

University of East London Students' Union



Trustees Report

and Financial Statements

for the period ended 21 August 2017

Registered Charity Number 1150963

UNIVERSITY OF EAST LONDON STUDENTS' UNION
FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

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ADMINISTRATIVE INFORMATION

Charitable status

The University of East London Students' Union (UELSU) is an unincorporated charity established under the Education Act 1994. Registration and the Charity Commission commenced 26th February 2013. This follows the changes implemented on 1st October 2009 when Students Union connected with exempt further/higher education institutions were removed by section 11(9) Charities Act 2006 from the list of exempt charities in Schedule 2 to the Charities Act 1993. The Board of Trustees for the UELSU on the 21st of August 2017 decided to transfer its liabilities and assets to a charitable company limited by guarantee entity of the charity with the charity number 1173994 and company number 10820498. The 21st of August 2017 will therefore be the last set accounts produced for the UELSU as an unincorporated charity.

Trustees

Sabbatical Officers during the year under review

<i>Post</i>	<i>to 30 June 2016</i>	<i>From 1 July 2017</i>
President	Stephen Amanwo	Elham Peserlay
Deputy President	Mary Cary	Ayaan Cabdi
Vice President	Roosevelt Avi	Tangina Chowdhury
Vice President	Ayokunle Falana	Swasti Rastogi
Vice President	Mojahar Ali	Mojahar Ali

University Nominated Trustee - Charles Prince (appointed 25/07/17)

Student Trustee during the period under review -

<i>Post</i>	<i>to 30 June 2016</i>	<i>From 1 July 2017</i>
Student Governor	Andreas Patsalos (resigned 20/12/16)	Ayodele Ayani

External Trustees - Yemi Gbajobi
James Walker
Rev. Nicholas Leggett (appointed 17/01/17)
Martin Young (appointed 17/01/17)

Chief Executive

Denis Shukur

Principal office

University of East London Students' Union
4-6 University Way
London
E16 2RD

Auditors

Crowe Clark Whitehill LLP
Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL

Bankers

Barclays Bank plc
Barking Road
Plaistow, London E13

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REPORT OF THE TRUSTEES

The Trustees present their Annual Report for the year ended 21st August 2017, which includes the administrative information set out on page 1, together with the audited accounts for that year.

Structure, governance and management

UELSU is constituted under the Education Act 1994 as a charity (see page 1) with its constitution dated 2nd March 2011 and other internal regulations approved by the governing body of the University of East London (the University). UELSU's charitable objects under the Act are the advancement of education of students at the University of East London for the public benefit by

- Promoting interests and welfare of Students at the University of East London during their course of study and representing, supporting and advising students
- Being the recognised representative channel between Students and the University of East London and other external bodies; and
- Providing social, cultural and recreational activities and forums for discussions and debate for the personal development of its Students.

UELSU has been administered during the year by a Board of Trustees who delegate day to day running of UELSU to a Chief Executive (CEO). The CEO works closely with the Board of Trustees to ensure effect management of the charity and as head of a management team as follows:-

Deputy Chief Executive (Operations): Donna Niccolls (commenced work 5th of December 2016)

Deputy Chief Executive (Membership): Mark Gillespie (left 25th of August 2017)

Deputy Chief Executive (Membership) Interim: Nishaant Kumar (commenced interim work 4th of September 2017)

Head of Student Support: Lisa Thomas

All UELSU employees are accountable to the CEO for the performance of their duties. UELSU operates on democratic principles detailed in its Constitution adopted in March 2011. As the charities Trustees, all Trustees receive an induction into their legal and administrative responsibilities, with an ongoing training programme as and when needed for issues arising during their term of office.

The Board of Trustees met on six occasions during 2016/2017 and Committees of the Board functioned throughout the year. In addition, the elected Full time Officers meet regularly as a group and as members of the leadership team.

Relationship with University of East London

The relationship between the University and UELSU is established in the Regulations of the University and the Memorandum of Understanding and is detailed in the UELSU constitution.

UELSU receives a block grant from the University and part-occupies buildings owned by the University, which also pays for utilities, services and staff support. This non-monetary support is intrinsic to the relationship between the University and UELSU. As required by the Charities SORP 'Accounting and Reporting by Charities' an estimated value for these benefits has been included in the accounts totalling £260,949 this year as reported in note 1 of the accounts.

Although UELSU continues to generate a small amount of supplementary funding from various trading activities, it remains dependant on the University's financial and in-kind support.

There is no reason to believe that this or equivalent support from the University will not continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body.

Risk Management

The major strategic, business and operational risks faced by UELSU have been examined. A risk register has been established and is periodically updated and scrutinised by the Audit Committee. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

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Budgetary and internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These are periodically reviewed by the Finance Committee. Procedures are in place to ensure compliance with Health and Safety of all staff, volunteers and participants on all activities organised by the Union.

In addition to an external audit process UELSU is also subject to annual Internal Audit review by the University's appointed Internal Auditors.

Key Management Remuneration Policy

The remuneration of key management personnel directly employed by the Students' Union is set by the Remuneration and HR Sub Committee of the Board of Trustees and in turn agreed by the Board of Trustees in line with the Pay Policy for staff and Remuneration Committee for Full Time Officers, with the objective of ensuring that there are appropriate incentives to encourage enhanced performance in a fair and responsible manner.

The appropriateness and relevance of such remuneration includes reference to comparisons with other Unions so that the Union remains sensitive to the broader issues of pay and employment conditions elsewhere.

