

The Union of UEA Students
Annual Report and Accounts
for the year ended 31st July 2009



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Executive and Union Information

Address:	Union House, University of East Anglia, Norwich, Norfolk, NR4 7TJ
Charitable Status	The Union was founded in 1963 and derives its charitable status as an exempt educational charity from its affiliation with the University of East Anglia.
Charity Trustees	The members of the Union's Executive are considered as Trustees of the charity in accordance with the Charities Act 1993

Full-time (Sabbatical) Officers

	elected to hold office from	
	August 2008	August 2009
Academic Officer	David Sheppard	David Sheppard
Communications Officer	Rowena Boddington	Natasha Barnes
Finance Officer	Martin Jopp	Martin Jopp
Welfare Officer	Tom Sutton	Tom Sutton

Part-time (non-sabbatical) Officers

	elected to hold office from	
	May 2008	May 2009
Environment Officer	Natasha Barnes	Leejiah Dorwood
Equal Opportunities Officer	Akin Akinrinlade	Ugo Onyeka
Ethical Issues Officer	Danny Turner	Sarah Waterfield
International Officer	Dawn McGregor	Rubina Kalra
Publicity Officer	James Mylott	Andrew Taylor
Societies Officer	Paul Wells	Jack Kiffin
Sports Officer	Tom Hough	Anna Thomlinson

Organisational Management

General Manager	Andy Pott
Deputy General Manager	Bill Rhodes
Finance Manager	Lesley Hanner
Student Support Services Manager	Jo Spiro
Entertainments and Bars Manager	Nick Rayns
Retail Services Manager	Fran Poole

Group Structure

The Union has two wholly owned non-charitable subsidiaries, Students' Union Services (East Anglia) Limited, which carries out the trading activities of the Union and The Waterfront – Student Union Services Limited. Their trading results are consolidated in these financial statements.

Auditors	Larking Gowen, King Street House, 15 Upper King Street, Norwich NR3 1RB
Bankers	Nat West, 45 London Street, Norwich, NR2 1HX
Solicitors	Eversheds, Kett House, Station Road, Cambridge, CB1 2JY

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The Union of UEA Students presents its annual report for the year ended 31 July 2009 under the Charities Act 1993, together with the audited accounts for the year, and confirms that the latter comply with the requirements of the Act, the Union's Constitution and the Charities SORP 2005.

Structure, Governance and Management

The Union of UEA Students is governed by its Constitution dating from 1963 which was substantially revised in 1996 to incorporate the requirements of the 1994 Education Act and last amended in 2008.

The Trustees are elected by a cross campus ballot of ordinary members of the Union on an annual basis and receive comprehensive training from the National Union of Students and the Union's senior management team. The four full-time sabbatical posts are remunerated as authorised by the Education Acts and cannot exceed two years duration for each holder

Each trustee has specific responsibility for aspects of the Union's activities and is supported by permanent staff who are organised in five departments – Student Support Services, Entertainments and Bars, Retail Services, Management Services and Finance.

The Union of UEA Students operates on democratic principles. Union Council has the power to set the general policy and annual budgets of the Union, approve the accounts and elects students to serve on all University committees. Union Council's membership comprises the Union's Executive Committee, campaign convenors and equal opportunities campaign convenors, together with representatives of all Union clubs, societies and peer support groups and representatives of students in every school of study.

The Executive Committee operates as the trustee board as well as the centre of campaigning in the Union. The Executive (as trustees) can veto decisions of Union Council if they risk the finances or legal standing of the organisation, but Union Council can override the Executive's interpretation of Union policy and can ultimately remove members of the Executive from office.

Relationship with the University of East Anglia

The Union of UEA Students receives Grants from and occupies a building owned by the University of East Anglia. This non-monetary support is intrinsic to the relationship between the University and the Union. As recommended by the Charities SORP, which has been adopted for this and future financial years for due compliance with the new requirements for Students Unions provided for in the Charities Act 2006, an estimated value to the Union for this free accommodation has been included in the accounts for the first time, priced at £700,000. Although the Union continues to generate supplementary funding from various 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 Union's Executive is responsible for the management of the risks faced by the Union. Detailed considerations of risk are delegated to the heads of each department. Risks are identified, assessed and controls established throughout the year.

The key controls used by the charity include:

- Formal agendas for all Committee and Board activity;
- Detailed terms of reference for all Committees;

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- Strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels, and
- Vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the Union, the Union's Executive is satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Charitable Objects

The Union's objects, as set out in its Constitution are:-

- To represent and promote the interests of its members, as a whole, in all matters.
- To provide the recognised representative channel between the members and the University Authorities and between the members and any other body.
- To promote co-operation amongst members for educational, religious, social, cultural and athletic activities and such other purposes as are beneficial to the community.
- To operate commercial services through its subsidiary companies both meeting the needs of its members and making a substantial financial contribution towards meeting the costs of the above activities.
- To carry out the objects above in a manner that is without regard to ethnic origin, nationality, gender, sexual orientation, religion, creed, age, disability, or physical or mental health.
- To operate in a manner that is democratic, open and accountable and which does not discriminate against members whose place of study is not on the main campus (NR4).
- To use the best available technology, materials and processes to minimise its impact on the environment whilst not incurring excessive cost.

Activities to Further the Objects of the Union

The Union has successfully represented the collective interests of UEA students over the past 12 months in many ways.

