

UNIVERSITY OF SURREY STUDENTS UNION

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
for the year ended 31 July 2010**

2010/11 SABBATICAL OFFICERS

Malcolm Hunt, President
Osama Salih, VP Societies and Individual Development
Georgina Hancock, VP Welfare
Trung Nguyen-Le, VP Sport & Recreation
Stef Jones, VP Education

2009/10 SABBATICAL OFFICERS

Elizabeth Simos, President
Lisa Shah, VP Societies and Individual Development
Malcolm Hunt, VP Welfare
Christopher Moffat, VP Sport & Recreation
Nick Entwistle, VP Education

Principal office

Union House
Guildford
Surrey
GU2 5XH

Auditors

Crowe Clark Whitehill LLP
Statutory Auditor
49 - 51 Blagrove Street
Reading
Berkshire
RG1 1PL

Bankers

National Westminster Bank Plc
University of Surrey
Guildford
Surrey
GU2 7XS

UNIVERSITY OF SURREY STUDENTS UNION

OPERATING AND FINANCIAL REVIEW for the year ended 31 July 2010

The Trustees present their report and the financial statements for the year ended 31 July 2010.

Report of the President

The Union has enjoyed a very successful year posting a strong financial performance in both membership and commercial and continuing to improve its service offering. Working with the 'Students' Union Evaluation Initiative' the Union continues to drive up standards and provide better value for members, even in a difficult economic climate. In the financial year 09/10 the Union reports a consolidated surplus of £50,850.

Membership services has continued to make improvements, offering ever more sports clubs, societies and volunteering opportunities for students to enjoy, while maintaining its high standards of Education and Welfare representation. 'IFestival' – a celebration of international culture, and the Sport Relief Mile were two of many stand out features of the membership calendar. Through new IT initiatives, more efficient working practices and a more streamlined staff team, Membership services have been able to offer more than ever despite reducing costs.

Commercial services also posted a particularly strong performance with notable successes in entertainments and 'The Living Room'. This excellent performance is testament to an ever popular and excellent value events calendar running throughout the year. 'The Living Room' was refurbished last year and this has proved to be a great success in terms of improved income and an increase in society usage. It must be noted that Surrey's performance contradicts the trend of other UK Students' Unions who have seen a steady decline in sales. With greater pressure on alcohol retailing and increases in VAT the Union may see significant pressure put on its commercial activities in coming years.

The Students' Union continues to invest in improving the service it offers to students. This summer the Union developed one of it's out of action storage rooms into a new locker room for societies and sports clubs. Rubix front entrance was re-designed to open up more space and improve the look and usability of the venue.

The Year Ahead

In the coming year the Students' Union will complete the process of incorporation. This should allow the Union to attract a high standard of external trustees and add expert knowledge to its skills base. The move will also bring the Union in line with new charities law.

The Union is also looking to push forward with its exciting new student communication system, project 'Skynet'. The system will look to integrate a whole host of different operations and student needs into one dynamic central system. Skynet looks to make the Union ever more relevant to students by providing more up to date and relevant communications – building upon a very positive report in the University's recent communication review.

The Union is also writing its new 5 year strategy. The strategy, based on student feedback, will look to continue the Union's development and work ever more effectively with an ever changing student base.

RESULTS

The surplus for the year amounted to £50,850 (2009 - deficit £89,141).

PRESIDENT

The President who served during the year was Elizabeth Simos.

UNIVERSITY OF SURREY STUDENTS UNION

**OPERATING AND FINANCIAL REVIEW
for the year ended 31 July 2010**

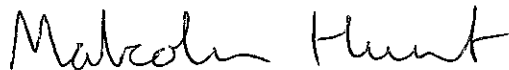
PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' Operating and financial review is approved has confirmed that:

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

This report was approved by the board on 9/12/10

and signed on its behalf by:



**Malcolm Hunt
Union President**

UNIVERSITY OF SURREY STUDENTS UNION

SABBATICAL OFFICERS RESPONSIBILITIES for the year ended 31 July 2010

Charity law requires the Sabbatical Officers to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Union and of the surplus or deficit for that year.