The remuneration for the CEO of the Students' Union is set via dialogue between the Remuneration and HR Sub Committee of the Board of Trustees and the appointed University line manager of the CEO. The University confirms that for the duration of the Secondment Period it shall continue to: (a) provide the CEO with the salary and other benefits to which they are entitled pursuant to the terms of the Employment Contract including any national or local pay awards during the period of secondment; and (b) pay to the appropriate authorities any income tax, employer or employee national insurance contributions or such other payments as may be required by law to be made in connection with the Employment Contract. The salary of the CEO is deducted from the block grant allocated to Students' Union.

Delivery of the Union's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are one off the largest single element of our charitable expenditure.

Aims, objectives and activities

The UELSU undertook a new strategic review, which resulted in the creation of a new three-year strategic plan. The purpose of the Union was redefined to the following: "we will ensure that every UEL student has an exceptional and diverse university experience that makes them feel valued, supported and empowered to break through any barrier that stands between them and their aspirations"

The Union has six key missions listed below:

1. Life Skills: supporting an active programme of student-led activity
2. Representation: involving UEL students in all academic decision-making
3. Championing Diversity: supporting the needs of individuals and communities
4. Sense of Belonging: providing opportunities to discover and explore passions
5. Breaking down Barriers: impacting students' everyday lives and lifelong prospects
6. Long-term Success: equipping students with new skills and experiences which will make them more employable

In pursuit of these aims for the public benefit, UELSU will ensure the diversity of its membership is recognised, valued and supported and has established departments and services for use by its members and to support its work with the University and other organisations on behalf of students.

Achievements and performance

Executive Officers:

Black History Month: The Students' Union highlighted the internationally recognised Black History Month awareness campaign with a series of events, activities and sessions positioned to highlight the achievements, culture and milestones that symbolise black history. Through a vibrant campaign of social events, sharing of poetry and

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contemporary music, the students' union saw over 400 students participate and engage with the campaign. The Union's centrepiece of the Black History Month campaign was via two key events. A panel debate of student union elected officers from both UELSU and London Metropolitan University Students' Union and staff from UEL explored issues related to black history through a contemporary lens, and a spoken word session with alumnus Peter Johnson and established artist Thomas Owoo provided students with an artistic impression of modern black culture.

10am Lectures: The Students' Union made a significant impact on the day-to-day experience of Social Science students particularly those reading Sociology and Psychosocial studies. As a number of students participating in these programmes have childcare responsibilities, a shift in lecture and seminar starting times was agreed with the school. This meant that students taking these degree programmes seen their starting time change from 09.00 to 10.00 which enabled the majority of students to fulfil their domestic responsibilities and have a greater amount of time to travel and prepare for their on campus study.

Personal Tutor: Following from research carried out prior to 2016/17 students indicated that they were not fully aware of the personal tutoring function. Through 2015/16 a campaign was first launched aimed to increase personal tutor awareness, and interaction and this was repeated this year. The campaign strived to emphasise the previous years' work to ensure that students were clear on how the personal tutoring system works and how students can benefit from the function. Research carried out by the University reflecting on student induction highlighted students' increased knowledge of the personal tutoring system.

Have a Bit of P.R.I.D.E: Part time elected officer for LGBTQ+, Dan Holmes, and full time elected officer Vice President for Societies and Communication, Mary Carr, ran a campaign throughout February (LGBTQ+ History Month) to encourage sports and societies to 'Have a bit of P.R.I.D.E.' meaning Participation, Representation, Inclusion, Diversity and Equality Throughout the month there were workshops for student leaders to show them how they can improve their society or club focusing on LGBTQ+ issues in sport and greater participation of Muslim females. The Stonewall Rainbow Laces were also incorporated into this campaign to promote solidarity and a sense of belonging amongst the UEL community.

Membership

Academic Representation: One of the fundamental functions of a Students' Union is the representation and engagement of students in shaping their student experience. An effective Student Representatives System can be one of the most successful ways of achieving this. Student Representatives include School Reps and Programmes Reps (Undergraduate as well as Postgraduate Taught and Postgraduate Research). Student Representatives (Reps) are one of the main vehicles by which students can have a measure of control over their own learning experience. Student Representation gives students University policies and provide an accountable system for channelling student views. It is important because it ensures that students' views are lodged firmly in the University's decision-making processes (i.e. where policy is decided & resources are distributed).

575 Student Reps were recruited in total. This includes reps at Level 7 (69) & Level 8 (38) PGR student reps, and School reps (11).

10% Increase in total number of reps trained compared to 2015-16 of 250 reps. This is testimony to the hard work and commitment put in by the Students' Union to deliver an excellent framework to develop and support the students as Student Representatives.

275 Reps were trained in skills (such as time management, teamwork and leadership, meeting skills and communication skills) and Quality Assurance and Enhancement processes at programme level by the Students' Union.

Student-Led Teaching Awards (SLTA): The SLTA's is an established awards branch to celebrate the achievements and contributions of UEL staff members. Students nominate lecturers and other staff members who they believe shows exceptional work quality and dedication in their respective field, across varying categories. In 2017, we received a whopping 470 nominations in six categories as compared to 2016 of 458 nominations.

Elections: Each year, UELSU holds elections to fill the positions of Full-Time Officers, Part-Time Officers, Volunteer Representative and more. In the autumn October Elections of 2016: 19% of students voted in UEL Students' Union

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elections in October 2016, which is an increase of 12% from last year's elections. 7% voter turnout comprising of 778 individual voters. (up from 4.5% in previous year). In the spring February Elections of 2017: UELSU recorded a 32% electoral Turnout making it one of the highest participated in election in the UK.

Societies: In 2016/17, 50 societies were registered with over 500 members participating in regular meetings, events and activities.