In our campaign to get the University to change the venue in which the students graduate, we secured a review of where the University could hold the ceremonies. This review will particularly focus on the possibility of moving the graduation ceremonies to a marquee on the University grounds.

In our campaign to reduce the burden of debt on current and future students and to make higher education free, we secured the backing of 3 of the candidates in the high-profile Norwich North by-election. We met with the four major prospective parliamentary candidates in Norwich South and 5 sitting MPs across Norfolk; one of these MPs later told us that our meeting with him influenced him to vote in favour of retaining his party's free education policy. We also sent a newsletter to around 8,000 Norwich South residents, building the profile of the issue and gathering a list of supporters for use in later campaigns.

In our campaign to improve transport to and from the NR4 campus, we secured regular meetings with First buses to cement students' views on the price and quality of service at the centre of First's decision making process. We also made waves across the University community with a set of posters calling for changes to the inequitable University car parking policy.

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In our annual Executive Elections, more students voted than ever before – a total of 2,074. We had 165 students sitting on Union Council for our first meeting of the year and we trained 62 student representatives to represent their peers in their schools of study.

Through our Advice Centre, we offered support to 9,967 student enquiries over the year. To focus in on academic-related cases, our Advice Centre team dealt with 497 cases, 90 of which were academic appeals. Out of these appeals 43 were successful, demonstrating a significant impact on these students' lives.

Due to the new SocWeb online facility, the Union can now better measure student participation in the Union's clubs and societies. There were a total of 7,711 memberships of clubs and societies registered in the year, with students choosing from a range of 57 active sports clubs and 79 active societies. For many students clubs, societies and peer support groups are the main contact they have with the Union, and these groups are our primary tool for promoting co-operation and integration of our members. According to our inaugural Annual Survey 39% of UEA students were attracted to study here by our clubs, societies and peer support groups and, according to the Whatuni Student Choice Awards, our clubs and societies are the 4th best in the country.

Clubs, societies and peer support groups are given grants by the Union to assist them in improving students' lives. Grants are given according to rules laid out by the Finance Officer to ensure that every group has a fair and equitable allocation.

Our commercial services remain popular and the envy of the rest of the student movement. The financial performance of our shops, bars and entertainments programme is a testament to how valued they are by our members. Not only did our commercial services meet students' needs and contribute £325,000 to the total operating cost of the Union, but it also gave employment to 450 students in an era where most students need to undertake some part time work over their time here in order to continue their studies.

Future Plans

The Union of UEA Students will be seeking to achieve the following objectives in 2009/10:

Be universally acknowledged as the expert voice for UEA students:

- Enhance our participation in evidence-based representation through an annual review of the Student Written Submission [SWS] and the introduction of a new UEA Student Experience Report based on NSS results and other data.
- Secure funding for a new role of Policy and Membership Analyst to manage research activity and to ensure the Union remains fully up-to-date with policy developments across the sector.
- Increase the quantity and quality of student involvement in campaigns.
- Recognise the importance of strong well-funded campaigns through an increase in the campaigns budget
- Deliver tangible improvements for students in our priority campaigning areas of fees, transport, feedback and an environmentally sustainable University.
- Lobby for an improved UEA Student Charter that recognises the vital role of student representation at the University.

Let our membership know what their Union does and how they can change it:

- Improve involvement from groups identified as low participation by the 2009 Annual Survey.
- Increase strategic use of Facebook, Youtube, Twitter, podcasts and other new media.

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- Enhance visibility for Officers through methods like Going-Out-and-Talking and surgeries.
- Increase involvement of students through a dedicated “Get Involved in your Union” campaign.
- Celebrate our successes through a dedicated period.
- Lobby the University for a Union e-bulletin to be sent to all students.
- Develop and implement a new website to replace www.ueastudent.com. Investigate a secure system of online voting in elections and policy ballot that increases turnout.

Empower our activists and volunteers to make change in their communities:

- Enhance student networks like Green Wing, Societies and Sports Councils and School Reps Forum and support the development of new networks including for the Equal Opportunities Campaigns.
- Expand greatly and improve our training programmes and events for student representatives, campaigners and club and society activists. We will give students an opportunity to deliver training where we can.
- Enhance awareness and understanding in the local community of student issues through officer attendance at local meetings, expanded club and society community activities, press coverage and a new local newsletter – CommUnity.
- Dedicate efforts towards raising student turnout in the c.2010 general election.

Make our decisions and the services we provide responsive to the changing needs of our membership and accessible to them all:

- Consult with our members on how to Build a Better Union, conduct an Equality Impact Assessment on our current structures and receive widespread support for any changes and begin implementation of potential new structures.
- Improve the services we provide as a result of data gathered by the 2009 Annual Survey and other means and then repeat the Union Annual Survey to measure improvement.
- Empower ethical consumer choice through an expansion of the ethical labelling scheme.
- Develop an Entertainments User Group to ensure our events remain responsive to our members’ needs.
- Consult sports clubs members on proposals to introduce “Give it a Go” in September 2010. This would allow members to try out activities before paying to join.
- Develop training for Clubs and Societies to give Committee Members the skills to make their groups as accessible as possible.
- Diversify the body of representatives by investigating and piloting a system of expenses.

Be an exemplar low-carbon Union:

- Investigate the employment of a part-time member of staff dedicated to carbon reduction and obtain funds for such a post.
- Reduce carbon emissions by 10%.
- Improve rates of recycling within the organisation.
- Investigate fuel consumption training for minibus drivers.