In preparing the financial statements the Sabbatical Officers are required to select suitable accounting policies, as described on page 9, and then apply them on a consistent basis, making judgments and estimates that are prudent and reasonable. The Sabbatical Officers must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Union will continue to operate.

The Sabbatical Officers are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Union. They are also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Risk Management

The Sabbatical Officers have introduced a formal risk management process to assess business risks and implement risk management strategies. This has involved identifying the types of risks the Union faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the Sabbatical Officers have reviewed the adequacy of the Union's current internal controls and the costs of operating particular controls relative to the benefits obtained. Procedures have been established for reporting failings immediately to appropriate levels of management and to the Sabbatical Officers.

The Trustees are responsible for preparing the annual 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. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

UNIVERSITY OF SURREY STUDENTS UNION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF UNIVERSITY OF SURREY STUDENTS UNION

We have audited the financial statements of University of Surrey Students Union for the year ended 31 July 2010 which comprise the Income and Expenditure accounts, the Balance Sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein..

This report is made solely to the Union's members as a body. Our audit work has been undertaken so that we might state to the Union'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 Union and the Union's members as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The trustees' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the information given in the Trustees' Annual Report is not consistent with those financial statements, if the charity has not kept sufficient accounting records, or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments made by the Trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the 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 as to whether the financial statements are free from material misstatement, 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.

UNIVERSITY OF SURREY STUDENTS UNION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF UNIVERSITY OF SURREY STUDENTS UNION

UNQUALIFIED OPINION

In our opinion the :

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charity as at 31 July 2010, and of its incoming resources and application of resources, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Charities Act 1993.

Crowe Clark Whitehill

CROWE CLARK WHITEHILL LLP

Statutory Auditors and Chartered Accountants
Reading

13 December 2010

UNIVERSITY OF SURREY STUDENTS UNION

INCOME & EXPENDITURE ACCOUNT

for the year ended 31 July 2010

	Note	2010 £	2009 £
INCOME			
Subvention	2.	944,163	944,960
Net Trading Income	3.	352,586	268,802
Other Income	4.	147,582	131,270
Fresher's Fayre	5.	1,296	(21,121)
Graduation Ball	6.	10,073	(287)
		<hr/>	<hr/>
		1,455,700	1,323,624
ADMINISTRATION EXPENSES			
Clubs and Societies	7.	153,943	129,708
Union Amenities and Trading Support Costs	8.	141,902	195,768
Student Activities	9.	197,053	196,348
Central Administration	10.	841,334	821,100
Minibuses	11.	60,618	51,235
		<hr/>	<hr/>
		1,394,850	1,394,159
SURPLUS / (DEFICIT) FOR THE YEAR BEFORE EXCEPTIONAL ITEMS		<hr/> 60,850	<hr/> (70,535)
TRANSFERS			
Exceptional items	12.	(10,000)	(18,606)
SURPLUS/(DEFICIT) FOR THE YEAR TO INCOME AND EXPENDITURE ACCOUNT		<hr/> 50,850 <hr/> <hr/>	<hr/> (89,141) <hr/> <hr/>

The notes on pages 9 to 23 form part of these financial statements.

