

Company registration number: 07623917  
Registered charity number: 1142616



UNIVERSITY OF CENTRAL LANCASHIRE  
STUDENTS' UNION

## FINANCIAL STATEMENTS

31 JULY 2018

CHARITY COMMISSION  
FIRST CONTACT

14 FEB 2019

RECORDED  
RECEIVED

CHARITY COMMISSION

RECEIVED

# **UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2018**

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# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## TRUSTEE BOARD AND UNION INFORMATION

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### BOARD OF TRUSTEES 2018/19

Caitlin McLaren	President	(appointed 1 July 2018)
Ben Read	Vice President Activities	(appointed 1 July 2018)
Laura Creighton	Vice President Media	(appointed 1 July 2018)
Gemma Ghouse	Vice President Education	(appointed 1 July 2018)
Lily Green	Vice President Welfare	(appointed 1 July 2018)
Peter Hyett	External Trustee	
Jo Scott	External Trustee	
Emma Sims	External Trustee	(appointed June 2018)
Sarah McIntosh	External Trustee	(appointed June 2018)
Edd Graham-Hyde	Student Trustee	
Jasmine Deng	Student Trustee	(appointed 1 Jan 2018)

### BOARD OF TRUSTEES 2017/18

Sana Iqbal	President	(appointed 1 July 2017)
Leigh Bellerby	Activities & Participation Officer	(appointed 1 July 2017)
Caitlin McLaren	Media Officer	(appointed 1 July 2017)
Suntosh Kaur	Education Officer	(appointed 1 July 2017)
Lily Green	Campaigns Officer	(appointed 1 July 2017)
Peter Hyett	External Trustee	
Marie Wilson	External Trustee	(resigned 20 Mar 2018)
Jo Scott	External Trustee	
Edd Graham- Hyde	Student Trustee	

### KEY MANAGEMENT PERSONNEL

Chief Executive Officer	P Shilton Godwin
Director of Engagement and Support	G Pye (until Mar 2018)
Director of Operations	J Russ
Director of Finance and Performance	L Stott

### PRINCIPAL ADDRESS AND REGISTERED OFFICE

UCLan Students' Union  
24 Fylde Road  
Preston  
PR1 7BY

# **UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION**

## **TRUSTEE BOARD AND UNION INFORMATION**

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### **AUDITORS**

Crowe U.K. LLP  
Chartered Accountants & Registered Auditors  
The Lexicon  
Mount Street  
Manchester  
M2 5NT

### **BANKERS**

HSBC  
PO Box 70  
40 Fishergate  
Preston  
Lancashire  
PR1 2AD

# **UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION**

## **REPORT OF THE TRUSTEES**

**YEAR ENDED 31 JULY 2018**

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The Board of Trustees are pleased to present their Annual Report for the year ended 31st July 2018 which includes the information set out on page 1 of this report, together with the audited accounts for that year.

### **THE UNION'S PURPOSE**

The Union's mission is 'to make life better for students' with the following long-term aims:-

- a) To promote the interests of students during their course of study.
- b) To represent, support and advise students.
- c) To provide social and recreational activities for students and, by so doing, advance the education of the students at the University of Central Lancashire for the benefit of the public.

The Union has activities and services for use by members and to support work with the University and other organisations on behalf of students. These include support for the student voice and representation throughout the University, the Union's Advice Centre, the Union's Opportunity Centre, Team UCLan, Club and Society activities, Pulse Student Media including Pulse TV, newspaper and radio station, induction activities including 'Welcome Week' and discounts through NUS Extra. The Union also provides for the needs of students on campus including the Atrium Cafe, Source Bar and Essentials Convenience store. The Union also continues to manage elements of the former 53 Degrees, a small entertainment venue called 'Club 53'.

### **THE UNION PLAN**

In 2008 the Union decided that 'making life better for students' should be our mission statement and this still sums up what we try to do every day.

In January 2016 the Union's Board adopted a new Union Plan for the period to 2020. This plan was the culmination of research and consultation with students with the objective of ensuring that the Union is meeting the needs of students and responding to the changes in the sector. In support of this objective, the Union undertook a major review of student and stakeholder views and identified 4 themes and a series of key objectives to ensure we achieve our vision that 'every student is able to take the opportunities that UCLan offers; be inspired, succeed and achieve their goals'.

The main themes of the plan are Supporting, Representing, Inspiring and Connecting students. These themes are supported by our 'Future Union' objectives that set out how the Union will ensure it is capable of achieving the theme objectives.

The Union Plan can be viewed in full and downloaded at [www.uclansu.co.uk](http://www.uclansu.co.uk) but we have set out a summary of our future plans below.

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Connected	Inspired
We will make sure you have the opportunities to have fun, make connections and lasting friends.  We know that making friends and fun is important to you.	We will inspire you to create your student life and help you prepare for your future  We want you to seize the opportunities to develop your passions, skills and interests
Represented	Supported
We will help you to make sure your views are respected, listened to and acted upon.  We will make sure that we keep in touch about our progress on the changes you want to see.	We will work with you to ensure your well-being is prioritised so that you can study successfully.  Your safety, health and happiness are important us.

We have determined that we will seek to assure members, stakeholders, funders and others of our impact by reviewing our impact using the NUS Quality Students Union model. Our objective is to achieve accreditation initially as 'very good' and subsequently as 'excellent' during the lifespan of the current Union Plan 2016 – 2020. It is a matter of great pride that we achieved accreditation as a 'Very Good Student's Union' in the autumn of 2017.

The Union, when reviewing or planning its activities, gives due consideration to the Charity Commission's general and relevant guidance on public benefit and has complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance on public benefit published by the Charity Commission.

### **UNION ACHIEVEMENTS AND PERFORMANCE**

The themes of the Union Plan 2016 – 20 are Supporting, Representing, Inspiring and Connecting and our achievements and impact in each of these themes is set out below.

#### **Connecting Students**

In 2017-18 we continued to provide opportunities for students to meet each other, make friends and have fun in the areas of sports and societies through our 'Give it a go' and social sport programmes.

Over 100 'Give it a Go' events were held that aim to give students an opportunity to meet each other, try something new and enable international students to visit the local area. Numbers for 'Give it a go' trips were down on previous years due to a number of

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issues, including but not limited to external competitors. This was reviewed for 2018-19 programme. Clubs and societies hosted most of the programme from Disney society 'Once upon a Freshers' Pub Quiz to 'A night at the Observatory' with the Physics society. These events helped with engaging over 3000 students.

Over the past few years we have seen substantial growth in the area of Societies, especially academic societies. In the year 2018-19, 6 new academic societies were affiliated. Numbers in groups fell slightly from 4751 to 4293 members in both sport and societies.

The social sport programme consisted of a variety of sport and physical activity. This included on average 50 students regularly at weekly Futsal sessions, 80 students in the Students' Union League, 11 a-side and 40 students in 5 a-side. We also worked with the Badminton and Volleyball clubs to create a Social sport package for these groups which regularly saw 40 and 20 students each week. These students would have been missed out in sport and physical activity without the programme and is providing a different experience for students.

### **Inspiring Students**

2017-18 was the second year delivering projects under the 'Inspiring Students' theme and good progress has been made.

Over 60 volunteering project participants have engaged in 8 projects, with a variety of opportunities including British Heart Foundation "Pack for Good" volunteers and our new GCSE English and Maths mentors at Fulwood Academy. As well as these projects we followed sector trends and launched a brand new way of volunteering for students who don't have the time to commit to regular volunteering, called "One-off Wednesdays". Students volunteer as little as 30 minutes of their time for a micro-volunteering opportunity, or as much as a whole afternoon for a one-off action day. One-off Wednesday opportunities engaged over 100 volunteers across 17 afternoons.

Last year's Farmers' Market project developed significantly with student volunteers delivering successful markets over Welcome Week, Christmas and Easter. The Farmers' Market is a social enterprise project which has helped 20 students to develop new skills, work with local companies and learn about sustainable healthy food. The project will continue with three markets a year, and students taking on roles such as marketing, contacting stallholders, logistical arrangements and impact officer. One of the lead volunteers for the Christmas market said "It provided me with some great leadership skills and inspired me to do more for our community."

