

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 July 2010

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

CONTENTS

	Page
Trustee and Union information	1
Chief Executive and Trustees' report	2 – 4
Statement of trustees' responsibilities	5
Independent auditors' report	6 – 7
Consolidated Income and Expenditure Account	8
Consolidated Balance sheet	9
Union Balance sheet	10
Notes to the financial statements	11 – 23



INVESTOR IN PEOPLE

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

TRUSTEE AND UNION INFORMATION

TRUSTEES

David James (resigned 31/07/10)
Graham Nolan
Kate Griffiths
Dawn Hamlet (resigned 30/06/10)
Adam Flint
Laura Yeoman
Nica de Koenigswarter
Richard Scarlett (resigned 30/06/10)
Varinder Bola
Josh Watson (resigned 30/06/10)

CHIEF EXECUTIVE

P Mackay

MAIN ADDRESS

Hatfield Campus
College Lane
Hatfield
Herts
AL10 9AB

AUDITORS

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

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

CHIEF EXECUTIVE AND TRUSTEES' REPORT for the year ended 31 July 2010

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

Chief Executive's Report for the year ending 31 July 2010.

The 2009-2010 financial year was extremely challenging for the University of Hertfordshire Students' Union and its subsidiaries. During the year, the Forum was launched successfully to members and the general public. To facilitate the increase in public use, UHSU Enterprises Ltd was established and operated fully during the year. The UHSU Solutions Ltd, which operates the lettings and job centre businesses, continued to operate during the year.

The launch of the Forum led to significant changes in the way in which the Union is organised and added significant costs to the operation including additional administration costs and the development of a marketing department to support the venues and their future success. The Forum had numerous successes during the year, promoting a diverse range of activities and events, some in association with external promoters and a major industry partner.

Significant losses are reported for the year at £233,229. This is less than anticipated during the year as a result of a positive negotiation with the University of Hertfordshire over the lease arrangements and increased discounts due to the continued growth in licensed trade volumes. The losses were due to considerable start up costs associated with the opening of the Forum. The Union is confident that it can return to surplus within the next twelve months. The losses during the year have impacted on the Union's balance sheet. Whilst the union remains solvent and has a very clear future, it should be noted that the management team are fully aware of the need to re-build reserves over the coming years.

Turnover within the licensed trade and retail activities increased dramatically during the year, reaching almost £6,500,000, up from £3,100,000 in the previous year. However, it should be noted that £2.2 million of this growth relates to the licensed trade venture with an external partner. There was also growth in our own direct licensed trade and entertainments due to the launch of the Forum as well as growth in retail sales as a result of the addition of a new shop at the De Havilland Campus.

UHSU Solutions Ltd increase turnover to £436,000 (up from £417,000 in 2009). However, there is a notable decline in job centre income as a result of the recession in the wider economy, resulting in fewer jobs being available for students. The number of houses let to tenants during the year reduced due to a strategic decision to focus on the quality of houses to ensure that students receive the best value for money and quality of service.

The development of the marketing team has been positive in many ways. This was evidenced by the first Hertfordshire's Got Talent competition held over summer 2010. This series of events included 350 acts from the local area. Many community groups were involved in the event and good links have been established with local businesses, public bodies and local media throughout Hertfordshire as a result. The team also launched two brand new websites – www.uhsu.co.uk and www.forumhertfordshire.co.uk during the year. These web sites achieved over 250,000 visits during the year. A comprehensive branding was developed for all UHSU services during 2009-10.

The Union continued to positively impact on students at the University through the provision of our membership services. There were numerous successes during the year, including the facilitation of over 60 societies, 850 students signing up with our volunteer service and support to student representatives from across the institution. Our training programme TRAKS delivered training courses for 750 students during the year. The Union's media activities grew during the year, giving opportunities to 120 students to publish the student newspaper Universe every two weeks in term time, as well as broadcasting via TV and radio.

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

CHIEF EXECUTIVE AND TRUSTEES' REPORT for the year ended 31 July 2010

The Union also remains extremely student led. A record 3970 students voted in the Union's main elections (10% up on the previous year). This is an exceptional turnout and confirms the positive relationship the Union is developing with its members.

