

Company Number: 09628909
Charity Number (England & Wales): 1164033

UNIVERSITY OF BRIGHTON STUDENTS' UNION

ANNUAL REPORT

31 JULY 2017

UNIVERSITY OF BRIGHTON STUDENTS' UNION**TRUSTEES' ANNUAL REPORT
for the year ended 31 July 2017**

The trustees present their report and the financial statements of the University of Brighton Students' Union (which is also known as "UBSU" or "the Union", and which also operates under the name "Brighton SU") for the year ended 31 July 2017.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014, which is known as the Charities SORP 2015.

OBJECTIVES AND ACTIVITIES**Charitable objectives**

The charitable objectives for which the charitable company was established are:

The advancement of education of students at the University of Brighton for the public benefit by:

- The promotion of the interests and welfare of students of Brighton during their course of study and representing, supporting and advising students;
- Recognition as the representative channel between students and the University of Brighton and any other external bodies; and
- The provision of social, cultural, sporting and recreational activities and forums for discussion and debate for the personal development of its students.

Charitable activities

In pursuit of these objectives we support and represent over 21,000 students. We do this by:

- Operating a support and advocacy service providing individual advice and support to students through the Students' Union Support Service ("SUSS");
- Working with students and the University to maintain and improve the quality of academic support to students;
- Enabling and encouraging democratic participation in student leadership elections;
- Encouraging student participation in activities, events, partnerships and societies through Campus & Partnership teams;
- Supporting and developing student collectives and cooperatives to provide meaningful student opportunities;
- Building communities and facilitating engagement between students and local residents;
- Working with students to run entertainments and events that improve the overall student experience; and
- Providing employment opportunities and training through UBSU run cafes and shops.

UNIVERSITY OF BRIGHTON STUDENTS' UNION

TRUSTEES' ANNUAL REPORT (Continued) for the year ended 31 July 2017

The trustees have taken The Charity Commission's guidance on public benefit into consideration in reviewing and managing the objectives and activities of the charity and are satisfied the information presented within this annual report demonstrates UBSU's public benefit.

The use of volunteers and donated services

The charity makes considerable use of the services of volunteers in order to not only manage the charitable company at trustee level, but also to deliver activities and outcomes for the benefit of its beneficiaries. The charity is also reliant upon donated services, and those donated services which can be quantified, are recognised in the financial statements as donations in kind.

ACHIEVEMENTS AND PERFORMANCE

We continued to offer wide ranging support to students in 2016/17 through academic, social, and personal wellbeing programs. We also initiated a number of long term projects to ensure that, through joint collaboration with the University, students receive the best possible experience while studying in Brighton. Significant effort has been invested in developing a cost effective infrastructure that will provide a foundation on which the Union can build for the future.

The 2015/16 Annual Report included both short and long term targets against which significant progress was made in 2016/17, with some targets being met or exceeded. The targets were as follows:

- 500 course reps directly supported to achieve change that will improve their course.
- 100 student societies and sports team produce handover documentation.
- 3,500 students vote in our elections.
- Trading turnover in excess of £2,000,000.
- Financial breakeven.
- 75% of members agree that "Brighton SU improves the quality of University life".
- 85% of members agree the Union provides quality advice and support.
- BSS satisfaction rises to 62%.

The following sections provide both qualitative and quantitative analysis of performance against these targets.

Student Union Support and Health Services

The volume and complexity of the support required by students in need continues to increase and the Union directly supported 939 (15/16 – 850) students throughout 2016/17.

We launched an online 'Self-Diagnose' toolkit during the year, enabling the Union to offer students an alternative source of support. This has been invaluable for students who recognise they need help, but are not ready to receive direct support.

The 'Don't Drop Out, Drop In' campaign was launched as part of a portfolio of initiatives across the University to increase student retention. Retention is particularly challenging in January and February and the University and Union collaborated closely during the year to co-ordinate efforts.

We continued to run our previously successful awareness raising campaigns; Feeling Ruff, FUSK, Time to Appeal. The newly formed PEACH team and Pet Therapy sessions were added to the portfolio of campaigns and proved to be extremely successful. The program of campaigns is designed to remind students where they can get help, and that their complaints, appeals, mitigating circumstances, etc. are more likely to be successful with assistance from the Advice team.

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Democracy and Academic Quality (The Student Voice)

We combined the Academic Quality team with the Democracy team at the start of 2016/17, taking advantage of synergies between the two teams and ensuring democratic activity focuses on improving academic quality at the University. The combined team had an immediate impact in 2016/17.

The team worked with VP Academic Experience to create an Academic Priorities campaign. Using data from the NSS, including both statistics and free text comments, a list of 10 most pressing issues affecting students was compiled. The list was presented to the Union's members and both quantitative and qualitative data was collected to contextualize the national findings within University of Brighton. The findings were reported to the University and plans were developed to address the issues. The progress against these plans is now being monitored by the Union.

We worked in partnership with the University to support the University's Engagement Plan. The Plan is based on the premise increased student engagement leads to increased student retention and success. We focused on helping students engage with Academic Quality at the University by promoting the importance and effectiveness of roles such as School Reps and Course Reps.

The number of school reps was increased at the start of the year from one per school to three and the role description was formalised. Specific outputs are now required from course reps in return for a small remuneration. These include attendance at School Board meetings and the production of reports for these meetings. This has resulted in an improved quality and quantity of feedback. We ran 23 (15/16 – 18) training sessions throughout the year to ensure course reps are best equipped to fulfil their roles. 338 (15/16 – 298) course reps attended the training and 96% (15/16 – 88%) of the reps who attended the training rated their experience as either Good or Excellent. SMART goals were introduced to focus the activity of course reps. 297 SMART goals were recorded from 143 course reps with 65 responding during the year to confirm they had either completed their goal or had requested further support.

Overall election turnout and number of candidates was increased over the year. 3,270 (15/16 – 3,085) students casted votes, which was 15,532 (15/16 – 13,847) individual votes in the elections.

'Lead the Students' Union' workshops were developed and delivered across all 5 campuses to inspire potential candidates and equip them with the tools required to confidently run a quality campaign. The sessions included; how to write a manifesto, how to run an election campaign, how to develop publicity material, and how to align a campaign around what matters to students both locally and nationally.

We worked with a number of its corporate partners to sponsor election events, providing small incentives to members who vote. Significant effort was made to make election events special celebrations, recognising their importance within a social environment.

Societies and Groups

We continued to support 115 societies throughout the year with 3,780 members. A number of new initiatives were launched during the year to improve the quality of the activity and management of societies.

The Society of the Month competition was launched in October 2016. This has helped promote societies, reward the great efforts of many students, and improve the quality of society activity.

An online interactive Society Accreditation scheme was launched, inspiring and rewarding societies for their development. The scheme essentially works as a process map, rewarding societies for their growth, inclusivity and event offering while at the same time providing the means for the Union to capture data and evidence successful society activity.

UNIVERSITY OF BRIGHTON STUDENTS' UNION**TRUSTEES' ANNUAL REPORT (Continued)
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New online toolkits were designed and launched during the year which provide society committees with all the information they require to operate a successful society. Workshops were designed and delivered to all committee members throughout the year, and the toolkits provided a great learning aid during the workshops.

We have also focused on increasing the number of students involved with Societies. Refreshers' Week was launched in February 2017, creating a second opportunity for societies and student groups to recruit members. The timing of the event was specifically designed to coincide with the time of year when attrition of students is high. The event enables societies to reach out and welcome students who are struggling to embed themselves into University life.