Student Support

UELSU's Student Support's largest area of work remains in extenuating circumstances although there has been a decrease by almost 15% this academic year.

Student Support have seen a reduction in cases this academic year overall due to a temporary reduction in staff resources, however extenuation cases have remained consistent (around 45% of all cases are extenuation).

Withdrawal / attendance cases have also dropped quite significantly by 30%.

Complaints have been the only area that has seen an increase from 71 cases to 91 (28%).

Student Support have also made great progress in line with the Student Union Strategy.

Student Support will submit our application for the Advice Quality Standard (AQS) by end of June 2017. AQS is a quality mark for advice. We have been part of a working group looking at the Extenuating Circumstances Policy, making many recommendations for an improved policy and processes.

In 2017/18, we will be looking into having opportunities for students to engage by exploring the option of having volunteering opportunities within the Advice Service.

Operations

Student Staff: The Students' Union continues to provide part-time employment opportunities to students. In 2016/17, we employed 15 students in front of house and technical assistance role.

NUS Extra Cards: Our student staff at Docklands and Stratford reception desks sold 1,099 NUS Extra Cards helping UELSU generate over £5,000 in additional income for the Students' Union.

Interaction: 80% of reception enquiries are related to student support and advice

Future plans

The UELSU will start working as a charitable company limited by guarantee as of the 21st of August 2017 charity number 1173994 and company number 10820498

The Union will look to explore the following opportunities

1. Visibility
 - 1.1. Enhanced and more sophisticated communications capability (outbound)
 - 1.2. Increased 'active listening' and information gathering (inbound)
 - 1.3. Helping more students find a real sense of belonging at UEL
2. Engagement Opportunities
 - 2.1. Opportunities for 'micro-engagement' with limited time / commitment
 - 2.2. Developing more structured / packaged opportunities
 - 2.3. Making the benefits of engagement more clearly defined
3. Value and Credibility
 - 3.1. Growing in genuine influence across the University
 - 3.2. Increasing the trust and value the University places in our representation
 - 3.3. Increasing recognition amongst all stakeholders of our achievements on students' behalf

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4. Culture

4.1. Developing a stronger culture of celebration and reward of achievements both internally and amongst our stakeholders

4.2. Aligning our thinking with student priorities around employability and building skills for life

Financial review

UELSU's gross income from all sources this year totalled £1,187,423. As a consequence of close control of expenditure of £1,099,778 the membership services we provide as well as the modest fundraising and other revenue-generating activities we undertake, we ended the period with a surplus of £87,645 before pension charges. Pension charges of £321,581 reduced UELSU's overall reserves from a deficit of £694,134 to a deficit of £928,070. At the balance sheet date the charity's free reserves, being unrestricted income funds not represented by fixed assets, amounted to £154,840.

UELSU has continued to benefit from the recognition and support of the University and this year the annual block grant was £745,296. Additionally £120,845 was received in support of other activities and costs of the Union.

UELSU is currently affiliated to the NUS, for which our total subscription costs amounted to £32,679 for the period, Advice UK at an annual cost of £983 and to London Citizens annual cost of £2,000. No donations were made during the year from UELSU's own resources to any external institutions.

Future funding

The trustees confirm that UELSU has sufficient funds to meet all its obligations. The Block Grant for 2017/18 has been confirmed at £694k. Mutual trading activities performed better than 2016/17 but new sources of income are to be explored during 2016/17.

Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK Accounting Standards).

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SORP: Risks

The Union has identified three major areas of risks; Governance, Finance and Membership, a breakdown of those risks are identified below:

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1. Governance:

Risk	Description of Risk	I	L	IL	Current Controls	Further Actions
Boards/Committee Members - conflicts of interest, personal agendas	Decisions based on or influenced by considerations which are not relevant	4	4	16	the Union has created a Col policy for members and has ensured membership of Board to remove doubt around Col	conflicts identified and managed in accordance with governance and regulatory requirements; induction and training on responsibilities; mentoring; effective secretariat support
Inexperience of UELSU's Trustees / officers exposes UELSU to inadequate governance, control and decision making.	varying levels of experience, skills and commitment in all cases; failure to take informed decisions; inappropriate involvement with operational management; some tensions between different categories of Trustees	5	3	15	clarity on roles of Trustee, Officers and SMT has been created under the SoD; as well as ensuring that we recruited an experienced Clerk to undertake the effective secretarial duties of the board	induction, training and mentoring; leadership ensuring correct focus; recruitment of appropriately skilled external trustees to vacancies when arising; ;
key relations between Trustee Board, Executive Officers, Student Council	Lack of understanding of respective roles and responsibilities, leading to tensions and breakdown; impact on reputation, morale and functionality of all bodies; wasteful diversion of resources	4	4	16	Full time officers have received training regarding their roles as officers, induction for Trustees have also taken place	mentoring and mediation; refocus on student representation training and training on the different roles of elected full time officers; improved governance of Student Council, teamwork facilitated sessions; periodic review Executive officers JDs and contracts; investment in other resources and initiatives
Failure by Student Council to carry out its functions effectively	strategic priorities not reflected in decisions/policy; members politically or one agenda driven; factors which are not relevant influence decisions; poor auditable governance	4	4	16	A full time democratic coordinator has been recruited to clerk the Student Council as well as have oversight over the operational function of the Student Council	Student Council Training to take place as well as to ensure the procedures for accountability are discussed and agreed with the officers
Officer and staff relationship deteriorates	Officers and staff do not share a common understanding of their roles hence creating a scope for confusion and disagreement that could lead to collective grievances or inappropriate actions	5	4	20	The Union has a student staff protocol that reviews roles and responsibilities of staff and officers	the student staff protocol needs to be updated