The University continued to provide support through the grant, but also, importantly through greater partnership working in relation to a whole host of activities, not least the launch and management of the Forum. The grant from the University has remained relatively static for many years whilst the range and quality of services and activities offered by UHSU continues to go from strength to strength. The Union continues to be exceptional value for money.

My predecessor, Mike Veal, retired at the end of the year. Thanks must go to him for his hard work and dedication over many years which made the launch of the Forum a reality.

Phil Mackay
Chief Executive

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

CHIEF EXECUTIVE AND TRUSTEES' REPORT for the year ended 31 July 2010

Chair of the Board of Trustees Report

2009-2010 was particularly difficult for the Students' Union. The board comprises of five elected sabbatical officers, three external trustees and three student trustees. During the year the Board was chaired by David James, co-opted member of the trustee board, whose term has now ended. During the summer Graham Nolan, briefly acted as chair until Nica de Koenigswarter (President of the Students' Union) was elected by the board as Chair. Kate Griffiths Co-opted independent member of the board term ended on 31 July 2010. She was co-opted back onto the board and will serve from 1 August 2010 until 31 July 2013. We now have several new members of the board and I am grateful to all of them, and continuing members, for their dedicated support.

Unfortunately the President for 2009-10 was unable to take up his post and perform his duties due to difficulties over his visa application. The Board is extremely grateful to the remaining four sabbatical officers who performed well in fulfilling all of the Union's representative functions within the University.

This year saw the retirement of our long standing Chief Executive Mike Veal. The board wishes to thank Mike Veal for his 11 long years of dedicated service. The board worked with the company 'Prospects' on the recruitment of his replacement. Unfortunately we failed to recruit a new CEO on our first attempt. On the second round of recruitment we successfully appointed our new Chief Executive Mr. Phil Mackay. The Board would like to give significant thanks to Kate Griffiths for taking the lead in steering the board through the recruitment process.

Much of the year was taken up with the opening of the Forum. Following a very successful launch, the union saw a significant increase in turnover and footfall from customers, including many members of the public. Whilst the opening of the Forum was hugely successful, there were numerous additional costs which led to the significant losses during the year. Whilst the Forum was in the process of being opened, the remainder of the Union's services to members continued to develop.

In the coming years, it is the Board's intention that there should be greater focus on developing high quality services for our members, alongside continued consolidation of our commercial activities. The Board will develop a new Strategic Plan over the coming year to bring about this change.

The Board would like to thank all our staff, elected officers and volunteers for their hard work and dedication throughout the year. While it was an extremely testing time for all concerned, it has given the Union a clear and stable platform from which to build.

Provision of information to auditors

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the Students' Union's auditors are 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 Students' Union's auditors in connection with preparing their report and to establish that the Students' Union's auditors are aware of that information.

This report was approved by the board on

and signed on its behalf.

Nica De Koenigswarter
Chair of Trustees (2010-11)

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

STATEMENT OF TRUSTEES' RESPONSIBILITIES for the year ended 31 July 2010

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

In preparing the financial statements the Trustees are required to select suitable accounting policies, as described on pages 11 to 12, and then apply them on a consistent basis, making judgments and estimates that are prudent and reasonable. The Trustees 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 Trustees 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 Trustees have undertaken to examine the major risks that the union faces. That review is an integral part of the annual planning cycle. The union has, and continues to develop, systems to monitor and control these risks in order to mitigate any impact that they have on the union and its operations.

