

Thames Valley University
Students' Union

FINANCIAL STATEMENTS

31 July 2005

Thames Valley University Students' Union

EXECUTIVE OFFICERS' REPORT

for the year ended 31 July 2005

The Executive Committee are pleased to submit the audited accounts for the year ended 31 July 2005.

The Aims and Objectives of the Students' Union remain as follows:

- To further the educational purposes of the University and the interests of students at the University.
- To advance the education of its members.
- To develop social, recreational, political, cultural and sporting activities amongst its members.
- To organise mutual trade between the Union and its members, including the provision of licensed facilities.
- To act as a channel of communication between its members and the Board of Governors, staff and other bodies within the University.
- To empower its members to achieve the most from their educational experience in the University.

RESULTS

The results for the Students' Union for the year are set out in the audited financial statements contained in pages 6 to 10 and the results of the Students' Union Trading arm are set out in the attached, audited financial statements. They show a surplus in both the Union and the Trading arm's accounts.

CONSTITUTIONAL DETAILS

The Articles of Government of the University state that there shall be a Students' Union that shall conduct and manage its own affairs and funds in accordance with a constitution approved by the Board of Governors. The Constitution of the Union, the Code of Practice between the University and the Union and the Financial Memorandum state that the Executive Committee and Senior Managers of the Union are responsible for ensuring that the Union's financial affairs are conducted properly. The Students' Union receives an annual grant for revenue purposes, which is allocated by the University.

RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE

The Constitution of the Students' Union requires the Union, acting through the Executive Committee, to ensure that proper books of account are maintained and that these books are subject to an annual external audit. The final audited accounts are required to give a true and fair view of the financial state of the Union at the end of the audit period and of any surplus or deficit in the audit period. In the preparation of these financial statements, the Executive Committee, in conjunction with the Accounting Officer, is required to carry out the following:

- Select suitable accounting policies and apply them consistently
- 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
- Ensure preparation of the financial statements on a going concern basis unless it is inappropriate to presume that the Union will continue in business
- Safeguard the assets of the Union and take reasonable steps for the prevention and detection of fraud and other irregularities

Thames Valley University Students' Union

EXECUTIVE OFFICERS' REPORT

for the year ended 31 July 2005

EXECUTIVE REVIEW

The new administrative structure of the Students' Union, introduced during the last financial year, has proved to be very successful, enabling the management team to work and communicate positively with the Executive Committee.

The Union is required to carry out a review of its Constitution every five years. This was undertaken during the year to 31 July 2005 and allowed the Union to review a number of its internal processes resulting in increased democracy and accountability.

The merger of the University and Reading College of Art & Design continues to be a challenging experience for the Union. However, the introduction of a fourth sabbatical officer based at the Reading campus has been very successful. There is now a far more focused Students' Union at the Reading campus and the voice of Reading students is being clearly heard within the Students' Union at both Executive and Student Council level. The Union looks forward to continuing this development during 2005-2006.

Given the diverse nature of the student community at Thames Valley University student representation and feedback is becoming very important. During the financial year the Students' Union, with the financial support of the University, prepared a Student Written Submission (SWS) as part of the Institutional Audit process undertaken by the Quality Assurance Agency for Higher Education (QAA). This gave the Union further opportunity to engage with different groups across the University and enhance the quality of the student representative system.

The Students' Union has continued to develop the sporting opportunities available within the Students' Union. Likewise, participation in societies has continued to expand; the Students' Union is glad to encourage as many of its members as possible, to get involved.

The financial results for the year show a surplus of £52,082 (2004: £22,954) for the Union, and a surplus of £27,229 (2004: deficit of £15,470) for the Club. This is partly due to a number of staff shortages during the year, resulting in a lower than anticipated expenditure on staffing costs and partly as a result of the careful controlling of the Union's other expenses.

THE STUDENTS' UNION TRADING ARM

The Students' Union Trading arm has had a much improved year of trading. Although turnover in the Union bar has decreased, the introduction of effective financial controls has resulted in a large increase in profitability. Both the coffee shop and the car parks have also increased their income and this, together with the close monitoring of expenditure on overheads, means the Club has made a profit this year of £27,229.

Membership numbers

	2000-01	2001-02	2002-03	2003-04	2004-05
Full time	9,047	8,555	9,020	8,250	28,064
Part time	17,962	15,891	17,571	16,290	12,861
Total	26,739	24,446	26,591	24,540	40,925

Thames Valley University Students' Union

EXECUTIVE OFFICERS' REPORT

for the year ended 31 July 2005

EXECUTIVE COMMITTEE

The members of the Executive Committee during the year were: -

Nav Sira	President
Tristi Justice	Vice-President Education (resigned 3 December 2004)
John Griffiths	Vice-President Recreation
Rebecca Gibbs	Vice-President Reading
Susumu Hara	International Student Officer
Nadine Quashie	Women Student Officer
Sailen Sadhu	Part-time Student Officer
Carmen Davila	Societies Officer
Philip Wilson	Publications Officer