2. Finance:

Risk	Description of Risk	I	L	IL	Current Controls	Further Actions
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Block grant reduction	continuing significant challenges in securing adequate funding to meet members' expectations of core provision; continuing pressures on HE funding , NSS scores, and stakeholder expectation, requiring prompt adjustment to changing environment and potential implications	4	4	16	Identifying areas of commercial growth; reduce UELSU non-critical expenditure; external funding explored; timely impact reporting and implementation of new strategic plan; efficient, effective and flexible organisation, capable of adjustment. Staffing costs reduction.	Explore staff and officer block grant to salary expenses
Application of charitable funds	Societies funding not-being applied for designated purposes; breach of charity law	5	3	15	Union to create effective procedures and takes accurate records of society income, separate to standard Union income	Control measures in place with restrictions on funding. Society and staff members trained fully on new procedures. Review of effectiveness of procedures at end of financial year.

3. Membership:

Risk	Description of Risk	I	L	IL	Current Controls	Further Actions
Lack of engagement with and failure to listen to students	student population diverse; certain groups eg mature students, students living' off campus and student parents, may not feel supported; side effects could include perceived need for separate representation and breakdown of confidence in UELSSU; specific interests may need better representation, eg student led activities	4	4	16	execution of relevant departmental objectives, including effective communication, annual survey and analysis; ; development of community and student led initiatives, secondary data, and focus groups; Executive Officers actions plans take specific areas forward; communication of action including smart use of web; increased capacity through RAG & budget process	Longitudinal correlation between student participation to student engagement metrics. Survey and learn from members their needs and wants to position UELSU to shift tactics so as to keep up with changing needs of students
Problematic elections	failure to elect requisite number of officer/student trustees and/or part time officers or other student representatives; procedural irregularities affecting election outcomes; student disenchantment with the election process; detrimental impact on talent standing for future posts; failure to recruit/retain suitable Returning and Deputy Returning Officers; complaints, claims and litigation; risks associated with social media and web.	5	3	15	Improved regulation through byelaws and supporting procedures; improved communication of procedures; improved communication on value of representative roles	Review current online voting regulations based on RO report and propose adopting alternative methods to reduce risk of candidate influence
Appointment of new inexperienced	incoming Executive Officers may be new to the role and its responsibilities; lack of appropriate induction and	4	4	16	Staff in post to support the roles; full induction and external and internal training on all aspects of the role carried out;	Integrate UELSU departmental plans with officer induction and training. Establish

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Executive Officers	training; lack of effective transition arrangements, including outgoing Officers contributing to ensuring continuity		outgoing Officers contribute to transition of functions and handover of current matters; effective teamwork.	buddy/support system to guide officers through transition
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SORP: Pay Policy

1. CEO of the Students' Union is a secondee to the University of East London Students' Union and is paid by the University of East London.
2. Senior Managers remuneration and salary are reviewed and approved by the Union's Appointments and Remuneration committee.

SORP: Reserve

40 days is not a prudent level to ensure security for the Union financially and thus the Union would need to increase it gradually to a level that is standard across the sector.

1. Reserve Policy: The Trustees agreed a reserve policy of 50 days.
2. Aspiring to: Trustee's members agreed to change the Union's reserve winding down days from 40 to 50 days.
3. Current Reserves: The Trustees have reviewed UELSU's reserves requirements. The current level of reserves is close is at 40 days activity costs in hand in order to be able to cope with any unexpected downturn in funding or additional calls on our resources without immediately curtailing activities.
4. Actions taken to meeting aspiration: In order to ensure the Union moves towards a safe reserves policy and accommodates for expected costs, the Union aim to have a reserve policy that increases the winding down days amount by an amount agreed by the Trustees annually.

Approved by the trustees and signed on their behalf.



Elham Peserlay
Chair of the Board of Trustees

Date 7/12/17

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INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Trustees of University of East London Students' Union

Opinion

We have audited the financial statements of the University of East London Students' Union for the period ended 21 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet 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 charity'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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 21 August 2017 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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 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.

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INDEPENDENT AUDITOR'S REPORT

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act 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. This description forms part of our auditor's report.

Crowe Clark Whitehill

Crowe Clark Whitehill LLP
Statutory Auditor
Reading

Date *17 January 2018*

Crowe Clark Whitehill 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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FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted Funds £	Restricted Funds £	Period ended 21 August 2017 Total Funds £	Year ended 31 July 2016 Total Funds £
	Note				
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	1	1,127,090	-	1,127,090	878,030
Other trading activities	2	627	-	627	16,349
Charitable activities	3	57,693	2,013	59,706	85,477
Total		<u>1,185,410</u>	<u>2,013</u>	<u>1,187,423</u>	<u>979,856</u>
EXPENDITURE ON:					
Charitable activities	4	1,097,765	2,013	1,099,778	963,746
Total		<u>1,097,765</u>	<u>2,013</u>	<u>1,099,778</u>	<u>963,746</u>
Net Income		87,645	-	87,645	16,110
Transfers between funds	15	-	-	-	-
Pension charges	6	(321,581)	-	(321,581)	(26,786)
Net movement in funds		(233,936)	-	(233,936)	(10,676)
RECONCILIATION OF FUNDS					
Total funds brought forward	15	(694,134)	-	(694,134)	(683,458)
Total funds carried forward	15	<u>(928,070)</u>	<u>-</u>	<u>(928,070)</u>	<u>(694,134)</u>

The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.