A new project for 2017 was Help for Homeless that involves volunteers collecting vital donations to distribute to the homeless persons in the city and they ended the year with a successful event in which a large quantity of toiletries were donated to local charity Luv Preston. The student who took on the main role in the project said: "My role within this project provided me with invaluable skills that can be used in the future. As

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a leader, I learned how to delegate roles and listen to other members of the team about their opinions and ideas. It also allowed me to develop skills such as communication, decision-making, advertising and event planning. I thoroughly enjoyed taking part in Help for Homeless and I truly hope that more students get involved in the fantastic endeavour."

The Sexual Health Awareness Group are a group of student volunteers with the main aim being to educate and inform students on where they can find sexual health information. The 25 core volunteers engaged with 250 students in outreach activity across campus, and the project continued to develop by the expansion into a student society called 'SHAW: Sexual Health and Wellbeing' who successfully organised a sexual health conference with a focus on Safeguarding.

SCRAN (Students Creating Resources around Nutrition), which was initially created in 2016 by UCLan Nutrition and Exercise Science students keen to get cooking, eating and growing on the agenda. They were chosen to be one of 9 student-led food enterprises in receipt of NUS Student Eats funding and mentoring, and have received funding to invest £16,000 into the growth of the project, creating new opportunities for students to develop their enterprise skills. They bring their existing student volunteer team to the Students Union and will develop their social enterprise in the Union.

The Secret Garden located on campus and established by the Green Ladder project has gone from strength to strength with its small but dedicated team of volunteers. There are now 10 student volunteers working on the garden and growing their own fruit and vegetables with the support of the SCRAN growing team.

In October 2017 26 volunteers from across the University attended our third annual Volunteer Leadership Camp residential to develop key skills such as teamwork, leadership and communication through outdoor activities as well as skill building sessions. Students came together to reflect on their experiences as volunteers, network and develop their skills and training, with one volunteer reflecting on the camp: "Looking at the VLC it was an amazing chance to meet people from other courses and volunteering positions. It was good to see how these can all link together and how everyone can help each other."

During 2017/18 358 students registered for the Livesey Award, which recognises volunteering hours achieved across the Union. 23 volunteers achieve their Gold award for volunteering over 90 hours, and we had the first cohort of 20 "Highly Commended" graduates who had logged over 100 hours during their time at university.

### **Representing Students**

The Union is delighted to report a number of campaigning 'Wins' in 2018.

Following a 10-year student-led campaign, it was finally agreed, by the University, that a new multi-faith space was to be built as part of the campus development. The building, called Oasis, was opened in May 2018 and will ensure there is dedicated

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facility to meet the needs of students of faith and space for discussion of issues of faith on campus and in students' lives. This project was prioritised by the University due to lobbying from the Union. The Union also took an active role in the University Campus Masterplan project, ensuring that students needs and in particular commuting students, were at the heart of the creation of the new campus social spaces opened in spring 2018. In 2018 we successfully argued for more affordable transport options for students and the SuperBus pilot project will now provide affordable transport for commuting students from the Blackpool and East Lancashire areas. We hope that this will prove a successful project and the service rolled out to other areas in subsequent years.

In 2018 we successfully won investment in the Union at Burnley campus and through the recruitment of specialist staff and initiatives such as student forums and student-led teaching awards current and future students at Burnley will have a say in how their campus develops. The Union will also deliver independent student advice at the campus.

In the past year we have submitted proposals to the University Student Experience and Engagement Committee for the adoption of a Student Voice Framework. The framework brings together all the ways in which students can provide feedback, shape their University experience and that of future students as well as outlining an 'excellent' standard in student voice that all stakeholders can aspire to.

For the second year we have sought to enhance the impact of the Golden Roses Student-led Teaching Awards through holding workshops, led by awards winners in partnership with the Centre of Excellence in Learning and Teaching. These workshops share good practice as identified by students and have proved popular amongst staff. This year they were recorded so that they shared further and used as a resource for staff.

The Unions 'Your Big Ideas' online engagement tool has also continued to be recognised as a mechanism for creating change with a total of 64 student ideas submitted in 2017/18. We received a total of 3232 student votes on these Ideas and broke the record for number of votes on a single idea with 'bring on a male representative!' receiving 684 interactions. Some ideas supported by students have led to changes such as the University scrapping disability screening fees for students by the University and the Union committing to providing free sanitary products following the 'Period Poverty' idea submitted.

Students sit on every committee of the University, in order to ensure that the student voice remains central to decisions made. Student representation is divided between full-time elected officers, School Presidents and Students' Council, which enables students to have influence on every major institution committee. The Student Experience & Engagement Committee now have three student representatives, previously one, which we hope will improve the student focus of the committee.

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As our academic representation structures are well established in 2017/18 we have been enhancing both ongoing support and development of reps as well as how we celebrate their success.

Course Rep Academy saw workshops delivered over the course of the year, covering topics including communicating with staff, closing the feedback loop, data analysis and public speaking with the aim of developing Course Reps in their role. Course Rep Conference, held in February, aims to refocus and inspire Course Reps in the second semester where we have noted a drop off in engagement. Around 80 Course Reps attended this year's conference which included plenaries from NUS VP Education Amatey Doku and workshops delivered on topics including the BME attainment gap. 100% of Reps who completed the evaluation forms found the plenaries very or mostly useful.

In 2016/17, the Union secured additional funding from the University to fund 3 intern positions to work on increasing engagement in the least engaged faculties. The project aimed to increase these faculties engagement with elections and other student voice initiatives, academic societies and academic sports teams. The additional resource allowed us to provide our Course Reps with more training and celebratory events than before, including additional skills based training throughout the year and more social events to thank volunteers for their work. This contributed to 10% more reps attending training than in previous years (70% of Course Reps in total). There were some successes on the activities side of the role; including more engagement with academic societies and sporting activity targeting these faculties, however this did prove challenging for the interns. There were other challenges throughout the year; we believe the role itself was too broad and the faculties in question persisted in being 'hard to reach' despite our best efforts. We have therefore altered the roles to be more focussed and best suit the needs of the relevant departments, and maintain our commitment to working to engage the harder to reach divisions in the University.

### **Supporting Students**

We continue to support a free, confidential and independent Student Advice Centre that ensures student have access to qualified advisers so they have high quality, independent advice on money matters, academic progression, accommodation and employment. In the 12 months to July 2018 we advised 2474 students. The service achieved financial support gains totalling £480,600 to support students.

In 2017 The Advice Centre achieved the Advice Quality Standard following assessment by Advice UK and aims to maintain this status as a marker of our quality and to maintain the trust of our clients.

In the past year, we made a number of changes to the Advice Centre and have taken the first steps in modernising our provision for students. Firstly, we have moved the location of the Advice Centre to the front of the building and developed the Advice Centre as a modern, professional and easily accessible space for students. We will continue to develop our service through enhancing our web presence so students can

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access the information they need and book appointments online. We have also created a new role for an intern within the Advice and Representation department to focus on preventative and proactive outreach work for students. We hope that this will help and support students at 'touch-points' throughout the year and aims to intervene before the point at which a student may need support from the Advice Centre.

The past year saw the continuation of the housing forums and housing fair, as well as the Love, Hate, Rate Survey and housing awards. All of these housing initiatives aim to influence providers to ensure that students are receiving good quality student accommodation and are informed about their rights as tenants. Additionally, the Union's VP Welfare initiated the first 'Well-Fair' which provided students with an opportunity to meet with University services and local organisations such as Lancashire MIND to promote health and wellbeing. During the past year, we also arranged for HIV testing on campus which broke the organisation's record for number of tests completed in one event.

The 'Yes to Respect' campaign has continued to develop this year with strong partnership working with the University. The University has invested in 'Report and Support' as an online tool to both provide students with a one stop reporting tool when incidents occur as well as to offer support and guidance. We are closely involved with the designing of the UCLan's version of 'Report and Support' to ensure it responds to students.

Last year, the University and Union secured funding from HEFCE to run a year-long project tackling hate crime and online harassment on campus. The project aims are to raise awareness of hate crime/incidents and how to report them in order to tackle the issue of underreporting. The project has facilitated multiple engagement activities to get students talking about their experiences on campus and to raise awareness of hate crime, including a Rock against Hate music event and the first UCLan Pride. The project has delivered workshops to students as well as assisted in the development of a social media charter. Since the project began, we have received 16 reports of hate crime and online harassment. The project will run until mid-January 2019, and so we are keen to acquire further funding to maintain the project in some form.