Financial Review

The financial statements for the year ended 31 July 2009 have been prepared on a consolidated basis. The companies concerned are Students’ Union Services (East Anglia) Limited and Waterfront - Student Union Services Limited. These companies undertake activities, which for commercial reasons, are more appropriately channelled through limited companies rather than being undertaken directly by the Union.

The Union’s financial strategy is to:

- finance its current range of activities;

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- replace existing trading assets and items of non-trading equipment, as they fall due for renewal, from within its own resources;
- generate a sufficient surplus to finance the expenditure required to enable expansion and improvement of the existing facilities and services.

During 2008/2009 the Union achieved its financial strategy objectives thanks primarily to an increase in the profitability of the commercial services operated by its campus based subsidiary company. The Union managed to generate 62 % (2008:62%) of its total net income, received grants from the University of 14% (2008:14%) and occupied accommodation donated by the University valued at 24% (2008: 24%) of its total net income.

The Union's expenditure on its charitable activities – representation, student support services, the sports association and clubs and societies and communications - increased by 9% following the implementation of the Higher Education Role Analysis job evaluation scheme in 2008 and a 5% pay rise in October 2008 which was linked to the Retail Price Index as part of a national pay scheme agreed in 2007.

The net current assets of the group increased to £1.3 million and now represent 41% of the accumulated depreciation on the group's tangible fixed assets

The Union and its subsidiary companies operate a capital expenditure programme to replace their existing income generating assets and items of equipment for Union activities, as they fall due for renewal, and to improve and expand its existing facilities. The programme contains expenditure of £547,450 in the current year.

The Union becomes more dependent each year on its ability to generate its own income mainly through its trading companies. The future ability of the Union to maintain or expand its services to members will depend on their level of support for these trading companies.

Reserves policy

The Union aims to maintain unrestricted reserves which will ensure its long term sustainability, enable it to improve its facilities and continue to provide its services and activities during any short term decline in its income streams.

The designated reserve to ensure long term sustainability, through the replacement of its fixed assets as they fall due for renewal, is the Fixed Asset Replacement Fund which represents the accumulated depreciation on tangible assets. This reserve will fluctuate depending on the asset reinvestment cycle and currently stands at £3,228,869.

The reserve to fund improvements to the Union's facilities and to protect against any short term decline in income streams is the Accumulated Fund. This reserve will fluctuate in relation to any investment in new facilities but is targeted to be at least equal to half the annual university grant. The reserve currently stands at £718,213

Future Funding

The Executive Committee confirms that the Union has sufficient funds to meet all its obligations. The University Grants for 2009/10 have been confirmed at £461,215 and the commercial activities are expected to generate sufficient funds.

Executive Committee's Responsibilities

The Charities Act 1993 requires the Union Executive as the trustees of the charity to prepare accounts for each financial year which give a true and fair view of its financial activities during the year and of its financial position at the end of the year. In preparing the accounts the Union's Executive follow best practice, and:

- Select suitable policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;

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- Follow applicable accounting standards and the Charities SORP, disclosing and explaining any departures in the accounts, and
- Prepare the accounts on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The Union's Executive are responsible for keeping accounting records which are such as to disclose, with reasonable accuracy, the financial position of the Charity at any time, and to enable them as trustees to ensure that the accounts comply with charity law. The Union's Executive are also responsible for safeguarding the Charity's assets and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

M Jopp
Finance Officer

Dated

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Consolidated Statement of Financial Activities for the year

		2009	2008
	Note	Unrestricted Funds £'000	Restricted Funds £'000
		Total Funds £'000	Total Funds £'000
INCOMING RESOURCES			
<i>Voluntary Income</i>			
University grants		431	389
Donation of Accommodation	1	700	700
<i>Charitable activities for students</i>			
Membership Fees		89	81
Contributions from Club and Society Members			310
		310	315
<i>Activities to generate funds</i>			
Commercial trading operations	1,3	9,780	9,518
Interest received	4	46	84
Other operating income		43	41
Total Incoming resources		11,089	11,128
RESOURCES EXPENDED			
<i>Costs of generating funds</i>			
Commercial trading operations	1,3	9,496	9,393
<i>Charitable activities for students</i>			
Representation	5,6	341	307
Student Support Services		372	340
Sports Association, Clubs and Societies		372	345
Communications		63	60
Expenditure by Club and Society Members			312
		312	299
<i>Governance</i>	6	32	38
Total resources expended	7	10,676	10,782
NET INCOMING/(OUTGOING) RESOURCES			
		413	(2)
Fund balance brought forward		3,532	108
Transfer from GSA replacement fund		2	(2)
FUND BALANCES AT 31 JULY 2009		3,947	104
		4,051	3,640

The Statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities

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Union and Consolidated Balance Sheet as at 31 July 2009