UNIVERSITY OF EAST LONDON STUDENTS' UNION
FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

BALANCE SHEET AS AT 21 AUGUST 2017

	Note	21 August 2017		31 July 2016	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10	3,171		5,296	
Investments	11	<u>3,240</u>		<u>3,240</u>	
Total fixed assets			6,411		8,536
CURRENT ASSETS					
Debtors	12	8,343		10,734	
Cash at hand and in bank		<u>203,858</u>		<u>153,391</u>	
Total current assets		<u>212,201</u>		<u>164,125</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	13	<u>60,801</u>		<u>49,401</u>	
Net current assets/(liabilities)			151,600		114,724
Total assets less current liabilities			<u>158,011</u>		<u>123,260</u>
Provisions for liabilities	14		<u>(1,086,081)</u>		<u>(817,394)</u>
Net assets/(liabilities)			<u><u>(928,070)</u></u>		<u><u>(694,134)</u></u>
THE FUNDS OF THE CHARITY					
Restricted funds					
Unrestricted funds					
Designated pension fund	15	(1,086,081)		(817,394)	
Designated capital fund	15	3,171		5,296	
General funds	15	<u>154,840</u>		<u>117,964</u>	
Total unrestricted funds			(928,070)		(694,134)
Total charity funds	15		<u><u>(928,070)</u></u>		<u><u>(694,134)</u></u>

Approved by the trustees and signed on their behalf.



Chair of the Board of Trustees

Date 07/12/17

UNIVERSITY OF EAST LONDON STUDENTS' UNION
FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

STATEMENT OF CASH FLOWS

	Period ended 21 August 2017		Year ended 31 July 2016	
	£	£	£	£
Net cash flow from operating activities (see below)		50,467		(32,856)
Cash flow from Investing activities				
Payments to acquire tangible fixed assets			(1,058)	
Net cash flow from investing activities				(1,058)
Net increase/(decrease) in cash and cash equivalents		50,467		(33,914)
Cash and cash equivalents at 1 August 2016		153,391		187,305
Cash and cash equivalents at 21 August 2017		<u>203,858</u>		<u>153,391</u>
Cash and cash equivalents consist of:				
Cash at bank and in hand		203,858		153,391
Cash and cash equivalents at 21 August 2017		<u>203,858</u>		<u>153,391</u>

Reconciliation of net income to net cash flow from operating activities

	Period ended 21 August 2017		Year ended 31 July 2016	
	£	£	£	£
Net income/(expenditure) for the period		87,645		16,110
Adjusted for:				
Depreciation and impairment of tangible fixed assets	2,125		2,558	
Decrease/(increase) in stocks	-		2,634	
Decrease/(increase) in debtors	2,391		(1,387)	
Increase/(decrease) in creditors less than one year	11,200		(6,316)	
Scheduled pension deficit payments	(52,894)		(46,455)	
		(37,178)		(48,966)
		<u>50,467</u>		<u>(32,856)</u>

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

University of East London Students' Union is an unincorporated charity established under a constitution with the registered charity number 1150963. The principal address of the charity is given in the charity information page of these financial statements and the nature of the charity's operations and principal activities are outlined in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted Charities SORP 2015 (FRS 102) in the current year and an explanation of how transition to Charities SORP 2015 (FRS 102) has affected the reported financial position and performance is given in note 19.

Reclassification

During the period under review the union's management undertook an exercise to reclassify lines of expenditure within the accounting records and management accounts to improve reporting on cost centres. As a result of this reclassification comparison between the period under review and the comparative year are not entirely comparable.

Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make judgements and estimates. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are that of the SUSS pension scheme deficit. A discount rate of 2.6% has been used in line with industry standards.

Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from trading activities includes income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and cash deposits. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

ACCOUNTING POLICIES

Recognition of expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities; which includes costs in furtherance of the charity's objects and costs to support those activities

Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with use of the resources.

Governance costs

Governance costs comprise the costs associated with the governance arrangements of the charity and include audit fees, legal advice (if any) for trustees, costs associated with constitutional and statutory requirements and any costs associated with the strategic as opposed to the day to day management of the charity's assets.

Donated services and facilities

The University of East London provides the charity with office space at no charge. As required by SORP 2015, the donation of these facilities is included as an incoming resource and a matching outgoing resource within the statement of financial activities at the trustees' estimate of their value to the charity.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Pension Costs

University of East London Students' Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the pension scheme trustees on the advice of the actuary. The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to University of East London Students' Union. Under the terms of FRS 102, the discounted present value of future cash flows under a deficit funding arrangement is included as a liability in these accounts and the change in that valuation from year to year is taken to the statement of financial activities.

With effect from 30 September 2011 the scheme was closed to future accrual. Payments to the Students' Union Superannuation Scheme continued after the closure of the scheme in the form of deficit funding and levies.

The Union also operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Taxation

The charity is considered to pass the tests set out in sections 521 to 536 Income Tax Act 2007 (ITA 2007), as such no income tax is payable on the charity's activities.

Leases

All leases are operating leases and the annual rentals are charged to the income and expenditure account on a straight line basis over the life of the lease.

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

ACCOUNTING POLICIES

Tangible Fixed Assets

Tangible fixed assets, costing more than £1,000, are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Clubs' and societies' equipment	- 33.33% reducing balance
Computer equipment	- 20% per annum on cost
Fixtures and fittings	- 10%-20% reducing balance

Investments

UELSU's investments are valued at cost as these assets are not readily saleable and a reliable market value for them cannot readily be obtained.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Provision is made for damaged, obsolete and slowmoving stock where appropriate.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund accounting

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

Designated funds are funds set aside by the trustees to be used at their discretion in furtherance of one or more specific purposes in furtherance of the objects.