### **FORMAL RECOGNITION**

In spring 2016, we were pleased to receive the award of Investor in People status at Silver Level reflecting our commitment to invest in the development of our Union employees in support of a high quality experience for our members and volunteers. We also achieved the Advice Quality Standard in 2017 and the Best Bar None award in 2018.

The National Student Survey (NSS) is an annual independent survey elicits the views of third year students about their university experience and Question 23 asks student whether they were satisfied with the Union. In 2016 71% of students agreed that they were 'satisfied' or 'very satisfied' with the Union. This represented a good margin over the national average score of 68% for Unions and is consistent with our own and

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University research into student views about the Union. We continue to develop our activities and widen participation seeking an improvement in the score. The 2017 NSS introduced a new wording for student satisfaction with the students' unions. This new Question 26, focused on the impact of the Union on academic improvements. We scored 61%, 4% higher than the national average, and recorded the 4<sup>th</sup> highest score in the region. In 2018 the union has invested in resource to improve student engagement with the Union and we hope that this will see an increase in the score in years to come.

### **STRUCTURE GOVERNANCE AND MANAGEMENT**

For the period represented by these accounts the UCLan Students' Union operated as a company limited by guarantee (Company No. 7623917) and this company registered as a charity (Registered Charity No. 1142616). The governance of the Union and its powers are set out in the Articles of Association. The Union operates on democratic principles with a Students' Council having the powers to approve the general policy of the Union and to represent the voice of students at the University. The Students' Council membership comprises the Unions Elected Officer team, together with representatives of particular student communities, demographics and Academic Schools.

The Union is governed by its Board of Trustees comprising five elected students, three students appointed by the Board and four external Trustees. This arrangement ensure that the Board has the diverse range of skills, knowledge and experience needed in order to carry out its role effectively. The elected officer roles of Union President, Vice President Education, Vice President Media, Vice President Welfare and Vice President are full-time paid posts and remunerated as authorised by the 1994 Education Act.

The Board of Trustees, assisted by Sub-Committees has delegated the day-to-day running of the Students' Union to the Chief Executive Officer, Peter Shilton Godwin through a Statement of Delegated Authority (SODA). The Trustees of the Charity receive reports from Chief Executive and senior managers and review the Union's performance. The Trustees of the Charity including the elected officer Trustees receive an induction into their legal and administrative responsibilities, participate in learning and development opportunities offered by the NUS and others and have on-going training to ensure they are sufficiently well informed to carry out their responsibilities.

The Board of Trustees has examined the major strategic business and operational risks faced by the Union and established a Finance, Audit & Risk Committee to monitor the major risks to which the charity is exposed. The Union has a risk register that is reviewed and updated annually. Where appropriate the Union has established systems or procedures to mitigate the risks the charity faces.

Budgetary, fraud and internal control risks are minimised by the implementation of procedures for the authorisation of all transactions and projects. Procedures are in place to ensure compliance with health & safety of staff, volunteers and participants in

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all the activities organised by the Union. These procedures are reviewed periodically to ensure they continue to meet the needs of the charity.

The Students' Union employs a significant number of full and part-time staff to ensure the effective management and operations of its wide range of activities. Those employees are accountable to the Chief Executive for the performance of their duties.

The relationship between the Board and the Chief Executive is fundamental to effective governance and management of the Union. It is the responsibility of the Board to ensure that the Chief Executive has clear objectives, to review performance and consider the development of their employee alongside that of the charity. One element of this is to ensure that the CEO is appropriately remunerated and that the basis of this remuneration is understood by the Board and CEO. The Board has undertaken a review of salaries and benefits paid to CEOs in students' unions and the voluntary sector in order to establish a suitable level of remuneration.

### **THE RELATIONSHIP BETWEEN THE UNION AND THE UNIVERSITY**

The University of Central Lancashire's Code of Practice and the Union's Articles of Association approved by both organisations regulates the relationship between the Union and the University of Central Lancashire.

The Union receives a grant from the University and occupies buildings owned by the University that also pays for utilities, caretaking and cleaning staff as well as providing support for IT networks, health & safety advice and telecommunications. This non-monetary support is integral to the success of the Union and to the relationship between the University and the Union. In the current year, reflecting the requirements of the SORP, this non-monetary support totalling £501k is included in the Union's Accounts.

In order to strengthen and deepen our partnership the President of the Union, Chair of the Board of the University, the University Vice-Chancellor and Union Chief Executive officer signed a Partnership Agreement. Based on guidance from the NUS and Association of University Chairs the partnership agreement codifies how the two bodies will work together in their mutual interest.

### **FINANCIAL REPORT**

This year the notes supporting the financial statements have been expanded to reflect the activity themes included within the Union Plan 2016-20 so that the Trustees report on the Unions achievements and the financial consequences are more transparent. Further comment on this change is included in note 2.

# **UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION**

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### **2017/18 Operations**

The reported net operating result for 2017/18 improved this year with a reported surplus of £176k (2016/17 breakeven) reflecting both increased income and reduced expenditure when compared to the previous year. Once again the impact of accounting for the Union's share of the Student Union Superannuation Scheme has a significant impact on the financial position as changes in valuations affect both the net reported result and net funds available. This year, with financial support from the University, the Union made a three year advanced payment to the Students' Union Superannuation Fund, the consequence of which was to reduce the Union's attributed liability to £1.14m (2016/17 £1.32m). This resulted in an exceptional adjustment to the reported net operating position in 2017/18 such that the net result for the year is a surplus of £362k compared to 2016/17 when the net result was a deficit £343k primarily as a result of a pension adjustment. This demonstrates that for a meaningful comparison of year on year changes it is appropriate to look to changes impacting on net operating results before exceptional items are included.

Staff costs as reported in note 11 reduced to £1.34m (2016/17 £1.36m) and represented 37% of operating expenditure (2016/17 37%) and the average number of employees during the year was 174 (2016/17 186). This was in the main as a result of fewer staff being employed in Primary Purpose Trading Activities however these savings were offset by increased employer pension costs. The Student Union Superannuation Scheme is a closed scheme and all eligible staff are now in an auto enrolled scheme, set up by NUS and called NUSPS Group Personal Pension Plan, in which contributions have gone up from 1% to 3%. The Union's policy is to match employee contributions up to 6%, which is more than the legal minimum employer contribution of 2%.

The financial statements reflect the value attributed to the accommodation and services provided to the Union by the University in 2017/18 of £500,373 (2016/17 £480,000) as a benefit in kind which is reported as both restricted charitable income and charitable expenditure, (notes 4, 6 and 8).

The Union's Clubs and Societies operate within agreed delegated authorities though the Union is responsible for reporting income collected and expenditure. In the year Clubs and Societies received £153,160, expended 131,790 and carried forward balances of £89,434 at the end of the year.

Notes 3 to 10 provided detailed analysis of income and expenditure during the year with previous year's comparisons, however the following specific comments can be made on the themes included in the Union Plan.

Connecting expenditure has increased as core staff priorities have moved into this theme from support and the focus of the opportunity centre providing a contact point for all the club and society groups. Additional resources are set aside for an internship to assist with club and society events.

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Inspiring continue for the second year to encourage students to get involved. Various projects ran this year and cover a wide range of interests from organising farmers markets to one off Wednesdays and maths mentoring allowing the students to decide how much spare time they have available.

Representing "hard to reach" faculties has seen additional investment for three internship roles to support and increase engagement. This investment has accelerated the involvement of these schools and provided some insight into how to continue by making the roles more focused on the faculties' individual needs.

Supporting expenditure has fallen as salary costs relating to the Opportunity centre are reported under the Connecting theme. Also, depreciation charges for the refurbishment of the opportunity centre ended last year and shorter opening times have made a saving in casual staff.

### **The following specific comments can be made on other activities.**

Restricted Projects- this year the funding from Sports England for recreational sport ended but continues through the block grant under connect. The importance of staying active while at university is still a major benefit to students. January 2018 saw the launched of the Hate Crime project funded via the University through HEFCE.

Trading Services - Income in total has increased by 2% on last year following the refurbishment of the Source Bar and the continued popularity of coffee. This has been achieved while reducing costs by 4.6% on last year relating mainly to casual staffing costs.

