

University of East London Students' Union
(a company limited by guarantee)

**Trustees Annual Report
and Financial Statements**

for the period ended 31 July 2018

Registered Charity Number 1150963

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2018

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ADMINISTRATIVE INFORMATION

Charity number 1173994
Company number 10820498

Trustees

Amar Abbas	appointed 01 July 2018
Craig Bailey	appointed 01 July 2018
Tangina Chowdhury	appointed 22 August 2017
Darshan Dabhi	appointed 01 July 2018
Rev. Nicholas Leggett	appointed 15 June 2017
Kruneshkumar Patel	appointed 12 October 2018
Saurabh Patel	appointed 01 July 2018
Elham Peserlay	appointed 22 August 2017
Charles Prince	appointed 22 August 2017
Martin Young (chair)	appointed 15 June 2017
Mojahar Ali	appointed 15 June 2017, resigned 30 June 2018
Ayodele Olabode Olayemi Ayeni	appointed 22 August 2017, resigned 30 June 2018
Ayaan Cabdi	appointed 22 August 2017, resigned 09 March 2018
Opeyemi Gbajobi	appointed 21 July 2017, resigned 14 June 2018
Swasti Rastogi	appointed 22 August 2017, resigned 30 June 2018
James Walker	appointed 22 August 2017, resigned 01 February 2018

Chief Executive

Patrick Reilly	appointed 02 July 2018
Denis Shukur	resigned 18 May 2018

Principal office

4-6 University Way
London
E16 2RD

Auditors

Crowe UK LLP
Aquis House
49-51 Blagrove Street
Reading
RG1 1PL

Accountants

Blue Spire Limited
Cawley Priory
South Pallant
Chichester
PO19 1SY

Bankers

Barclays Bank PLC
737 Barking Road
Plaistow
London
E13 9PL

Solicitors

Wrigleys Solicitors LLP
19 Cookridge Street
Leeds
LS2 3AG

UNIVERSITY OF EAST LONDON STUDENTS' UNION

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REPORT OF THE TRUSTEES

The Trustees of University of East London Students' Union ("the Union") present their annual report for the period from 15 June 2017 to 31 July 2018, which includes the legal and administrative information set out on page one, together with the audited financial statements for that period.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in January 2015 in preparing the annual report and financial statements.

Legal and charitable status

University of East London Students' Union is a company limited by guarantee registered in England and Wales (registered number 10820498) and is a charity registered in England and Wales (registered number 1173994).

The company was incorporated on 15 June 2017; this report and financial statements covers the period from then until 31 July 2018. The Board of Trustees of the University of East London Students' Union unincorporated charity (registered number 1150963) agreed to transfer its assets and liabilities to the new charitable company; this transfer took place on 22 August 2017.

The unincorporated charity was subsequently wound up and it was removed from the Charity Commission register of charities on 07 August 2018.

Governing documents

The Union is constituted and governed under the memorandum and articles of association (dated 15 June 2017), the bye-laws and other regulations approved from time-to-time by the Trustees and, where required, Student Council. Those parts of the above documents relating to the Education Act 1994 which are subject to the approval of the University have been approved by the University.

The articles of association are subject to review by the University every five years.

Board of Trustees

The Union is administered by its Board of Trustees. The Trustees are the directors and members of the company for the purposes of company law. In accordance with the articles of association, the Board of Trustees must consist of:

- not more than five Executive Officer Trustees;
- not more than one Student Trustee;
- not more than four Lay Trustees;
- not more than one trustee nominated by the University of East London ("the University").

During the period, the Union reduced the number of Executive Officer Trustees from five to four. The other classifications of Trustees are at maximum occupancy.

The Executive Officer Trustees (student officers) and Student Trustee are elected by cross-campus ballot each spring and serve for a term of one year from 01 July; they can serve two such terms. Lay Trustees are appointed for a four-year term (renewable once) following an open recruitment and selection process. Two Lay Trustees resigned in the period and, after a competitive process organised in conjunction with other students' unions as part of a national advertising campaign, skilled replacements were appointed and took up office in July 2018.