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

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

NOTES TO THE FINANCIAL STATEMENTS

1. Donations and legacies

	Period ended 21 August 2017			Year ended 31 July 2016		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Block grant	745,296	-	745,296	690,030	-	690,030
Donated services and facilities	260,949	-	260,949	180,000	-	180,000
Other grants	120,845	-	120,845	-	8,000	8,000
	<u>1,127,090</u>	<u>-</u>	<u>1,127,090</u>	<u>870,030</u>	<u>8,000</u>	<u>878,030</u>

Donated services and facilities comprises provision by the University of fully serviced space to the Students' Union at a value to the Union estimated at £300 per square metre and the provision of services for the supply of the Chief Executive Officer. The trustees regard this as an appropriate basis for determining value to the charity.

2. Other trading activities

	Period ended 21 August 2017			Year ended 31 July 2016		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Bank interest received	249	-	249	574	-	574
Photocopying and stationery income	25	-	25	21	-	21
Advertising income	353	-	353	15,754	-	15,754
	<u>627</u>	<u>-</u>	<u>627</u>	<u>16,349</u>	<u>-</u>	<u>16,349</u>

3. Income from charitable activities

	Period ended 21 August 2017			Year ended 31 July 2016		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Balls and events income	19,259	-	19,259	33,008	-	33,008
Societies income	1,756	2,013	3,769	-	13,139	13,139
Internship grant income	-	-	-	-	16,000	16,000
NUS and other income	36,678	-	36,678	23,330	-	23,330
	<u>57,693</u>	<u>2,013</u>	<u>59,706</u>	<u>56,338</u>	<u>29,139</u>	<u>85,477</u>

UNIVERSITY OF EAST LONDON STUDENTS' UNION
FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

NOTES TO THE FINANCIAL STATEMENTS

4. Expenditure on charitable activities

	Staff costs £	Other direct costs £	Support costs (note 5) £	Period ended 21 August 2017 Total Funds £
<i>Charitable activities</i>				
Student Advice	91,438	40,021	309,435	440,894
Campaigns and Comms	-	6,063	14,272	20,335
Democratic Representation	-	-	-	-
Events and Entertainments	-	34,252	80,624	114,876
Clubs, Affiliations	108,371	29,696	329,727	467,794
Societies (restricted)	-	2,013	-	2,013
	<u>199,809</u>	<u>112,045</u>	<u>734,058</u>	<u>1,045,912</u>
<i>Governance</i>				
Legal and professional fees	-	12,671	-	12,671
Other governance costs	-	3,128	38,067	41,195
	<u>-</u>	<u>15,799</u>	<u>38,067</u>	<u>53,866</u>
	<u>199,809</u>	<u>127,844</u>	<u>772,125</u>	<u>1,099,778</u>
Unrestricted	199,809	125,831	772,125	1,097,765
Restricted	-	2,013	-	2,013
	<u>199,809</u>	<u>127,844</u>	<u>772,125</u>	<u>1,099,778</u>
	Staff costs £	Other direct costs £	Support costs (note 5) £	Year ended 31 July 2016 Total Funds £
<i>Charitable activities</i>				
Student Advice	92,974	21,198	128,849	243,021
Campaigns and Comms	67,216	17,162	94,608	178,986
Democratic Representation	71,890	16,100	98,657	186,647
Events and Entertainments	15,736	49,946	73,649	139,331
Clubs, Affiliations	25,059	32,668	79,940	137,667
Societies (restricted)	-	13,139	-	13,139
	<u>272,875</u>	<u>150,213</u>	<u>475,703</u>	<u>898,791</u>
<i>Governance</i>				
Legal and professional fees	-	12,000	-	12,000
Other governance costs	-	19,961	32,994	52,955
	<u>-</u>	<u>31,961</u>	<u>32,994</u>	<u>64,955</u>
	<u>272,875</u>	<u>182,174</u>	<u>508,697</u>	<u>963,746</u>
Unrestricted	256,875	169,035	508,697	934,607
Restricted	16,000	13,139	-	29,139
	<u>272,875</u>	<u>182,174</u>	<u>508,697</u>	<u>963,746</u>

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

NOTES TO THE FINANCIAL STATEMENTS

5. Support costs

			Period ended 21 August 2017			Year ended 31 July 2016
	Staff costs	Other direct costs	Total Funds	Staff costs	Other direct costs	Total Funds
	£	£	£	£	£	£
<i>Charitable activities</i>						
Student Advice	167,857	141,578	309,435	58,086	70,763	128,849
Retail	-	-	-	-	-	-
Campaigns and Comms	7,742	6,530	14,272	42,311	52,297	94,608
Democratic Representation	-	-	-	44,122	54,535	98,657
Events and Entertainments	43,736	36,888	80,624	32,937	40,712	73,649
Clubs, Affiliations	178,866	150,861	329,727	36,018	43,922	79,940
Societies (restricted)	-	-	-	-	-	-
	<u>398,201</u>	<u>335,857</u>	<u>734,058</u>	<u>213,474</u>	<u>262,229</u>	<u>475,703</u>
<i>Governance</i>						
Governance	20,174	17,893	38,067	16,027	16,967	32,994
	<u>418,375</u>	<u>353,750</u>	<u>772,125</u>	<u>229,501</u>	<u>279,196</u>	<u>508,697</u>

Included in other direct costs above is donated services and facilities of £190,050 (year to 31 July 2016: £180,000) which has been apportioned in line with other support costs as stated in the accounting policy. This relates to the provision by the University of fully serviced space to the Students' Union at a value to the Union estimated at £300 per square metre and the provision of services for the supply of the Chief Executive Officer.