### **Balance Sheet at 31 July 2018**

The Balance Sheet shows negative net funds of £829k (2016/17 £1,191k) primarily as a result of recognising the long term liability to the Student Union Superannuation Scheme. The trustees are well aware of the issues surrounding the pension liability and recognise it as a long term issue rather than an immediate risk. The fact that the scheme is closed provides some degree of risk management with respect to the liability however the trustees make sure that both trustees and officers keep up to date with all issues that impact on the scheme and the union is an actively engaged employer member.

Note 19 confirms the accumulated funds held by the Union. Some funds are restricted in their use as they are linked to specific income received in previous years which can only be used for the purposes for which it is given. The Pension Deficit Fund, which matches the accounting consequences of the liability to the Student Union superannuation scheme, is now identified as a restrict fund because of its unique purpose.

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General funds represent unrestricted accumulated funds and provide a measure of financial flexibility should the Union encounter financial challenges in any particular year.

Designated funds are created when the trustees themselves choose to ring fence funds accumulated over a period of time for a particular project or purpose. At the end of 2017/18 the trustees decided to allocate £100k of accumulated funds to meet any costs to the Union in the future as a result of building improvements/alterations to the Union building as a result the University's Master Plan.

Each year the trustees consider the accumulated funds to make sure that they are satisfied that the Union is making best use of the charitable funds it receives.

In 2016/17 the Union's Balance Sheet recognised as a current liability the commitment the Union had made to a three year advance payment which was to be funded with the help of the University. The funds were received and the payment was made in 2017/18. (Note 19) The Net Present Value of the outstanding liability is assessed each year and this resulted in the liability increasing and in a pension discount unwinding cost of £33k, which is reported in the income and expenditure account on page 20 and commented on Note 20 on page 38.

The activities in 2017/18 generated cash of £471k (Note 26). After allowing for acquiring fixed assets and financing activity this reduced to £109k, which when added to existing cash balances meant the Union held cash of £245k. Note 23 matches the available reserves with the available liquid funds and though these are currently not sufficient, the short fall is considered manageable as strict procedures are in place to ensure reserves are not committed unless there are available liquid resources.

### **AFFILIATIONS TO OTHER BODIES**

The Union affiliates to a number of organisations in order to benefit from training, professional development opportunities and information as follows: Child Poverty Action Group (CPAG), Advice UK, National Association of Housing Advisory Services (NHAS), National Association of Student Money Advisers (NASMA), National Association of Student Employment Services (NASES)

We also affiliate to the British Universities and Colleges Sports Association (BUCS), Sport England and the national governing bodies (NGBs) of the following sports, Archery, Association Football, Athletics, Basketball, Cycling, Canoeing, Golf, Ju Jit-su, Lacrosse, Lawn Tennis, Rugby Football Union, Rugby Football League, Swimming, Squash and Volleyball to facilitate student sport participation and inter University competition

The Union also affiliates to the National Union of Students (NUSUK) for the national representation of student's interests and the wider range of benefits, support and cost savings it receives from NUS. The Union is an active participant in the NUS, NUS

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# **UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION**

## **REPORT OF THE TRUSTEES**

**YEAR ENDED 31 JULY 2018**

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Services Limited and related companies to ensure that the organisation continues to function effectively on behalf of members.

### **GOVERNANCE OF THE UNION**

As an element of the Quality Students Unions award, the Unions governance was independently assessed as 'Very Good' against the 2011 version of the SU Code of Governance. The Unions Board has received copies of the new SU Governance Code published in 2018 and has decided to adopt the new code and review its application in the Union during the 2018 -19 financial year. The Union believes it meets the requirements of the code but is committed to using the new code to ensure continuous improvement.

### **FUNDRAISING**

The Union is committed to the Fundraising Code of Practice upheld by the Fundraising Regulator.

The Union does not make direct fundraising appeals to its members. Our societies, on occasion, carry out fundraising activities for their society funds and for charities. We provide guidance to students based on the Union's bye-law 11 of its Constitution. No complaints were received concerning our fundraising activities.

### **CUSTODIAN ACTIVITIES**

The Students' Union act as custodian for funds raised by the Students' Union's many clubs & societies from their own resources and for their own use.

### **TRUSTEES RESPONSIBILITIES**

Charity Law and UCLan Students' Union's Memorandum and Articles of Association require us as a charity trustees to prepare Annual Financial Statements giving a true and fair view of the state of the affairs of the Union at its year end and of the Union's income and expenditure for the year. In preparing these statements we are required to:-

- select the most suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the Financial Statements on a going concern basis unless it is not appropriate to presume that the Union will continue in business.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the Financial Statements comply with charity law and the particular requirements of the Students' Union's Board of Trustees and the University under the 1994 Education Act. We are also responsible for safeguarding the assets of the charity and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION**

**REPORT OF THE TRUSTEES**

**YEAR ENDED 31 JULY 2018**

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Caitlin McLaren  
Pete Shilton Godwin



President and Chair of the Board of Trustees  
Chief Executive

11 FEB 2019

# **UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

**YEAR ENDED 31 JULY 2018**

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### **Opinion**

We have audited the financial statements of The University of Lancashire Students' Union for the year ended 31 July 2018 which comprise a Statement of Financial Activity (incorporating an Income and Expenditure Account), Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2018 and of the group's 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 Companies Act 2006 and the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

# **UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

**YEAR ENDED 31 JULY 2018**

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### **Conclusions relating to going concern**

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the 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 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 our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

# **UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

**YEAR ENDED 31 JULY 2018**

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

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees Annual Report.

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

YEAR ENDED 31 JULY 2018

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### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, 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.

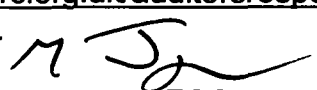
In preparing the financial statements, the trustees are responsible for assessing the group's or the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend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

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

We have been appointed as auditor under section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder

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

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



**Michael Jayson, FCA**  
Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor  
The Lexicon  
Mount Street  
Manchester  
M2 5NT

Date:

11 FEB 2019

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 JULY 2018

			2018		2017
	Note	Restricted £	Unrestricted £	Total £	Total £
<b>INCOME FROM:</b>					
Voluntary income	3	27,332	1,054,493	1,081,825	1,048,367
Charitable activities	4	653,532	2,071,662	2,725,194	2,644,976
Other trading activities	5	-	16,727	16,727	9,145
Investments		-	741	741	430
<b>Income from Operations</b>		<b>680,864</b>	<b>3,143,623</b>	<b>3,824,487</b>	<b>3,702,918</b>
<b>EXPENDITURE ON:</b>					
Charitable activities:					
Membership services	6-8	407,179	1,185,738	1,592,917	1,579,158
Primary purpose trading	6-8	268,225	1,786,505	2,054,730	2,123,893
<b>Expenditure from Operations</b>		<b>675,404</b>	<b>2,972,243</b>	<b>3,647,647</b>	<b>3,703,051</b>
<b>Net Operating Result for the year - Surplus/(Deficit)</b>		<b>5,460</b>	<b>171,380</b>	<b>176,840</b>	<b>(133)</b>
Exceptional Income	10	213,645	10,000	223,645	39,390
Exceptional Expenditure	10		(5,276)	(5,276)	(381,798)
Pension Discount Unwinding Cost	20	(33,032)		(33,032)	-
<b>Net exceptional Items</b>		<b>180,613</b>	<b>4,724</b>	<b>185,337</b>	<b>(342,408)</b>
<b>Net Result for the year Surplus/(Deficit)</b>		<b>186,073</b>	<b>176,104</b>	<b>362,177</b>	<b>(342,541)</b>
<b>Total funds brought forward</b>		<b>99,420</b>	<b>(1,290,877)</b>	<b>(1,191,457)</b>	<b>(848,916)</b>
Reclassification of Pension to Restricted Reserves	19	(1,321,212)	1,321,212	-	
Reserves Transfer	19	(395)	395	-	
<b>Total funds carried forward</b>		<b>(1,036,114)</b>	<b>206,834</b>	<b>(829,280)</b>	<b>(1,191,457)</b>

The charity has no recognised gains or losses other than the results as set out above.  
All of the activities of the charity are classed as continuing.

The notes on pages 24 to 41 form part of these financial statements.