Upon appointment, all Trustees receive a variety of information through their induction relating to their legal and administrative obligations as trustees and directors. Executive Officer Trustees and Student Trustees undertake bespoke trustee training. Additional briefings on specific issues are provided when the need arises from time-to-time.

The Trustees have established several sub-committees to assist them in carrying out their duties. The powers and responsibilities of those sub-committees are outlined in the bye-laws. The sub-committees report on their activities and actions to the Trustees on a regular basis.

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REPORT OF THE TRUSTEES

Senior management team

The Trustees delegate the day-to-day management, the development of strategy and overall leadership of the Union to the chief executive. The chief executive leads a senior management team to ensure effective management of the Union. These team members are regarded as being the key management personnel outside of the Trustees.

Chief Executive	Patrick Reilly (appointed 02 July 2018) Denis Shukur (resigned 18 May 2018)
Deputy Chief Executive (Membership)	Danielle Batley (appointed 08 January 2018) Nishaant Kumar (interim, appointed 04 September 2017, resigned 07 January 2018) Mark Gillespie (resigned 25 August 2017)
Deputy Chief Executive (Operations)	Donna Niccolls
Head of Student Support	Lisa Thomas

Relationship with University of East London

Under the Education Act 1994, the University must take reasonably practicable steps to ensure the Union is run in a fair and democratic manner and that it is held to account for its finances. The relationship between the Union and the University is established in the articles of associations, the University's regulations, the memorandum of understanding between the organisations, and the code of practice.

The Union receives an annual grant from the University and part-occupies, at no cost, buildings owned by the University. The University covers the cost of some utilities, services and staff support and employs the chief executive, who is seconded to the Union. This non-monetary support is intrinsic to the relationship between the organisations and is detailed elsewhere in this report.

Remuneration

A sub-committee of the Board of Trustees, the remuneration and human resources committee, is responsible for reviewing the salaries of key staff members. The committee considers relevant data from other students' union and comparable organisations to assist with their decision-making in accordance with the pay policy. The committee makes recommendations to the University on the remuneration of the chief executive.

Aims and objectives

The Union's charitable objects are the advancement of education of students at University of East London for the public benefit by:

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

In 2016/17, the Union undertook a review of its vision, and redefined it as follows: "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".

In pursuit of its aims for the public benefit, the Union ensures the diversity of its membership is recognised, valued and supported and it 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.

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Achievements and performance 2017/18

The Union's objectives for the period were as follows:

1. Visibility
 - a. Enhanced and more sophisticated communications capability (outbound)
 - b. Increased 'active listening' and information gathering (inbound)
 - c. Helping more students find a real sense of belonging at UEL
2. Engagement Opportunities
 - a. Opportunities for 'micro-engagement' with limited time / commitment
 - b. Developing more structured / packaged opportunities
 - c. Making the benefits of engagement more clearly defined
3. Value and Credibility
 - a. Growing in genuine influence across the University
 - b. Increasing the trust and value the University places in our representation
 - c. Increasing recognition amongst all stakeholders of our achievements on students' behalf
4. Culture
 - a. Developing a stronger culture of celebration and reward of achievements both internally and amongst our stakeholders
 - b. Aligning our thinking with student priorities around employability and building skills for life

The Union sought to achieve these objectives through the provision of a range of activities, services and supports for members at its campuses in Docklands and Stratford. As a result of significant changes in staffing, several lengthy vacancies – including the departure of the chief executive and deputy chief executive (membership) – and an organisational restructure, the Union faced a challenging year, with many new projects associated with the new strategy not completed or, in some cases, not commenced with the period. The review below considers the main achievements associated with the above goals.

