

**UNIVERSITY OF SURREY STUDENTS UNION**

**TRUSTEES REPORT AND FINANCIAL STATEMENTS**

**for the year ended 31 July 2011**

# UNIVERSITY OF SURREY STUDENTS UNION

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## UNIVERSITY OF SURREY STUDENTS UNION

### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS for the year ended 31 July 2011

#### 2011/12 SABBATICAL OFFICERS

Osama Salih, President  
Jake Willis, VP Societies and Individual Development  
David Halls, VP Welfare  
Trung Nguyen-Le, VP Sport & Recreation  
Samuel Ratzer, VP Education

#### 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

#### Principal office

Union House  
Guildford  
Surrey  
GU2 5XH

#### Auditor

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 2011

The Trustees present their report and the financial statements for the year ended 31 July 2011.

### Report of the President

The Union has gone through a period of restructuring during 2011 in what has been a challenging year in both our membership services and commercial areas. The Union is now an incorporated body following our registration with the Charities Commission, this will instigate a different operating system, to this end we have appointed five external trustees along with the existing Sabb trustees, this will have a positive influence on our organisation with the external trustees bringing expertise and experience in a wide range of areas to further develop the Union.

The Union will post an annual deficit of (£8011). The part time staffing cost in our commercial area became untenable during the first half of the year, action was taken to reduce these costs at that point along with a mini restructure which saw the loss of one senior manager two junior members of staff and the non replacement of our student intern, such action and controlled the year end deficit and will have significant bearing on our 2012 cost.

It should be noted that subvention was reduced by £43.4k to a total of £900.8k however, the cost of running membership services was £978.8k a deficit of £78k, This deficit was supported by our commercial services which posted a surplus of £353k, 64% of these surpluses came from entertainment, emphasising the importance of this area. Technical services posted a deficit of £79k and this area is currently undergoing a full review. All other trading areas with the exception of the Living Room food posted a surplus in what was a difficult trading year. The Union introduced an updated web system (skynet) at a one off cost of £120k plus the additional cost of redundancy of £35k demonstrated that the Union continues to run a robust financial model.

Membership services as highlighted above was supported by trading in the sum of £78k as that they can continue to offer a high standard of Welfare and Education provision along with a very successful 'IFestival' including a number of high profile trips such as Disney Paris and Amsterdam. Clubs and Societies continue to offer a wide range of activities and our volunteering programme has gone from strength to strength. The course representative system is now fully operational on a far wider front and last year's V.P Education Stef Jones did an exceptional job in this area. Our sports clubs won the annual varsity games against Kingston University and we have now set up a joint venture with Surrey Sports Park (Team Surrey) to deliver higher standards in sport that are also more cost effective.

### The Year Ahead

The union having gone through a mini restructure and focusing more on our variable costs along with looking at our food offering and other costs can move into the 2012 financial year looking to achieve all our budgets. It is vital that we maximise our new web to make our communications even more relevant to students. Students in the coming years will continue to come under financial pressure on their entire budgets. It is vital that we maximise our new web to make our communications even more relevant and effective to students, Students in the coming years will continue to come under financial pressure and we as an organisation need to recognise this and rise to the challenge. Our new 5 year strategy will focus us on our core activity to enhance the student experience at Surrey. The world of higher education is changing and we need to make sure that we change in line with student expectation.

### RESULTS

The deficit for the year amounted to £8,011 (2010 – surplus £50,850)

### PRESIDENT

The President who served during the year was Malcolm Hunt

## **UNIVERSITY OF SURREY STUDENTS UNION**

### **OPERATING AND FINANCIAL REVIEW for the year ended 31 July 2011**

#### **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 23 January 2012 and signed on its behalf by:

**Osama Salih**  
**Union President**

## UNIVERSITY OF SURREY STUDENTS UNION

### SABBATICAL OFFICERS' RESPONSIBILITIES for the year ended 31 July 2011

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 2011 set out on pages 7 to 20. These have been prepared under the accounting policies set out therein.