UNIVERSITY OF SURREY STUDENTS UNION

**BALANCE SHEET
as at 31 July 2010**

	Note	2010		2009	
		£	£	£	£
FIXED ASSETS					
Tangible assets	14.		830,082		687,325
Fixed asset investments	15.		1,860		1,860
			<u>831,942</u>		<u>689,185</u>
CURRENT ASSETS					
Stocks	16.	39,871		32,130	
Debtors	17.	155,277		199,547	
Cash at bank and in hand		608,814		624,385	
		<u>803,962</u>		<u>856,062</u>	
CREDITORS: amounts falling due within one year	18.		<u>(511,012)</u>		<u>(456,178)</u>
NET CURRENT ASSETS			<u>292,950</u>		<u>399,884</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,124,892</u>		<u>1,089,069</u>
CREDITORS: amounts falling due after more than one year	19.		<u>(131,671)</u>		<u>(197,530)</u>
NET ASSETS			<u><u>993,221</u></u>		<u><u>891,539</u></u>
CHARITY FUNDS					
Restricted funds ✓			147,789		96,957
Income and Expenditure account	23.		845,432		794,582
TOTAL FUNDS			<u><u>993,221</u></u>		<u><u>891,539</u></u>

The financial statements were approved by the Trustees on 9/12/10 and signed on their behalf, by:

Malcolm Hunt

Malcolm Hunt
President and Chair

Georgina Hancock

Georgina Hancock
VP Welfare

Bob Anderson

Bob Anderson
Director of Students' Union

The notes on pages 9 to 23 form part of these financial statements.

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2010

1. ACCOUNTING POLICIES

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention.

1.2 Fund Accounting

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

1.3 Cash flow statement

The Sabbatical Officers have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements.

1.4 Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Building works	-	10%	per annum straight line
Equipment	-	20%	per annum straight line
Sub Aqua Equipment	-	10-20%	per annum straight line
Motor Vehicles	-	25%	per annum straight line
Computer Equipment	-	33%	per annum straight line

1.5 Investments

Investments are stated at cost less any provision for diminution in value

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.7 Pensions

The Union participates in the Universities Superannuation Scheme and the Surrey County Council Local Government Pension Scheme. Both are defined benefit schemes and contracted out of the State Second Pension (S2P), with assets held in separate trustee administered funds.

It is not possible to identify the Union's share of the underlying assets and liabilities of either scheme and hence contributions are accounted for as if they were defined contribution schemes. The cost recognised within the surplus/deficit for the year in the income and expenditure account is therefore equal to the contributions payable to the schemes for the year.

1.8 Accounting by charities - Statement of Recommended Practice (SORP)

As a result of its exempt charitable status the Union is not required to adopt the SORP in the presentation of the Financial Statements. However, in accordance with the establishment of best practice, where appropriate the Union will make disclosures in accordance with the broader principles of the SORP.

UNIVERSITY OF SURREY STUDENTS UNION

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010**

1. ACCOUNTING POLICIES (continued)

1.9 Taxation

No provision is made in these accounts for corporation tax as the Union is exempt from such taxes as a result of having derived its charitable status from its parent governing body, University of Surrey.

2. SUBVENTION

	2010 £	2009 £
Rent Contribution	113,953	103,500
Block Grant	830,210	841,460
	<u>944,163</u>	<u>944,960</u>

3. NET TRADING INCOME

	2010 Turnover £	2010 Surplus/ (deficit) £	2009 Turnover £	2009 Surplus/ (deficit) £
Retail operations	2,496,324	420,785	2,037,827	317,581
Other trading activities	62,350	(68,199)	83,997	(48,779)
	<u>2,558,674</u>	<u>352,586</u>	<u>2,121,824</u>	<u>268,802</u>

4. OTHER INCOME

	2010 £	2009 £
Bank interest receivable	5,275	7,934
Graduation commission	36,905	34,357
Life Membership	-	324
Profit on disposal of assets	-	469
Rent reimbursement	-	10,456
Rental income	53,573	50,958
Sundry income	18,830	-
Gift aid from subsidiary company	30,450	26,772
Donations	2,549	-
	<u>147,582</u>	<u>131,270</u>

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010

5. FRESHER'S FAYRE

	2010 £	2009 £
Fresher's Fayre income	43,978	25,530
Fresher's Fayre direct costs	(42,682)	(46,651)
Total	<u>1,296</u>	<u>(21,121)</u>

6. GRADUATION BALL

	2010 £	2009 £
Graduation ball income	48,401	63,972
Graduation ball direct costs	(38,328)	(64,259)
Total	<u>10,073</u>	<u>(287)</u>