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## BALANCE SHEET

Company No: 07623917

31 JULY 2018

	Note	31/07/2018		31/07/2017	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	12		113,980		109,067
Investments	13		<u>1</u>		<u>1</u>
			113,981		109,068
<b>CURRENT ASSETS</b>					
Stock	14	53,526		64,258	
Debtors	15	147,668		121,537	
Cash at bank and in hand		<u>244,857</u>		<u>135,232</u>	
		446,051		321,027	
<b>CREDITORS: amounts due within one year</b>	16	(248,714)		(243,542)	
Pension liability		<u>-</u>		<u>(208,432)</u>	
		(248,714)		(451,974)	
<b>NET CURRENT ASSETS</b>			197,337		(130,947)
Total assets less current liabilities			311,318		(21,879)
<b>CREDITORS: amounts due after more than one year</b>	17		(1,140,598)		(1,169,578)
<b>NET ASSETS</b>	23		<u>(829,280)</u>		<u>(1,191,457)</u>
<b>FUNDS</b>					
Restricted funds					
- Pension Deficit Reserve			(1,140,599)		-
- Students' Societies & Club Funds			89,434		68,459
- Others			15,051		30,961
- Total Restricted Funds			<u>(1,036,114)</u>		<u>99,420</u>
Unrestricted funds					
- General Funds			61,736		16,280
- Designated Funds			145,098		14,055
- Pension Deficit Reserve			-		(1,321,212)
- Total Unrestricted Funds			<u>206,834</u>		<u>(1,290,877)</u>
<b>TOTAL FUNDS</b>	19		<u>(829,280)</u>		<u>(1,191,457)</u>

These financial statements were approved and signed by the Board of Trustees on

11 FEB 2019



C McLaren  
President



P Shilton Godwin  
Chief Executive

The notes on pages 24 to 41 form part of these financial statements.



# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## CASH FLOW STATEMENT

31 JULY 2018

		2018	2017
Net cash (outflow)/inflow from operating activities	26	471,196	117,015
<b><u>Investing activities</u></b>			
Payments to acquire tangible fixed assets		(70,683)	(50,742)
<b><i>Net cash flow after investing activities</i></b>		400,513	(50,742)
<b><u>Financing activities</u></b>			
Repayment of Pension Deficit		(213,645)	-
Repayment of bank loans		(77,984)	(116,051)
Interest received		741	430
<b><i>Net cash flow after financing activities</i></b>		109,625	(115,621)
(Decrease)/Increase in cash and cash equivalents		109,625	(49,348)
Cash and cash equivalents at start of year		135,232	184,580
Cash and cash equivalents at end of year		244,857	135,232

The notes on pages 24 to 41 form part of these financial statements.

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

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### 1. GENERAL INFORMATION

University of Central Lancashire Students' Union is a registered charity in England and Wales, with the charitable object of advancing the education of students at the University of Central Lancashire.

The charity is a private company limited by guarantee (Co No 07623917), with the registered office and principal address at Fylde Road, Preston, PR1 6BY.

### 2. ACCOUNTING POLICIES

#### (a) Accounting convention

The financial statements are prepared in accordance with the Companies Act 2006, Charities Act 2011, Statement of Recommended Practice 'Accounting and Reporting by Charities' 2015 ('SORP'), and the Financial Reporting Standard 102.

The Trustees consider the charity to be a public benefit entity.

The Students' Union long term plan 'students have the best ideas' for 2016-20 presents the activities of the Union in Themes: Connected, Inspired, Represented and Supported. To ensure the Union is sustainable there are two other themes which are Business and Central Support Cost. Last year the statutory accounts reflected these changes in the trustees report with a plan to update the financial information this year. The Board of Trustees requested a full review of the format and various methods of apportionment. This year the Trustee's report details progress within the themes and the financial report details the costs associated with this activity. Central Support costs cannot be allocated directly to a theme so these are apportioned. Last year employee numbers were used to allocate Central Support Costs, this year metres squared has been adopted and found to be more appropriate given that Rent and Accommodation makes up 61% of Central Support Costs and is based on area also. All prior year comparatives have been reinstated to match this year and will differ from last year's accounts.

#### (b) Incoming resources

All incoming resources are recognised in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Incoming resources are not shown net of expenditure.

#### (c) Grants received

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

#### (d) Resources expended

All expenditure is accounted for on an accruals basis and is stated net of VAT.

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

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### 2. ACCOUNTING POLICIES (CONTINUED)

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs which can be directly allocated to activities and those costs of an indirect nature necessary to support them.

Costs are allocated between the expenditure categories of the SOFA based on usage of the resource.

#### (d) Resources expended (continued)

Where costs cannot be directly allocated they are apportioned on an appropriate basis and recognised in SOFA. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

#### (e) Tangible fixed assets

Depreciation 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:

Building costs	– 10% p.a. straight line
Alterations to premises	– 20% - 25% p.a. straight line
Office equipment	– 20% - 25% p.a. straight line
Fixtures and fittings	– 20% p.a. straight line
Motor vehicles	– 25% p.a. straight line

Assets are capitalised if they cost more than £3,000 and are expected to last more than one year.

#### (f) Investments

Fixed asset investments are valued at cost.

#### (g) Stock

Stock is valued at the lower of the cost and its net realisable value.

#### (h) Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### (i) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

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### 2. ACCOUNTING POLICIES (continued)

#### (j) Financial Instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

#### (k) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### (l) 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.

#### (m) Accounting for Accumulated Funds

The Students' Union has three distinct types of accumulated funds in its balance sheet:-

Restricted funds representing unspent funds at the end of the financial year to be spent on particular activities as specified by the donor.

Unrestricted general funds arising from the accumulated surplus from its various activities held to provide a measure of financial flexibility in the future.

Designated Funds are general funds set aside by the Board of Trustees for a specific purpose.

The income and expenditure are shown in the SOFA.

The assets and liabilities representing each fund are shown in the notes to the accounts.

#### (n) Pension costs

The Charity participates in the Students' Union Superannuation Scheme, a multi-employer defined benefit pension scheme. Where it is not possible for the Charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme, it accounts for the scheme as a defined contribution scheme.

Where the scheme is in deficit and where the Charity has agreed, with the scheme, to participate in a deficit funding arrangement the Charity recognises a liability for this obligation. The amount recognised is the net present value of the contributions payable under the agreement that relate to the deficit. This amount is expensed in the Statement of Financial Activities and is held on the Balance Sheet as a restricted reserve.

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

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### 2. ACCOUNTING POLICIES (CONTINUED)

The Union participates in the NUS Pension Scheme, a defined contribution scheme. A defined contribution plan is a pension plan under which the Charity pays fixed contributions into a separate entity. Once the contributions have been paid the Charity has no further payments obligations.

The contributions are recognised as an expense in the Statement of Financial Activities when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Charity in independently administered funds.

#### (o) Taxation

No provision is made in these accounts for corporation tax as the Union is exempt from such taxes as a result of its charitable status.

#### (p) Going concern

The Union continues to seek to generate funding from various trading activities but it will continue to be dependent on the support of the University of Central Lancashire for which the Trustees express their thanks on behalf of the members of the Union. There is no reason for the Union to believe this financial or non-monetary support from the University will not continue for the foreseeable future. In 2011 the Union and University agreed a Memorandum of Understanding between the organisations to support the continuing payment of the block grant and the non-monetary support.

#### (q) Judgements in applying accounting policies and key sources of estimation uncertainty

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

##### (i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property plant and equipment, and note 2 (e) for the useful economic lives for each class of assets.

##### (ii) Multi-employer defined benefit pension scheme

The Charity participated in the Students' Union Superannuation Scheme, a multi-employer defined benefit pension scheme with other Students' Union organisations. In the judgement of the trustees, the Charity does not have sufficient information on the plan's assets and liabilities to be able to reliably account for its share of the defined benefit obligations and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 20 for further details.

The Charity must measure its defined benefit obligation on a discounted present value basis. The Charity must determine the rate used to discount the future payments by reference to market yields at the reporting date on high quality corporate bonds. The term of the corporate bonds shall be consistent with the estimated period of the future payments.