This report is made solely to the Union's members as a body in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. 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 AUDITOR

The responsibilities of the Trustees 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 Sabbatical Officers' responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report to you 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.

**UNIVERSITY OF SURREY STUDENTS UNION**

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

**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 and Chartered Accountant  
Reading  
27 January 2012



**UNIVERSITY OF SURREY STUDENTS UNION**

**INCOME & EXPENDITURE ACCOUNT**

for the year ended 31 July 2011

	Note	2011 £	2010 £
<b>INCOME</b>			
Subvention	2.	900,783	944,163
Net Trading Income	3.	352,923	352,586
Other Income	4.	131,038	147,582
Fresher's Fayre	5.	-	1,296
Graduation Ball	6.	26,078	10,073
		<u>1,410,822</u>	<u>1,455,700</u>
<b>ADMINISTRATION EXPENSES</b>			
Membership salaries		508,814	-
Clubs and Societies		145,202	153,942
Union Amenities and Trading Support Costs	7.	-	141,902
Student Activities	8.	241,104	197,053
Central Administration	9.	422,554	841,334
Minibuses	10.	66,224	60,618
		<u>1,383,898</u>	<u>1,394,849</u>
<b>SURPLUS / (DEFICIT) FOR THE YEAR BEFORE EXCEPTIONAL ITEMS</b>		<u>26,924</u>	<u>60,851</u>
<b>TRANSFERS</b>			
Exceptional items	11.	(35,000)	(10,000)
<b>SURPLUS/(DEFICIT) FOR THE YEAR TO INCOME AND EXPENDITURE ACCOUNT</b>		<u>(8,076)</u>	<u>50,851</u>

The notes on pages 9 to 20 form part of these financial statements.

**UNIVERSITY OF SURREY STUDENTS UNION**

**BALANCE SHEET  
as at 31 July 2011**

	<b>Note</b>	<b>2011</b>	<b>2010</b>
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	13.	<b>902,023</b>	830,081
Fixed asset investments	14.	<u><b>1,860</b></u>	<u>1,860</u>
		<b>903,883</b>	831,941
<b>CURRENT ASSETS</b>			
Stocks	15.	<b>39,726</b>	39,872
Debtors	16.	<b>275,477</b>	155,278
Cash at bank and in hand		<u><b>430,984</b></u>	<u>610,244</u>
		<b>746,187</b>	805,394
<b>CREDITORS:</b> amounts falling due within one year	17.	<u><b>(625,350)</b></u>	<u>(512,441)</u>
<b>NET CURRENT ASSETS</b>		<u><b>120,837</b></u>	<u>292,953</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,024,720</b>	1,124,894
<b>CREDITORS:</b> amounts falling due after more than one year	18.	<u><b>(56,858)</b></u>	<u>(131,671)</u>
<b>NET ASSETS</b>		<u><u><b>967,862</b></u></u>	<u><u>993,223</u></u>
<b>CHARITY FUNDS</b>			
Restricted funds	21.	<b>130,504</b>	147,789
Income and Expenditure account	22.	<u><b>837,358</b></u>	<u>845,434</u>
<b>TOTAL FUNDS</b>		<u><u><b>967,862</b></u></u>	<u><u>993,223</u></u>

The financial statements were approved by the Trustees on 23 January 2012 and signed on their behalf, by:

Osama Salih  
President and Chair

David Halls  
VP Welfare

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 2011

### 1. ACCOUNTING POLICIES

#### 1.1 Basis of accounting

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

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Sabbatical Officers' Responsibilities.

#### 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
Web development	-	33%	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.