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS, AS A BODY OF UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

We have audited the financial statements of University of Hertfordshire Students' Union for the year ended 31 July 2010, set out on pages 9 to 23 which comprise the Income & Expenditure Accounts, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the Students' Union's members, as a body. Our audit work has been undertaken so that we might state to the Students' Union's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Students' Union and the Students' Union's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing 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 judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material 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 HERTFORDSHIRE STUDENTS' UNION

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS, AS A BODY OF UNIVERSITY OF
HERTFORDSHIRE STUDENTS' UNION**

UNQUALIFIED OPINION

In our opinion:

- 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 LLP

Statutory Auditors and Chartered Accountants

Date:

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

**CONSOLIDATED INCOME & EXPENDITURE ACCOUNT
for the year ended 31 July 2010**

INCOME	Note	2010 £	2009 £
Grants Receivable	2	590,000	<i>636,703</i>
Net trading income	3	221,519	<i>313,024</i>
Other income		28,778	<i>74,832</i>
Active Community Funding		<u>-</u>	<u><i>38,945</i></u>
		<u>840,297</u>	<u><i>1,063,504</i></u>
 ADMINISTRATION EXPENSES			
Central Services	4	694,546	<i>533,967</i>
Clubs and Societies	5	18,804	<i>13,742</i>
Executive	6	158,076	<i>176,418</i>
Active Community Funding	7	30,109	<i>42,510</i>
Communications	8	84,699	<i>87,757</i>
Advice, Welfare and Support	9	<u>88,236</u>	<u><i>95,953</i></u>
		<u>1,074,470</u>	<u><i>950,347</i></u>
 SURPLUS/(DEFICIT) FOR THE YEAR BEFORE EXCEPTIONAL ITEMS		 (234,173)	 <i>113,157</i>
Exceptional items	10	<u>944</u>	<u><i>(107,329)</i></u>
 SURPLUS/(DEFICIT) FOR THE YEAR TO INCOME AND EXPENDITURE ACCOUNT		 <u>(233,229)</u>	 <u><i>5,828</i></u>

The notes on pages 11 to 23 form part of these financial statements

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

**CONSOLIDATED BALANCE SHEET
as at 31 July 2010**

	Note	2010		2009	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	11a		595,159		64,939
Fixed asset investments	13		<u>60</u>		<u>60</u>
			595,219		64,999
CURRENT ASSETS					
Stocks	14	98,368		28,326	
Debtors	15	481,333		684,015	
Cash at bank		<u>446,216</u>		<u>224,608</u>	
		1,025,917		936,949	
CREDITORS: amounts falling due within one year	16	<u>(1,414,636)</u>		<u>(863,837)</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>(388,719)</u>		<u>73,112</u>
CREDITORS: amounts falling due after one year	17		(172,700)		-
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>33,800</u></u>		<u><u>138,111</u></u>
CAPITAL RESERVES					
Capital Fund			128,919		-
Operating Reserve			<u>(95,119)</u>		<u>138,111</u>
FUNDS			<u><u>33,800</u></u>		<u><u>138,111</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

N de Koenigswarter
Chair of Trustees

P Mackay
Chief Executive

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

**UNION BALANCE SHEET
as at 31 July 2010**

	Note	2010		2009	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	11b		594,328		63,032
Fixed asset investments	13		<u>62</u>		<u>62</u>
			594,390		63,094
CURRENT ASSETS					
Stocks	14	-		28,326	
Debtors	15	187,231		694,185	
Cash at bank		<u>1,030</u>		<u>29,596</u>	
		188,261		752,107	
CREDITORS: amounts falling due within one year	16	<u>(576,151)</u>		<u>(677,090)</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>(387,890)</u>		<u>75,017</u>
CREDITORS: amounts falling due after one year	17		(172,700)		-
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>33,800</u></u>		<u><u>138,111</u></u>
CAPITAL RESERVES					
Capital Fund			128,919		-
Operating Reserve	19		<u>(95,119)</u>		<u>138,111</u>
FUNDS			<u><u>33,800</u></u>		<u><u>138,111</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

N de Koenigswarter
Chairman

P Mackay
Chief Executive

The notes on pages 11 to 23 form part of these financial statements.

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 and in accordance with applicable accounting standards.

The group financial statements incorporate the financial statements of the Union and its subsidiaries. Intergroup sales and profits are eliminated on consolidation and all amounts for sales and profits relate to external transactions only.

1.2 Cash flow statement

The executive committee has taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements.