Surveys

UBSU collects a wealth of information which is used to measure performance and influence future plans. The Brighton Student Survey (BSS) and the National Student Survey (NSS) provide a quantitative base to which more detailed, qualitative feedback is added. BSU set an ambitious BSS survey target at the beginning of the year which it will work towards achieving over the next few years. While ambitious, we believe these targets can be achieved through a collaborative partnership with the University. The BSS results remained in line with 15/16 with the satisfaction score of 44% (45% in 15/16 and target of 62%).

Partner Colleges

We continue to work in partnership with local colleges to provide Students' Union services to both Further Education and Higher Education members. We believe we lead the sector in the innovative provision of this service by extending the principles of collectivism, student leadership and representation in education to those that would not otherwise benefit.

There is a significant level of synergy between the partnerships program and the Union's core University activity and both parties benefit from shared services, knowledge and experience. Several new initiatives have been added to the program in 2016/17 including pet therapy sessions across eight sites, and various fundraising events. The pet therapy sessions have been particularly popular and very effective. The program has taken a number of initiatives developed within the University program and rolled them out at colleges, including Freshers' and Refreshers' fairs.

The program continues to grow and a new partnership with Sussex Downs College was added to the portfolio in 2016/17. The Union will continue to seek new opportunities to share this invaluable service.

Freshers' events and entertainments

We once again welcomed over 7,000 students, new and returning, through our Freshers' fairs. The Freshtival program continues to provide both a great welcome to university life as well as providing revenue to the Union. This, along with the ongoing entertainments program contributed over £75,000 (15/16 - £70,000) to Union funds to be re-invested in student support, participation and activities throughout the year.

Trading

While sales in our eight outlets decreased by £34,338 (2%) during 2016/17, expenditure also decreased by £90,087 (5%), improving the net position by £55,749. Gross profit increased by 4% to 44% as the Union improved its procurement and product management. A conscious effort was made to develop and retain quality permanent staff, reducing the need to rely on temporary staff. Overhead costs were reviewed and a series of tender exercises resulted in a significant decrease in administrative costs, particularly relating to transaction charges. These last two initiatives will have a particularly positive impact in future years. We have reviewed our point of sale systems and have introduced an online payment service that enables students to take advantage of promotions and discounts. It also offers a secure, paperless, method of payment.

UNIVERSITY OF BRIGHTON STUDENTS' UNION

TRUSTEES' ANNUAL REPORT (Continued)
for the year ended 31 July 2017**FINANCIAL REVIEW****Financial results of activities and events**

Total income for the year was £3,665,609 (15/16 – £4,394,474) which is a decrease of £728,865 (17%). £484,437 was received in 2015/16 as a one-off net asset transfer from the old unincorporated charity and this accounts for a significant proportion of the decrease. Several projects came to a conclusion in 2015/16 with their grant funding also ending, which contributed to a reduction in overall grant income of £185,050 (11%). Retail outlet trading income decreased by £34,338, however, this was more than offset by a decrease in expenditure by £90,087. Total trading income exceeded the turnover target (£2,000,000) by £140,554 (7%). The Union continues to benefit from the financial support of the University of Brighton through the block grant, which increased by £40,000k (4%) in 2016/17, to £1,075,308. The increase would suggest the University recognises the importance of the Union's role within the life of the University and its students.

Total expenditure for the year was £3,898,567 (15/16 - £4,885,954) which is a decrease of £987,387 (20%). £902,401 was set aside in 2015/16 as a long term provision for future pension deficit payments. The provision was further increased in 2016/17 by £73,419. Campus and Community expenditure decreased by £144,792 (38%) as a number of grant funded projects came to an end.

Funds decreased by £232,958 during the year. While the Union did not achieve its target of breakeven, £57,450 of the deficit was due to restricted funds received in previous years being spent in 2016/17 on their intended purpose. £73,419 related to an increase in the long-term pension provision. £65,000 relates to a provision for an adjustment to the level of reclaimable VAT in previous years. The remaining £37,089 decrease was spent from the Development Fund, and was an investment in activity that will support the cost effectiveness of the Union in future years. Despite the decrease in reserves, the Union had an unrestricted reserves balance at the end of 2016/17 of £192,278 (excluding the long term pension provision) (2015/16 - £294,367), which is in line with the Union's Reserves Policy.

Fixed assets decreased by £78,645 (41%). Depreciation was similar to previous years with only a small investment in new assets. Prepayments and accrued income decreased by £101,737 (67%). Fewer grant income commitments were made but not received. The Union also did not, as in previous years, take up the opportunity to pay a discounted annual Students' Union Superannuation Scheme (SUSS) payment in advance.

Reserves policy

Although the charitable company had no free reserves at 31 July 2017, excluding the pension deficit liability of £975,820, free reserves would have stood at £192,278.

The Trustees reviewed the UBSU Reserves Policy in 2016/17. The policy follows Charity Commission guidelines and considers the risks associated with its activity and the financial impact of these risks on income and expenditure. The recent review concluded an appropriate minimum reserve level is no less than £80,000 and no greater than £100,000. The previous policy suggested a minimum reserve level of £288,700. At the end of 2016/17 UBSU had a minimum reserve of £100,000 and a designated reserve of £18,480. Designated reserves are primarily held to support sports clubs and societies, and to undertake one-off strategic projects that support the strategic plan.

The trustees are committed to reviewing the Reserves Policy on an annual basis.

Investments policy

The trustees, having regard to the liquidity requirements of UBSU, have kept available funds in an interest bearing deposit account bearing an interest rate of 0.05%.

UNIVERSITY OF BRIGHTON STUDENTS' UNION**TRUSTEES' ANNUAL REPORT (Continued)
for the year ended 31 July 2017**

Going concern

As at 31 July 2017, the balance sheet showed net liabilities of £724,438 after recognising the SUSS pension deficit liability of £975,820.

In considering the going concern basis of preparation of the financial statements, the trustees have reviewed the three year finance plan. While a planned deficit is likely in 2017/18, this will be funded through restricted and designated reserves. Small surpluses are forecast for 2018/19 and beyond.

The Union's main income streams are the University of Brighton in the form of subvention, and commercial trading activity from its outlets (bar, cafes, and shops) and student events. The University of Brighton has confirmed its support in the form of a Block Grant for the year ended 31 July 2018 totalling £1,145,300 (2016/17: £1,075,300). The Union's commercial activity provides a diversified and robust source of income. The Union anticipates growth in both turnover and surplus of its commercial trading in 2017/18 as a result of activity undertaken in 2016/17 to control costs and improve service levels.

The Union held £280,086 (15/16 - £224,686) in cash and bank deposits at the end of 2016/17 and had net current assets of £136,095 (15/16 - £216,989). Free reserves are maintained in low risk, high liquidity deposit accounts ensuring cash will be readily available to support the planned deficit in 2017/18. The profile of the Union's income, expenditure, and cashflow is closely correlated, ensuring there are no periods of significant net cash outflow.

On the basis of this information, the trustees consider the going concern basis to be appropriate.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error. Systems and procedures have been established to mitigate the financial and trading risks. Procedures are in place to ensure compliance with health and safety legislation in relation to staff, volunteers and participants in all activities of the Union.

PLANS FOR FUTURE YEARS

We are entering a very exciting time for the Union as we embark upon the process of creating a new strategic plan. In addition to this, the Union has a newly appointed CEO and will be completing a full governance review. There is also significant activity within the University which will affect the Union, including a significant campus development program and the closure of the Hastings campus.