	Note	Group 2009 £'000	Group 2008 £'000	Union 2009 £'000	Union 2008 £'000
FIXED ASSETS:					
Tangible assets	14	2,751	2,939	163	180
Investments	10	5	5	3,755	3,755
		<u>2,756</u>	<u>2,944</u>	<u>3,918</u>	<u>3,935</u>
CURRENT ASSETS					
Stocks	15	142	108	22	2
Debtors	16	243	253	546	355
Cash at bank and in hand		1,902	1,396	57	1
		<u>2,287</u>	<u>1,757</u>	<u>625</u>	<u>358</u>
CURRENT LIABILITIES					
Amounts falling due within one year	17	956	1017	397	598
NET CURRENT ASSETS/(LIABILITIES)		<u>1,331</u>	<u>740</u>	<u>228</u>	<u>(240)</u>
LIABILITIES FALLING DUE AFTER MORE THAN ONE YEAR					
UUEAS Pension deficit	18	(36)	(44)	(36)	(44)
TOTAL ASSETS LESS LIABILITIES		<u>4,051</u>	<u>3,640</u>	<u>4,110</u>	<u>3,651</u>
RESTRICTED FUNDS					
Club and Society Funds	19	77	79	77	79
GSA Asset Replacement Fund		27	29	-	-
UNRESTRICTED FUNDS					
Accumulated Funds		718	587	3,344	2913
Asset Replacement Fund		3,229	2,945	689	659
		<u>4,051</u>	<u>3,640</u>	<u>4,110</u>	<u>3,651</u>

Approved by the Executive on behalf of the Union of UEA Students on..... and signed on their behalf by

..... M Jopp, Finance Officer and
..... N Barnes, Communications Officer

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Consolidated Cash Flow Statement for the year

	Notes	2009 £'000	2008 £'000
Net Cash Flow from operating activities	1	582	544
Net Cash inflow to restricted funds		(2)	16
Returns on investments and servicing of finance	2	46	85
Capital Expenditure	2	(120)	(211)
		<hr/>	<hr/>
Increase in cash in the period		506	434
		<hr/> <hr/>	<hr/> <hr/>
Reconciliation of net cash flow to movement in net funds			
Increase in cash in the period	3	506	434
Net funds at 1 August 2008 (2007)		1,396	962
		<hr/>	<hr/>
Net Funds at 31 July 2009 (2008)		1,902	1,396
		<hr/> <hr/>	<hr/> <hr/>

Notes to the consolidated Cash Flow Statement

Note 1

Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

Total net incoming resources	411	346
Outgoing/(Incoming) Restricted Funds	2	(16)
Interest received	(46)	(85)
	<hr/>	<hr/>
Operating Surplus	367	245
Depreciation Charges	307	413
Increase in stocks	(34)	(6)
Decrease/(Increase) in debtors	10	(9)
(Decrease)/Increase in creditors	(61)	(92)
Decrease in long term liabilities	(7)	(7)
	<hr/>	<hr/>
Net cash inflow from operating activities	582	544
	<hr/> <hr/>	<hr/> <hr/>

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Notes to the consolidated Cash Flow Statement

Note 2

Analysis of cash flows for headings netted in the cash flow statement

Returns on investments and servicing of finance		
Interest received	46	85
	<u> </u>	<u> </u>
Capital Expenditure		
Purchase of tangible fixed assets	(120)	(211)
	<u> </u>	<u> </u>

Note 3

Analysis of changes in net funds

	1.8.08	Cash Flow	31.7.09
Net Cash	1,397	505	1,902
Overdraft	(1)	1	0
	<u> </u>	<u> </u>	<u> </u>
Total	1,396	506	1,902
	<u> </u>	<u> </u>	<u> </u>
Analysed in balance Sheet			
Cash at bank and In Hand	1,397		1,902
Overdraft	(1)		0
	<u> </u>		<u> </u>
	1,396		1,902
	<u> </u>		<u> </u>

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Notes to the Accounts

1 Accounting Policies

Accounting Convention

These accounts are prepared under the Charities Act 1993 on the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities: the Charities SORP 2005. The accounts consolidate those of the Union and its wholly owned non-charitable subsidiary trading companies: Students' Union Services (East Anglia) Ltd and The Waterfront - Student Union Services Ltd. In accordance with paragraph 397 of the Charities SORP 2005, no separate Statement of Financial Activities has been presented for the Union alone.

Recognition of Income

All income from Specific Donations, Grants, Contracts and Other Services Rendered is included in the SOFA on an accruals basis. All income from short-term deposits is credited to the Income and Expenditure Account on a receivable basis. In a change to the policy of previous years, the University grant of free accommodation on the campus is now accounted for as income and expenditure of the year at an estimated value to the Union by reference to the alternatives available on the commercial market. The comparative figures for last year have been adjusted accordingly. This adjustment has no impact on reserves

A further change to the accounting policy has occurred in relation to the recognition of income from the Post Office in the subsidiary company, Students' Union Services (East Anglia) Limited. In previous years all sales made over the Post Office counter have been recognised as both income and expenditure in the financial statements. A review of the relationship that exists has led the directors of the company to conclude that an agent relationship exists and therefore the income of the Post Office should be recorded as the salary earned on the transactions by the Sub Postmistress. The figures for the prior year have consequently been restated to reflect the change in accounting policy. The impact is to reduce the turnover and cost of sales by £3,050,404. This adjustment has no impact on reserves.

The equivalent Post Office sales in the period under review was £3,527,045

Resources Expended and Liabilities Incurred

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any irrecoverable VAT. Charitable expenditure comprises the direct and indirect costs of delivering public benefit. Governance costs are those incurred for compliance with constitutional and statutory requirements such as the annual audit, annual elections and training for sabbatical officers. Central overhead costs are apportioned to charitable and other activities pro rata to the full time staff equivalents in each department.

Pension Schemes

The Union participates in the Students' Union Superannuation Scheme (SUSS), 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 contributions 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 operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. Under the terms of FRS 17, in these circumstances contributions are accounted for as if the scheme were a defined contribution scheme based on actual contributions paid through the year.