**UNIVERSITY OF SURREY STUDENTS UNION**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 July 2011**

**1. ACCOUNTING POLICIES (continued)**

**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.

**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**

	2011 £	2010 £
Rent Contribution	-	113,953
Block Grant	<b>900,783</b>	830,210
	<u><b>900,783</b></u>	<u>944,163</u>

**3. NET TRADING INCOME**

	2011 Turnover £	2011 Surplus/ (deficit) £	2010 Turnover £	2010 Surplus/ (deficit) £
Retail operations	<b>2,483,953</b>	<b>428,227</b>	2,496,324	420,785
Other trading activities	<b>87,372</b>	<b>(82,244)</b>	62,350	(68,199)
	<u><b>2,571,325</b></u>	<u><b>345,983</b></u>	<u>2,558,674</u>	<u>352,586</u>

**4. OTHER INCOME**

	2011 £	2010 £
Bank interest receivable	<b>8,014</b>	5,275
Graduation commission	<b>36,283</b>	36,905
Rental income	<b>44,025</b>	53,573
Sundry income	-	18,830
Gift aid from subsidiary company	<b>42,716</b>	30,450
Donations	-	2,549
	<u><b>131,038</b></u>	<u>147,582</u>

**UNIVERSITY OF SURREY STUDENTS UNION**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 July 2011**

**5. FRESHER'S FAYRE**

	2011 £	2010 £
Fresher's Fayre income	-	43,978
Fresher's Fayre direct costs	-	(42,682)
	<u>                    </u>	<u>                    </u>
Total	<u>                    -</u>	<u>                    1,296</u>

**6. GRADUATION BALL**

	2011 £	2010 £
Graduation ball income	50,520	48,401
Graduation ball direct costs	<u>(24,442)</u>	<u>(38,328)</u>
	<u>                    </u>	<u>                    </u>
Total	<u>                    26,078</u>	<u>                    10,073</u>

**7. UNION AMENITIES AND TRADING SUPPORT COSTS**

	2011 £	2010 £
<b>Building, Maintenance and Security</b>		
Cleaning and consumables	-	4,532
Occupancy	-	85,100
Sundry	-	40
	<u>                    </u>	<u>                    </u>
	-	89,672
<b>IT Support</b>		
Depreciation	-	12,003
Equipment purchases	-	1,223
Maintenance	-	71
Software	-	3,874
Consultancy	-	5,380
Consumables	-	558
	<u>                    </u>	<u>                    </u>
	-	23,109
<b>Personnel</b>		
Recruitment costs	-	800
Staff expenses	-	3,430
Wages and salaries	-	24,891
	<u>                    </u>	<u>                    </u>
	-	29,121
	<u>                    </u>	<u>                    </u>
	<u>                    -</u>	<u>                    141,902</u>

**UNIVERSITY OF SURREY STUDENTS UNION**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 July 2011**

**8. STUDENT ACTIVITIES**

	2011 £	2010 £
<b>Internal Representation</b>		
Elections	4,024	6,311
Sabbatical salaries	100,574	104,236
Sabbatical expenses	10,957	10,644
Volunteering	4,147	2,117
Training	1,584	1,719
Academic Representation	1,163	1,625
Campaigns	2,423	359
Democracy	366	214
Sabbatical miscellaneous	-	6,572
Special events	15,777	7,810
	<u>141,015</u>	<u>141,607</u>
<b>Student Initiatives</b>		
Awards night	591	2,950
Expenditure	-	10,980
5HX - Income	-	(1,469)
GU2 - Expenditure	-	4,587
GU2 - Income	-	(5,000)
International week - expenditure	1,430	1,615
Introductory week	26,416	-
Grant Committee	12,309	-
Guild of Societies	-	150
Give it a go	-	1,493
Varsity	2,424	505
	<u>43,170</u>	<u>15,811</u>
<b>Student Supporting Students</b>		
LGBT	75	-
Mature Students Society	357	-
<b>Student Run Services</b>		
Do more	86	-
RCS	3,085	-
Stage crew	926	-
Guz	2,357	-
Mad TV	485	-
The Stag	7,218	-
	<u>14,589</u>	
<b>Subscriptions and Affiliations</b>		
NUS	42,330	39,635
	<u>241,104</u>	<u>197,053</u>