STUDENT COUNCIL

The members of the Student Council during the year were:-

Nav Sira	President (Chair)
Tristi Justice	Vice-President Education (resigned 3 December 2004)
John Griffiths	Vice-President Recreation
Rebecca Gibbs	Vice-President Reading
Nadine Quashie	Women Student Officer
Sailen Sadhu	Part-time Student Officer
Carmen Davila	Societies Officer
Philip Wilson	Publications Officer
Tom Branch	Sports Association Representative
Kevin Mann	Societies Representative
Susumu Hara	International Student Officer
Rebecca Gowar	Non-portfolio
Paul Avetoom	Faculty Rep Professional Studies
Daniel Clifton	Student Council
Oliver Ashby	Student Council
Frida Haraldsson	Student Council
Michael Bailey	Student Council
Dane Lopez-Vito	Student Council
David Danty	Sixth Form Academy Rep
Sarah White	Sixth Form Academy Rep
Elizabeth Smith	Faculty Rep Arts, Design and Music

In attendance at Executive Committee and Student Council

Nina Girn	Finance and Commercial Manager (Accounting Officer)
Matthew Pledger	Representation and Student Activities Manager (Secretary to Student Council and Executive Committee)

Thames Valley University Students' Union

EXECUTIVE OFFICERS' REPORT

for the year ended 31 July 2005

AFFILIATIONS

National Union of Students of the United Kingdom

Southern England Student Sports Association

Association of Managers in Students' Unions

On behalf of the Executive Committee (Union Trustees)

Navjeet Sira President

Dane Lopez-Vito Vice-President Recreation

Sarah White Vice-President Education

Philip Wilson Vice-President Reading

30 January 2006

INDEPENDENT AUDITORS' REPORT TO THE EXECUTIVE OFFICERS OF
THAMES VALLEY UNIVERSITY STUDENTS' UNION

We have audited the financial statements on pages 6 to 10.

This report is made solely to the Executive Officers, as a body. Our audit work has been undertaken so that we might state to the Executive Officers those matters we are required to state to them in an auditors' 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 Executive Officers as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE UNION EXECUTIVE OFFICERS AND AUDITORS

As described on page 1, the Executive Officers are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit of those statements, and to report our opinion to you.

We report to you our opinion as to whether the financial statements give a true and fair view. We also report to you if, in our opinion, the Executive Officers' Report is not consistent with the financial statements, if the Students' Union has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read other information and consider whether it is consistent with the audited financial statements. This other information comprises only the Executive Officers' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF OPINION

We conducted our audit in accordance with the Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the relevant committees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Students' Union's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the Students' Union's affairs at 31 July 2005 and of its income and expenditure for the year then ended.

BAKER TILLY

Registered Auditor
Chartered Accountants
Lancaster House
7 Elmfield Road
Bromley
Kent BR1 1LT

30 January 2006

Thames Valley University Students' Union
 INCOME AND EXPENDITURE ACCOUNT
 for the year ended 31 July 2005

	<i>Note</i>	2005 £	2004 £
INCOME			
- grant income		504,994	449,032
- interest received		1,543	632
- other income		18,047	22,902
		<hr/>	<hr/>
		524,584	472,566
EXPENDITURE			
- salaries and employment costs		339,310	285,013
- depreciation		10,970	6,104
- other administration costs		122,222	158,495
		<hr/>	<hr/>
		(472,502)	(449,612)
SURPLUS FOR YEAR TRANSFERRED TO RESERVES			
	3	<hr/>	<hr/>
		52,082	22,954
		<hr/> <hr/>	<hr/> <hr/>

Thames Valley University Students' Union

BALANCE SHEET

at 31 July 2005

	<i>Note</i>	2005 £	2004 £
CAPITAL AND RESERVES:			
Capital reserve	2	20,008	32,109
General reserve	3	101,103	36,920
		<hr/>	<hr/>
		121,111	69,029
		<hr/> <hr/>	<hr/> <hr/>
REPRESENTED BY:			
FIXED ASSETS			
Tangible fixed assets	4	20,008	32,109
Investments	5	60	60
		<hr/>	<hr/>
		20,068	32,169
CURRENT ASSETS			
Debtors	6	70,474	48,519
Cash at bank and in hand		72,846	30,111
		<hr/>	<hr/>
		143,320	78,630
CREDITORS: amounts falling due within one year			
	7	(42,277)	(41,770)
		<hr/>	<hr/>
NET CURRENT ASSETS		101,043	36,860
		<hr/>	<hr/>
NET ASSETS		121,111	69,029
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 6 to 10 were approved by the Sabbatical Committee on behalf of Students Council on 30 January 2006.

Navjeet Sira	President
Dane Lopez-Vito	Vice-President Recreation
Sarah White	Vice-President Education
Philip Wilson	Vice-President Reading

Thames Valley University Students' Union

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2005

1 ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

The Students' Union has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard Number 1, on the grounds that it would be entitled, if it were a limited company, to the exemptions available in Sections 246 and 247 of the Companies Act 1985 for small companies.