The programme representation system consisted of almost 600 student who represented their coursemates' views at programme level to academic departments in the University. The Union and the University's Quality Assurance and Enhancement team undertook a benchmarking exercise against The Student Engagement Partnership (TSEP) academic representation benchmark tool. The system continues to operate at a high level and an action plan has been agreed to reach the top benchmark in every category by 2019/20.

The student officers campaigned on matters of importance to members which relate to their education and represented students' interest in a range of University committees. The University undertook a major restructuring exercise and the Union ensured students' voices were heard in the consultation process for the transition from a school-based system to a college-based system, seeking to address students' concerns about the proposed changes. The Union identified that the absence of on-site faith and reflection facilities at the University Square Stratford site led to some students having to leave campus to pray several times per day. Students reported that the time involved in leaving campus was consuming a lot of their day and impacting negatively on their studies. The Union successfully lobbied the University to provide a multi-faith space, which opened in May.

The Union's main election period in March saw 35 students seeking election and 1,286 students voting. Although the turnout was lower than in the previous two years, returning to historical levels of around 10% turnout, it was in line with the average in similar London students' unions. Despite the reduction in the proportion of students seeking office and voting, there were some notable successes in the elections. Infractions against the rules and the number of complaints about candidates' behaviour were greatly reduced, indicating a fairer and more open election.

The advice service continued to provide a valuable service for students, with more than 1,000 cases opened during the year. A small number of these cases involved repeat student clients. The largest categories of cases were extenuating circumstances (34%), withdrawal (17%), academic appeals (13%) and complaints (8%). The majority of respondents to surveys on service quality reported a positive or very positive experience.

Working with student officers and staff colleagues, the advice service provided positive contributions to improve University policy in students' interest. Examples included suggested amendments being adopted for safeguarding and maternity policies.

The advice service was awarded the Advice Quality Standard, becoming only the third students' union in London to achieve this certification. AQS is a quality mark which demonstrates competence in the provision of advice on a range

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of subjects. The accreditation is awarded by Recognising Excellence, a business improvement specialist. The certification is valid for two years.

The Union hosted its first-ever sexual health and guidance week where 14 individual events included crafting sessions, quizzes, a treasure hunt and sexual health advice stalls. This also launched a 'zero tolerance on sexual harassment' day. More than 400 students took part in the activities through the week.

In May, the Union organised a stress-reduction campaign to support students in the exam period. The Union hosted almost 20 events during the campaign week including yoga, meditation, pizza-and-film and 'doggy de-stress' sessions, and supplied studying goody bags. The events engaged more than 300 students.

The Union secured additional funding from the University to appoint a student activities manager for one year from January to organise a programme of events and activities. The aim of this project is to develop a greater sense of community and belonging within the University, a known contributor to improving retention and continuation rates for students.

In February, the Union hosted an arts festival in conjunction with several student societies and academic groups. This provided a showcase for students' work (academic and non-academic) through an exhibition and several activities where students could apply their creative talents, e.g. calligraphy, T-shirt design, music production and animation. More than 200 students attended a bubble party to celebrate the festival.

In April, the Union supported a group of students to organise an event at the Underground Bar, where they raised £300 for cancer research. The success of this event has spurred students to set up a RAG (raise and give) society from 2018/19, which will facilitate students raising money throughout the year for student-selected local and national charities.

In May, the Union hosted its first major award ceremony to celebrate the achievements and successes of our members and staff. Attendees on the Golden Jubilee boat included more than 150 students – from programme representatives to elected officers to society executives and members – and Union and University staff.

Future plans

A new chief executive has been in post since July 2018 and five new Trustees have been appointed in recent months. A new vice-chancellor and president commenced work in the University in September 2018 and it is anticipated that she will set out a new strategic direction for the University during the autumn term. The Trustees believe the Union's representation structures are not fit-for-purpose. These and other factors mean it is an appropriate time for the Trustees to review their plans and the context in which the Union operates.