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010

7. CLUBS AND SOCIETIES

	2010 £	2009 £
Afro Caribbean	-	1,021
Anime Club	-	20
Arabic	18	40
Ballroom dancing	-	300
Bio Soc	-	24
ACS	1,040	-
Cheerleading	-	500
Chemical engineering	250	230
Chinese	-	6
Chinese New Year	1,340	2,661
Chosen	15	-
Christian Union	382	-
Conservative	4	3
Cyprus	-	(160)
Fairtrade	38	-
Indian	452	38
Iranian	20	35
Islamic	259	1,000
Law	17	40
LGBT	1,606	482
Machine & Vehicle	-	3
Madsoc	293	25
Malaysian	175	177
Mechanical Engineering	-	40
PGA	744	1,000
Photographic	-	8
Physics	-	20
Poker	27	8
Politics	1	-
Presha	12	41
Psychology	-	20
Sci-Fi and Fantasy	-	30
St John's	575	-
Stage Crew	921	1,028
MAD TV	460	-
Investment and trading	12	-
Gospel	3	-
Turkish	11	-
UNICEF	27	-
Engineers without borders	4	-
Ahlul Bayt	19	-
Chemistry	-	16
English Lit Soc	-	(288)
Entrepreneurs	7	10
Hellenic	-	(170)
Kaboom	-	51
Pakistan	2	13
Nepalese	(20)	-
Portuguese	18	11
Student film makers network	3	-
Tourism & Events	-	20
Video Gaming	-	15
Creative Writing	19	-
People and planet	29	-
Labour Student's society	40	-
CSSA	4	6

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010

Film Front row	1	49	
Anti Capitalist	21	-	
Egyptian	20	-	
	<hr/>	<hr/>	
		8,869	8,373
		<hr/>	<hr/>
CARRIED FORWARD		8,869	8,373

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010

CLUBS AND SOCIETIES (continued)

	2010 £	2009 £
BROUGHT FORWARD	8,869	8,373
Sporting Societies		
American Football	7,146	3,082
Archery	730	850
Badminton	1,117	430
Basketball	4,063	410
Boat	-	4,614
Canoe	3,603	1,805
Cricket	631	253
Equestrian	6,203	1,500
Fencing	1,140	140
Football - Men	5,561	1,296
Football - Women	1,369	607
Gliding	5,022	3,840
Golf	300	1,886
Hockey	2,147	1,031
Jiu Jitsu	1,980	300
Mountain Walking	-	130
Mountaineering	2,576	737
Netball	290	923
Rugby - Men	2,518	1,723
Sailing	4,714	1,851
Ski	4,723	1,440
Squash	-	22
Sub aqua	3,634	1,724
Surf	450	478
Tae Kwon Do	3,347	238
Tennis	50	45
Trampoline and Gym	890	40
Ultimate Frisbee	1,010	840
Waterpolo	101	530
Running	50	-
Rugby - Women	-	879
Rowing	9,194	-
Ballroom	4,936	-
Cheerleading	3,060	-
RAG	2,449	-
Cycling	20	-
Mature students	138	-
	<hr/>	<hr/>
	85,162	33,644
CARRIED FORWARD	94,031	42,017

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010

CLUBS AND SOCIETIES (continued)

	2010 £	2009 £
BROUGHT FORWARD	94,031	42,017
BUSA/SESSA	30,012	30,674
Colours ball	4,567	4,992
Coaching	-	30,341
Sports equipment depreciation	15,507	11,807
Membership BAM	-	9,877
Society start up	231	-
Grants	9,595	-
	<hr/> 59,912	<hr/> 87,691
	<hr/> 153,943 <hr/>	<hr/> 129,708 <hr/>