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 July 2011

9. CENTRAL ADMINISTRATION

	2010 £	
<b>Equipment</b>		
General equipment	13,092	
Computer software	69	
Repairs and maintenance	72	
	<u>13,233</u>	13,233
<b>Operating expenses</b>		
Postage	4,390	
Printing and stationery	5,091	
Telephone and fax	15,343	
Rental expenses	8,498	
	<u>33,322</u>	33,322
<b>Finance</b>		
Audit fees	12,000	
Bank charges	7,328	
Depreciation	14,782	
Equipment purchases	984	
Insurance	44,997	
Irrecoverable VAT	75,673	
Consultancy fees	3,449	
Legal & professional	16,250	
Security collection services	4,643	
Subscriptions	8,247	
e-Bay fees	146	
Bad debt provision	38,998	
	<u>227,497</u>	227,497
<b>Staffing</b>		
Staff allowances	2,814	
Staff training	14,505	
Travel and entertaining	9,042	
Wages and salaries	540,921	
	<u>567,282</u>	567,282
	<u>841,334</u>	<u>841,334</u>

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 July 2011

9. CENTRAL ADMINISTRATION (continued)

	2011 £
Salaries Full Time Staff	95,101
Salaries Part Time Staff	201
Premises expenses	45,853
Telephones	8,808
Insurance Employers Liability	27,858
Travel	1,408
Entertainment (staff)	6,983
Photocopier	4,614
Printing	2,008
Postage	3,201
Computer software	6,187
Bank charges	6,587
Cash Adj	3,920
Licences	38
Staff training	2,645
Recruitment costs	27
Conferences	-
Irrecoverable VAT	130,106
Legal fees	5,896
Consultancy	24,628
Audit fees	12,015
Cash collection (Loomis)	3,588
Postage & carriage	1
Subscriptions	(508)
Operational supplies	2,590
Repairs	10
Sports/societies admin	1
Equipment purchased	-
Depreciation	23,004
Irrecoverable VAT	5,784
	<hr/>
	<b>422,554</b>



UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 July 2011

10. MINIBUSES

	2011 £	2010 £
Depreciation	12,000	4,500
Hire income	(21,927)	(25,454)
Insurance	19,099	16,182
Licences	1,249	1,040
Petrol & Oil	23,460	20,001
Repairs & maintenance - hired vehicles	12,332	10,279
Repairs & maintenance - owned vehicles	-	2,350
Vehicle leasing	9,613	20,280
Wages and salaries	7,875	8,241
Miscellaneous	2,523	2,199
Printing	-	1,000
	<u>66,224</u>	<u>60,618</u>

11. EXCEPTIONAL ITEMS

	2011 £	2010 £
Redundancy costs	<u>35,000</u>	<u>10,000</u>

12. STAFF COSTS

	2011 £	2010 £
Wages and salaries	1,262,716	1,240,898
National insurance	74,191	78,677
Pension costs	112,562	104,962
Total	<u>1,449,469</u>	<u>1,424,537</u>

Trustee salaries were £100,574 (2010: £111,918), and reimbursed expenses to Trustees were £10,958 (2010: £15,666).

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 July 2011

13. TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Equipment £	Computer Hardware £	Computer Software £	Motor Vehicles £	Total £
<b>COST</b>						
At 1 August 2010	1,453,698	864,786	72,612	-	304,163	2,695,259
Additions	99,692	14,687	31,991	109,823	6,370	262,562
Disposals	<u>(74,000)</u>	<u>(96,055)</u>	<u>(4,263)</u>	<u>-</u>	<u>(83,466)</u>	<u>(257,784)</u>
At 31 July 2011	<u>1,479,390</u>	<u>783,418</u>	<u>100,340</u>	<u>109,823</u>	<u>227,067</u>	<u>2,700,037</u>
<b>DEPRECIATION</b>						
At 1 August 2010	712,959	813,072	48,368	-	290,779	1,865,178
Charge for the year	64,031	37,647	55,489	10,982	10,100	178,250
On disposals	<u>(19,385)</u>	<u>(115,174)</u>	<u>(8,663)</u>	<u>-</u>	<u>(102,190)</u>	<u>(245,412)</u>
At 31 July 2011	<u>757,605</u>	<u>735,545</u>	<u>95,194</u>	<u>10,982</u>	<u>198,689</u>	<u>1,798,013</u>
At 31 July 2011	<u>721,785</u>	<u>47,873</u>	<u>5,146</u>	<u>98,841</u>	<u>28,378</u>	<u>902,023</u>
At 31 July 2010	<u>740,729</u>	<u>51,714</u>	<u>24,244</u>	<u>-</u>	<u>13,384</u>	<u>830,081</u>