Therefore, in addition to the Union's core operations relating to representation, advice, support and services for students, the Union will undertake four projects during the year which will generate substantial positive impacts on the Union's performance in future:

1. Review the Union's approach to representation of and engagement with the members, and make recommendations on structures and systems which are better-suited to those members' needs. The recommendations will give due recognition to known factors which negatively impact on the members' engagement with the Union, e.g. being 'time poor' due to non-education commitments. The proposals will be considered by the Trustees in the autumn term, with a view to implementing any proposed changes as soon as possible.
2. Develop a new strategy for the Union, seeking to align this new plan to support those elements in the University's plan which affect students' education and overall experiences.
3. Review the staff team, make recommendations on re-aligning this to support the execution of points 1 and 2, and seek additional funding from the University and elsewhere to grow the staff team.
4. Improve participation by student representatives and staff in democratic, learning and other similar events organised by the National Union of Students, students' unions and other organisations. The aim of this is to develop the skills and knowledge of student representatives and staff to enhance the operation of the Union,

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provide better representation for students, inspire new ideas and innovation, and to implement best practice throughout the organisation.

Financial review

The Union's gross income from all sources during the period totalled £922,648, of which £921,796 was unrestricted. This includes grants from the University of £695,670 and an estimated value of £190,050 for in-kind benefits such as serviced accommodation and the chief executive's remuneration. It also includes income totalling £36,317 generated from charitable activities.

The costs of services provided to the membership including representation, advice and activities and costs associated with generating charitable income was £808,724. Legal and professional fees and other governance cost totalled £50,132.

Net income of £63,792 and a reversal of pension provisions of £20,265 increased overall reserves from a deficit of £928,070 to a deficit of £844,443. At the balance sheet date, free reserves, being unrestricted income funds not represented by fixed assets, amounted to £160,650.

The Union is affiliated to the National Union of Students, for which the affiliation fee in the period was £20,297. The other affiliations in the period were AdviceUK (£247) and London Citizens (£2,000).

No donations were made to any external organisations from the Union's own resources.

Reserves

The Trustees have agreed a reserves policy of covering 50 days' operating costs to cope with any unexpected downturn in funding or additional calls on our resources without immediately curtailing activities. The current general fund of £160,650 covers more than 70 days' operating costs. The Trustees will continue to maintain reserves in accordance with the reserves policy.

Fundraising

The Union had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Future funding

Although the Union generates a small amount of supplementary income from primary-purpose trading activities, it remains dependant on the University's financial and in-kind support. The annual grant from the University for 2018/19 has been confirmed at £687,000. There is no reason to believe that this or equivalent support from the University will not continue for the foreseeable future. Therefore, the Trustees confirm that the Union has sufficient funds to meet all its obligations.

Risk management

The major strategic, business and operational risks faced by the Union have been examined and are included in a risk register. This register is periodically scrutinised and updated by the management team and the audit committee. Systems or procedures are established or amended as required to mitigate and manage risks.

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, student officers, volunteers and participants in all activities organised by the Union.

In addition to an external audit process, the Union is subject to annual internal audit review by the University's internal auditors.

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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 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 Statement of Recommended Practice;
- 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; and
- 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, Companies Act 2006 and the provisions of the Union's governing documents. 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.

Provision of Information to Auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed:

- that, so far as that Trustees are aware, there is no relevant audit information of which the Union's auditors are unaware; and
- that Trustees have taken all steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information needed by the Union's auditors in connection with preparing their report and to establish that the Union's auditors are aware of that information.

Approved by the Trustees and signed on their behalf.



Martin Young
Chair of the Board of Trustees

Date 29-10-18

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2018

INDEPENDENT AUDITOR'S REPORT

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

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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INDEPENDENT AUDITOR'S REPORT

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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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:

- adequate accounting records have not been kept; or
- the 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, 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 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

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.

