# University of Bath Students' Union

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

for the year ended 31 July 2020

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### 15 RESTRICTED RESERVES (CONTINUED)

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

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

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

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

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

The transfer of £3,056 from Sports and Societies Funding to Student Development represents a reclassification of restricted funds.

### 16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 July 2020 are represented by:	Unrestricted £	Designated £	Restricted £	Total £
Tangible assets	88,137	-	51,580	139,717
Current assets	440,352	6,631	268,162	715,145
Current liabilities	(114,342)	-	-	(114,342)
Total net assets	<u>414,147</u>	<u>6,631</u>	<u>319,742</u>	<u>740,520</u>

### 17 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2020 The SU had annual commitments under non-cancellable operating leases as set out below:

	2020 £	2019 £
Operating leases which expire:		
In less than 1 year	4,467	5,814
Within 2 to 5 years	1,117	5,584
	<u>5,584</u>	<u>11,398</u>

# University of Bath Students' Union

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

### for the year ended 31 July 2020

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

During the year The SU acted as a custodian of the annual Raising and Giving (RAG) proceeds from fundraising events organised by students. Funds raised by this year's RAG not distributed to charities amounted to £1,781 (2019: £140) which were held by The SU as agreed.

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

	At 1 August 2019 £	Amounts received £	Amounts expended £	At 31 July 2020 £
RAG	140	40,631	(38,989)	1,781
	<u>140</u>	<u>40,631</u>	<u>(38,989)</u>	<u>1,781</u>
	<u><u>140</u></u>	<u><u>40,631</u></u>	<u><u>(38,989)</u></u>	<u><u>1,781</u></u>

#### 19 RELATED PARTY TRANSACTIONS

The SU became a registered charity on 29 July 2011 but previously derived charitable status from its governing parent body, the University of Bath. The SU is in receipt of a recurrent grant from the parent body of £1,775,000 (2019: £1,568,000).

The SU occupies a University building under an informal licence. The SU is charged by the University a contribution to the costs of maintaining the building. The amount charged in the year was £340,000 (2019: £350,146). This is a notional charge to the Statement of Financial Activities for which equivalent income is shown within 'Donations and grants'.

Included in creditors falling due within one year is £72,430 (2019: £57,618) owed to the University of Bath which has no securities or interest attached.

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

The key management personnel are considered to be the Chief Executive, the Deputy Chief Executive and the Trustees. Their total remuneration in the year was £292,789 (2019: £252,893). These are paid by the University and recharged accordingly.

#### 20 CONTROLLING PARTY

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

University of Bath Students' Union  
NOTES TO THE FINANCIAL STATEMENTS (*continued*)  
for the year ended 31 July 2020

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21 CASH GENERATED FROM OPERATIONS

	2020 £	2019 £
Net (expenditure)/income	(153,480)	(124,785)
<b>Adjustments for:</b>		
Investment income received	(3,041)	(3,864)
Depreciation	62,252	61,225
Profit on disposal of investments	-	-
	<u>(94,269)</u>	<u>(67,424)</u>
Decrease/(increase) in stock	8,601	(5,335)
Decrease/(increase) in debtors	58,614	(38,489)
(Decrease)/increase in creditors	(15,310)	(119,762)
	<u>(42,364)</u>	<u>(231,010)</u>

No restrictions apply to the cash or cash equivalents.

22 NET DEBT ANALYSIS

	At 1 August 2019 £	Cashflows £	At 31 July 2020 £
Cash at bank and in hand	606,203	(37,511)	568,347
	<u>606,203</u>	<u>(37,511)</u>	<u>568,347</u>



# University of Bath Students' Union

## Audit findings report year ended 31 July 2020

19 November 2020 and issued as final 12 January 2021

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# Executive Summary

This report summarises our key findings in connection with the audit of the financial statements of University of Bath Students' Union in respect of the year ended 31 July 2020.

The scope of our work was communicated to you via our Audit Plan document. We believe that the audit approach adopted will provide the Finance and Audit Committee with the required confidence that a thorough and robust audit has been carried out.

Our audit work is substantially complete and subject to the successful resolution of outstanding matters, we anticipate issuing an unmodified audit opinion on the group's financial statements in line with the agreed timetable.

## Risks and approach

We have carried out testing as planned on the risks identified during planning and draw your attention to the following key points for discussion:

- Management override
- Cash sales
- Fund Accounting
- Going concern and Covid-19

## Final materiality

Materiality was determined based on percentage of total expenditure for the year.