6. Pension charges

			Period ended 21 August 2017			Year ended 31 July 2016
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£	£	£	£
Unwinding of discount	321,581	-	321,581	26,786	-	26,786
	<u>321,581</u>	<u>-</u>	<u>321,581</u>	<u>26,786</u>	<u>-</u>	<u>26,786</u>

Further information on the pension deficit is given in notes 14 and 17.

7. Auditors' remuneration

			Period ended 21 August 2017			Year ended 31 July 2016
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£	£	£	£
Current year	12,671	-	12,671	11,556	-	11,556
Prior year	-	-	-	168	-	168

UNIVERSITY OF EAST LONDON STUDENTS' UNION
FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

NOTES TO THE FINANCIAL STATEMENTS

8. Wages and salary cost

	Period ended 21 August 2017 Total Funds £	Year ended 31 July 2016 Total Funds £
Gross wages	522,748	455,304
Employer's national insurance costs	46,556	33,920
Pension costs	36,231	10,954
Pension deficit charge	321,581	26,786
	<u>927,116</u>	<u>526,964</u>

The average number of employees during the period under review was:

	Period ended 21 August 2017	Year ended 31 July 2016
Assessed on an average headcount basis	<u>30</u>	<u>28</u>

There were no employees with emoluments (excluding employer pension costs) above £60,000 in this or the preceding year

The number of staff to whom retirement benefits are accruing under defined contribution schemes:

	Period ended 21 August 2017	Year ended 31 July 2016
Management	6	3
Student services	11	3
	<u>17</u>	<u>6</u>

9. Related party transactions

The union's sabbatical officers received remuneration totalling £105,101 in the period under review, as authorised under the charity's governing document, for the work they undertake in furtherance of the charity's objects rather than for carrying out their responsibilities as trustees as set out below.

	Salary £	Pension £
<i>Sabbatical officers to July 2017</i>		
Amanwo	18,377	730
Carr	18,377	730
Avi	18,377	730
Falana	18,392	-
<i>Sabbatical officer to and from July 2017</i>		
Ali	21,152	944
<i>Sabbatical officers from July 2017</i>		
Carr	2,642	-
Ali	2,642	-
Avi	2,642	-
Falana	2,500	-
	<u>105,101</u>	<u>3,134</u>

No sabbatical officers were reimbursed travel and subsistence expenses during the period under review (year to 31 July 2016: £nil).

In addition to the employee benefits received by the union's sabbatical officers the senior management team, which make up the remaining key management personnel, received employee benefits totalling £225,848 inclusive of salary, employer pension contributions and termination benefits.

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

NOTES TO THE FINANCIAL STATEMENTS

10. Fixed assets

	Club and societies equipment £	Computer equipment £	Fixtures & fittings £	TOTAL £
<i>Cost</i>				
At 1 August 2016	8,171	13,140	4,765	26,076
Additions	-	-	-	-
Disposals	-	-	-	-
At 21 August 2017	<u>8,171</u>	<u>13,140</u>	<u>4,765</u>	<u>26,076</u>
<i>Depreciation</i>				
Accumulated at 1 August 2016	6,870	9,764	4,146	20,780
Charge for the year	446	1,550	129	2,125
On disposals	-	-	-	-
At 21 August 2017	<u>7,316</u>	<u>11,314</u>	<u>4,275</u>	<u>22,905</u>
Net book value at 21 August 2017	<u>855</u>	<u>1,826</u>	<u>490</u>	<u>3,171</u>
Net book value at 31 July 2016	<u>1,301</u>	<u>3,376</u>	<u>619</u>	<u>5,296</u>

11. Fixed asset investments

	21 August 2017 Total Funds £	31 July 2016 Total Funds £
CBS deposit	<u>3,240</u>	<u>3,240</u>
	<u>3,240</u>	<u>3,240</u>

12. Debtors

	21 August 2017 Total Funds £	31 July 2016 Total Funds £
Trade debtors	1,777	6,635
Prepayments	1,313	1,416
Other debtors	5,253	2,683
	<u>8,343</u>	<u>10,734</u>

13. Creditors

	21 August 2017 Total Funds £	31 July 2016 Total Funds £
Trade creditors	-	7,786
Accruals	43,956	37,078
Other creditors	16,645	4,537
	<u>60,601</u>	<u>49,401</u>

UNIVERSITY OF EAST LONDON STUDENTS' UNION
FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

NOTES TO THE FINANCIAL STATEMENTS

14. Provisions for liabilities - Pension liability

	21 August 2017 Total Funds £	31 July 2016 Total Funds £
Balance brought forward	817,394	837,063
Scheduled payments made	(52,894)	(46,455)
Addition for extended period, change in rate and unwinding of discount	321,581	26,786
Balance carried forward	<u>1,086,081</u>	<u>817,394</u>

15. Analysis of net movement in funds

	Total funds brought forward £	Total incoming resources £	Total resources expended £	£	Transfers between funds £	Total funds carried forward £
<i>Restricted funds</i>						
Societies funds	-	2,013	(2,013)	-	-	-
	<u>-</u>	<u>2,013</u>	<u>(2,013)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Unrestricted funds</i>						
Pension reserve	(817,394)	-	-	(321,581)	52,894	(1,086,081)
Capital reserve	5,296	-	-	-	(2,125)	3,171
Total designated funds	<u>(812,098)</u>	<u>-</u>	<u>-</u>	<u>(321,581)</u>	<u>50,769</u>	<u>(1,082,910)</u>
General fund	117,964	1,185,410	(1,097,765)	-	(50,769)	154,840
Total unrestricted funds	<u>(694,134)</u>	<u>1,185,410</u>	<u>(1,097,765)</u>	<u>(321,581)</u>	<u>-</u>	<u>(928,070)</u>
Total funds	<u>(694,134)</u>	<u>1,187,423</u>	<u>(1,099,778)</u>	<u>(321,581)</u>	<u>-</u>	<u>(928,070)</u>

Societies' restricted funds represent monies raised for use in furtherance of the Societies' particular activities.