Alongside these major strategic activities, we will continue to focus our efforts on delivering the highest possible student experience to our members on a daily basis.

Consultation with the membership

We will conduct a large-scale consultation with our membership, establishing what our diverse Brighton student body really want, expect and need from their Union, what tone and language they want us to adopt, how they would like to be communicated with and what we should prioritise. This piece of work will help us establish a relevant and credible vision, mission and set of values. It will influence our brand, and drive activity in 2017/18 and beyond.

Student Voice

The student voice has never been more important. Alongside the overall membership survey about our own services, we will continue to strengthen the student voice through increased collaboration with and utilisation of students. This will include face to face meetings through Officer Chit Chat, monthly Student Forums and continuing to recruit and train effective Course Representatives. Increased staffing resource in this area will support this work.

UNIVERSITY OF BRIGHTON STUDENTS' UNION**TRUSTEES' ANNUAL REPORT (Continued)
for the year ended 31 July 2017**

Students' Union Support Services

The support required by students is expected to increase as the demands and complexities of student life increase. We welcome the increasingly diverse student body, but with it brings additional operational challenges which we must meet. The Union will draw from its wealth of experience and also from new research findings, to develop a support package that is both proactive, dynamic, relevant and effective. This will include a renewed focus on areas such as housing and mental wellbeing.

Societies and Student Groups

During 2017/18 we will establish and manage an accreditation scheme that will not only stimulate greater society activity on campus but also improve the quality of the opportunities and the viability and sustainability of each group. Importantly we will critically review our current systems and process to increase the sense of belonging, value and ease of participation.

Events

Freshers' Fortnight will be delivered to a very high standard with increased focus on non-commercial events to ensure a rounded programme of activities is delivered across our sites.

Commercial services

We will continue to review the performance of our commercial services ensuring they are profitable, meet consumer demand, offer quality service, promote our brand, and offer student employment and career opportunities. We recognise the need to adapt quickly in a dynamic and highly competitive market and we will review and develop our systems to ensure we make the most of technological advances.

Support Infrastructure

It is critical our infrastructure is cost effective and we wish to maximise the funding directed towards frontline activities without compromising support or governance. We will review our support function in 2017/18 to ensure we strike the right balance.

Goals and Review

New strategic priorities and aspirations will be set during the strategic planning process throughout 2017/18. This will include the formulation of clear aims matched by detailed operational plans. During the year we will ensure that all operations are maximised with an overall aim to deliver the highest level of student satisfaction.

UNIVERSITY OF BRIGHTON STUDENTS' UNION

TRUSTEES' ANNUAL REPORT (Continued) for the year ended 31 July 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and history

UBSU is a registered charity, and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £1 to the assets of the charity in the event of the charity being wound-up during the period of membership, or within one year thereafter.

The Union was originally set up by the University of Brighton. It created its own unique constitution which was formally adopted on 30 April 2010 and it was registered as a charitable trust in England and Wales on 25 August 2010. The new charitable company was incorporated on 8 June 2015, took over all the activities of the charitable trust with effect from 31 July 2015, and was registered as a charity in England and Wales on 20 October 2015.

UBSU is governed by the rules and regulations set down in its company Memorandum and Articles of Association dated 8 June 2015.

Organisational structure

UBSU is administered by its Board of Trustees consisting of four Lay Persons, four Students and five Sabbatical Trustees (students elected annually by cross-campus secret ballot of the UBSU membership). The five sabbatical posts of President, VP Academic Affairs, VP Activities & Events, VP Campus & Communications Officer and VP

Wellbeing are full-time sabbatical posts remunerated as authorised by the Education Act 1994.

Business and employment decisions are the responsibility of the Board, as are the approvals of the annual budgets and accounts. The Board meet on a regular basis to receive reports and review the charity's performance, either as the board or one of its four subcommittees (Employee Resourcing & Development; Finance, Audit & Risk; Trustee Appointments; and Academic Strategy).

The board of trustees has delegated the day-to-day running of UBSU to a Chief Executive, named under 'Reference and Administrative details'. UBSU employs a number of full-time staff undertaking the management of its many activities and these staff are accountable to the Chief Executive in the performance of their duties.

The Sabbatical Trustees attend a number of training events designed to ensure they understand their role as Trustees. All external trustees and student trustees are also given an induction session before they join the Board which includes the role and responsibilities of trustees generally and in relation to Brighton Students' Union; conflicts of interest; and the principles of good governance.

Relationships with related parties and co-operation with other organisations

With the exception of the Sabbatical Officers (as discussed above), none of the trustees receive remuneration or other benefit from their work with the charity. Trustees are required to make declarations of interest at the start of every board meeting. In the current year no such related party transactions were reported.

The relationship between the University of Brighton and UBSU is established in the Regulations of the University. UBSU receives a block grant from the University of Brighton. UBSU occupies space in the buildings owned by the University inclusive of utilities, caretaking and cleaning staff. An estimated value to UBSU for this free serviced accommodation has been included in the financial statements at a conservative £274,111. Although UBSU continues to generate supplementary funding from various mutual trading activities, it will remain dependent on the University of Brighton for support. The Education Act 1994 imposes a duty on the University of Brighton to ensure the financial viability of its student representative body and therefore the board of trustees considers this support will continue in the foreseeable future.

UNIVERSITY OF BRIGHTON STUDENTS' UNION**TRUSTEES' ANNUAL REPORT (Continued)
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Arrangements for setting remuneration of key management personnel

Remuneration of UBSU's key management personnel is decided by the trustee subcommittee; the Employee Resourcing & Development Committee. These decisions are based on recommendations from the CEO following an annual appraisal of the post holders. The CEO's remuneration is decided by the trustees.

Trustees' responsibilities in the preparation of financial statements

The trustees (who are also the directors of University of Brighton Students' Union for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company as at the balance sheet date, and of its income and expenditure for that year.

In preparing those financial statements, the trustees are required to:

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

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

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

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TRUSTEES' ANNUAL REPORT (Continued)
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Auditor

RSM UK Audit LLP has been appointed as the first auditor to the charitable company and has indicated its willingness to continue in office.

Statement as to disclosure of information to the auditor

The trustees at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

REFERENCE AND ADMINISTRATIVE DETAILS

The trustees of the charity, who are also the directors of the company, have held office as follows:

Ebun Azeez	(appointed 3 July 2017)
Cathrine Bach	
Andrew Cummins	(resigned 24 November 2016)
Frank Dankwa	
Joshua Dawson	(appointed 10 November 2016)
Amarbeer Singh Gill	
Amy Jaiteh	(appointed 3 July 2017)
Emma Kay	(appointed 10 November 2016)
Molly Maher	(resigned 30 August 2016)
Calum McNally	(appointed 3 July 2017)
Fiona Morris	(resigned 3 October 2016)
Parker Robinson	(appointed 7 November 2016 and resigned 30 June 2017)
Eddie Thomas	(resigned 19 April 2017)
John Wilson	(appointed 1 June 2017)
Hayley Wood	(resigned 30 June 2017)
Bethany Wren	(resigned 28 February 2017)

The principal address of the charity and the registered office of the company is Steam House, 7-8 Pelham Terrace, Lewes Road, Brighton BN2 4AF.

The charity is registered under the Charity Commission number 1164033 and the company is incorporated with the company registration number 09628909 in England and Wales. Laura Greenwood-Pearsons is the charitable company's correspondence contact.