Changes were made to the materiality in our planning document to reflect final year end results. As a result, materiality has decreased from £141,00 to £129,000.

## Disclosures and omissions

The following key disclosure items have not been adjusted by management:

- None noted to date, but this is subject to our review of the final financial statements.



# Risks identified at the planning stage

Risk	Description	Response	Findings
Management override	In any organisation management will have the opportunity to override controls to some extent. This can be necessary in the performance of their duties, for example making manual corrections of errors etc. The risk is that this ability is misused.	<p>We will:</p> <ul style="list-style-type: none"> <li>• Test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of financial statements;</li> <li>• Review accounting estimates for biases that could result in material misstatement due to fraud; and</li> <li>• Obtain an understanding of the business rationale of significant transactions that we become aware of that are outside of the normal course of business for the charity, or that otherwise appear to be unusual given our understanding of the charity and its environment.</li> </ul>	<ul style="list-style-type: none"> <li>• We have tested a sample of journals and all items selected were found to be appropriate accounting postings. Our review of journals found no unusual or inappropriate activity. We have noted one control point in below.</li> <li>• We did not note any significant accounting estimates or significant transactions outside the normal course of business.</li> </ul>
Cash sales	The Union has a high volume of cash transactions from its trading activities which are by their nature more susceptible to fraud and error.	We will review the controls in place over cash sales. We will test the controls in place to confirm that they are operating effectively.	We have reviewed the controls in place over cash sales and performed a walkthrough to confirm our understanding. Testing has been performed on a sample of cash transactions, and for those tested the controls have been appropriately followed.
Fund accounting	<p>The Union has several different funds which must be accounted for appropriately. Designation of funds by Trustees and the receipt of funding for a purpose (restricted funds) are common in Student Unions.</p> <p>All income and their associated costs need to be properly earmarked for the fund to which it relates.</p>	<p>We will obtain complete details of the nature of funds received and receivable, subsequent transactions and adjustments processed in the current year, ensuring that appropriate income and expenditure has been attributed to funds.</p> <p>Details of specific purposes and anticipated timing of application of designated funds will be obtained and reviewed.</p> <p>We will review costs allocated against restricted and designated funds and assess these against the terms of the funds. We will make enquiries of management and seek Trustee representations where needed.</p>	<p>From our review of the charity's funds no errors have been noted and the appropriate income and expenditure appears to have been allocated to each fund.</p> <p>We have reviewed the designated clubs and societies balance and note these are expected to be expensed in the 2020/21 academic year.</p>



Risk	Description	Response	Findings
Going concern and impact of Covid-19	Major economic uncertainties, such as COVID-19, represent sources of political and economic uncertainty which may expose entities to new opportunities and/or risks, or change the scale and likelihood of existing ones, that affect their business model and strategies. COVID-19 is very fast moving and could potentially have a catastrophic impact on the global economy and the ability of businesses to trade which will need careful review.	<p>We have discussed the implications of the Coronavirus outbreak for the audit timetable with management and this has been accommodated in the Timing of the audit section of the Audit Plan. As part of our audit we will consider:</p> <ul style="list-style-type: none"> <li>• Management's analysis of the potential impact of the Coronavirus outbreak on the entity's business model and strategies eg revenues, costs etc</li> <li>• The forward-looking assumptions used by management in their assessments relating to (eg financial instruments etc), asset impairment reviews, going concern, taxation liabilities, etc.</li> <li>• Management's sensitivity analysis to reasonably possible changes in their assumptions, including downsides.</li> <li>• Management's scenario analysis and contingency plans.</li> <li>• Supporting evidence provided by management for their assumptions, and related disclosures, and challenge where necessary.</li> <li>• Sufficiency of related disclosures in the financial statements, depending on the degree of sensitivity to changes in assumptions and whether there is a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.</li> <li>• Consistency, adequacy, and specificity of disclosures in the Trustees Report in respect of Coronavirus related principal risks and uncertainties and future plans.</li> <li>• Management's assessment of developments in relation to the Coronavirus outbreak occurring after the reporting date and whether they are adjusting or non-adjusting events, and adequacy of related disclosures</li> <li>• Implications, if any, for our audit report.</li> </ul> <p>We may seek written representations from management about their plans for mitigating potentially adverse effects of the Coronavirus outbreak.</p>	<p>We have reviewed the income and expenditure budget and the cashflow forecasts that have been prepared by management to December 2021. We have tested the key assumptions and noted no errors or omissions in those used. Management have also performance sensitivity analysis on their cashflow forecast which looks at the impact of changes in funding and the impact of new tiering systems. Again, no issues were noted from this sensitivity analysis. Cash is expected to be strong for the period under review and we are aware that Trustees have agreed to a planned deficit of £150k for 31 July 2021 to utilise reserves.</p> <p>The Union is reliant on ongoing funding from the University of Bath in order to be a going concern. Management have obtained evidence from the University that funding will be provided for the years ended 31 July 2021 and 31 July 2022 at levels similar to current year funding.</p> <p>On the basis of the ongoing support from the University no material uncertainty has been noted in respect of going concern.</p> <p>We review disclosures made in the financial statements and amendments were made to the going concern disclosures in the Trustees Report and going concern accounting policy.</p>