GOING CONCERN

The financial statements have been prepared on a going concern basis, on the assumption that Thames Valley University will not demand immediate payment of the amount owed by Thames Valley University Students' Union Club (see note 11) and that future surpluses of the Club will be sufficient to allow the Club to repay the loan in accordance with the agreed schedule. The Students' Union has guaranteed the amount due to Thames Valley University at 31 July 2005.

FIXED ASSETS

Fixed assets are stated at cost. Depreciation is being charged at varying rates so as to write off the asset cost less any recoverable value over its anticipated useful life.

The following rates of depreciation have been used:-

Improvements to premises	-	10% per annum on cost
Computer equipment	-	20% to 33% per annum on cost
Office furniture and equipment	-	10% to 25% per annum on cost

PENSION COSTS

The cost to the Union in respect of the money purchase personal pension schemes is charged to the income and expenditure account as the contributions fall due.

LEASED ASSETS AND OBLIGATIONS

Annual payments under operating leases are charged to the income and expenditure account on a straight line basis over the term of the lease.

2	CAPITAL RESERVE	2005 £	2004 £
	1 August 2004	32,109	22,815
	Transfer (to)/from general reserve (note 3)	(12,101)	9,294
	31 July 2005	<u>20,008</u>	<u>32,109</u>
3	GENERAL RESERVE		
	1 August 2004	36,920	23,260
	Surplus for the year	52,082	22,954
	Transfer from/(to) capital reserve (note 2)	12,101	(9,294)
	31 July 2005	<u>101,103</u>	<u>36,920</u>

Thames Valley University Students' Union

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2005

4	FIXED ASSETS			Office furniture and Equipment	Total
		Improvements to premises	Computer equipment		
		£	£	£	£
	COST				
	1 August 2004	16,061	40,132	75,643	131,836
	Disposals	-	-	(1,830)	(1,830)
	31 July 2005	<u>16,061</u>	<u>40,132</u>	<u>73,813</u>	<u>130,006</u>
	DEPRECIATION				
	1 August 2004	13,536	29,038	57,153	99,727
	Charge for year	452	4,530	5,988	10,970
	Disposals	-	-	(699)	(699)
	31 July 2005	<u>13,988</u>	<u>33,568</u>	<u>62,442</u>	<u>109,998</u>
	NET BOOK VALUE				
	31 July 2005	<u>2,073</u>	<u>6,564</u>	<u>11,371</u>	<u>20,008</u>
	31 July 2004	<u>2,525</u>	<u>11,094</u>	<u>18,490</u>	<u>32,109</u>
5	FIXED ASSET INVESTMENTS			2005	2004
				£	£
	Investment in NUS Services Limited (60 £1 ordinary shares at cost)			60	60
6	DEBTORS				
	Due within one year:				
	Trade debtors			26,555	6,456
	Other debtors			33,962	33,550
	Prepayments and accrued income			9,957	8,513
				<u>70,474</u>	<u>48,519</u>
7	CREDITORS				
	AMOUNTS FALLING DUE WITHIN ONE YEAR				
	Trade creditors			20,465	20,309
	Other tax and social security			5,972	8,545
	Other creditors			11,840	7,623
	Accruals			4,000	5,293
				<u>42,277</u>	<u>41,770</u>

Thames Valley University Students' Union

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2005

8 PENSION COMMITMENTS

The Union operates two money purchase personal pension schemes with Scottish Widows and Scottish Equitable. Contributions to the schemes are as agreed by the employer. The charge for the year was £7,178 (2004 - £9,942).

9 CAPITAL COMMITMENTS	2005	2004
	£	£
Capital expenditure contracted for but not provided in the financial statements	11,886	-
	<u> </u>	<u> </u>

10 COMMITMENTS UNDER OPERATING LEASES

At 31 July 2005, the Union had annual commitments under non-cancellable operating leases as follows:

	2005	2004
	£	£
Office equipment: Expiring within two to five years	5,253	6,440
	<u> </u>	<u> </u>

11 CONTINGENT LIABILITY

The Students' Union has agreed to continue to provide financial support to Thames Valley University Students' Union Club which has a deficiency of assets amounting to £190,364 (2004 - £220,835).

Financial support for Thames Valley University Students' Union Club is also being provided by Thames Valley University. At 31 July 2005, Thames Valley University Students' Union Club owed Thames Valley University £244,567 (2004: £254,567). The University has confirmed that it will not seek full and final settlement of the outstanding amount nor of any payment of arrears within the financial year ending 31 July 2005. The Students' Union has guaranteed the amount owed to Thames Valley University at 31 July 2005.

12 RELATED PARTY TRANSACTIONS

The controlling party of the Union is the Sabbatical Officers by virtue of their position as elected executive officers.

Thames Valley University Students' Union Club ("the Club") is a related party because it is controlled by the same group of elected sabbatical officers as controls the Union. The Students' Union and the Club share premises and facilities.

The Students' Union receives a substantial part of its income by means of grant funding from Thames Valley University. This funding amounted to £504,994 (2004 - £449,032) of revenue funding in the year under review. The Sabbatical Officers are of the opinion that this financial assistance is not an influencing factor with regard to the formulation of Students' Union policy nor does it have any effect on the internal management and decision making of the Students' Union.