# UNIVERSITY OF EAST LONDON STUDENTS' UNION FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2011

#### YEAR ENDED 31 JULY 2011

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#### YEAR ENDED 31 JULY 2011

#### INFORMATION

#### Charitable status

The University of East London Students' Union (UELSU) is an unincorporated charity established under the Education Act. The Union will be seeking registration with the Charity Commission in the coming year. This follows the changes implemented on 1 October 2009 when Students' Unions connected with exempt higher/further education institutons were removed by section 11(9) Charities Act 2006 from the list of exempt charities in Schedule 2 to the Charities Act 1993.

#### Trustees

Sabbatical officers from 1 July 2011
President
VP (CASS & HAB), Campaigns Officer
VP (AVA & CITE), Education Officer

VP (Law & Psychology), Welfare Officer VP (RDBS & HSS), Community & Anti-Racism Officer

University Nominated Trustee

External Trustees from 1 September 2011

Student Governor Trustee

Maria Kyriacou Shakira Akther Thomas Blake Johnson Kehinde Okenla Mohammed Sabuj

Ray Wilkinson

Leon Rogers MBE JP Ali Akgunes

Darius Moisa

#### Principal office

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

## Chief executive

Mr David Miles (interim, to 16 September 2011)

## Auditors

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

#### Bankers

Barclays Bank plc
Romford & Barking Group
PO Box 1006
Barking
IG11 8AT

## REPORT OF THE TRUSTEES

The Trustees present their Annual Report for the year ended 31 July 2011, 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 2 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:

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

As a consequence of there being no elected Sabbatical Officers and Trustees for the majority of the year UELSU has been administered during the year by the Trustee and Chief Executive acting under delegated powers from the University Board of Governors Students Union Working Party.

UELSU operates on democratic principles detailed in its newly adopted and approved Constitution.

The Trustees have commenced the recruitment of external Trustees in accord with the Constitution and two such Trustees were appointed on 1 September 2011.

The Trustees have delegated the day-to-day running of UELSU to a Chief Executive. In future the Chief Executive will be an employee of the University.

As the charity's 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 has a schedule of meetings for the year with at least four meetings planned. In addition the elected Sabbatical Officers meet regularly as a group, with the Chief Executive and as the Leadership Team.

UELSU also employs a number of student and non-student staff for the sake of continuity in the management of its many activities. Those staff are accountable to the Chief Executive for the performance of their duties.

UELSU employs a Chief Executive to work closely with the Trustees and ensure effective management of the charity as head of a management team as follows:-

Interim Chief Executive (to 16 September 2011)
Volunteers and Community Engagement Coordinator
Senior Finance Officer
Democratic Services Coordinator
Advice Services Manager

David Miles
Shahida Aslam
Beverley Crawford
Yousuf Joondan
Lisa Thomas

## 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 support staff. 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", which has been adopted for this and future financial years' accounts, an estimated value to UELSU for these benefits has been included in the accounts for the first time, priced at a conservative £20,000.

Although UELSU continues to generate a small amount of supplementary funding from various mutual trading activities, it will always be dependent on the University's 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 will be updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

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

These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity. In addition to the external audit process UELSU is also subject to annual Internal Audit review by the University's appointed Internal Auditors.

## Aims, objectives and activities

UELSU's mission is 'to enhance the student experience at the University of East London', with the following longterm aims:

- (i) to promote for the public benefit the interests and welfare of students at the University during their course of study and to represent, support and advise UELSU members;
- (ii) to provide appropriate social, cultural and recreational activities and forums for discussion and debate for the personal development of UELSU members; and
- (iii) to be the recognised representative channel between students and the University and also in relation to external bodies.

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

The major achievement of the year was the conclusion of a complete review of our governance arrangements culminating in the registration of UELSU as a Charity.

This has enabled the University to approve the Constitution of UELSU and for UELSU to restablish itself as a truly democratic Students Union.

A major service for students is the UELSU Advice Service which during the year advised over 2000 students on a wide range of academic issues including Appeals, Complaints & Extenuation. We also support and represent students facing Academic Misconduct allegations and Disciplinary matters. We offer a drop in session every day at Docklands & Stratford Campus to meet the demand of students requiring advice on these issues.

Over the last year we have recruited a second Academic Caseworker which has enabled us to offer advice at both Campuses daily.

We have commissioned a new database for recording the details of our service users. This will enable us to provide accurate statistics on a variety of different factors and to deliver a service that changes with student trends. We worked closely with the Director of Student Experience and Quality Assurance to implement a new Extenuation flowchart for students. The aim of this flowchart is to enable students to get the advice they need in a simple format.