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Notes to the Accounts

1. Accounting Policies (cont'd)

Pension Schemes (cont'd)

The Union also participates in the University of East Anglia Staff Superannuation Scheme (UEASSS). Benefits in respect of service accrue on a “final salary” basis. The most recent valuation of the scheme was carried out in May 2007, which also determined the additional contributions required to be made by employers to cover the deficit on past service. The proportion attributed to the Union of UEA Students was £59,520, payable in monthly instalments of £620 over the next 8 years, commencing in July 2007. A provision for the full amount of the deficit was made in the accounts for the previous year.

The Union has 1 employee who, although contracted to the Union of UEA Students, is paid through the University of East Anglia payroll and contributes to the national Universities Superannuation Scheme. It is not possible to identify each Institution’s share of the underlying assets and liabilities and hence contributions to the scheme are accounted for as if it were a defined contribution scheme. The costs recognised within the surplus for the year in the income and expenditure account for this member of staff include the total contributions paid to the scheme in the year.

Improvements to Buildings

Improvements to buildings are stated at cost.

Leasehold Property

Waterfront Student Union Services Limited occupies premises leased from Norwich City Council. A new five year lease has been negotiated and started on 1 August 2009.

Depreciation of Fixed Assets

Equipment, including computers and software, costing less than £100 per individual item is written off in the year of acquisition. All other equipment is capitalised. Capitalised equipment is stated at cost and depreciated over its expected useful life, as follows:

New Building	2% straight line
Property Improvements – SUS (EA) Ltd	5% straight line
Property Improvements – Waterfront SUS Ltd	20% straight line
Motor Vehicles	25% straight line
Fixtures, Fittings and Equipment	25% straight line

The cost of new building works represents an extension to the floor area of Union House, which is occupied under an agreement with the University of East Anglia. The rate of 2% for the depreciation of the new building work is deemed appropriate by the trustees, in accordance with the anticipated period of tenure being at least 50 years. Assets under the course of construction are not depreciated until the asset is in use.

Investments

Investments are included in the Balance Sheet at their cost.

Stocks and Work in Progress

The stocks are valued at the lower of cost and net realisable value.

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Notes to the Accounts

1. Accounting Policies (contd)

Maintenance of Premises & Equipment

The cost of routine corrective maintenance is charged to the income and expenditure account as it is incurred.

Taxation Status

No provision has been made in these accounts for corporation tax on the profits attributable to the Union, which is exempt from such taxes due to its charitable status.

Asset Replacement Fund

The fund represents the accumulated depreciation on tangible assets as at 31 July 2009 less the balance on the GSA Asset Replacement Fund (see below). Its purpose is to provide a fund from which the Union is able to replace its tangible fixed assets as they fall due for renewal.

Restricted Funds

The GSA Asset Replacement Fund represents the balance of the reserves transferred to Students' Union Services (East Anglia) Limited when the company took over the running of the Graduate Students Club bar. The fund is adjusted annually by the profit or loss that the bar makes and its aim is to provide a fund from which the assets in the bar can be replaced.

The Club and Society Funds balance is the total of the balances on the subscriptions accounts of each of the individual clubs, societies and peer support groups. The Union acts as "banker" for the clubs, societies and peer support groups, who are required to pay all their income into the Union's bank account and request withdrawals, duly authorised by the elected committee members, if they wish to spend the money. The Union acquires control of the funds if the club, society or peer support group ceases to have members. The trustees do not feel that this is a purely custodial arrangement and hence the income and expenditure are included in the Union's Statement of Financial Activities.

Fund Transfer Policy

A transfer is made to or from the Asset Replacement Fund from the accumulated funds of the group at each year end to maintain this reserve at the required level (see above).

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Notes to the Accounts

2. Financial performance of the Union

The consolidated statement of financial activities includes the results of the Union's wholly owned subsidiaries, Students' Union Services (East Anglia) Limited and Waterfront Student Union Services Limited.

The summary financial performance of the Union alone is:

	2009 £'000	2008 £'000
Incoming Resources		
University Grant	280	250
Grant for Repairs and Utilities	151	139
Donation of Accommodation	700	700
Membership Fees	89	81
Other operating income	44	41
Interest received	5	5
	<hr/>	<hr/>
	1,269	1,216
Contributions from Club and Society members	310	315
Rent & Service Charges from Subsidiary Companies	1,037	1,038
Covenanted income From Subsidiary Companies	372	324
	<hr/>	<hr/>
	2,988	2,893
Expenditure on charitable activities	1,148	1,052
Expenditure recharged to Subsidiary Companies	1,037	1,038
Club and Society Expenses	312	299
Governance	32	38
	<hr/>	<hr/>
Net Incoming resources	459	466
Total Funds Brought Forward	3,651	3,185
	<hr/>	<hr/>
Total Funds Carried Forward	4,110	3,651
	<hr/> <hr/>	<hr/> <hr/>
Represented by		
Restricted Funds	77	79
Unrestricted funds	4,033	3,572
	<hr/>	<hr/>
	4,110	3,651
	<hr/> <hr/>	<hr/> <hr/>

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Notes to the Accounts

3. Incoming resources from activities to generate funds

The wholly owned subsidiary companies Students' Union Services (East Anglia) Limited (SUS) and Waterfront Student Union Services Limited (WF) are incorporated in the United Kingdom and pay all of their taxable profits to the Union under a Deed of Covenant. The subsidiary companies operate the bars, shops, live entertainment, club nights and all commercial operations carried on by the Union. DHP Trustee Company owns the entire share capital of Students' Union Services (East Anglia) Limited and Waterfront Students Union Services Limited for the beneficial ownership of the Union of UEA Students. There are 3,750,000 and 4 shares of £1 respectively.