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

### 3. VOLUNTARY INCOME

	Restricted	Unrestricted	Total 2018	Total 2017
	£	£	£	£
Grant Funding	-	1,054,493	1,054,493	975,464
Sale of Fixed Asset	-	-	-	8,333
Get in 2	-	-	-	39,720
HLF UCLAN Through The Ages	(519)	-	(519)	24,850
Hate Crime	27,851	-	27,851	-
	<b>27,332</b>	<b>1,054,493</b>	<b>1,081,825</b>	<b>1,048,367</b>

### 4. INCOME FROM CHARITABLE ACTIVITIES

	Restricted	Unrestricted	Total 2018	Total 2017
	£	£	£	£
Connect	207,410	137,041	344,451	290,094
Inspire	59,752	5,180	64,932	64,140
Engagement	75,759	1,257	77,016	73,616
Support	42,386	201,348	243,734	269,464
<b>Membership Services</b>	<b>385,307</b>	<b>344,826</b>	<b>730,133</b>	<b>697,314</b>
 <b>Primary Purpose Trading Activities</b>	 <b>268,225</b>	 <b>1,726,836</b>	 <b>1,995,061</b>	 <b>1,947,662</b>
 <b>Total</b>	 <b>653,532</b>	 <b>2,071,662</b>	 <b>2,725,194</b>	 <b>2,644,976</b>
 <b>Charitable activities</b>				
Direct Income from charitable activities	-	2,071,662	2,071,662	2,025,976
Benefit in kind – Accommodation & Service	500,372	-	500,372	480,000
Clubs and Societies - Income	153,160	-	153,160	139,000
	<b>653,532</b>	<b>2,071,662</b>	<b>2,725,194</b>	<b>2,644,976</b>

### 5. OTHER TRADING INCOME

	Restricted	Unrestricted	Total 2018	Total 2017
	£	£	£	£
Marketing	-	16,727	16,727	9,145
	<b>-</b>	<b>16,727</b>	<b>16,727</b>	<b>9,145</b>

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

### 6. CHARITABLE ACTIVITIES

#### Restricted and Unrestricted Expenditure by Theme

	Restricted	Unrestricted	Total 2018	Total 2017
	£	£	£	£
<b>Membership Services</b>				
Connect	191,345	309,915	501,260	450,554
Inspire	59,752	115,779	175,531	168,806
Engagement	82,759	392,415	475,174	416,521
Support	42,386	357,491	399,877	464,066
Projects	30,937	10,138	41,075	79,212
	<b>407,179</b>	<b>1,185,738</b>	<b>1,592,917</b>	<b>1,579,159</b>
<b>Primary Purpose Trading Activities</b>	<b>268,225</b>	<b>1,786,505</b>	<b>2,054,730</b>	<b>2,120,759</b>
	<b>675,404</b>	<b>2,972,243</b>	<b>3,647,647</b>	<b>3,699,918</b>
<b>Direct Costs Plus Benefit in Kind</b>				
Direct expenditure on charitable activities	-	2,972,243	2,972,243	3,219,918
Clubs and Societies - Expenditure	131,790	-	131,790	-
Restricted projects in membership services	43,241	-	43,241	-
Benefit In Kind – Accommodation & Services	500,373	-	500,373	480,000
	<b>675,404</b>	<b>2,972,243</b>	<b>3,647,647</b>	<b>3,699,918</b>

### 7. Charitable activities

#### Direct & Support Expenditure by Theme

	Activities undertaken directly	Support costs	Total 2018	Total 2017
	£	£	£	£
<b>Membership Services</b>				
Connect	413,203	88,057	501,260	450,554
Inspire	78,547	96,983	175,530	168,806
Engagement	352,209	122,965	475,174	416,520
Support	331,080	68,797	399,877	464,066
Projects	41,076	-	41,076	79,212
	<b>1,216,115</b>	<b>376,802</b>	<b>1,592,917</b>	<b>1,579,158</b>
<b>Primary Purpose Trading Activities</b>	<b>1,619,371</b>	<b>435,359</b>	<b>2,054,730</b>	<b>2,120,760</b>
<b>Total</b>	<b>2,835,486</b>	<b>812,161</b>	<b>3,647,647</b>	<b>3,699,918</b>

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

### 8. Charitable activities

#### Charitable expenditure by cost type

	Membership Services	Primary Purpose Trading Activities	Central Support Costs	Total 2018	Total 2017
	£	£	£	£	£
Good for Resale	223,712	911,497	-	1,135,209	1,134,929
Salaries & Wages	620,922	524,492	191,563	1,336,977	1,363,160
Training, Development & Travel	15,108	2,884	15,638	33,630	44,852
Other Employment Costs	1,618	5,940	6,982	14,540	13,196
NUS Affiliation	41,233	-	-	41,233	47,653
Clubs & Societies – Transport, Facilities & Affiliation	89,255	3,410	-	92,665	103,962
Insurance	6,744	-	30,375	37,119	33,589
Buildings – Repairs and Cleaning	3	7,473	3,784	11,260	14,138
Essential Materials	8,882	29,204	-	38,086	30,953
Equipment and Software	22,445	32,626	8,609	63,680	64,295
Mini Bus Expenditure	22,892	-	-	22,892	25,379
Advertising and Marketing	2,540	4,178	-	6,718	10,485
Finance Expenses	2,220	25,212	11,584	39,016	34,734
Professional Expenses	5,120	18,908	13,385	37,413	35,245
Administration Charges	21,616	6,370	11,293	39,279	49,228
Depreciation - Refurbishment	-	21,365	480	21,845	42,921
Depreciation - Equipment	15	25,811	18,096	43,922	45,664
Benefit in kind - Accommodation and Services	224,534	259,429	16,410	500,373	480,000
Restricted Club and Society Costs	131,790	-	-	131,790	125,535
	1,440,649	1,878,799	328,199	3,647,647	3,699,918
Central Support Cost Allocation	152,268	175,931	(328,199)	-	-
<b>Total</b>	<b>1,592,917</b>	<b>2,054,730</b>	<b>-</b>	<b>3,647,647</b>	<b>3,699,918</b>



# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

### 9. GOVERNANCE COSTS

	Total 2018 £	Total 2017 £
Audit	6,000	6,000
Insurance	907	806
Board away day	422	2,102
Board refreshments	367	192
Travel Expenses	246	22
Leaving gift	323	100
Civil Subscription	235	349
	<b>8,500</b>	<b>9,571</b>

### 10. EXCEPTIONAL ITEMS

	Total 2018 £	Total 2017 £
<b>Income</b>		
Loan Interest Correction	-	39,390
Back Dated Employment Allowance	10,000	-
UCLan Grant towards SUSS Pension Deficit Contribution	213,645	-
	<b>223,645</b>	<b>39,390</b>
<b>Expenditure</b>		
Redundancies – Print Shop	-	(15,045)
Severance Pay	(5,276)	-
SUSS Pension Deficit Revaluation		(366,753)
	<b>(5,276)</b>	<b>(381,798)</b>

### 11. STAFF COSTS AND NUMBERS

	Total 2018 £	Total 2017 £
Wages and salaries	1,194,509	1,230,422
National insurance	77,953	76,523
Pension costs	64,515	56,216
	<b>1,336,977</b>	<b>1,363,161</b>

Key management personnel, as disclosed on page 1, received remuneration of £153,651 (2017: £181,255).

One employee received remuneration in excess of £60,000 (2017 – one).

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

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### 11. STAFF COSTS (CONTINUED)

The average number of staff employed by the charity was:

	2018 No.	2017 No.
Full time staff	49	43
Student staff	125	143
	<u>174</u>	<u>186</u>

### 12. FIXED ASSETS

	Building costs £	Motor Vehicles £	Fixtures & Equipment £	Total £
<b>Cost</b>				
As at 1 August 2017	977,051	10,909	471,587	1,459,547
Additions	46,456	-	24,227	70,683
As at 31 July 2018	<u>1,023,507</u>	<u>10,909</u>	<u>495,814</u>	<u>1,530,230</u>
<b>Accumulated depreciation</b>				
As at 1 August 2017	951,191	10,909	388,380	1,350,480
Charge for the year	21,846	-	43,924	65,770
As at 31 July 2018	<u>973,037</u>	<u>10,909</u>	<u>432,304</u>	<u>1,416,250</u>
<b>Net book value</b>				
31 July 2018	<u>50,470</u>	<u>-</u>	<u>63,510</u>	<u>113,980</u>
31 July 2017	<u>25,860</u>	<u>-</u>	<u>83,207</u>	<u>109,067</u>

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

### 13. FIXED ASSET INVESTMENT

	Investment in subsidiaries	Total
Cost	£	£
As at 1 August 2017 and 31 July 2018	1	1

	2018	2017
Name of company	Equity held	Equity held
	%	%
Investments in subsidiaries		
53 Degrees Events Limited	100%	100%

	Turnover	Aggregate of share capital and reserves	Profit for the year
	£	£	£
53 Degrees Events Limited	-	1	-

### 14. STOCK

	2018	2017
	£	£
Bar	10,183	16,225
Catering	1,731	1,771
Shop stock	36,720	42,158
Atrium stock	4,892	4,104
	53,526	64,258

During the year, stock of £901,457 (2017: £887,318) was expensed to the Statement of Financial Activity.