# Risks identified during the audit

None identified to the date of this report.

# Recommendations on controls

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

Assessment	Issue and risk	
		<b>Recommendations</b> <ul style="list-style-type: none"> <li>There is a lack of segregation of duties in the finance team, although this is caveated as there are few individuals within the finance team and full segregation is not always possible.</li> <li>We are aware that this has been exacerbated this year due to prolonged staff absence which mean that reliance has been placed on the Head of Finance to cover this role.</li> <li>Whilst no specific issues have been noted this does increase the risk of human error going undetected.</li> </ul> <b>Management Response</b> <ul style="list-style-type: none"> <li>We recognise the continuing challenges operating a small team presents. A review of the roles in the office has been undertaken with recommendations made to alter the team structure to better mitigate the risks.</li> <li>Work is planned to update the Bye Laws, Regulations and procedures manual which will enable a review of processes and systems ensuring best practice.</li> </ul>
	 <ul style="list-style-type: none"> <li><b>2019 repeat finding - segregation of duties</b></li> </ul>	
	 <ul style="list-style-type: none"> <li><b>2019 repeat finding - cash controls</b></li> </ul>	<b>Recommendations</b> <ul style="list-style-type: none"> <li>In a similar finding to 2019, we note that the large safe which is in the Union office contains takings from both the Union and the University and there is a risk that this cash could get mixed and used for inappropriate purposes. We note that no retail floats are provided any more for the retail outlets, and Union cash float levels had fallen to £815 at year end. The Union activities are completely separate from University activities and cash floats should not be shared.</li> <li>We would recommend that cash is completely separated from the Union float, stored in its own safe, with its own records and managed by University employees.</li> </ul> <b>Management Response</b> <ul style="list-style-type: none"> <li>The SU Finance Office has been closed due to Covid-19 restrictions with no service available to the University. It is therefore hoped that this will bring a resolution to the issue with the University finding a permanent alternative arrangement for its cash delivery and collection.</li> </ul>

## Assessment

- Significant control recommendation
- Other control recommendations

## Significant qualitative aspects of the entity's accounting policies

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

## Management judgements and accounting estimates

The following areas are considered to be the principal areas of management judgement or accounting estimates. The graphic below visually represents the impact (lower or higher) on the financial statements of a change in management's estimate. In overview, a reasonably possible change in estimate that has a low impact means that such a change will have limited impact on the financial statements. Conversely a reasonably possible change that has a higher impact, means that such a change can have a significant impact.

Judgments and estimates	Low impact	High impact
Provision for bad debts	●	
Income recognition – Charities SORP recognition criteria		●
Useful economic lives of tangible assets		●

## Significant difficulties encountered during the audit

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

# Representations requested

In addition to those representation which we request on all audit assignments (<http://www.rsmuk.com/standard-representations>) we will potentially be seeking specific representations from the Board on the following matters subject to the outstanding work on going concern:

- Covid-19 and the ongoing support from the University of Bath.



# Update on matters communicated at the planning stage

Matter communicated	Update
<b>Fees</b>	We confirm that the fees charged during the year in respect of services performed are consistent with those contained within our Audit Plan submitted to you
<b>Independence</b>	In accordance with International Standard on Auditing (UK) 260 "Communication with those charged with governance", there are no changes to the details of relationships between RSM UK Audit LLP and its related entities and University of Bath Students' Union and its related entities and directors that may reasonably be thought to bear on RSM UK Audit LLP's independence and the objectivity of the audit principal, Anna Spencer-Gray and the audit staff and the related safeguards from those disclosed in the Audit Plan

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



## Unadjusted statements and disclosures

### Accounting misstatements

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

We have not disclosed below those items that we consider to be “clearly trivial” in the context of our audit. For this purpose, we consider “clearly trivial” to be any matter less than £6,480.