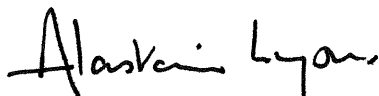
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INDEPENDENT AUDITOR'S REPORT

Use of our report

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



Alastair Lyon
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Reading

10 December 2018

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2018

STATEMENT OF FINANCIAL ACTIVITIES

				Period ended 31 July 2018 Total Funds £	Period ended 21 August 2017 Total Funds £
	Note	Unrestricted Funds £	Restricted Funds £		
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	1	885,720	-	885,720	1,127,090
Other trading activities	2	611	-	611	627
Charitable activities	3	35,465	852	36,317	59,706
Total		921,796	852	922,648	1,187,423
EXPENDITURE ON:					
Charitable activities	4	858,434	422	858,856	1,099,778
Total		858,434	422	858,856	1,099,778
Net Income		63,362	430	63,792	87,645
Transfers between funds	15	-	-	-	-
Pension charges	14	20,265	-	20,265	(321,581)
Net movement in funds		83,627	430	84,057	(233,936)
RECONCILIATION OF FUNDS					
Total funds brought forward	15	(928,070)	-	(928,070)	(694,134)
Total funds carried forward	15	(844,443)	430	(844,013)	(928,070)

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

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FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2018

BALANCE SHEET AS AT 31 JULY 2018

	Note	31 July 2018		21 August 2017	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10	2,399		3,171	
Investments	11	3,240		3,240	
Total fixed assets			5,639		6,411
CURRENT ASSETS					
Debtors	12	5,645		8,343	
Cash at hand and in bank		209,879		203,858	
Total current assets		215,524		212,201	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	13	57,684		60,601	
Net current assets/(liabilities)			157,840		151,600
Total assets less current liabilities			163,479		158,011
Provisions for liabilities	14		(1,007,492)		(1,086,081)
Net Liabilities			<u>(844,013)</u>		<u>(928,070)</u>
THE FUNDS OF THE CHARITY					
Restricted funds			430		-
Unrestricted funds					
Designated pension fund	15	(1,007,492)		(1,086,081)	
Designated capital fund	15	2,399		3,171	
General funds	15	160,650		154,840	
Total unrestricted funds			(844,443)		(928,070)
Total charity funds	15		<u>(844,013)</u>		<u>(928,070)</u>

Approved by the trustees and signed on their behalf.



Martin Young
Chair of the Board of Trustees

Date 29-10-18

Registered company number: 10820498

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2018

STATEMENT OF CASH FLOWS

	Period ended 31 July 2018		Period ended 21 August 2017	
	£	£	£	£
Net cash flow from operating activities (see below)		7,543		50,467
Cash flow from investing activities				
Payments to acquire tangible fixed assets	(1,522)		-	
Net cash flow from investing activities		(1,522)		-
Net Increase in cash and cash equivalents		6,021		50,467
Cash and cash equivalents at 22 August 2017		203,858		153,391
Cash and cash equivalents at 31 July 2018		<u>209,879</u>		<u>203,858</u>
Cash and cash equivalents consist of:				
Cash at bank and in hand		209,879		203,858
Cash and cash equivalents at 31 July 2018		<u>209,879</u>		<u>203,858</u>

Reconciliation of net income to net cash flow from operating activities

	Period ended 31 July 2018		Period ended 21 August 2017	
	£	£	£	£
Net income/(expenditure) for the period		63,792		87,645
Adjusted for:				
Depreciation and impairment of tangible fixed assets	2,032		2,125	
Decrease/(increase) in stocks	-		-	
Decrease/(increase) in debtors	2,698		2,391	
Increase/(decrease) in creditors less than one year	(2,917)		11,200	
Loss on disposal of fixed assets	262		-	
Scheduled pension deficit payments	(58,324)		(52,894)	
		(56,249)		(37,178)
		<u>7,543</u>		<u>50,467</u>

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2018

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

University of East London Students' Union is an incorporated charity established under a memorandum and articles of association with the company number 10820498 and 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.