UELSU continues to represent the students of this University on relevant local, national and international issues by maintaining a high proportion of student representatives. Student representatives are present on all policy and strategy making boards of the University. Student representatives sat on and contributed to a large number of University committee meetings and 592 Programme Representatives represented their course of relevant forms.

This year the Students' Union made an increased commitment to the training of Programme Reps with 29% or 169 attending. This fell short of our overall target of 50% but that was achieved in three schools. UELSU employed an additional full-time member of staff to increase our capacity in the training of Programme Reps, every training session was run at both Docklands campus and Stratford. In addition, our lead Programme Rep trainer undertook the NUS Train the Trainer course. The biggest change however came in introducing a programme of training throughout the year, rather than just the Induction sessions that ran during 09/10. We introduced Development Skills sessions and Employability sessions, in addition to our Induction Sessions.

All bar one of the five Sabbatical Officer posts were contested. We had four for one of our Sabbatical Officer posts (VP RDBS & HSS) and three for the President post; however in the other four posts we did not meet our target of three candidates for each post although only one post was uncontested.

Turnout in our Sabbatical Elections was 3%. We had anticipated a small turnout in our Sabbatical Elections due to the introduction of an on-line voting system, which was new to our members but are disappointed with the turnout.

To further enhance the student experience, UELSU attracts students from all walks of life to get involved in the Union, the University and the local community by actively promoting the benefits of volunteering in student-led activities. As a result, in 2010/11, 84 students volunteered to work on projects within the local community or within the University or Union.

UELSU has also successfully built links in the local community they include Anchal, MITHN, Community Garden Café, Newham Council, Harold Road centre and many more. This is a great achievement as previously links were non existent.

We have also received from support from within UEL including GreenTteam, International Office, Students Services, Chaplaincy and many more.

We currently have 69 societies with 1300 members. Societies are vital to the student life as it allows them to nurture their personal development skills.

When reviewing our objectives and planning our activities, we have given due consideration to the Charity Commission's general and relevant supplementary guidance on public benefit.

At the end of the end of the preceding financial year UELSU ceased its involvement in bar and almost all retail operations.

#### Future plans

We intend to have at least 50% of Programme Reps attend induction training. In order to reach this target next year, we will be publishing the dates of our training sessions earlier and working more closely with Schools to organise our Induction training sessions at times and dates that are more suited to when their students are available. In addition, we will be overhauling the UEL Plus training module for Programme Reps in an attempt to train those Reps who are unable to attend face-to-face sessions.

We want to achieve at least 3 candidates standing for each elected position and at least 10% turnout in our Sabbatical Elections. The Union are introducing a number of new mechanisms to allow students to input into the decision-making structures of the Union, such as the Student Council and Open Fora and we hope that these initiatives will increase students awareness and interest in the Students' Union, that would in turn results in more students voting and standing in our elections next year.

Our Sabbatical Officers are committed to achieving at least 80% attendance at UEL Committees.

We have recently been successful in obtaining the Inspire mark and the next mark we are working towards is IVV.

We are hoping to work on a personal development leadership programme for students.

In addition to making strong links with the community it is hoped that the number of students volunteering will increase by 50%.

It is anticipated that the number of societies will increase along with membership.

We will also deliver more social and development events next year.

To implement the new advice database

To continue to deliver accurate advice to our students.

Be more pro-active by delivering workshops on Extenuation at key times of the Academic year.

To meet with Academic and support staff to raise awareness of our services and to ensure that students are referred to us as and when they should be.

To seek to reduce the number of students requiring advice by issues rework closely with the Welfare Officer to discuss common issues being discussed with the Advice Service when meeting with students so they can raise these issues with the University.

To regularly request feedback from our service users to enable us to change the delivery of our service where possible.

Sabbatical Officers will replace or join staff members on the various UEL project groups to influence their deliberations.

## Campaigning

We are committed to reinvigorating UELSU by initiating a series of campaigns aimed at significantly improving the experience of student life at UEL.

UELSU's key campaigning objectives for 2011/12 are to:

Replace the current capping system;

Achieve better safety for students on our campuses;

Oppose cuts in funding to UEL and cuts by UEL which affect students;

Increase student awareness and understanding of how to complain and get issues resolved with UEL.

#### Financial review

UELSU's gross income from all sources this year totalled £689,589. As a consequence of close control of expenditure of £553,605 on the wide-ranging student benefits we provide as well as the modest fundraising and other revenue-generating activities we undertake, we ended the year with a surplus for the year of £135,984. This improved UELSU's total reserves from a negative reserve of £134,021 to a positive of £1,963.