14. INVESTMENTS

	£
<b>COST:</b>	
At 1 August 2010 and 31 July 2011	<u>1,860</u>
<b>NET BOOK VALUE:</b>	
At 31 July 2010	<u>1,860</u>
At 31 July 2011	<u>1,860</u>

At 31 July 2011 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	0.33%
A Shares		1.23%
B Shares		100.00%
Origin Events Limited	Hire of stage sound system	

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 July 2011

15. STOCKS

	2011 £	2010 £
Total stocks	<u>39,726</u>	<u>39,872</u>

16. DEBTORS

	2011 £	2010 £
Trade debtors	116,398	84,308
Amounts owed by group undertakings	42,716	30,450
Other debtors	3,408	10,600
Prepayments and accrued income	112,955	29,920
	<u>275,477</u>	<u>155,278</u>

17. CREDITORS:  
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Loans and overdrafts	173,087	63,104
Trade creditors	342,935	301,588
Social security and other taxes	22,396	34,491
Other creditors	59,312	37,987
Accruals and deferred income	27,620	75,271
	<u>625,350</u>	<u>512,441</u>

18. CREDITORS:  
AMOUNTS FALLING DUE AFTER ONE YEAR

	2011 £	2010 £
Loans	<u>56,858</u>	<u>131,671</u>

The loans were a total of £300,000 taken out for 5 years in October and December 2008. During the year the University of Surrey agreed with the bank to repay the loans, with the Union repaying the University under the original terms. The loans bear interest at a rate of 1.25% plus base.

## UNIVERSITY OF SURREY STUDENTS UNION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2011

#### 19. 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 £900,783 (2010 - £830,210).

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 £100,574 (2010: £111,918).

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 £42,716 (2010: £30,450) resulting in a balance due from the company at the year end of £42,716 (2010: £30,450).

#### 20. AFFILIATIONS

	2011 £	2010 £
NUS	42,330	39,635
PGA	-	746
Total	<u>42,330</u>	<u>40,381</u>

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 July 2011

21. RESTRICTED FUND

	2011 £
At 1 August 2010	147,789
Released during year	17,285
At 31 July 2011	<u><u>130,504</u></u>

22. INCOME AND EXPENDITURE ACCOUNT

	2011 £
At 1 August 2010	845,434
Deficit for the period	(8,076)
At 31 July 2011	<u><u>837,358</u></u>

UNIVERSITY OF SURREY STUDENTS UNION

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 July 2011

23. PENSIONS

At the end of the year the Union moved from a defined benefit to a defined contribution retirements benefit scheme. As part of the arrangement the University agreed to take over the future liability of the previous membership. The Union pays a contribution rate of 22% and 22.4% of pensionable salaries for employees in the defined contribution scheme, and the total pension cost for the year was £112,562 (2010:£104,962)

24. OPERATING LEASE COMMITMENTS

At 31 July 2011 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2011	2010	2011	2010
	£	£	£	£
<b>EXPIRY DATE:</b>				
Within 1 year	-	-	4,755	-
Between 2 and 5 years	-	-	-	14,265

## UNIVERSITY OF SURREY STUDENTS UNION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2011

The following pages do not form part of the audited financial statements which are the subject of the auditors' report on page 5.

Information is provided for the use of the executive committee and senior management team of University of Surrey Students Union.