### 15. DEBTORS

	2018	2017
	£	£
Trade debtors	35,100	27,109
Prepayments and accrued income	64,192	57,323
University debtor	31,900	15,732
Capital projects for 2017-18	-	6,391
Other debtors	16,476	14,982
	147,668	121,537

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

### 16. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	59,172	80,358
Trade creditors	86,865	67,075
Social security and other taxes	37,364	36,632
Other creditors	33,418	36,112
Accruals and deferred income	31,895	23,365
Pension liability	-	208,432
	<u>248,714</u>	<u>451,974</u>

### 17. CREDITORS: Amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	-	56,799
Pension liability	<u>1,140,598</u>	<u>1,112,779</u>
	<u>1,140,598</u>	<u>1,169,578</u>
Repayment due as follows:		
Due 1-2 Years	-	56,799
Due 2-5 Years	166,938	73,775
Due 5+ Years	<u>973,660</u>	<u>1,039,004</u>
	<u>1,140,598</u>	<u>1,169,578</u>

The Union has a 15 year bank loan from HSBC plc. The outstanding balance of £59,172 is repayable within 1 year as at the balance sheet date. Interest is charged at 2% over HSBC's base rate.

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

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### 18. FINANCIAL INSTRUMENTS

Financial assets that are debt instruments measured at amortised cost:

	2018 £	2017 £
Trade debtors (including University)	67,000	42,840
Accrued income	19,044	56,498
Other debtors	16,477	14,982
	<u>102,521</u>	<u>114,320</u>

Financial liabilities measured at amortised cost:

	2018 £	2017 £
Trade creditors	86,865	67,075
Bank loans and overdrafts	59,172	137,156
Accruals	31,895	23,365
Pension deficit	1,140,598	1,321,212
	<u>1,318,530</u>	<u>1,548,808</u>

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

### 19. RESERVES

	At 1 August 2017	Incoming resource s	Resources expended	Transfers	At 31 July 2018
	£	£	£	£	£
<b>Restricted Funds</b>					
Pension Deficit Fund		213,645	(33,032)	(1,321,212)	(1,140,599)
Benefit in kind – Accommodation and Service	-	500,372	(500,372)	-	-
Clubs and Societies	68,459	153,160	(131,790)	(395)	89,434
Hate Crime	-	27,851	(17,913)	-	9,938
Film Society Fund	5,134	-	(21)	-	5,113
HLF - UCLAN through the ages	13,543	(519)	(13,024)	-	-
School President	7,000	-	(7,000)	-	-
FM Sport Facilities	4,041	-	(4,041)	-	-
HE Football Activator	1,243	-	(1,243)	-	-
<b>Total Restricted Funds</b>	<b>99,420</b>	<b>894,509</b>	<b>(708,436)</b>	<b>(1,321,607)</b>	<b>(1,036,114)</b>
<b>Unrestricted Funds</b>					
Accumulated General Fund	16,280	3,112,923	(2,967,862)	(99,605)	61,736
Pension Deficit Fund	(1,321,212)	-	-	1,321,212	-
<b>Total General Funds</b>	<b>(1,304,932)</b>	<b>3,112,923</b>	<b>(2,967,862)</b>	<b>1,221,607</b>	<b>61,736</b>
<b>Designated funds</b>					
Building designated reserve	-	-		100,000	100,000
Welcome funding 2018	-	40,700	(3,319)	-	37,381
Sport Ball funds	4,717	-	-	-	4,717
Target Sports Grant Money	9,338	-	(6,338)	-	3,000
<b>Total Designated Funds</b>	<b>14,055</b>	<b>40,700</b>	<b>(9,657)</b>	<b>100,000</b>	<b>145,098</b>
<b>Total unrestricted funds</b>	<b>(1,290,877)</b>	<b>3,153,623</b>	<b>(2,977,519)</b>	<b>1,321,607</b>	<b>206,834</b>
<b>Total Funds</b>	<b>(1,191,457)</b>	<b>4,048,132</b>	<b>(3,685,955)</b>	<b>-</b>	<b>(829,280)</b>

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

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### 19. RESERVES (continued)

#### **Pension Deficit Fund**

The Union is a member of the Student Union Superannuation Scheme, a multi-employer defined benefit pension scheme. The fund value of £1.1m represents the Union's share of the scheme's deficit at a net present value, which has a recovery plan running until 2033. (Note 20 – Pensions, for more details.) Following a full review, the trustees decided to transfer this fund from general funds to restricted funds to illustrate the rules place on the deficit, for which, the trustees are bound.

#### **Benefit in Kind – Accommodation & Services**

The Students' Union occupies two university buildings which are fully maintained and serviced by the University. The non-monetary total for this support is £500k and is reported in the Statement of Financial Activities income and expenditure, page 20 and detailed in notes 4, 6 and 8.

#### **Clubs and Society Funds**

Funds raised by individual clubs and societies are recognised as restricted funds through the Statement of Financial Activities in the year the Union is entitled to the income. Expenditure is recognised against these funds in the year with any unspent funds being recognised as restricted funds available to the individual clubs and societies in future periods.

#### **Hate Crime**

A joint project with the University runs over a calendar year thus straggling two finance years. The remaining funds support the project until December 2018.

#### **Film Society Fund**

The Students' Union received a 'one-off' grant of funds from the University in 2008 in order to support the continued presentation of films by the Union's Film Society in the 'Mitchell and Kenyon Cinema' on Campus. These funds are held by the Union for that purpose.

#### **Heritage Lottery Fund (HLF) - UCLAN through the ages**

Additional income was secured from the Heritage Lottery Fund to provide students with a greater understanding of heritage and to promote development opportunities for students on related courses. The project ended this year.

#### **School President**

To assist the Course representation system it was agreed with the University to provide additional administration support and some expense payments to school Presidents. These funds were received late in the year and went unspent in 2016-17. This was utilised this year to support three internship roles with a focus to engage with hard to reach facilities and assist with the course representation system.

#### **FM Sport Facilities - Get in 2 Fund**

The Union received funds from Sport England to develop recreational sport for the enjoyment, wellbeing and health of students over a 3 year period and this work continues to develop through the Connecting theme.

#### **HE Football Activator Post**

Funds from the Football Association and BUCS to employ a member of staff to encourage participation in football and has been utilised within the connecting theme to promote recreational football leagues.

#### **General Funds**

Unrestricted general funds arising from the accumulated surplus from its various activities held to provide flexibility in the future.

#### **Pension Deficit Fund – See above**

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# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

### 19. RESERVES (continued)

#### Building designated reserve

In support of the master plan and the changes that will occur around the Student Unions' buildings, it is the boards strategic plan to set aside some general funds for building investment.

#### Welcome Funding 2018

Additional funds have been received early for Welcome 2018-19. This designated fund illustrate available funding for Welcome 2018.

#### Sports Ball funds

Made from Sports Ball surpluses, this fund is used to support clubs and societies with a long term investment need. This fund is continuous.

#### Target Sports Grant Money

Funds received from the university to target the following sports:- Rugby League, Cycling, Basketball, Lady's football and Golf.