During the year all debts other than those arising in accordance with normal terms of business have been cleared including the early repayment of a loan from the University. In addition the opportunity has been taken to write off any assets which are unused and to resolve all matters relating to prior financial years.

UELSU has continued to benefit from the recognition and support of the University, and this year the annual block grant was £600,000.

The Trustees have reviewed UELSU's reserves requirements. The current level of reserves falls well short of our minimum requirement of two months' 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. In order to build up UELSU's free reserves to the desired level, the Trustees will consider ways of raising additional general-purpose funding. UELSU is currently affiliated to the NUS, for which our total subscription costs amounted to £34,887 for the year and to Advice UK at a cost of £544. 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 2011/12 has been confirmed at £600,000 and the mutual trading activities are expected to generate similar amounts to those generated in 2010/11.

# Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law 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 as at the end of the year and of its financial activities during the year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards). In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- follow applicable UK Accounting Standards and the Charities SORP, disclosing and explaining any departures in the accounts;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The trustees are responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the charity transactions and 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 1993. They are also responsible for safeguarding the assets of the charity and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees and signed on their behalf by

Maria Kyriacou President

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

We have audited the financial statements of University of East London Students' Union for the year ended 31 July 2011 which the Statement of Financial Activities, the Balance Sheet, and the related notes numbered 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 44 of the Charities Act 1993. 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.

# Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

# Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2011 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 1993.

# Independent Auditor's Report to the Trustees of University of East London Students' Union (Continued)

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

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Trustees Annual Report is inconsistent in any material respect with the financial statements; 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.

Crowe Clark Whitehill LLP

Statutory Auditor

Aquis House

49-51 Blagrave St

Reading

## YEAR ENDED 31 JULY 2011

## STATEMENT OF FINANCIAL ACTIVITIES

INCOMING RESOURCES	Note	Unrestricted Funds £	Restricted Funds	2011 Total Funds £	2010 Total Funds £
Incoming resources from					
generated funds					
Voluntary Income		620,000		60000	
Activities for generating funds		14.072		620,000 14,072	614,150
					3,309
Incoming resources from					
charitable activities		39,613	15,904	55,517	758,666
Total incoming resources		673,685	15,904	689,589	1,376,125
RESOURCES EXPENDED					
Charitable activities	4	416,783	15,904	432,687	1,360,909
Governance costs		120,918		120,918	125,503
Total resources expended		537,701	15,904	553,605	1,486,412
Net movement in funds		135,984		135,984	(110,287)
RECONCILIATION OF FUNDS					
Total funds brought forward		(134,021)		(134,021)	(23,734)
Total funds carried forward	14	1,963		1.963	(134.021)

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

BALANCE SHEET AS AT 31 JULY 2011							
		2011	2011		2010		
	Note						
FIXED ASSETS							
Tangible assets	10	6,315		22 A			
Investments	11	3,300		22,664			
Total fixed assets			9,615	3,300	25,964		
CURRENT ASSETS							
Stock of goods for resale		55					
Debtors	12	18,032					
Cash at hand and in bank				67,404			
Total current assets		16,738		14,577			
		34,825		81,981			
CURRENT LIABILITIES							
Creditors: amounts falling due within one year	13	42,477		241,966			
Net current assets/(liabilities)			(7,652)		(159,985)		
Net assets/(liabilities)			1,963		(134,021)		
THE FUNDS OF THE CHARITY							
Restricted funds							
Unrestricted funds							
Designated funds	14	6,315					
General funds	14	(4,352)		22,664 /4EE GOEN			
Total unrestricted funds			1,963	(156,685)	(134,021)		
Total charity funds	14						
			1,963		(134,021)		

Approved by the trustees and signed on their behalf by:

Maria Kyriacou President 22.11.22

#### PRINCIPAL ACCOUNTING POLICIES

Basis Of Accounting

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention in compliance with The Statement of Recommended Practice "Accounting and Reporting by Charities" (the Charities SORP) 2005 and the Charities Act 1993. The students union has taken advantage of the exemption from preparing a cashflow statement within financial reporting standard 1.

Going Concern

The accounts are prepared on a going concern basis, the validity of which depends on the continuing support of the University, which has confirmed that it will continue to provide financial support, either directly or indirectly, in the foreseeable future.