The charity has made the following professional appointments:

Solicitor	DMH Stallard, 100 Queens Road, Brighton BN1 3YB
Auditor	RSM UK Audit LLP, Hanover House, 18 Mount Ephraim Road, Tunbridge Wells, Kent TN1 1ED
Banker	Barclays Bank Plc, 139 North Street, Brighton, East Sussex BN1 1SJ

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The following staff are responsible for the day-to-day management of the charity:

Chief Executive	Ross McNally (to 30 April 2017)
Chief Executive	Laura Greenwood-Pearsons (from 6 November 2017)
Finance Manager	Daimon Riley (from 17 October 2016 to 29 September 2017)
Finance Manager	Richard Burgess-Gamble (from 19 October 2017)
Retail and Catering Development Manager	Justin Brentnall
Student Experience Manager	Anthony Lewis (to 11 December 2017)
Enterprise Development Manager	Jackie Rana (to 4 October 2017)

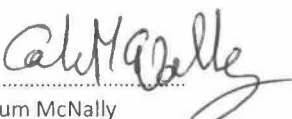
EXEMPTIONS FROM DISCLOSURE

No exemptions from the disclosure requirements applicable to a larger charity have been taken in this trustees' annual report.

FUNDS HELD AS CUSTODIAN

The charitable company acts as custodian for the funds raised by the students' many clubs and societies. In addition, the charitable company is custodian of the annual Raising and Giving (RAG) proceeds arising from the various fundraising events organised by the students each year and then distributed to the nominated charities involved. Funds of £94,803 were held on behalf of clubs and societies as at 31 July 2017 – see note 15.

This report was approved by the board of trustees on 5/4 / 2018, and was signed for and on behalf of the board by


.....
Calum McNally

..... 5/4 / 2018

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

Opinion

We have audited the financial statements of University of Brighton Students' Union (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 July 2017 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, the Group and Company Cash Flow Statements 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 the parent charitable company's affairs as at 31 July 2017 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

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

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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.

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

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.

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

RSM UK Audit LLP

James Saunders FCCA (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent TN1 1ED

Date

5/4/2018

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including Consolidated Income and Expenditure Account)
for the year ended 31 July 2017

		Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
		£	£	£	£
	Notes				
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	1,447,002	77,923	1,524,925	1,709,975
Charitable activities					
Working with students	4	1,980,018	-	1,980,018	2,030,775
Other trading activities	5	160,536	-	160,536	169,043
Investments	6	130	-	130	244
Other trading activities					
Net assets transferred from old unincorporated charity	23	-	-	-	484,437
TOTAL		3,587,686	77,923	3,665,609	4,394,474
EXPENDITURE ON:					
Raising funds	7	137,169	-	137,169	139,649
Charitable activities:					
Working with students	8	3,552,606	135,373	3,687,979	3,843,904
Provision for pension deficit payments	8	73,419	-	73,419	902,401
TOTAL		3,763,194	135,373	3,898,567	4,885,954
NET INCOME FOR THE YEAR & NET MOVEMENT IN FUNDS	10	(175,508)	(57,450)	(232,958)	(491,480)
RECONCILIATION OF FUNDS					
Total funds brought forward at 8 June 2016		(608,034)	116,554	(491,480)	-
TOTAL FUNDS CARRIED FORWARD AT 31 JULY 2017	17	(783,542)	59,104	(724,438)	(491,480)

UNIVERSITY OF BRIGHTON STUDENTS' UNION

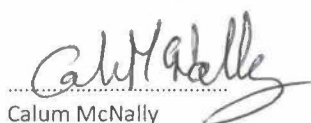
BALANCE SHEETS

for the year ended 31 July 2017

	Notes	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
FIXED ASSETS					
Tangible assets	11	115,227	115,227	193,872	193,872
Investments	12	60	62	60	62
		115,287	115,289	193,932	193,934
CURRENT ASSETS					
Stocks	13	119,762	119,762	110,473	110,473
Debtors	14	84,520	84,648	188,071	198,442
Cash at bank and in hand		280,086	279,956	224,686	214,313
		484,368	484,366	523,230	523,228
LIABILITIES					
Creditors: Amounts falling due within one year	15	(348,273)	(348,273)	(306,241)	(306,241)
NET CURRENT ASSETS		136,095	136,093	216,989	216,987
TOTAL ASSETS LESS CURRENT LIABILITIES		251,382	251,382	410,921	410,921
Provisions for liabilities	16	(975,820)	(975,820)	(902,401)	(902,401)
NET LIABILITIES		(724,438)	(724,438)	(491,480)	(491,480)
THE FUNDS OF THE GROUP AND CHARITY					
Restricted income funds	17	59,104	59,104	116,554	116,554
Unrestricted income funds	17	(783,542)	(783,542)	(608,034)	(608,034)
TOTAL GROUP AND CHARITY FUNDS	18	(724,438)	(724,438)	(491,480)	(491,480)

As permitted by S408 Companies Act 2006, the charity has not prepared its own profit and loss account and related notes as it prepares group accounts. The charity's deficit for the year ended 31 July was £232,958 (15/16 - £491,480 deficit).

The financial statements on pages 15 to 36 were approved by the trustees and authorised for issue on 5/4/2018, and are signed on their behalf by


Calum McNally

5/4/2018

UNIVERSITY OF BRIGHTON STUDENTS' UNION

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 July 2017

	Notes	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net cash from operating activities	19	70,777	81,020	94,790	84,417
Cash transferred from old unincorporated charity		-	-	168,274	168,274
		<u>70,777</u>	<u>81,020</u>	<u>263,064</u>	<u>252,691</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Dividends, interest and rents from investments		130	130	244	244
Purchase of property, plant and equipment		(15,507)	(15,507)	(38,622)	(38,622)
Net cash used in investing activities		<u>(15,377)</u>	<u>(15,377)</u>	<u>(38,378)</u>	<u>(38,378)</u>
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING YEAR					
		55,400	65,643	224,686	214,313
Cash and cash equivalents at the beginning of the reporting year		224,686	214,313	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING YEAR					
	20	<u>280,086</u>	<u>279,956</u>	<u>224,686</u>	<u>214,313</u>

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2017

1. ACCOUNTING POLICIES**Basis of accounting**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 and under the historical cost convention. Within the definitions of FRS 102, the charitable company is a public benefit entity. The financial statements have also been prepared in accordance with the accounting policies set out in more detail below, to comply with the charitable company's governing document, the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (the FRS 102 Charities SORP 2015).

Going concern

As at 31 July 2017, the balance sheet showed net liabilities of £724,438 after recognising the SUSS pension deficit liability of £975,820.

In considering the going concern basis of preparation of the financial statements, the trustees have reviewed the three year finance plan. While a planned deficit is likely in 2017/18, this will be funded through restricted and designated reserves. Small surpluses are forecast for 2018/19 and beyond.

The Union's main income streams are the University of Brighton in the form of subvention, and commercial trading activity from its outlets (bar, cafes, and shops) and student events. The University of Brighton has confirmed its support in the form of a Block Grant for the year ended 31 July 2018 totalling £1,145,300 (2016/17: £1,075,300). The Union's commercial activity provides a diversified and robust source of income. The Union anticipates growth in both turnover and surplus of its commercial trading in 2017/18 as a result of activity undertaken in 2016/17 to control costs and improve service levels.