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**UNIVERSITY OF SURREY STUDENTS UNION**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 July 2011**

**TRADING OUTLET**

	2011		2010	
	Turnover £	Surplus/ (deficit) £	Turnover £	Surplus/ (deficit) £
Rubix Union Bar	607,254	130,586	638,047	133,296
The Living Room	90,021	25,383	95,612	33,855
Chancellors	397,644	23,835	428,898	34,463
Chancellors Catering & Functions	344,605	15,054	412,593	9,268
Union Shop	201,436	17,029	161,037	(7,059)
Entertainments	468,307	226,492	430,570	215,785
Gaming	2,528	1,437	4,463	495
Beverage & Catering Support	-	-	-	(308)
Technical Administration	37,663	(79,836)	53,451	(51,093)
Bookshop	194,062	5,357	181,357	10,937
IT	-	-	-	(6,619)
The Living Room Catering & Functions	178,096	(10,006)	143,747	(9,947)
Marketing	49,709	(2,408)	8,899	(10,487)
Total	<u>2,571,325</u>	<u>352,923</u>	<u>2,558,674</u>	<u>352,586</u>

**SUMMARY OF FUNCTIONS**

	£	£	£	£
Bars	1,094,919	179,804	1,162,557	201,306
Catering	724,137	22,077	717,377	(7,738)
Entertainments	468,307	226,492	430,570	215,785
Gaming	2,528	1,437	4,463	495
Technical Administration	37,663	(79,836)	53,451	(51,093)
Bookshop	194,062	5,357	181,357	10,937
Marketing and IT	49,709	(2,408)	8,899	(17,106)
Total	<u>2,571,325</u>	<u>352,923</u>	<u>2,558,674</u>	<u>352,586</u>



**UNIVERSITY OF SURREY STUDENTS UNION**

**DETAILED TRADING ACCOUNTS - Rubix Union Bar  
for the year ended 31 July 2011**

	2011 £	2010 £
<b>TURNOVER</b>		
Sales	<b>607,254</b>	638,047
<b>COST OF SALES</b>		
Purchases	<b>(166,124)</b>	(189,401)
<b>GROSS SURPLUS</b>	<b>441,130</b>	448,646
 <b>OPERATING EXPENSES</b>		
Consumables	5,014	12,409
Depreciation	60,000	79,600
Equipment rental	-	164
Miscellaneous	1,592	1,283
Repairs and maintenance	2,133	1,133
Student staff	125,518	102,235
Security - DGL	75,924	85,936
Cleaning	3,150	4,779
Staff costs	14,893	11,534
Heat and light	19,000	13,387
Licences	-	490
Stocktaking	3,320	2,400
	<b>310,544</b>	315,350
<b>NET SURPLUS</b>	<b>130,586</b>	133,296

**UNIVERSITY OF SURREY STUDENTS UNION**

**DETAILED TRADING ACCOUNTS - The Living Room  
for the year ended 31 July 2011**

	2011 £	2010 £
<b>TURNOVER</b>		
Sales	90,021	95,612
<b>COST OF SALES</b>		
Purchases	(23,433)	(20,656)
<b>GROSS SURPLUS</b>	<u>66,588</u>	<u>74,956</u>
<b>OPERATING EXPENSES</b>		
Depreciation	17,496	18,039
Miscellaneous	-	(1,774)
Repairs and maintenance	566	428
Staff costs	1,206	1,678
Cleaning	-	1,407
Consumables	-	1,796
Salaries and wages	15,699	16,403
Heat and light	-	1,996
Printing	-	1,128
Cash adjustments	3,769	-
Bank charges	2,075	-
Licences	111	-
Operational supplies	283	-
	<u>41,204</u>	<u>41,101</u>
<b>NET SURPLUS</b>	<u><u>25,383</u></u>	<u><u>33,855</u></u>

UNIVERSITY OF SURREY STUDENTS UNION

DETAILED TRADING ACCOUNT – Chancellors  
for the year ended 31 July 2011

	2011 £	2010 £
<b>TURNOVER</b>		
Sales	397,644	428,898
<b>COST OF SALES</b>		
Purchases	(132,408)	(151,088)
<b>GROSS SURPLUS</b>	<u>265,236</u>	<u>277,810</u>
<b>OPERATING EXPENSES</b>		
Cleaning	3,786	789
Consumables	6,845	8,297
Depreciation	21,996	22,460
Equipment purchases	-	1,376
Equipment rental	9,342	2,505
Miscellaneous	15,939	-
Student wages	104,627	122,669
Cash Adjustments	60	(3,736)
Staff costs	50,107	72,532
Repairs	5,295	4,600
Heat and light	11,860	8,890
Licences / Sub	2,066	1,171
Printing	-	1,794
Cash adjustment	7,364	-
Bank charges	2,114	-
	<u>241,401</u>	<u>243,347</u>
<b>NET SURPLUS</b>	<u>23,835</u>	<u>34,463</u>