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010

8. UNION AMENITIES AND TRADING SUPPORT COSTS

	2010 £	2009 £
Building, Maintenance and Security		
Cleaning	-	279
Cleaning and consumables	4,532	4,092
Depreciation	-	13,965
Equipment purchases	-	113
Equipment rental	-	3,865
Heat and light	-	42,017
Licences	-	7,359
Occupancy	85,100	85,100
Repairs and maintenance	-	1,792
Sundry	42	152
Wages & Salaries	-	11,805
	89,674	170,539
IT Support		
Depreciation	12,003	10,987
Equipment purchases	1,223	-
Maintenance	71	-
Software	3,874	6,972
Consultancy	5,380	-
Consumables	556	-
	23,107	17,959
Personnel		
Conferences	-	929
Recruitment costs	800	37
Staff expenses	3,430	-
Training courses	-	6,304
Wages and salaries	24,891	-
	29,121	7,270
	141,902	195,768

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010

9. STUDENT ACTIVITIES

	2010 £	2009 £
Internal Representation		
Elections	6,311	-
Sabbatical salaries	104,236	101,147
Sabbatical expenses	10,644	4,125
Volunteering	2,117	962
Training	1,719	-
Academic Representation	1,625	-
Campaigns	359	-
Democracy	214	-
Sabbatical miscellaneous	6,572	-
Special events	7,811	-
	<hr/>	<hr/>
	141,608	106,234
Student Initiatives		
Awards night	2,950	2,042
Barefacts/5HX - Expenditure	10,980	11,305
Barefacts/5HX - Income	(1,470)	(450)
GU2 - Expenditure	4,587	5,009
GU2 - Income	(5,000)	(6,811)
International week - expenditure	1,615	2,156
RAWU	-	19,050
Outdoor learning centre	-	842
Evolution	-	2,397
Grant Committee	-	11,660
Guild of Societies	150	3,499
Societies competition	-	901
Give it a go	1,493	-
Varsity	505	-
	<hr/>	<hr/>
	15,810	51,600
Subscriptions and Affiliations		
NUS	39,635	38,514
	<hr/>	<hr/>
	197,053	196,348
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UNIVERSITY OF SURREY STUDENTS UNION

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010**

10. CENTRAL ADMINISTRATION

	2010 £	2009 £	
Equipment			
Miscellaneous	13,093	14,006	
Computer software	69	40	
Repairs and maintenance	72	1,077	
	<hr/>	<hr/>	
	13,234		15,123
Operating expenses			
Postage	4,390	158	
Printing and stationery	5,091	6,531	
Telephone and fax	15,343	7,452	
Rental expenses	8,498	-	
	<hr/>	<hr/>	
	33,322		14,141
Finance			
Audit fees	12,000	5,918	
Bank charges	7,328	5,743	
Depreciation	14,782	15,858	
Equipment purchases	984	375	
Insurance	44,997	37,373	
Irrecoverable VAT	75,673	39,238	
Consultancy fees	3,449	11,862	
Legal & professional	16,250	5,665	
Security collection services	4,643	4,108	
Subscriptions	8,247	2,741	
e-Bay fees	145	70	
Bad debt provision	38,998	8,300	
	<hr/>	<hr/>	
	227,496		137,251
Staffing			
Staff allowances	2,814	18,532	
Staff training	14,505	-	
Travel and entertaining	9,042	14,286	
Wages and salaries	540,921	621,767	
	<hr/>	<hr/>	
	567,282		654,585
	<hr/>	<hr/>	
	841,334		821,100
	<hr/> <hr/>		<hr/> <hr/>

UNIVERSITY OF SURREY STUDENTS UNION

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010**

11. MINIBUSES

	2010 £	2009 £
Depreciation	4,500	8,786
Hire income	(25,454)	(18,208)
Insurance	16,182	16,486
Licences	1,040	833
Petrol & Oil	20,001	14,176
Repairs & maintenance - hired vehicles	10,279	12,248
Repairs & maintenance - owned vehicles	2,350	622
Vehicle leasing	20,280	16,292
Wages and salaries	8,241	-
Miscellaneous	2,199	-
Printing	1,000	-
	<u>60,618</u>	<u>51,235</u>

12. EXCEPTIONAL ITEMS

	2010 £	2009 £
Redundancy costs	<u>10,000</u>	<u>18,606</u>

13. STAFF COSTS

	2010 £	2009 £
Wages and salaries	1,240,898	1,175,374
National insurance	78,677	76,226
Pension costs	104,962	83,727
	<u>1,424,537</u>	<u>1,335,327</u>

Trustee salaries were £111,918 (2009: £101,147), and reimbursed expenses to Trustees were £15,666 (2009: £4,125).