The pension reserve designated fund represents the net present value of future cash flows from an obligation to fund a deficit.

The capital reserve designated fund represents funds used for the acquisition of tangible fixed assets. Depreciation on those assets is charged against the designated capital reserve fund.

16. Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	21 August 2016 Total Funds £
Fixed assets	3,240	3,171	-	6,411
Net current assets	151,600	-	-	151,600
Provisions for liabilities	-	(1,086,081)	-	(1,086,081)
	<u>154,840</u>	<u>(1,082,910)</u>	<u>-</u>	<u>(928,070)</u>

UNIVERSITY OF EAST LONDON STUDENTS' UNION
FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21 AUGUST 2017

NOTES TO THE FINANCIAL STATEMENTS

16. Analysis of net assets between funds (continued)

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31 July 2016 Total Funds £
Fixed assets	3,240	5,296	-	8,536
Net current assets	114,724	-	-	114,724
Provisions for liabilities	-	(817,394)	-	(817,394)
	<u>117,964</u>	<u>(812,098)</u>	<u>-</u>	<u>(694,134)</u>

17. Commitments

	21 August 2017 Total Funds £	31 July 2016 Total Funds £
UELSU has total future minimum operating lease commitments for plant and machinery for the following periods:		
Not later than one year	2,414	2,414
Later than one year not later than five years	2,486	5,158
	<u>4,900</u>	<u>7,572</u>

18. Pensions

The Union is a Participating Employer 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 United Kingdom. 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 Triannual Valuation of the Scheme was carried out as at 30 June 2016 and showed that the market value of the Scheme's assets was £101,131,000 (2013: £80,910,023) excluding AVC's and insured pensioners with these assets representing 46% (2013: 52%) of the value of benefits that have accrued to members. The deficit on an ongoing funding basis amounted to £119,700,000, (2013: £73,849,000).

The assumptions used in the valuation are as follows:

Pre- retirement discount rate	4.3% pa
Post retirement discount rate	2.3%pa
RPI	3.2% pa
CPI	2.2% pa
Pension increases in payment	
Post 1997 (RPI min 3% mac 5%)	3.6% pa
Post 2000 (RPI max 5%)	3.1% pa
Mortality projections	CMI 2015 projections with a long term rate of improvement of 1.5% pa

The 2016 Valuation funding shortfall recovery plan requires a monthly contribution requirement by each Participating Employer to up to 30 June 2033 increasing by 5% each year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates apply with effect from 1 October 2017 and will be formally reviewed following completion of the next Valuation due with an effective date of 30 June 2019. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the Scheme's levy to the Pension Protection Fund.

The total contributions paid into the Scheme by University of East London Students' Union in respect of eligible employees for the period ended 21 August 2017 amounted to £52,894 (year to 31 July 2016: £46,455).

At the balance sheet date the charity had commitments to pay deficit funding contributions of £4,114 per month, increasing by 20% at October 2017. This monthly payment is scheduled to increase by 5% per annum at October each year until 30 June 2033.

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NOTES TO THE FINANCIAL STATEMENTS

18. Pensions (continued)

Defined Contributions Pension Scheme

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme with Scottish Equitable. Contributions are at the rate of 7.7% for the employer and the % for the employee differs per member. The Union's cost of contribution in the year amounted to £21,263 (2016: £10,954).

19. First time adoption of SORP 2015 (FRS 102)

The charity has adopted the Charities SORP 2015 (FRS 102) for the first time in the period ended 21 August 2017 and therefore the date of transition was 1 August 2015.

There effect on the financial statements of transition from SORP 2015 (FRSSE) to SORP 2015 (FRS 102) is shown below:

	Period ended	Year ended
	21 August	31 July
	2017	2016
	Total	Total
	Funds	Funds
	£	£
Opening reserves as previously stated	71,869	154,469
Transition adjustment - Introduction of pension deficit at 31 July 2015	(837,064)	(837,064)
Transition adjustment - Deficit payments now matched to liability	46,455	-
Transition adjustment - Movement on pension deficit liability	26,786	-
Transition adjustment - Unpaid annual leave provision	(2,180)	(863)
Opening reserves following transition adjustments	<u>(694,134)</u>	<u>(683,458)</u>
		Year ended
		31 July
		2016
		Total
		Funds
		£
Net income/(expenditure) as previously stated		(55,814)
Transition adjustment - Deficit payments now matched to liability		46,455
Transition adjustment - Movement on pension deficit liability		26,786
Transition adjustment - Movement on unpaid annual leave provision		(1,317)
Net income/(expenditure) following transition adjustments		<u>16,110</u>

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20. Financial instruments

The carrying amounts of the Charity's financial instruments are as follows:

	21 August 2017	31 July 2016
	£	£
<i>Financial assets</i>		
Debt instruments measured at amortised cost:		
Trade debtors	1,777	6,635
Other debtors	5,253	2,683
	<u>7,030</u>	<u>9,318</u>
<i>Financial liabilities</i>		
Measured at amortised cost:		
Trade creditors	-	7,786
Other creditors	16,645	4,537
	<u>16,645</u>	<u>12,323</u>