The summary financial performance of the subsidiary companies is:

	2009		2008	
	SUS £000	WF £000	SUS £000	WF £000
Turnover	8,523	1,257	8,275	1,243
Cost of Sales and Administrative Costs	(7,293)	(1,166)	(7,213)	(1,143)
Rent and Service Charges paid to the Union	(1,001)	(36)	(1,004)	(33)
Interest receivable	37	4	71	8
Profit for the year	266	59	129	75
Covenanted payments to the Union	311	62	249	75
Retained in subsidiary companies	(45)	(3)	(120)	-

The assets and liabilities of the companies were:

	2009		2008	
	SUS £000	WF £000	SUS £000	WF £000
Fixed Assets	2,564	24	2,723	36
Current Assets	1,960	290	1,713	331
Current Liabilities	(994)	(154)	(862)	(204)
	3,530	160	3,574	163
Aggregate share capital and reserves	3,530	160	3,574	163

4. Investment Income

All of the group's investment income arises from money held in interest bearing deposit accounts.

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Notes to the Accounts

5. Analysis of expenditure on charitable activities

	2009 £'000	2008 £'000
Representation		
Employment costs	114	84
Internal democracy	9	7
Conferences	3	5
NUS Affiliation	17	17
Campaigns	4	2
Central overhead costs	194	192
	<hr/>	<hr/>
	341	307
	<hr/>	<hr/>
Student Support Services		
Employment costs	173	138
Peer Support groups	1	2
Miscellaneous Expenses	4	8
Depreciation	3	4
Stationery & Telephone	5	4
Central overhead costs	186	184
	<hr/>	<hr/>
	372	340
	<hr/>	<hr/>
Sports Association, Clubs and Societies		
Employment costs	54	47
Annual Club Affiliations and facility hire	31	28
Sports Association expenses	135	129
Grants awarded to Individual clubs & societies	39	32
Union Awards ceremony	2	1
Vehicle fleet running costs	19	18
Depreciation	34	32
Central overhead costs	58	58
	<hr/>	<hr/>
	372	345
	<hr/>	<hr/>
Communications		
Employment costs	9	2
Union Handbook	8	10
Union Newsletter	5	9
Depreciation	1	1
Miscellaneous expenses	1	-
Central overhead costs	39	38
	<hr/>	<hr/>
	63	60
	<hr/>	<hr/>

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Notes to the Accounts

6. Central Overhead Costs

A fixed proportion of administration staff costs are allocated to the 2 subsidiary companies each month. A fixed proportion of premises staff and cleaning costs are allocated to Students Union Services Ltd each month. This company shares the premises with the Union. The balance of central support costs have been allocated on the basis of staff full time equivalents employed in the relative areas.

2009	%	Staff costs £'000	Premises £'000	Other costs £'000	Total £'000
Representation	38.8	69	98	27	194
Student Support Services	37.2	66	94	26	186
Sports Association, Clubs & Societies	11.6	21	29	8	58
Communications	7.7	14	20	5	39
Governance	4.7	8	12	3)	32
Audit, legal & professional				9)	
Recharged to subsidiary companies		430	607		1037
		<u>608</u>	<u>860</u>	<u>78</u>	<u>1,546</u>

2008	%	Staff costs £'000	Premises £'000	Other costs £'000	Total £'000
Representation	38.8	71	93	28	192
Student Support Services	37.2	68	89	27	184
Sports Association, Clubs & Societies	11.6	21	28	9	58
Communications	7.7	14	18	6	38
Governance	4.7	9	11	3)	38
Audit, legal & professional				15)	
Recharged to subsidiary companies		431	607		1038
		<u>614</u>	<u>846</u>	<u>88</u>	<u>1,548</u>

Other costs comprise the following	2009 £'000	2008 £'000
Printing, stationery & telephone	8	4
Repairs & renewals of office equipment	13	10
Insurance	16	15
Legal & professional fees	4	10
Audit Fee	5	5
Bank charges	4	4
Depreciation	19	25
Miscellaneous expenses	9	15
	<u>78</u>	<u>88</u>

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Notes to the Accounts

7. Total resources expended

The total resources expended includes the following expenses

	2009 £'000	2008 £'000
Depreciation	308	413
Auditors Remuneration	13	14

8. Analysis of Staff Costs

	2009 £'000	2008 £'000
Group		
Salaries and Wages	2,699	2,853
Social Security Costs	159	158
Pension Costs	196	160
Union		
Salaries and Wages	771	717
Social Security Costs	51	50
Pension Costs	81	66

The average number of employees in the year was 323 during the university term reducing to 133 during the vacations. Included in this number are 229 students (39 in vacations) who work a varying number of hours as required and according to availability.