University of East London Students' Union incorporated on 15 June 2017. A transfer agreement was signed by the Board of the previously unincorporated entity on 21 July 2017, transferring all the operations, assets and liabilities of that charity to the newly registered entity on that date. In accordance with the requirements of the charity SORP, these accounts have been prepared under the merger accounting rules, combining the results of the merged entities for the entirety of the reporting period. The comparative numbers in these financial statements therefore relate to the previous unincorporated entity only.

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.

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 3.2% 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 31 JULY 2018

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 31 JULY 2018

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 31 JULY 2018

NOTES TO THE FINANCIAL STATEMENTS

1. Donations and legacies

	Period ended 31 July 2018			Period ended 21 August 2017		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Block grant	655,970	-	655,970	745,296	-	745,296
Donated services and facilities	190,050	-	190,050	260,949	-	260,949
Other grants	39,700	-	39,700	120,845	-	120,845
	<u>885,720</u>	<u>-</u>	<u>885,720</u>	<u>1,127,090</u>	<u>-</u>	<u>1,127,090</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 31 July 2018			Period ended 21 August 2017		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Bank interest received	211	-	211	249	-	249
Photocopying and stationery income	400	-	400	25	-	25
Advertising income	-	-	-	353	-	353
	<u>611</u>	<u>-</u>	<u>611</u>	<u>627</u>	<u>-</u>	<u>627</u>

3. Income from charitable activities

	Period ended 31 July 2018			Period ended 21 August 2017		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Balls and events income	21,140	-	21,140	19,259	-	19,259
Societies income	173	852	1,025	1,756	2,013	3,769
NUS and other income	14,152	-	14,152	36,678	-	36,678
	<u>35,465</u>	<u>852</u>	<u>36,317</u>	<u>57,693</u>	<u>2,013</u>	<u>59,706</u>

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2018

NOTES TO THE FINANCIAL STATEMENTS

4. Expenditure on charitable activities

				Period ended 31 July 2018 Total Funds £
	Staff costs £	Other direct costs £	Support costs (note 5) £	
<u>Charitable activities</u>				
Student Advice	47,130	30,050	87,057	164,237
Shops and Bars	-	161	182	343
Campaigns and Comms	-	10,386	11,715	22,101
Events and Entertainments	-	38,478	43,398	81,876
Clubs, Affiliations	253,430	-	286,315	539,745
Societies (restricted)	-	422	-	422
	<u>300,560</u>	<u>79,497</u>	<u>428,667</u>	<u>808,724</u>
<u>Governance</u>				
Legal and professional fees	-	13,289	-	13,289
Other governance costs	-	10,972	25,871	36,843
	<u>-</u>	<u>24,261</u>	<u>25,871</u>	<u>50,132</u>
	<u>300,560</u>	<u>103,758</u>	<u>454,538</u>	<u>858,856</u>
Unrestricted	300,560	103,336	454,538	858,434
Restricted	-	422	-	422
	<u>300,560</u>	<u>103,758</u>	<u>454,538</u>	<u>858,856</u>

				Period ended 21 August 2017 Total Funds £
	Staff costs £	Other direct costs £	Support costs (note 5) £	
<u>Charitable activities</u>				
Student Advice	91,438	40,021	309,435	440,894
Campaigns and Comms	-	6,063	14,272	20,335
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>
<u>Governance</u>				
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>