UNIVERSITY OF SURREY STUDENTS UNION

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010**

14. TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Plant and machinery £	Motor vehicles £	Other fixed assets £	Total £
COST					
At 1 August 2009	1,139,799	853,657	291,944	71,392	2,356,792
Additions	313,899	11,129	12,220	1,220	338,468
At 31 July 2010	<u>1,453,698</u>	<u>864,786</u>	<u>304,164</u>	<u>72,612</u>	<u>2,695,260</u>
DEPRECIATION					
At 1 August 2009	606,300	750,633	271,508	41,026	1,669,467
Depreciation Charge	106,659	62,439	19,271	7,342	195,711
At 31 July 2010	<u>712,959</u>	<u>813,072</u>	<u>290,779</u>	<u>48,368</u>	<u>1,865,178</u>
NET BOOK VALUE					
At 31 July 2010	<u>740,739</u>	<u>51,714</u>	<u>13,385</u>	<u>24,244</u>	<u>830,082</u>
At 31 July 2009	<u>533,499</u>	<u>103,024</u>	<u>20,436</u>	<u>30,366</u>	<u>687,325</u>

15. INVESTMENTS

	£
COST:	
At 1 August 2009 and 31 July 2010	<u>1,860</u>
NET BOOK VALUE:	
At 31 July 2009	<u>1,860</u>
At 31 July 2010	<u>1,860</u>

At 31 July 2010 the Union held investments in the following companies which are incorporated in the United Kingdom.

Name of Company	Main Trading Activity	Equity Held
NUS Services Limited	Purchasing Services	
A Shares		0.33%
B Shares		1.23%
Origin Events Limited	Hire of stage sound system	100.00%

16. STOCKS

	2010 £	2009 £
Total stocks	<u>39,871</u>	<u>32,130</u>

UNIVERSITY OF SURREY STUDENTS UNION

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010**

17. DEBTORS

	2010 £	2009 £
Trade debtors	84,308	73,563
Amounts owed by group undertakings	30,450	26,772
Other debtors	10,600	27,356
Prepayments and accrued income	29,919	71,856
	<u>155,277</u>	<u>199,547</u>

**18. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2010 £	2009 £
Bank loans and overdrafts	60,048	60,000
Trade creditors	301,588	344,917
Social security and other taxes	34,491	-
Other creditors	39,614	26,131
Accruals and deferred income	75,271	25,130
	<u>511,012</u>	<u>456,178</u>

**19. CREDITORS:
AMOUNTS FALLING DUE AFTER ONE YEAR**

	2010 £	2009 £
Bank loans	<u>131,671</u>	<u>197,530</u>

The loans were a total of £300,000 taken out for 5 years in October and December 2008. There are currently no securities on the loan. The loans bear interest at a rate of 1.25% plus base.

20. RELATED PARTY TRANSACTIONS

The Union is an exempt charity for the purposes of the Charities Act 1993 deriving charitable status from its governing parent body, the University of Surrey. The Union is in receipt of a recurrent grant from the parent body of £830,210 (2009 - £841,460).

In addition the Union occupies its building on a rent free basis under an informal license subject to the union maintaining the building in a good state of repair.

The Trustees of the Union are the members of the executive committee. The sabbatical members of the executive committee receive remuneration for their services as provided for within the Constitution. The aggregate amount payable under such contracts in the year was £111,918 (2009: £101,147).