Incoming resources

All income and capital resources are recognised in the accounts when the charity is legally entitled to the income and the amount can be quantified with reasonable certainty. The University's provision of free serviced accommodation for the charity is accounted for as income and matching expenditure for the year at its estimated value to the charity.

Resources expended

Expenditure includes irrecoverable VAT. Charitable expenditure comprises the direct and indirect costs of delivering the charity's objects for public benefit. Governance costs are those incurred in order to achieve compliance with constitutional and statutory requirements. Support costs are allocated to activities pro-rata with the proportion of total direct costs attributable to each activity.

Tangible Fixed Assets

Fixed assets are stated at historical cost.

All assets costing more than £1,000 are capitalised. Depreciation of fixed assets is charged commencing with the year of acquisition at the following rates estimated to write off their cost less any residual value over their useful lives.

Motor Vehicle

- 33.33% per annum on cost

Shop and bar improvements

- 25%-33.33% per annum on cost- 33.33% per annum on cost

Clubs' and societies' equipment

- 10%-15% reducing balance

Other equipment 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 valued at the lower of cost and net realisable value.

#### Pension Costs

The Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Earnings Related Pension Scheme. The fund is valued every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years, the actuary reviews the progress of the scheme. The scheme operares as a pooled arrangement, with contributions paid at a centrally agreed rare. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. Under the terms of FRS17, in these circumstances contributions are accounted for as if the scheme were a defined contribution scheme based on actual contributions paid throughout the year.

Trading and Other Income

Trading and other income represent amounts received for goods and services from ordinary activities and are stated after discounts and VAT were applicable.

#### 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.

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.

#### YEAR ENDED 31 JULY 2011

#### NOTES TO THE ACCOUNTS

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	Unrestricted Funds £	Restricted Funds	2011 Total Funds	2010 Total Funds
Block grant	600,000		600,000	594,050
Donated services and facilities	20,000		20,000	**
HEFCE grant				20,100
	620,000		620,000	614,150
2. Activities for generating funds				
	Unrestricted	Restricted	2011 Total	2010 Total
	Funds	Funds	Funds	Funds
Bank interest received			15	288
Photocopying and stationery income	608	***	608	3,021
Advertising income	13,449		13,449	
	14.072			

## 3. Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds	2011 Total Funds	2010 Total Funds
Bar and shop income	50	*****	50	736,474
Balls and events income	10,077	****	10,077	4,317
Societies income		15,904	15,904	1,673
NUS and other income	29,486		29,486	16,202
	39,613	15,904	55,517	758,666

## YEAR ENDED 31 JULY 2011

4. Resources expended	Staff	Other	Support	2011 Total	2010 Total
		COSTS	(note 5)	Funds	Funds
Charitable activities					
Student Advice	114,516	7,029	76,155	197,700	59,108
Shops & Bars	6,023	1,476	4,699	12,198	794,649
Campaigns and Comms		19,893	12,464	32,357	67,708
Events and Entertainments		14,544	9,112	23,656	60,022
Clubs, Affiliations	51,252	39.178	60,442	150,872	379,422
Societies (restricted)		12,103	3,801	15,904	
	171,791	94,223	166.673	432,687	1,360,909
Governance					
Legal and professional fees		23,233		23,233	13,583
Consultancy fees		43,981		43,981	
Other governance costs		7,126	46.578	53.704	111,920
		74.340	46.578	120.918	125,503
	171,791	168,563	213,251	553,605	1,486,412
5. Support costs					
			Other	2011	2010
		Staff	direct	Total	Total
		costs	costs	Funds	Funds
Charitable activities					
Student Advice		32,027	44,128	76,155	51,813
Shops & Bars		1,976	2,723	4,699	
Campaigns and Comms		5,242	7,222	12,464	59,351
Events and Entertainments		3,832	5,280	9,112	52,614
Clubs, Affiliations		27,017	33,425	60,442	332,594
Societies (restricted)		***	3,801	3,801	
		70,094	96,579	166.673	496.372
Governance					
Governance		19,588	26,990	46,578	110,014
		89,682	123,569	213,251	606,386
6. Auditors' remuneration					
				2011	2010
				Total	Total
				Funds	Funds
Current year				10,020	11,500

7. Wages and salary cost		
	2011	2010
	Total	Total
	Funds	Funds
Gross wages	237,796	513,456
Employer's national insurance costs	17,543	26,829
Pension costs	6,136	4,179
	261,475	544,464
The average number of employees analysed by function was:		
	2011	2010
Management	3	4
Student services	8	30
		34
There were no employees with emoluments (excluding employer pension costs) above £60,000 in this or th	e preceding year	
The number of staff to whom retirement benefits are accruing under defined contibution schemes		
	2011	2010
Management		
Student services	2	5
		7

#### 8. Related party transactions

Each of the five sabbatical officers appointed with effect from 1 July 2011 received remuneration totalling £1,191 in the year 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. The total salary and National Insurance costs for sabbatical officers amounted to £5,954 (2010:£114,899)

Three sabbatical officers were reimbursed travel and subsistence expenses totalling £458 during the year under review.