The Union held £280,086 (15/16 - £224,686) in cash and bank deposits at the end of 2016/17 and had net current assets of £136,095 (15/16 - £216,989). Free reserves are maintained in low risk, high liquidity deposit accounts ensuring cash will be readily available to support the planned deficit in 2017/18. The profile of the Union's income, expenditure, and cashflow is closely correlated, ensuring there are no periods of significant net cash outflow.

On the basis of this information, the trustees consider the going concern basis to be appropriate.

Basis of consolidation

The statement of financial activities and the balance sheet consolidate the results of the activities of both University of Brighton Students' Union and its wholly owned subsidiary undertaking, BSU Enterprise Limited.

UNIVERSITY OF BRIGHTON STUDENTS' UNION**NOTES TO THE FINANCIAL STATEMENTS (Continued)**
for the year ended 31 July 2017

1. ACCOUNTING POLICIES (Continued)**Income**

All income is recognised in the statement of financial activities when the charitable company is legally entitled to the funds, the receipt of those funds is probable, and the amount can be measured reliably that is quantified with reasonable accuracy.

Income from grants, including government grants, where related to performance and specific deliverables, is accounted for as the charitable company earns the right to consideration by its performance.

Gifts in kind donated for distribution and/or utilisation are included at valuation and recognised as income when the related projects are undertaken. Gifts donated for resale are included as income when sold. Donated facilities are included at the value to the charitable company, where this can be quantified and a third party is bearing the cost.

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis.

Expenditure is allocated to the charitable company's principal activity, as the costs of raising funds or as governance costs where the costs can be identified as being directly related to those activities. All costs that cannot be so identified are categorised as support costs. Support costs are then allocated over the different categories of expenditure on the basis of estimated time spent by members of staff in those particular areas.

Grants payable are recognised in the year in which the approved offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised only when the conditions attaching to the award are fulfilled.

Governance costs are the costs associated in running the University of Brighton Students' Union as a United Kingdom charitable company and specifically include the costs of the external audit.

Taxation

University of Brighton Students' Union is a registered charitable company and as such its income and gains falling due under section 471 to 489 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporate tax to the extent that they are applied to its charitable objectives.

Termination Payments

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

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 July 2017

1. ACCOUNTING POLICIES (Continued)**Tangible fixed assets**

All tangible assets purchased at a cost of £500 or more and that have an expected useful economic life that exceeds one year are capitalised and classified as tangible fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Equipment - over five years

Investments

All of the charitable company's fixed asset investments are carried in the balance sheet at cost less provisions for impairment. These assets are not readily realisable through sale and accordingly, a reliable market value cannot be ascertained.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making allowance for any slow-moving, damaged or obsolete items.

Liabilities

A contingent liability is disclosed for those grants, which do not represent liabilities, where the possible obligation, which arises from past events, will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control. Provisions are recognised for those grants where there is uncertainty as to the timing or amount, and any uncertainty regarding the amount is more than one of the determining factors as a basis for reasonable estimation of the liability arising from that constructive obligation.

Leased assets and obligations

All of the charitable company's leases are "operating leases" and the annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 July 2017

1. ACCOUNTING POLICIES (Continued)**Financial instruments**

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are therefore classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

Financial assets and liabilities

The charitable company's debtors and creditors that meet the definition of either a financial asset or a financial liability are initially recognised at fair value and thereafter are stated at amortised cost using the effective interest method.

Provisions for liabilities

Provisions are recognised when the charitable company has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at a discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within finance costs.

Pension contributions

The University of Brighton Students' Union participates in the Students' Union Superannuation Scheme (SUSS), a defined benefit multi-employer pension scheme, which is externally funded and contracted out of the State Second Pension. SUSS is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees of SUSS on the advice of the actuary. The 2013 valuation recommended a monthly contribution requirement by each participating employer expressed in monetary terms intended to clear the ongoing funding deficit. As a consequence under FRS 102, the University of Brighton Students' Union has recognised a liability in the balance sheet equal to the net present value of future deficit reduction payments. These payments are discounted to the present value using the market yield on high quality corporate bonds.

The charitable company also makes contributions into a group personal pension plan with Aegon and additionally, participates in NEST. These defined contribution pension schemes are available to certain employees and the assets of the schemes are held separately from those of the charitable company in independent trustee-administered funds. The amount charged to the statement of financial activities in respect of pension costs is the contributions payable for the year.

UNIVERSITY OF BRIGHTON STUDENTS' UNION**NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 July 2017**

1. ACCOUNTING POLICIES (Continued)**Funds held as custodian**

The charitable company acts as custodian for the funds raised by the students' many clubs and societies. In addition, the charitable company is custodian of the annual Raising and Giving (RAG) proceeds arising from the various fundraising events organised by the students each year and then distributed to the nominated charities involved. The cash balances in respect of these custodian activities are held in the charitable company's bank accounts together with a corresponding liability for the amounts involved.

Fund accounting

The general fund comprises the accumulated surpluses of unrestricted income over expenditure, which are available for use in furtherance of the general objectives of the charitable company.

Designated funds are a particular form of unrestricted funds consisting of amounts, which have been allocated or designated for specific purposes by the trustees. The use of designated funds remains at the discretion of the trustees.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the year end are carried forward in the balance sheet.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charitable company'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 underlying 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 year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are those used by the scheme actuary in calculating the University of Brighton Students' Union's portion of the SUSS defined benefit pension scheme liability.

In the opinion of the trustees, there are no other estimates and underlying assumptions in the application of accounting policies that are considered to be critical, because they either require a significant amount of management judgement or the results are material to the charitable company's financial statements.

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 July 2017

3. DONATIONS AND LEGACIES	Unrestricted funds	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
Block grant from the University of Brighton	1,075,308	-	1,075,308	1,035,300
Donations from other funders	97,583	77,923	175,506	410,344
Grant of serviced accommodation	274,111	-	274,111	264,331
	<u>1,447,002</u>	<u>77,923</u>	<u>1,524,925</u>	<u>1,709,975</u>

Of the total donations and legacies income for the year ended 31 July 2016 £243,984 is attributable to restricted funds and £1,465,991 to unrestricted funds.

4 INCOME FROM WORKING WITH STUDENTS	Unrestricted Total 2017	Unrestricted Total 2016
	£	£
Cafes and shops	1,682,223	1,716,561
Entertainments and events	297,795	314,214
	<u>1,980,018</u>	<u>2,030,775</u>
5 OTHER TRADING ACTIVITIES	Unrestricted Total 2017	Unrestricted Total 2016
	£	£
Commercial marketing sponsorship	115,513	121,900
Income generated by BSU Enterprise Limited	45,023	47,143
	<u>160,536</u>	<u>169,043</u>
6 INVESTMENTS	Unrestricted Total 2017	Unrestricted Total 2016
	£	£
Bank interest receivable on short term cash deposits	130	244
7 RAISING FUNDS	Unrestricted Total 2017	Unrestricted Total 2016
	£	£
Commercial activities:		
Direct costs	103,170	110,246
Direct staff costs	7,998	12,634
Support staff costs	16,009	12,218
Rent	500	576
Other support costs	9,492	3,975
	<u>137,169</u>	<u>139,649</u>