Origin Events Limited is considered to be a related party of the Union as it is a wholly owned subsidiary. The company made a payment under gift aid to the Union of £30,450 (2009: £26,772) resulting in a balance due from the company at the year end of £30,450 (2009: £26,772).

UNIVERSITY OF SURREY STUDENTS UNION

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010**

21. AFFILIATIONS

	2010 £	2009 £
NUS	39,635	38,514
PGA	746	1,000
Total	<u>40,381</u>	<u>39,514</u>

22. RESTRICTED FUND

	2010 £
At 1 August 2009	96,957
Capital grant from University of Surrey	50,832
At 31 July 2010	<u>147,789</u>

23. INCOME AND EXPENDITURE ACCOUNT

	2010 £
At 1 August 2009	794,582
Surplus for the period	50,850
At 31 July 2010	<u>845,432</u>

24. PENSIONS

University Superannuation scheme (USS)

The USS is valued every three years by professionally qualified independent actuaries using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuaries. In the intervening years, the actuary reviews the progress of the scheme. The contribution rate payable by the employer for 2009/10 was 14% of pensionable salaries (2008/09: 14%).

The latest actuarial valuation of the scheme was at 31 March 2008. The assumptions which have the most significant effect on the result of the valuation are as follows:

	31 March 2008
Investment return (past service liabilities)	6.4%
Investment return (future service liabilities)	6.1%
Salary increase	4.3%
Pension increases	3.2%
Market value of investments (whole fund)	£28,842.6m
Assumed life expectations on retirement at age 65	
Males (females) currently aged 65	22.8 (24.8) years
Males (females) currently aged 45	24.0 (25.9) years

At the valuation date, the assets were sufficient to cover 103% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The institution contribution rate required for future service benefits alone at the date of the valuation

UNIVERSITY OF SURREY STUDENTS UNION

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2010**

24. PENSIONS (continued)

was 16% of pensionable salaries and the trustee company, on the advice of the actuary, increased the contribution rate from 14% to 16% of pensionable salaries from 1 October 2009. Surpluses or deficits which arise at future valuations may impact on the future contribution commitment. The next formal actuarial valuation is due as at 31 March 2011. The contribution rate will be reviewed as part of each valuation and may be reviewed more frequently.

The total pension cost for the Union was £61,046 (2009: £39,586). This includes £Nil (2009: £Nil) outstanding contributions at the balance sheet date.

Surrey County Council Pension Scheme

The Surrey County Council Pension Scheme is valued every three years by professionally qualified independent actuaries using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuaries. In the intervening years, the actuary reviews the progress of the scheme. The contribution rate payable by the employer for 2009/10 was 19.3% of pensionable salaries (2008/09: 19.3%).

The latest actuarial valuation of the scheme was at 31 March 2007. The assumptions which have the most significant effect on the result of the valuation are as follows:

	31 March 2007
Salary increase	4.7%
Pension increases	3.2%
Market value of investments (whole fund)	£1,753.6m
Assumed life expectations on retirement at age 65	
Males (females) currently aged 65	21.5 (24.4) years
Males (females) currently aged 45	22.6 (25.5) years

At the valuation date, the assets were sufficient to cover 79% of the benefits which had accrued to members after allowing for expected future increases in earnings.

Surpluses or deficits which arise at future valuations may impact on the future contribution commitment. The next formal actuarial valuation is due as at 31 March 2010. The contribution rate will be reviewed as part of each valuation and may be reviewed more frequently.

The total pension cost for the Union was £50,601 (2009: £65,376). This includes £Nil (2009: £Nil) outstanding contributions at the balance sheet date.

25. OPERATING LEASE COMMITMENTS

At 31 July 2010 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2010	2009	2010	2009
	£	£	£	£
EXPIRY DATE:				
Within 1 year	-	-	4,755	-
Between 2 and 5 years	-	-	-	14,265
	<hr/>	<hr/>	<hr/>	<hr/>