**UNIVERSITY OF SURREY STUDENTS UNION**

**DETAILED TRADING ACCOUNTS - Chancellors Catering & Functions  
for the year ended 31 July 2011**

	2011 £	2010 £
<b>TURNOVER</b>		
Sales	344,605	412,593
<b>COST OF SALES</b>		
Purchases	(128,313)	(174,433)
<b>GROSS SURPLUS</b>	<u>216,292</u>	<u>238,160</u>
<b>OPERATING EXPENSES</b>		
Laundry	6,665	6,136
Equipment leasing	4,999	5,164
Wages and salaries	160,431	186,158
Repairs and maintenance	5,588	5,184
Consumables	4,402	5,409
Equipment Purchases	-	1,074
Cleaning	8,097	10,853
Heat and light	11,056	8,616
Subscriptions	-	67
Cash adjustment	-	43
	<u>201,238</u>	<u>228,892</u>
<b>NET (DEFICIT)/SURPLUS</b>	<u>15,054</u>	<u>9,268</u>

**UNIVERSITY OF SURREY STUDENTS UNION**

**DETAILED TRADING ACCOUNTS - Union Shop  
for the year ended 31 July 2011**

	2011 £	2010 £
<b>TURNOVER</b>		
Sales	201,436	161,037
<b>COST OF SALES</b>		
Purchases	(133,367)	(122,590)
<b>GROSS SURPLUS</b>	<u>68,059</u>	<u>38,447</u>
 <b>OPERATING EXPENSES</b>		
Consumables	2,955	1,115
Equipment rental	43	135
Miscellaneous	762	769
Repairs and maintenance	575	298
Wages and salaries	42,871	38,828
Heat and light	3,824	3,342
Travel	-	102
Printing	-	917
	<u>51,030</u>	<u>45,506</u>
<b>NET SURPLUS</b>	<u>17,029</u>	<u>(7,059)</u>

**UNIVERSITY OF SURREY STUDENTS UNION**

**DETAILED TRADING ACCOUNTS - Entertainments  
for the year ended 31 July 2011**

	2011 £	2010 £
<b>TURNOVER</b>		
Sales	468,307	430,570
<b>COST OF SALES</b>		
Purchases	(178,947)	(167,244)
<b>GROSS SURPLUS</b>	<u>289,360</u>	<u>263,326</u>
 <b>OPERATING EXPENSES</b>		
Consumables	(14)	280
Miscellaneous	2,293	51
Equipment rental	852	614
Printing, postage and stationery	3,772	3,498
Wages and salaries	55,864	34,091
Staff expenses	101	148
Heat and light	-	8,785
Travel	-	74
	<u>62,868</u>	<u>47,541</u>
<b>NET SURPLUS</b>	<u>226,492</u>	<u>215,785</u>

UNIVERSITY OF SURREY STUDENTS UNION

DETAILED TRADING ACCOUNT - Gaming  
for the year ended 31 July 2011

	2011 £	2010 £
<b>TURNOVER</b>		
Sales	2,528	4,463
<b>COST OF SALES</b>		
Purchases	-	(3,968)
<b>GROSS SURPLUS</b>	<u>2,528</u>	<u>495</u>
<b>OPERATING EXPENSES</b>		
Licences	1,091	-
<b>NET SURPLUS</b>	<u><u>1,437</u></u>	<u><u>495</u></u>

UNIVERSITY OF SURREY STUDENTS UNION

DETAILED TRADING ACCOUNTS - Beverage & Catering Support  
for the year ended 31 July 2011