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 July 2017

8 COSTS OF WORKING WITH STUDENTS	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Analysed by activity:				
Cafes and shops	1,687,117	52,169	1,739,286	1,829,373
Entertainments and events	250,177	-	250,177	238,595
Academic experience, advice and wellbeing	307,207	-	307,207	342,887
Campus and community	153,738	83,204	236,942	381,734
Other student activities	1,018,995	-	1,018,995	898,617
Provision for pension deficit payments	73,419	-	73,419	902,401
Governance costs	135,372	-	135,372	152,698
	3,626,025	135,373	3,761,398	4,746,305
	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Analysed by type of cost:				
Direct costs	1,496,501	53,429	1,549,930	1,639,626
Direct staff costs	966,738	81,944	1,048,682	1,164,431
Support staff costs	494,733	-	494,733	462,209
Provision for pension deficit payments	73,419	-	73,419	902,401
Rent	273,611	-	273,611	263,755
Other support costs	185,651	-	185,651	161,185
Governance costs	135,372	-	135,372	152,698
	3,626,025	135,373	3,761,398	4,746,305
Governance costs are made up as follows:			Total 2017	Total 2016
			£	£
Sabbatical Officer salaries			103,348	107,347
Sabbatical Officer training			9,694	15,135
Trustees' expenses			380	64
Auditors' remuneration:				
External audit services			17,500	16,800
Accountancy and advisory services			-	5,000
Corporate tax compliance services			1,350	3,000
Under accrual in respect of prior years			3,100	5,352
			135,372	152,698

Of the total costs of working with students for the period to 31 July 2016 £237,197 is attributable to restricted funds and £4,473,108 is attributable to unrestricted funds.

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 July 2017

9 STAFF COSTS	2017 No.	2016 No.
The average monthly number of persons working with the charitable company (excluding trustees) during the year was:		
Cafes and shops	12	11
Entertainments and events	4	3
Academic experience, advice and wellbeing	10	10
Campus and community	7	11
Office and management	8	9
Sabbatical Officers	5	5
Raising funds	1	1
	<u>47</u>	<u>50</u>
	£	£
Staff costs for the above persons:		
Wages and salaries	1,487,594	1,528,909
Social security costs	102,082	109,863
Pension costs - regular annual contributions	84,997	91,593
Pension costs - provision for pension deficit payments	73,419	902,401
Termination payments	30,000	14,000
Other costs	22,385	14,474
	<u>1,800,477</u>	<u>2,661,240</u>

During the year, one employee received emoluments in the range £90,001 to £100,000. In respect of that employee, total pension contributions payable during the year amounted to £3,150.

The total amount of employee benefits received by key management personnel for their services to the charitable company during the year amounted to £249,201 and the charitable company incurred employers' national insurance contribution costs of a further £19,759 in relation to the employment of these same members of staff.

The Sabbatical Trustees, who are also all trustees, received employee benefits as authorised in the charitable company's governing document, for their representation, campaigning and support work they undertake as distinct from their role as trustees. Those employee benefits comprised:

	Gross salary £	Employer pension contributions £
Hayley Wood	19,831	198
Bethany Wren	12,257	106
Molly Maher	3,286	33
Frank Dankwa	20,306	-
Cathrine Bach	20,306	203
Parker Robinson	13,754	138
Calum McNally	2,027	20
Amy Jaiteh	2,027	-
Ebun Azeez	<u>2,027</u>	<u>-</u>

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 July 2017

9. STAFF COSTS (Continued)

Other than as disclosed above, no trustees received remuneration for their services to the charitable company during the current year.

The Sabbatical Officers incurred normal business expenses for travel, subsistence and training during the course of their employment as Sabbatical Officers and reclaimed them through the normal employee expenses reimbursement procedures. The total of these expenses for all the Sabbatical Officers amounted to £3,634.

In addition, three of the other trustees were reimbursed for expenses incurred on behalf of the charitable company during the year relating to travel to board meetings and postage of board approved documents, amounting to £380 is included within governance costs.

The use of volunteers and donated services

The charity makes considerable use of the services of volunteers in order to not only manage the charitable company at trustee level but also to deliver services and other similar project outcomes and benefits to beneficiaries. The charitable company is also reliant upon donated services provided by its wide range of supporters, and those donated services which can be quantified, are recognised in the financial statements as donations in kind.

10	NET INCOME FOR THE YEAR	2017	2016
		£	£
	Net income for the year is stated after charging:		
	Depreciation	94,152	90,440
	Operating lease costs - equipment	3,118	2,273
		<u>97,270</u>	<u>92,713</u>
11	TANGIBLE ASSETS		
	Group and charity	Equipment	Total
		£	£
	Cost:		
	1 August 2016	284,312	284,312
	Additions	15,507	15,507
	31 July 2017	<u>299,819</u>	<u>299,819</u>
	Depreciation:		
	1 August 2016	90,440	90,440
	Charge in the year	94,152	94,152
	31 July 2017	<u>184,592</u>	<u>184,592</u>
	Net book value:		
	31 July 2017	<u>115,227</u>	<u>115,227</u>
	31 July 2016	<u>193,872</u>	<u>193,872</u>

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 July 2017

12	INVESTMENTS	Union Funds 2017	Union Funds 2016
		£	£
	Group		
	Cost:		
	1 August	60	-
	Fair Value of assets transferred	-	60
	31 July	60	60
	Charity	Union Funds £	BSU Enterprise Limited £
			Total 2017 £
			Total 2016 £
	Cost:		
	1 August	60	2
	Change	-	-
	31 July	60	2

The investment in Union Funds comprises 60 'A' ordinary shares of £1 each in NUS Services Limited, a company incorporated in England and Wales, which arranges the provision of various purchasing services for student unions.

The charitable company owns the entire share capital of BSU Enterprise Limited, a company incorporated in England and Wales (Company registration number 09242214), through which commercial marketing sponsorship revenues are generated. For the year ended 31 July 2017, BSU Enterprise Limited had turnover of £45,023 and expenditure of £10,270 resulting in a net profit of £34,753. The whole of the net profit was distributed by way of Gift Aid to the charitable company, and therefore, at 31 July 2017, BSU Enterprise Limited had net assets and shareholders' funds of £2.

13	STOCKS	Group 2017	Charity 2017	Group 2016	Charity 2016
		£	£	£	£
	Café supplies	16,476	16,476	16,074	16,074
	Shop supplies	103,286	103,286	94,399	94,399
		119,762	119,762	110,473	110,473

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 July 2017

14	DEBTORS	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
	Amounts falling due within one year:				
	Trade debtors	23,255	23,255	34,182	34,182
	Amounts due from group undertakings	-	128	-	10,371
	Other debtors	10,966	10,966	1,853	1,853
	Prepayments and accrued income	50,299	50,299	152,036	152,036
		<u>84,520</u>	<u>84,648</u>	<u>188,071</u>	<u>198,442</u>

15	CREDITORS	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
	Amounts falling due within one year:				
	Trade creditors	76,816	76,816	75,871	75,871
	other taxes and social security costs	42,540	42,540	44,528	44,528
	Pension contributions payable	-	-	1,989	1,989
	Clubs and societies funds	94,803	94,803	86,759	86,759
	Accruals	94,616	94,616	44,047	44,047
	Deferred income	39,498	39,498	53,047	53,047
		<u>348,273</u>	<u>348,273</u>	<u>306,241</u>	<u>306,241</u>
	Deferred income:				
	Deferred income brought forward	53,047	53,047	-	-
	Deferred income transferred in from the old unincorporated charity	-	-	80,992	80,992
	Deferred income released to the statement of financial activities	(53,047)	(53,047)	(80,992)	(80,992)
	Income received in advance during the year	39,498	39,498	53,047	53,047
	Deferred income carried forward:	<u>39,498</u>	<u>39,498</u>	<u>53,047</u>	<u>53,047</u>

Deferred income includes those funds received in advance for services to be delivered by the charitable company in the 2017/2018 financial year, and primarily comprises booking fee income received in advance for the 2017 Freshers' Fair and grant funding received in advance. The charitable company receives commission income relating to the sale of NUS Extra cards, which can be for periods of up to three years in advance. All such income relating to future years is deferred.