The employees were deployed as follows

	Group		Union	
	Term	Vacation	Term	Vacation
Senior Managers	8	8	4	4
Administration	9	8	9	8
Student Support & Services	10	8	10	8
Cleaners	13	13	13	13
Sabbatical officers	4	4	4	4
Security Officers	38	18	2	2
Retail	195	57	0	0
Entertainments	42	13	0	0
Technical	3	3	0	0
IT Technician	1	1	1	1
	—	—	—	—
	323	133	43	40
	—	—	—	—

	2009 No.	2008 No.
--	-------------	-------------

The number of higher paid employees in the Union and the group was:

Taxable emoluments band £60,000 - £70,000	1	1
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This employee has retirement benefits accruing in a Defined Benefits Scheme for which the contributions amounted to

	£7,230	£5,944
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Notes to the Accounts

9. Trustees' Remuneration and Expenses

Each of the 4 sabbatical officers received £16,466 for the year for the representation, campaigning and support work they undertake, as authorised by the Union's Constitution. The total salary costs for the sabbatical officers was £65,865 (2008, £60,611). 11 members of the Executive Committee were reimbursed a total of £4,475 for the year in respect of personal travel and subsistence expenses.

10. Investments

The group holds shares in NUS Services Limited, a company that provides services to students' unions, which are included in the accounts at cost. The shares concerned are 60 'A' shares of £1 and 270 'B' shares of £20, representing 0.34% and 2.0% respectively. DHP Trustee Company owns the entire share capital of Students' Union Services (East Anglia) Limited and Waterfront Students Union Services Limited for the beneficial ownership of the Union of UEA Students. These are 3,750,000 and 4 shares of £1 respectively.

11. Guarantees

The Union's bankers provided bond guarantees and indemnity facilities of £27,500 (2008, £27,500) in relation to the subsidiary company's travel shop operation.

12 Control

The management of the Union is controlled by the Executive Committee (as described in Section 9.2 of the Constitution), which is subject to democratic election by the voting membership of the Union. The Executive Committee is accountable to the Union Council, which consists of representatives (as described in Section 6.2 of the Constitution) elected by the membership. The decisions of the Union Council can be overruled by a ballot of the members (as described in Section 8 of the Constitution). As such no single person or entity controls the Union as defined by Financial Reporting Standard 8.

13 Pensions

SUSS Pension

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. The Scheme is a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the Trustees on the advice of the Actuary. The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to 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 through the year.

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

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- 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 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 October 2008 to 31 July 2009 applicable to this Union for the majority of members is 6.25% of Earnings for members and 11.05% of Earnings for the Union (17.3% in aggregate) the exception being in respect of some members who retain a lower normal pension age, for whom the rates are 13% and 8.2% respectively of Pensionable Earnings (21.2% in aggregate).

Prior to 1 October 2008, the contribution rates were based on the results of the 2004 actuarial valuation; a rate of 15.7% of Earnings (with higher rates in certain circumstances) paying for future accrual, with additional monthly contributions expressed in monetary terms in respect of the deficit.

The contributions paid into the Scheme by the Union in respect of eligible employees for the year ended 31 July 2009 amounted to £161,252 (2008 - £128,821), including funding deficit contributions.

UEASSS Pension

The Union also participates in the University of East Anglia Staff Superannuation Scheme, (UEASSS). Benefits in respect of service accrue on a "final salary" basis.

The most recent triennial valuation of the scheme was completed in May 2007, which also determined the additional contributions required to be made by employers to cover the deficit on past service. The proportion attributed to the Union of UEA Students was £59,520, payable in monthly instalments of £620 over the next 8 years, commencing in July 2007. A provision for the full amount of the deficit was made in the accounts for the previous year,

The contribution rate for the year ended 31 July 2009 applicable to this Union for members was of 6.25% of Earnings for members and 18.6% of Earnings for the Union (24.85% in aggregate) (2008, 6.25% and 18.6%, 24.85% in aggregate)

The contributions paid into the scheme in respect of eligible employees for the year ended 31 July 2009 amounted to £34,765 (2008 - £31,485).

USS Pension

The Union has 1 employee who, although contracted to the Union of UEA Students, is paid through the University of East Anglia payroll and contributes to the national Universities Superannuation Scheme. It is not possible to identify each Institution's share of the underlying assets and liabilities and hence contributions to the scheme are accounted for as if it were a defined contribution scheme. The costs recognised within the surplus for the year in the income and expenditure account for this member of staff include the total contributions paid to the scheme in the year.

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**Notes to the Accounts
14. Tangible Fixed Assets**

Group	New Property £'000	Property Improvements £'000	Equipment £'000	Motor Vehicles £'000	Totals £'000
Cost					
At 1 August 2008	1,000	2,523	2,337	55	5,915
Additions	-	1	119	-	120
Disposals	-	-	(28)	-	(28)
At 31 July 2009	<u>1,000</u>	<u>2,524</u>	<u>2,428</u>	<u>55</u>	<u>6,007</u>
Depreciation					
At 1 August 2008	80	774	2,088	34	2,976
Charge for the Year	20	125	154	9	308
Eliminated on Disposals	-	-	(28)	-	(28)
At 31 July 2009	<u>100</u>	<u>899</u>	<u>2,214</u>	<u>43</u>	<u>3,256</u>
Net Book Value					
At 31 July 2009	<u>£900</u>	<u>£1,625</u>	<u>£214</u>	<u>£12</u>	<u>£2,751</u>
At 31 July 2008	<u><u>£920</u></u>	<u><u>£1,749</u></u>	<u><u>£249</u></u>	<u><u>£21</u></u>	<u><u>£2,939</u></u>
Union					
		Property Improvements £'000	Equipment £'000	Motor Vehicles £'000	Totals £'000
Cost					
At 1 August 2008		168	615	55	838
Additions		1	41	-	42
Disposals		-	(28)	-	(28)
At 31 July 2009		<u>169</u>	<u>628</u>	<u>55</u>	<u>852</u>
Depreciation					
At 1 August 2008		82	542	34	659
Charge for the Year		5	45	9	59
Eliminated on Disposals		-	(28)	-	(28)
At 31 July 2009		<u>87</u>	<u>559</u>	<u>43</u>	<u>689</u>
Net Book Value					
At 31 July 2009		<u>£82</u>	<u>£69</u>	<u>£12</u>	<u>£163</u>
At 31 July 2008		<u><u>£86</u></u>	<u><u>£73</u></u>	<u><u>£21</u></u>	<u><u>£180</u></u>