	2011 £	2010 £
<b>OPERATING EXPENSES</b>		
Consumables	-	152
Wages and salaries	-	156
	<u>-</u>	<u>308</u>
<b>NET (DEFICIT)</b>	<u>-</u>	<u>(308)</u>



**UNIVERSITY OF SURREY STUDENTS UNION**

**DETAILED TRADING ACCOUNTS - Technical Administration  
for the year ended 31 July 2011**

	2011 £	2010 £
<b>TURNOVER</b>		
Sales	37,663	53,451
<b>COST OF SALES</b>		
Purchases	(23,587)	(27,429)
<b>GROSS SURPLUS</b>	<u>14,076</u>	<u>26,022</u>
<b>OPERATING EXPENSES</b>		
Consumables	21,514	17,311
Depreciation	11,004	12,003
Equipment purchases	208	5,096
Equipment rental	12,865	2,099
Miscellaneous	120	682
Repairs and maintenance	2,445	8,797
Staff allowances	3,705	2,585
Travel	-	447
Wages and salaries	42,051	26,495
Staff training	-	1,600
	<u>93,912</u>	<u>77,114</u>
<b>NET (DEFICIT)</b>	<u>(79,836)</u>	<u>(51,093)</u>

UNIVERSITY OF SURREY STUDENTS UNION

DETAILED TRADING ACCOUNTS - Bookshop  
for the year ended 31 July 2011

	2011 £	2010 £
<b>TURNOVER</b>		
Sales	194,062	181,357
<b>COST OF SALES</b>		
Purchases	(121,563)	(113,068)
<b>GROSS SURPLUS</b>	<u>72,499</u>	<u>68,289</u>
<b>OPERATING EXPENSES</b>		
Miscellaneous	-	491
Wages and salaries	42,343	42,861
Rent	24,799	12,299
Printing	-	1,700
	<u>67,142</u>	<u>57,351</u>
<b>NET SURPLUS</b>	<u>5,357</u>	<u>10,938</u>

UNIVERSITY OF SURREY STUDENTS UNION

DETAILED TRADING ACCOUNT - IT  
for the year ended 31 July 2011

	2011 £	2010 £
<b>OPERATING EXPENSES</b>		
Wages and salaries	-	6,619
	<u>-</u>	<u>6,619</u>
	-	(6,619)
	<u>-</u>	<u>(6,619)</u>
<b>NET DEFICIT AFTER RECHARGES</b>	<u>-</u>	<u>(6,619)</u>

**UNIVERSITY OF SURREY STUDENTS UNION**

**DETAILED TRADING ACCOUNT - Living Room Catering & Functions  
for the year ended 31 July 2011**

	2011 £	2010 £
<b>TURNOVER</b>		
Sales	178,096	143,747
<b>COST OF SALES</b>		
Purchases	(55,720)	(46,027)
<b>GROSS SURPLUS</b>	<u>122,376</u>	<u>97,720</u>
 <b>ADMIN - DIRECTORS COSTS</b>		
Cleaning	775	559
Depreciation	17,496	18,039
Staff costs	455	538
Equipment Purchases	661	1,129
Consumables	-	446
Repairs and maintenance	4,692	1,922
Wages and salaries	102,814	81,914
Heat and light	4,504	2,984
Cash adjustment	985	136
	<u>132,382</u>	<u>107,667</u>
<b>OPERATING DEFICIT</b>	<u>(10,006)</u>	<u>(9,947)</u>

**UNIVERSITY OF SURREY STUDENTS UNION**

**DETAILED TRADING ACCOUNT – Marketing & Freshers  
for the year ended 31 July 2011**

	2011 £	2010 £
<b>TURNOVER</b>		
Sales	49,709	8,899
<b>COST OF SALES</b>		
Purchases	-	(2,028)
<b>GROSS SURPLUS</b>	<u>49,709</u>	<u>6,871</u>
<b>OPERATING EXPENSES</b>		
Wages and salaries	20,956	17,327
Printing	22,401	
Consumables	8,760	31
	<u>52,117</u>	<u>17,358</u>
<b>NET (DEFICIT)/SURPLUS</b>	<u>(2,408)</u>	<u>(10,487)</u>