16	PROVISIONS FOR LIABILITIES	2017 SUSS pension deficit provision £	2016 SUSS pension deficit provision £
	Balance at 1 August	902,401	-
	Amounts provided during the year - see note 24	73,419	902,401
	Balance at 31 July 2017	<u>975,820</u>	<u>902,401</u>

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 July 201717 THE FUNDS OF THE GROUP
AND THE CHARITY

Group	1 August 2016	Income	Expenditure	Transfers between funds	31 July 2017
	£	£	£	£	£
Restricted income funds:					
Capital grants fund	93,598	-	(52,169)	-	41,429
Sustainability grant fund	22,956	-	(5,281)	-	17,675
Retention fund	-	75,000	(75,000)	-	-
Community organisers fund	-	2,923	(2,923)	-	-
	116,554	77,923	(135,373)	-	59,104
Unrestricted income funds:					
General fund	23,659	3,587,686	(3,609,502)	(1,843)	-
Designated funds:					
Capital reserve fund	100,274	-	(41,983)	15,507	73,798
Contingency reserve fund	50,000	-	-	50,000	100,000
Development reserve fund	90,257	-	-	(71,777)	18,480
Sports Federation fund	30,177	-	(38,290)	8,113	-
SUSS pension deficit fund	(902,401)	-	(73,419)	-	(975,820)
	(608,034)	3,587,686	(3,763,194)	-	(783,542)
	(491,480)	3,665,609	(3,898,567)	-	(724,438)

17 THE FUNDS OF THE GROUP
AND THE CHARITY (continued)

Charity	1 August 2016	Income	Expenditure	Transfers between funds	31 July 2017
	£	£	£	£	£
Restricted income funds:					
Capital grants fund	93,598	-	(52,169)	-	41,429
Sustainability grant fund	22,956	-	(5,281)	-	17,675
Retention fund	-	75,000	(75,000)	-	-
Community organisers fund	-	2,923	(2,923)	-	-
	116,554	77,923	(135,373)	-	59,104
Unrestricted income funds:					
General fund	23,659	3,587,686	(3,609,502)	(1,843)	-
Designated funds:					
Capital reserve fund	100,274	-	(41,983)	15,507	73,798
Contingency reserve fund	50,000	-	-	50,000	100,000
Development reserve fund	90,257	-	-	(71,777)	18,480
Sports Federation fund	30,177	-	(38,290)	8,113	-
SUSS pension deficit fund	(902,401)	-	(73,419)	-	(975,820)
	(608,034)	3,587,686	(3,763,194)	-	(783,542)
	(491,480)	3,665,609	(3,898,567)	-	(724,438)

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 July 2017

Group	8 June 2015	Income	Expenditure	Transfers between funds	31 July 2016
	£	£	£	£	£
Restricted income funds:					
Capital grants fund	-	145,767	(52,169)	-	93,598
Sustainability grant fund	-	40,375	(17,419)	-	22,956
Retention fund	-	75,000	(75,000)	-	-
Community organisers fund	-	104,120	(104,120)	-	-
European Language grant fund	-	13,077	(13,077)	-	-
Awards grant fund	-	11,412	(11,412)	-	-
	-	389,751	(273,197)	-	116,554
Unrestricted income funds:					
General fund	-	3,661,120	(3,689,115)	51,654	23,659
Designated funds:					
Capital reserve fund	-	99,923	-	351	100,274
Contingency reserve fund	-	50,000	-	-	50,000
Development reserve fund	-	142,262	-	(52,005)	90,257
Sports Federation fund	-	51,428	(21,251)	-	30,177
SUSS pension deficit fund	-	-	(902,401)	-	(902,401)
	-	4,004,723	(4,612,757)	-	(608,034)
	-	4,394,474	(4,885,954)	-	(491,480)

Charity	8 June 2015	Income	Expenditure	Transfers between funds	31 July 2016
	£	£	£	£	£
Restricted income funds:					
Capital grants fund	-	145,767	(52,169)	-	93,598
Sustainability grant fund	-	40,375	(17,419)	-	22,956
Retention fund	-	75,000	(75,000)	-	-
Community organisers fund	-	104,120	(104,120)	-	-
European Language grant fund	-	13,077	(13,077)	-	-
Awards grant fund	-	11,412	(11,412)	-	-
	-	389,751	(135,373)	-	116,554
Unrestricted income funds:					
General fund	-	3,657,433	(3,685,428)	51,654	23,659
Designated funds:					
Capital reserve fund	-	99,923	-	351	100,274
Contingency reserve fund	-	50,000	-	-	50,000
Development reserve fund	-	142,262	-	(52,005)	90,257
Sports Federation fund	-	51,428	(21,251)	-	30,177
SUSS pension deficit fund	-	-	(902,401)	-	(902,401)
	-	4,001,046	(4,609,080)	-	(608,034)
	-	4,390,797	(4,882,277)	-	(491,480)

UNIVERSITY OF BRIGHTON STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 July 2017

17. THE FUNDS OF THE GROUP AND THE CHARITY (Continued)

The capital grants fund was set up to recognise the funding received from the University of Brighton to be used to purchase fixed assets. Depreciation is charged to this fund such that the closing balance on the fund represents the net book value to the fixed assets involved.

The Sustainability grant fund was set up to recognise funding provided by the University of Brighton in order to support a programme of activities, events and projects aimed at engaging students in sustainability and promoting environmentally conscious living (including Cooperatives, 'Green' volunteering and employment opportunities).

The Retention fund was set up to recognise funding provided by the University of Brighton to support the charitable company's work in relation to student retention and success. A significant proportion of the charitable company's support service work focuses on students who are most at risk of not completing their programme of study.

The Community Organisers grant fund was set up to recognise funding provided by external community-led organisations and the University of Brighton to support student and local community development projects.

The Capital reserve fund was set up to separately identify the charitable company's fixed assets that have been purchased from the charitable company's own unrestricted funds. Transfers are made to or from this fund to cover movements on unrestricted fixed assets such as additions, disposals and depreciation so that the closing balance on the fund represents the net book value to the unrestricted fixed assets involved.

The Contingency reserve fund was set up to set aside an amount to cover unforeseen or emergency expenditure. The amount carried forward in this fund is reviewed annually by the trustees.

The Sports Federation fund was set up to separately identify the income and expenditure of the sports federation and therefore to separately identify the funds available for the sports federation to make use of in future years.

The balance of the general fund that is not used for any other purposes is transferred to the Development reserve fund to be carried forward and used to further develop the charitable activities of the charitable company.

The SUSS pension deficit fund was set up to separately identify the reserves deficit arising from the need to account for a provision in respect of additional SUSS employer pension contributions required to be paid in future years by the charitable company that are intended to eliminate the ongoing and persistent deficit in the overall funding of the SUSS multi-employer defined benefit pension scheme.