### 2017 Reserves Movement

	At 1 August 2016	Incoming resources	Resources expended	Transfers	At 31 July 2017
	£	£	£	£	£
<b>Restricted Funds</b>					
Benefit in kind –	-	480,000	(480,000)	-	-
Accommodation & Service					
Clubs & Societies Fund	55,025	138,970	(125,536)	-	68,459
Film Society Fund	5,134	-	-	-	5,134
HLF - UCLAN through the ages	13,335	24,850	(24,642)	-	13,543
School President	7,000	-	-	-	7,000
FM Sport Facilities	4,041	-	-	-	4,041
HE Football Activator	1,213	30	-	-	1,243
Grow Wild	3,069	-	(3,098)	29	-
Get in 2	11,089	-	(11,751)	662	-
<b>Total Restricted Funds</b>	<b>99,906</b>	<b>643,850</b>	<b>(645,027)</b>	<b>691</b>	<b>99,420</b>
<b>Unrestricted Funds</b>					
Accumulated General Fund	(8,418)	3,058,738	(3,033,349)	(691)	16,280
Pension Deficit Fund	(954,459)	-	(366,753)	-	(1,321,212)
<b>Total General Funds</b>	<b>(962,877)</b>	<b>3,058,738</b>	<b>(3,400,102)</b>	<b>(691)</b>	<b>(1,304,932)</b>
<b>Designated funds</b>					
Target Sports Grant Money	9,338	-	-	-	9,338
Sport Ball funds	4,717	-	-	-	4,717
<b>Total Designated Funds</b>	<b>14,055</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,055</b>
<b>Total unrestricted funds</b>	<b>(948,822)</b>	<b>3,058,738</b>	<b>(3,400,102)</b>	<b>(691)</b>	<b>(1,290,877)</b>
<b>Total Funds</b>	<b>(848,916)</b>	<b>3,702,588</b>	<b>(4,045,129)</b>	<b>-</b>	<b>(1,191,457)</b>



# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

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### 20. PENSIONS

The Charity participates in the Student Union Superannuation Scheme, a multi-employer defined benefit pension scheme whose membership consists of employees of students' unions and related bodies throughout the country. With effect from 30 September 2011 the scheme closed to future accrual.

The employers share the actuarial risks associated with all members of the scheme. The Charity is not legally responsible for the scheme and does not have sufficient information to use defined benefit accounting. Accordingly the scheme is accounted for as if it is a defined contribution scheme.

The Charity and the other employers are jointly and severally liable for the scheme's deficit. At 30 June 2016, the date of the latest available information, the SUSS scheme deficit was £119,700,000. The 2016 valuation recommended a monthly contribution requirement by each participating Employer expressed in monetary terms intended to clear the ongoing funding deficit. These contributions will be made until 2033 and will increase by at least 5% each year, with an additional one-off increase of 15% in October 2017.

A liability of £1,140,599 (2017 - £1,321,213) has been recognised for Uclan SU, representing the present value of the additional contributions payable between the year-end and 2033, with the resulting movement recognised in the Statement of Financial Activity under the heading of 'Pension Discount Unwinding' reporting a cost of £33k.

As the SUSS is closed to future accrual there were no employer contributions paid into the scheme by the Union for the year ended 31 July 2018; the Union does however continue to pay funding towards the deficit. For the year ended 31 July 2018, these contributions amounted to £213,644 (2017: £nil). The Union, supported and funded by UCLan, took advantage of an early payment discount for advance payment of deficit contributions in 2017 which covered deficit contributions from 1 August 2017 to 30 September 2020.

The Union participates in the NUS Pension Scheme, a defined contribution scheme. During the year, contributions of £64,424 (2017: £56,216) were paid to the scheme.

During the year the Students' Union was made aware of a possible increase in SUSS's pension deficit. This will not impact the SU until a revised deficit funding contribution schedule has been agreed which will be following the next triennial valuation of the scheme.

### 21. RELATED PARTY TRANSACTIONS

The Union is a register charity for the purposes of the Charities Act 1993. The Union is in receipt of a recurrent grant from the University of Central Lancashire (UCLan) of £1,054,493 (2017: £975,464).

UCLan also provided funds for the SUSS pension scheme, totalling £213,644, in support of a three year advanced payment allowing the Union to take advantage of the 3.5% early payment discount.

In addition, the Union occupies its building on a rent free basis under an informal licence subject to the Union maintaining the building in a good state of repair. In accordance with the Charities SORP (2015), the trustees have estimated that the provision of space and associated services is worth £500,373 (2017: £480,000) to the Union and have recognised this amount in the Statement of Financial Activities. During the year, to 31 July 2018, there was no sale of fixed assets. (2017: £8,333). Amounts due from the University at 31 July 2018 were £31,900 (2017: £15,731).

The full-time officers of the Trustee Board receive remuneration for their services as provided for within the Constitution. The aggregate amount payable under such contracts in the year was £96,355 (2017: £84,574). In addition, the Union has paid Trustees' liability insurance of £907 (2017: £806).

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

### 22. CONTROLLING PARTY

Control of the Union rests with the Student Council which is made up of an elected chairperson and elected student representatives. The Council decides on Union policy, mandates the trustees to put policies into action and ensures the Board of Trustees keep standards high across all aspects of the Union.

### 23. NET ASSETS BY FUNDS

	Restricted	Unrestricted	Total 2018
	£	£	£
Tangible fixed assets	-	113,980	113,980
Investments	0	1	1
Net Current assets	104,485	92,852	197,337
Liabilities due after more than one year	(1,140,598)		(1,140,598)
<b>Total Funds</b>	<b>(1,036,114)</b>	<b>206,833</b>	<b>(829,280)</b>
Available Reserves	104,485	206,833	311,318
Accounting Reserves	(1,140,598)	-	(1,140,598)
<b>Total Reserves</b>	<b>(1,036,113)</b>	<b>206,833</b>	<b>(829,280)</b>

	Restricted	Unrestricted	Total 2017
	£	£	£
Tangible fixed assets	-	109,067	109,067
Investments		1	1
Net Current assets/(Liabilities) *	99,420	(230,368)	(130,948)
Liabilities due after more than one year	-	(1,169,577)	(1,169,577)
<b>Total Funds</b>	<b>99,420</b>	<b>(1,290,877)</b>	<b>(1,191,457)</b>
Available Reserves	99,420	(121,300)	(21,880)
Accounting Reserves		(1,169,577)	(1,169,577)
<b>Total Reserves</b>	<b>99,420</b>	<b>1,290,877</b>	<b>(1,191,457)</b>

\*Net Current Liabilities include a three year SUSS payment for £213k due the following year. Cash is received from UCLan in 2017-18.

# UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

### 24. COMMITMENTS UNDER OPERATING LEASES

At 31 July 2018 the Students' Union had outstanding obligations under non-cancellable operating leases as set out below.

	2018 £	2017 £
Operating leases due:		
Within 1 year	8,811	11,213
Within 2 to 5 years	15,382	24,296
	<u>24,193</u>	<u>35,509</u>

### 25. TRUSTEES' REMUNERATION AND EXPENSES

Each of the Executive Committee's Five Student Affairs Officers received £17,480 for the year, as authorised in the union's governing document, for the representation, campaigning and support work they undertake as distinct from their trustees responsibilities. This work includes voicing student opinion with the institution and local community, defending and extending the right of the students through petitions, discussion with MPs and also organising and supporting student volunteers and service provision for them. The total salary and NI costs for the SAC amounted to £96,355, 5 roles filled (2017: £84,574 - 4.5 roles).

There were no other trustee-benefits for the year.

Members of the executive committee were reimbursed a total of £246 (2017 - £158) for the year in respect of personal travel and subsistence expenses.

### 26. RECONCILIATION OF OPERATING CASH FLOW

	2018 £	2017 £
<b>Cash flows from operating activities</b>		
Surplus for the financial year	362,177	(342,542)
<i>Adjustments for:</i>		
<i>Movement on pension liability</i>	-	366,753
<b>Operating surplus</b>	<u>362,177</u>	<u>24,211</u>
<i>Adjustments to reconcile profit for the year to net cash from operating activities</i>		
Interest received	(741)	(430)
Depreciation	65,768	88,587
Decrease in inventories	10,733	6,805
Decrease in trade and other debtors	(26,131)	45,041
Increase in trade and other creditors	26,358	(47,199)
Add back Pension Discount Unwinding Costs	33,032	-
<b>Cash generated from operating activities</b>	<u>471,196</u>	<u>117,015</u>

**UNIVERSITY OF CENTRAL LANCASHIRE STUDENTS' UNION**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2018**

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