## 9. Tax status

UELSU benefits from the exemptions afforded to charities in respect of taxation on surpluses arising from its charitable activities. No liability for tax therefore arises.

(204, 257)

23,514

6,315

22,664

(35, 545)

2,951

1,695

2,377

16,451

3,581

3,238

## UNIVERSITY OF EAST LONDON STUDENTS' UNION

#### YEAR ENDED 31 JULY 2011

10. Fixed assets

On disposals

At 31 July 2011

	Club and societies equipment	Other equipment £	Computer equipment	Fixtures & fittings	TOTAL
Cost					
At 1 August	61,979	111,884	18,774	40,191	232,828
Additions		<del>2000</del>	1,258	***	1,258
Disposals	(56,828)	(111,884)	***	(35,545)	(204,257)
At 31 July 2011	5,151		20,032	4,646	29,829
Depreciation					
Accumulated at 1 August 2010	53,203	103,611	15,536	37,814	210,164
Charge for the year	7,737	8,273	915	682	17,607

(111,884)

8,273

(56, 828)

4,112

1,039

8,776

# 11. Fixed asset investments

Net book value at 31 July 2011

Net book value at 31 July 2010

	2011 Total Funds	2010 Total Funds
Unlisted shares at cost	60	60
CBS deposit	3,240	3,240
	3,300	3,300

The Union owns 60 'A' shares of £1 each in NUS Services Limited. That company arranges the provision of various purchasing services for Students' Unions.

## 12. Debtors

	2011 Total Funds £	2010 Total Funds
Trade debtors	17,917	41,824
Prepayments		550
Other debtors	115	25,030
	18,032	67,404

2011

## YEAR ENDED 31 JULY 2011

13. Creditors			

				Funds	Funds
Bank overdraft					
Trade creditors				17.654	5,551 170010
Trade Union Dues				20	170,012 7,071
Accruals				19,360	28,798
Other taxation and social security				5,011	20,730 30,026
Other creditors				432	508
				42,477	241,966
14. Analysis of net movement in funds					
	Total funds brought forward	incoming resources	resources expended	Transfers between funds	Total funds carried forward
Restricted funds					
Societies funds		15,904	(15,904)		
		15,904	(15,904)		
Unrestricted funds					
Capital reserve	22,664	****		(16,349)	
Total designated funds	22,664			(16,349)	6,315 6,315
General fund	(156,685)	673,685	(537,701)	16,349	(4,352)
Total unrestricted funds	(134,021)	673,685	(537,701)		1,963
Total funds	(134,021)	673,685	(537,701)		1,963

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

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.

#### 15. Pensions

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

The most recent valuation of the scheme was carried out as at 1 October 2007 and showed that the market value of the scheme's assets was £56,318,000 with these assets representing 69% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £24,901.000.

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

The following assumptions applied at 1 October 2007:-

- The investment return would be 7.3% per annum before retirement and 5.3% per annum after retirement
- Salaries would increase at 5.2% per annum, equivalent to 2.0% per annum above inflation. Pensions accruing on the CARE basis would revalue at 3.2% per annum.
- Present and future pensions would increase at rates specified by scheme rules with appropriate assumptions where these are dependent on inflation.

The 2007 valuation recommended a contribution requirement expressed in two parts: a rate of 17.3% of Earnings (with higher rates in certain circumstances) paying for future accrual, with additional monthly contributions expressed in monetary terms intended to clear the ongoing funding deficit over a period of 15 years. These rates applied with effect from 1 October 2008 and will be formally reviewed following completion of the next valuation due with an effective date of 1 October 2010. 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 contribution rate (excluding deficit contributions) for the period from 1 August 2010 to 31 July 2011 applicable to UELSU for the majority of members is 8% of Earnings for members and 7.7% of Earnings for the Union (15.7% in aggregate).

The contributions paid into the scheme in respect of eligible employees for the year ended 31 July 2011 amounted to £26,617 (2010: £28,268).

At 31 July 2011 contributions amounting to £nil (2010: £1,684) were outstanding and are included in creditors due within one year.