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2018

NOTES TO THE FINANCIAL STATEMENTS

5. Support costs

	Period ended 31 July 2018			Period ended 21 August 2017		
	Staff costs £	Other direct costs £	Total Funds £	Staff costs £	Other direct costs £	Total Funds £
<u>Charitable activities</u>						
Student Advice	21,795	65,262	87,057	167,857	141,578	309,435
Retail	46	136	182	-	-	-
Campaigns and Comms	2,933	8,782	11,715	7,742	6,530	14,272
Democratic Representation	-	-	-	-	-	-
Events and Entertainments	10,865	32,533	43,398	43,736	36,888	80,624
Clubs, Affiliations	71,681	214,634	286,315	178,866	150,861	329,727
Societies (restricted)	-	-	-	-	-	-
	<u>107,320</u>	<u>321,347</u>	<u>428,667</u>	<u>398,201</u>	<u>335,857</u>	<u>734,058</u>
<u>Governance</u>						
Governance	6,851	19,020	25,871	20,174	17,893	38,067
	<u>114,171</u>	<u>340,367</u>	<u>454,538</u>	<u>418,375</u>	<u>353,750</u>	<u>772,125</u>

Included in other direct costs above is donated services and facilities of £190,050 (period to 21 August 2017: £190,050) 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 31 July 2018			Period ended 21 August 2017		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Unwinding of discount	(20,265)	-	(20,265)	321,581	-	321,581
	<u>(20,265)</u>	<u>-</u>	<u>(20,265)</u>	<u>321,581</u>	<u>-</u>	<u>321,581</u>

Further information on the pension deficit is given in notes 14 and 18.

7. Auditors' remuneration

	Period ended 31 July 2018			Period ended 21 August 2017		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Current year	13,289	-	13,289	12,671	-	12,671
Prior year	-	-	-	-	-	-

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2018

NOTES TO THE FINANCIAL STATEMENTS

8. Wages and salary cost

	Period ended 31 July 2018 Total Funds £	Period ended 21 August 2017 Total Funds £
Gross wages	447,162	522,748
Employer's national insurance costs	32,978	46,556
Pension costs	23,480	36,231
Pension deficit charge	(20,265)	321,581
	<u>483,355</u>	<u>927,116</u>

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

	Period ended 31 July 2018	Period ended 21 August 2017
Assessed on an average headcount basis	<u>30</u>	<u>30</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 31 July 2018	Period ended 21 August 2017
Management	5	6
Student services	<u>9</u>	<u>11</u>
	<u>14</u>	<u>17</u>

9. Related party transactions

The union's sabbatical officers received employee benefits totalling £99,267 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 £	Total £
<i>Sabbatical officers to July 2018</i>			
Ali	18,001	1,386	19,387
Rastogi	18,849	-	18,849
Cabdi	13,609	-	13,609
<i>Sabbatical officer to and from July 2018</i>			
Peserlay	20,599	1,368	21,967
Chowdhury	20,599	1,356	21,955
<i>Sabbatical officers from July 2018</i>			
Dabhi	1,750	-	1,750
Patel	1,750	-	1,750
	<u>95,157</u>	<u>4,110</u>	<u>99,267</u>

No sabbatical officers were reimbursed travel and subsistence expenses during the period under review (period to 21 August 2017: £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 £143,048 inclusive of salary, employer pension contributions and termination benefits.

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2018

NOTES TO THE FINANCIAL STATEMENTS

10. Fixed assets

	Club and societies equipment £	Computer equipment £	Fixtures & fittings £	TOTAL £
<i>Cost</i>				
At 22 August 2017	8,171	13,140	4,765	26,076
Additions	-	1,522	-	1,522
Disposals	(5,734)	(99)	-	(5,833)
At 31 July 2018	<u>2,437</u>	<u>14,563</u>	<u>4,765</u>	<u>21,765</u>
<i>Depreciation</i>				
Accumulated at 22 August 2017	7,316	11,314	4,275	22,905
Charge for the year	193	1,747	92	2,032
On disposals	(5,501)	(70)	-	(5,571)
At 31 July 2018	<u>2,008</u>	<u>12,991</u>	<u>4,367</u>	<u>19,366</u>
Net book value at 31 July 2018	<u>429</u>	<u>1,572</u>	<u>398</u>	<u>2,399</u>
Net book value at 21 August 2017	<u>855</u>	<u>1,826</u>	<u>490</u>	<u>3,171</u>