UNIVERSITY OF BRIGHTON STUDENTS' UNION

FINANCIAL STATEMENTS
for the year ended 31 July 201718 ANALYSIS OF NET ASSETS
BETWEEN FUNDS

Group	Fixed assets £	Current assets £	Current liabilities £	Provisions for liabilities £	Total 2017 £
Restricted income funds:					
Capital grants fund	41,429	-	-	-	41,429
Sustainability grant fund	-	17,675	-	-	17,675
Retention fund	-	-	-	-	-
Unrestricted income funds:					
General fund	60	-	-	-	60
Designated funds:					
Capital reserve fund	73,798	-	-	-	73,798
Contingency reserve fund	-	100,000	-	-	100,000
Development reserve fund	-	366,693	(348,273)	-	18,420
Sports Federation fund	-	-	-	-	-
SUSS pension deficit fund	-	-	-	(975,820)	(975,820)
NET LIABILITIES	115,287	484,368	(348,273)	(975,820)	(724,438)

Charity	Fixed assets £	Current assets £	Current liabilities £	Provisions for liabilities £	Total 2017 £
Restricted income funds:					
Capital grants fund	41,429	-	-	-	41,429
Sustainability grant fund	-	17,675	-	-	17,675
Unrestricted income funds:					
General fund	62	-	-	-	62
Designated funds:					
Capital reserve fund	73,798	-	-	-	73,798
Contingency reserve fund	-	100,000	-	-	100,000
Development reserve fund	-	366,691	(348,273)	-	18,418
Sports Federation fund	-	-	-	-	-
SUSS pension deficit fund	-	-	-	(975,820)	(975,820)
NET LIABILITIES	115,289	484,366	(348,273)	(975,820)	(724,438)

UNIVERSITY OF BRIGHTON STUDENTS' UNION

FINANCIAL STATEMENTS
for the year ended 31 July 2017
ANALYSIS OF NET ASSETS
BETWEEN FUNDS

Group	Fixed assets £	Current assets £	Current liabilities £	Provisions for liabilities £	Total 2016 £
Restricted income funds:					
Capital grants fund	93,598	-	-	-	93,598
Sustainability grant fund	-	22,956	-	-	22,956
Unrestricted income funds:					
General fund	60	329,840	(306,241)	-	23,659
Designated funds:					
Capital reserve fund	100,274	-	-	-	100,274
Contingency reserve fund	-	50,000	-	-	50,000
Development reserve fund	-	90,257	-	-	90,257
Sports Federation fund	-	30,177	-	-	30,177
SUSS pension deficit fund	-	-	-	(902,401)	(902,401)
NET LIABILITIES	193,932	523,230	(306,241)	(902,401)	(491,480)

Charity	Fixed assets £	Current assets £	Current liabilities £	Provisions for liabilities £	Total 2016 £
Restricted income funds:					
Capital grants fund	93,598	-	-	-	93,598
Sustainability grant fund	-	22,956	-	-	22,956
Unrestricted income funds:					
General fund	62	329,838	(306,241)	-	23,659
Designated funds:					
Capital reserve fund	100,274	-	-	-	100,274
Contingency reserve fund	-	50,000	-	-	50,000
Development reserve fund	-	90,257	-	-	90,257
Sports Federation fund	-	30,177	-	-	30,177
SUSS pension deficit fund	-	-	-	(902,401)	(902,401)
NET LIABILITIES	193,934	523,228	(306,241)	(902,401)	(491,480)

UNIVERSITY OF BRIGHTON STUDENTS' UNION

FINANCIAL STATEMENTS
for the year ended 31 July 201719 RECONCILIATION OF NET INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES

	Group 2017	Charity 2017	Group 2016	Charity 2016
	£	£	£	£
Net income for the reporting year	(232,958)	(232,958)	(491,480)	(491,480)
Adjustments for:				
Cash acquired on incorporation of old charity	-	-	(168,274)	(168,274)
Fixed assets acquired on incorporation of old charity	-	-	(245,750)	(245,752)
Dividends, interest and rents from investments	(130)	(130)	(244)	(244)
Depreciation charges	94,152	94,152	90,440	90,440
Increase in stock	(9,289)	(9,289)	(110,473)	(110,473)
Decrease/(Increase) in debtors	103,551	113,794	(188,071)	(198,442)
(Decrease)/Increase in creditors	42,032	42,032	306,241	306,241
Increase in provisions	73,419	73,419	902,401	902,401
Net cash from operating activities	70,777	81,020	94,790	84,417

20 ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2017 £	Charity 2017 £	Group 2016 £	Charity 2016 £
Cash at bank and in hand	280,086	279,956	224,686	214,313

21 FINANCIAL INSTRUMENTS

	Group 2017	Charity 2017	Group 2016	Charity 2016
	£	£	£	£
Carrying amount of financial assets:				
Equity instruments measured at fair value	60	60	60	60
Debt instruments measured at amortised cost	38,940	38,940	91,679	91,679
Carrying amount of financial liabilities:				
Measured at amortised cost	265,781	265,781	206,677	206,677

UNIVERSITY OF BRIGHTON STUDENTS' UNION

FINANCIAL STATEMENTS
for the year ended 31 July 2017
22. OPERATING LEASE COMMITMENTS

The group and the charity have total future minimum lease payments as the lessee due under non- cancellable operating leases and relating to its photocopiers, as follows:

	Group 2017	Charity 2017	Group 2016	Charity 2016
	£	£	£	£
Plant and machinery:				
Payable within one year	3,118	3,118	3,118	3,118
Payable in two to five years	10,354	10,354	12,472	12,472
Payable in more than five years	-	-	999	999
	<u>13,472</u>	<u>13,472</u>	<u>16,589</u>	<u>16,589</u>

23. RELATED PARTY TRANSACTIONS

During the year, the charitable company undertook various transactions on behalf of its trading subsidiary, BSU Enterprise Limited, a company incorporated in England and Wales (Company registration number 09242214). During the year, the charitable company collected income of £45,023 and incurred costs of £10,270 on behalf of BSU Enterprise Limited. In addition during the year, the charitable company recognised Gift Aid donations of £34,753 from BSU Enterprise Limited. At the balance sheet date, £128 was owed by BSU Enterprise Limited.

There were no other related party transactions during the year.

24. PENSION COMMITMENTS

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

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

UNIVERSITY OF BRIGHTON STUDENTS' UNION

FINANCIAL STATEMENTS
for the year ended 31 July 2017

24. **PENSION COMMITMENTS** (Continued)

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

The following assumptions applied at 30 June 2016:-

- Pre-retirement discount rate – 4.3% pa
- Post retirement discount rate – 2.3% pa
- Retail price inflation (RPI) – 3.2% pa
- Consumer price inflation (CPI) – 2.2% pa
- Pension increase in payment for services, post 1997 (RPI min 3% and max 5%) 3.6% pa and post 2000 (RPI max 5%) – 3.1% pa

The 2016 Valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 17 years and will increase by 20% from 1 October 2017 and by a further 5% in each subsequent year. These rates applied with effect from 1 October 2017 and contributions due from October 2020 onwards will be reviewed following the next actuarial valuation.

Surpluses or deficits which arise at future valuations will also impact on UBSU's future contribution commitment. In addition to the above contributions, UBSU also pays its share of the Scheme's levy to the Pension Protection Fund. FRS102 and Charities SORP (FRS102) require the charitable company's share of past service shortfall is reflected in the financial statements. Based on the most recent valuation, the charitable company contribution to eliminating the shortfall was £51,393 for the year ended 31 July 2017 (2016: £50,383) and increasing by 20% from 1 October 2017 and then 5% pa until June 2033. Therefore at 31 July 2017, the statement of financial position includes a liability of £975,820 (2016: £902,401) which represents the net present value of all future contributions towards eliminating this shortfall.