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Notes to the Accounts

15. Stocks

	Group		Union	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Goods for Resale	£142	£108	£22	£2

16. Debtors: Amounts falling due within on year

	Group		Union	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Trade debtors	48	62	93	15
VAT	-	17	-	-
Covenanted Payments receivable	-	-	373	324
Prepayments and Accrued Income	63	66	31	12
Other debtors	132	108	49	4
	<u>£243</u>	<u>£253</u>	<u>£546</u>	<u>£355</u>

17. Creditors: Amounts falling due within on year

	Group		Union	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Bank Overdraft	-	1	-	1
Loans from Subsidiary Companies	-	-	120	305
Trade Creditors	299	303	81	34
Taxes and Social Security Costs	177	189	163	184
Accruals and Deferred Income	472	516	26	66
UEASSS Pension Deficit	7	7	7	7
	<u>£956</u>	<u>£1,017</u>	<u>£397</u>	<u>£598</u>

18. Creditors: Amounts falling due after on year

	Group		Union	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
UEASSS Pension Deficit	36	44	36	44

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Notes to the Accounts

19. Analysis of charitable funds

Analysis of movements in unrestricted funds of the Union

	Balance 1 Aug 2008	Incoming resources	Resources expended	Transfers	Funds 31 July 2009
	£'000	£'000	£'000	£'000	£'000
Free Reserves	2,913	2,678	2,217	(30)	3,344
Designated fund					
Asset replacement Fund	659	-	-	30	689
Union	3,572	2,678	2,217	-	4,033

Analysis of movements in unrestricted funds of the Group

	Balance 1 Aug 2008	Incoming resources	Resources expended	Transfers	Funds 31 July 2009
	£'000	£'000	£'000	£'000	£'000
Designated Fund					
Asset Replacement Fund	2,945	-	-	284	3,229
Non-charitable trading funds	587	11,089	10,676	(282)	718
Group	3,532	11,089	10,676	2	3,947

Analysis of movements in restricted funds

	Balance 1 Aug 2008	Incoming resources	Resources expended	Transfers	Funds 31 July 2009
	£'000	£'000	£'000	£'000	£'000
Clubs and Societies Funds	79	310	312	-	77
GSA Asset replacement Fund	29	-	-	(2)	27
	108	310	312	(2)	104

The Clubs and Society funds can only be expended by the elected committee of the club or society for the benefit of the members of that club or society in accordance with the club or society aims.

The Graduate Student Association (GSA) Asset Replacement Fund exists to provide funds for the replacement of existing assets and equipment in the GSA bar. Expenditure must have the approval of the elected committee of the GSA.

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20 Net Assets of the Funds

The Net assets of the Union belong to the various funds as follows

	Fixed Assets £'000	Investments £'000	Net Current Assets £'000	Long Term Liabilities £'000	Funds Balance £'000
Restricted Funds			77		77
Unrestricted Funds					
Asset replacement fund			689		689
Other funds	163	3,755	(538)	(36)	3,344
Union	<u>163</u>	<u>3,755</u>	<u>228</u>	<u>(36)</u>	<u>4,110</u>

The Net assets of the Group belong to the various funds as follows

	Fixed Assets £'000	Investments £'000	Net Current Assets £'000	Long Term Liabilities £'000	Funds Balance £'000
Restricted Funds					
Clubs and Societies Funds			77		77
GSA Asset replacement Fund			27		27
Unrestricted funds					
Asset replacement funds			3,229		3,229
Other Funds	2,751	5	(1,925)	(36)	795
Group	<u>2,751</u>	<u>5</u>	<u>1,331</u>	<u>(36)</u>	<u>4,051</u>

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Notes to the Accounts

21 Profit and Loss Accounts of the Subsidiary companies

	2009 £'000	2008 £'000
Students' Union Services (East Anglia) Limited		
Contributions to Fixed overheads		
Retail Outlets	353	303
Travel Shop	(6)	1
Games Machines	58	57
Union Bars	652	492
Entertainments	118	137
Advertising and Other income	106	110
	<hr/> 1,281	<hr/> 1,100
Less:		
Management Charge payable to the Union	(401)	(404)
Central Administration Costs	(615)	(566)
	<hr/>	<hr/>
Net Operating Profit	265	130
Covenanted payment to Union of UEA Students	(310)	(249)
	<hr/> (45)	<hr/> (119)
	<hr/> <hr/>	<hr/> <hr/>

	2009 £'000	2008 £'000
Waterfront Student Union Services Limited		
Contributions to Fixed overheads		
Games Machines	-	1
Bars	297	305
Entertainments	(39)	(16)
	<hr/> 258	<hr/> 290
Less:		
Management Charge payable to the Union	(36)	(33)
Central Administration Costs	(163)	(181)
	<hr/>	<hr/>
Net Operating Profit	59	76
Covenanted payment to Union of UEA Students	(62)	(75)
	<hr/> (3)	<hr/> 1
	<hr/> <hr/>	<hr/> <hr/>