11. Fixed asset investments

	31 July 2018 Total Funds £	21 August 2017 Total Funds £
CBS deposit	<u>3,240</u>	<u>3,240</u>
	<u>3,240</u>	<u>3,240</u>

12. Debtors

	31 July 2018 Total Funds £	21 August 2017 Total Funds £
Trade debtors	387	1,777
Prepayments	1,577	1,313
Other debtors	<u>3,681</u>	<u>5,253</u>
	<u>5,645</u>	<u>8,343</u>

13. Creditors

	31 July 2018 Total Funds £	21 August 2017 Total Funds £
Trade creditors	1,368	-
Accruals	40,295	43,956
Other creditors	<u>16,021</u>	<u>16,645</u>
	<u>57,684</u>	<u>60,601</u>

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2018

NOTES TO THE FINANCIAL STATEMENTS

14. Provisions for liabilities - Pension liability

	31 July 2018 Total Funds £	21 August 2017 Total Funds £
Balance brought forward	1,086,081	817,394
Scheduled payments made	(58,324)	(52,894)
Addition for extended period, change in rate and unwinding of discount	(20,265)	321,581
Balance carried forward	<u>1,007,492</u>	<u>1,086,081</u>

15. Analysis of net movement in funds

	Total funds brought forward £	Total incoming resources £	Total resources expended £	Pension charges £	Transfers between funds £	Total funds carried forward £
<i>Restricted funds</i>						
Societies funds	-	852	(422)	-	-	430
	<u>-</u>	<u>852</u>	<u>(422)</u>	<u>-</u>	<u>-</u>	<u>430</u>
<i>Unrestricted funds</i>						
Pension reserve	(1,086,081)	-	-	20,265	58,324	(1,007,492)
Capital reserve	3,171	-	-	-	(772)	2,399
Total designated funds	<u>(1,082,910)</u>	<u>-</u>	<u>-</u>	<u>20,265</u>	<u>57,552</u>	<u>(1,005,093)</u>
General fund	154,840	921,796	(858,434)	-	(57,552)	160,650
Total unrestricted funds	<u>(928,070)</u>	<u>921,796</u>	<u>(858,434)</u>	<u>20,265</u>	<u>-</u>	<u>(844,443)</u>
Total funds	<u>(928,070)</u>	<u>922,648</u>	<u>(858,856)</u>	<u>20,265</u>	<u>-</u>	<u>(844,013)</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 £	31 July 2018 Total Funds £
Fixed assets	3,240	2,399	-	5,639
Net current assets	157,840	-	-	157,840
Provisions for liabilities	-	(1,007,492)	-	(1,007,492)
	<u>161,080</u>	<u>(1,005,093)</u>	<u>-</u>	<u>(844,013)</u>

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2018

NOTES TO THE FINANCIAL STATEMENTS

16. Analysis of net assets between funds (continued)

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	21 August 2017 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>

17. Commitments

	31 July 2018 Total Funds £	21 August 2017 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	<u>72</u>	<u>2,486</u>
	<u>2,486</u>	<u>4,900</u>

Operating lease payments recognised as an expense in the year totalled £2,414.

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 31 July 2018 amounted to £58,323 (period ended 21 August 2017: £52,894).

At the balance sheet date the charity had commitments to pay deficit funding contributions of £4,937 per month. This monthly payment is scheduled to increase by 5% per annum at October each year until 30 June 2033.

UNIVERSITY OF EAST LONDON STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2018

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 period amounted to £23,486 (2017: £21,263).

19. Financial instruments

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

	31 July 2018 £	21 August 2017 £
<i>Financial assets</i>		
Debt instruments measured at amortised cost:		
Trade debtors	387	1,777
Other debtors	3,681	5,253
	<u>4,068</u>	<u>7,030</u>
<i>Financial liabilities</i>		
Measured at amortised cost:		
Trade creditors	1,368	-
Other creditors	16,021	16,645
	<u>17,389</u>	<u>16,645</u>