### University of Bath Students' Union

None noted during the course of the audit.

## Communication of audit matters to those charged with governance

### Our communication plan

	Audit plan	Audit findings
Respective responsibilities of auditor and management/those charged with governance	●	
Overview of the planned scope and timing of the audit, form, timing, materiality and expected general content of communications including significant risks and key audit matters	●	
Confirmation of independence and objectivity	●	●
Significant matters in relation to going concern (if any)		●
Views about the qualitative aspects of the Group's accounting and financial reporting practices including accounting policies, accounting estimates and financial statement disclosures		●
Significant findings from the audit		●
Significant matters and issues arising during the audit and written representations that have been sought		●
Significant difficulties encountered during the audit (if any)		●
Unadjusted misstatements and material disclosure omissions		●
Expected modifications to the auditor's report, or emphasis of matter		●

ISA (UK) 260, as well as other ISAs (UK), prescribes matters which we are required to communicate with those charged with governance, and which we set out in the table here.

The Audit Plan outlined our audit strategy and plan to deliver the audit, while the Audit Findings presents key issues, findings and other matters arising from the audit, together with an explanation as to how these have been resolved.

### Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

## Audit Report

No modification anticipated subject to the second partner review of going concern.

## Financial statement disclosures

During the course of our audit, we reviewed the adequacy of the disclosures contained within the financial statements and their compliance with both relevant accounting standards and the requirements of the Charities Act 2011 and Charities SORP etc.

The following disclosure matters were brought to your attention and subsequently adjusted/not adjusted in the revised financial statements.

### Unadjusted disclosures

None noted

### Adjusted disclosures

Updated disclosures around going concern in the Trustees Report and accounting policy.

## Financial reporting updates

### Important updates

The following financial reporting updates have been issued since we presented our audit plan which will be relevant to you.

A full list of financial reporting updates can be found by clicking the link below:



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Our Report is prepared solely for the confidential use of University of Bath Students' Union and solely for the purpose of explaining the scope of the audit, our proposed audit approach, and to highlight the key risks that we will be focusing our audit work upon, forming part of the ongoing communications we are required to make under International Standard on Auditing (UK and Ireland) 260 – Communication of audit matters with those charged with governance. Therefore, the report may not, without our express written permission, be relied upon by University of Bath Students' Union for any other purpose whatsoever, be referred to in whole or in part in any other external document or made available (in whole or in part) or communicated to any other party. RSM UK Audit LLP neither owes nor accepts any duty to any other party who may receive our Report and specifically disclaims any liability for any loss, damage or expense of whatsoever nature, which is caused by their reliance on our Report.

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RSM Corporate Finance LLP, RSM Restructuring Advisory LLP, RSM Risk Assurance Services LLP, RSM Tax and Advisory Services LLP, RSM UK Audit LLP, RSM UK Consulting LLP, RSM Employer Services Limited, RSM Northern Ireland (UK) Limited and RSM UK Tax and Accounting Limited are not authorised under the Financial Services and Markets Act 2000 but we are able in certain circumstances to offer a limited range of investment services because we are members of the Institute of Chartered Accountants in England and Wales. We can provide these investment services if they are an incidental part of the professional services we have been engaged to provide. RSM Legal LLP is authorised and regulated by the Solicitors Regulation Authority, reference number 626317, to undertake reserved and non-reserved legal activities. It is not authorised under the Financial Services and Markets Act 2000 but is able in certain circumstances to offer a limited range of investment services because it is authorised and regulated by the Solicitors Regulation Authority and may provide investment services if they are an incidental part of the professional services that it has been engaged to provide. Baker Tilly Creditor Services LLP is authorised and regulated by the Financial Conduct Authority for credit-related regulated activities. RSM & Co (UK) Limited is authorised and regulated by the Financial Conduct Authority to conduct a range of investment business activities. Before accepting an engagement, contact with the existing accountant will be made to request information on any matters of which, in the existing accountant's opinion, the firm needs to be aware before deciding whether to accept the engagement.

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