1.3 Income

Turnover comprises revenue recognised by the Students' Union in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

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:

Property refurbishment	-	25% per annum straight line
Fixtures and fittings	-	20% to 33% per annum straight line
Computer equipment	-	33% per annum straight line
Motor vehicles	-	25% per annum straight line

1.5 Investments

- (i) **Subsidiary undertakings**
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) **Other investments**
Investments held as fixed assets are shown at cost less provisions for their impairment.

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. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Pension costs

The Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State 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.

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

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

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, Hertfordshire University.

2. GRANTS RECEIVABLE

	2010	<i>2009</i>
	£	£
Block Grant	<u>590,000</u>	<u><i>636,703</i></u>

3. NET TRADING INCOME

	Turnover	2010	<i>Turnover</i>	<i>2009</i>
	£	surplus/ (deficit)	£	<i>surplus/ (deficit)</i>
	£	£	£	£
Retail operations	6,467,465	156,747	<i>3,142,976</i>	<i>241,429</i>
Other trading activities	<u>435,833</u>	<u>64,772</u>	<u><i>416,877</i></u>	<u><i>71,595</i></u>
	<u>6,903,298</u>	<u>221,519</u>	<u><i>3,559,853</i></u>	<u><i>313,024</i></u>

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

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

4. CENTRAL SERVICES

	2010 £	2009 £
Staffing		
Other staff costs	14,242	7,378
Salaries and wages	434,010	401,399
Pensions	37,628	39,703
Staff expenses	2,495	2,297
Student wages	10,626	6,079
Travel and subsistence	746	844
Training	<u>16,738</u>	<u>11,123</u>
	516,485	468,823
Facilities		
Cleaning	15,050	10,340
Depreciation - Office Equipment	33,800	27,259
Release of capital grant	(39,307)	-
Motor expenses	4,982	4,410
Equipment	2,224	2,460
Repairs and renewals	3,480	6,754
Security	<u>325</u>	<u>3,985</u>
	20,554	55,208
Central Administration		
Advertising	19,150	7,229
Subscriptions	1,418	2,170
Auditors remuneration	11,750	9,970
Bank Charges	7,430	11,474
Insurance	38,962	31,925
Irrecoverable VAT	5,037	10,829
Legal, professional and consultancy	5,108	9,222
Equipment	735	1,100
Printing, stationery and postage	20,347	22,014
Software and licences	29,396	11,845
Sundry expenses	4,789	4,866
Telephone	11,615	8,623
Debt collection costs	-	175
TRAKS	1,770	2,394
Projects	<u>-</u>	<u>1,100</u>
	157,507	134,936
Recharges to other trading areas	<u>-</u>	<u>(125,000)</u>
Net after charge to trading areas	<u>694,546</u>	<u>533,967</u>

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

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

5. CLUBS AND SOCIETIES

	2010 £	2009 £
Grants to societies	1,499	737
Astroturf expenses - net	740	(1,605)
Sports Administrator	15,518	11,890
Staff Pension	386	1,986
Stationery	451	441
Sundry	<u>210</u>	<u>293</u>
	<u>18,804</u>	<u>13,742</u>

6. EXECUTIVE

	2010 £	2009 £
Executive and Council		
Conferences	2,570	778
Democracy	4,207	3,676
International student association	372	1,642
NUS	35,547	34,603
Other staff costs	70	31
Sabbatical expenses	3,687	5,352
Sabbatical salaries	89,090	101,855
Sundry	10,306	5,064
Training Courses	7,457	10,459
Trustee expenses	4,434	7,596
Equipment	-	3,952
Travel and subsistence	921	1,410
Miscellaneous income	<u>(585)</u>	<u>-</u>
	<u>158,076</u>	<u>176,418</u>

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

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

7. ACTIVE COMMUNITY FUNDING

	2010 £	2009 £
Equipment	-	231
Insurances	600	600
Student staff	-	1,942
Sundry	1,129	5,522
Training	-	255
Wages and salaries	22,157	26,616
Vehicle costs	2,845	3,335
Pension contributions	3,069	3,618
Telephone	258	385
Travel and Subsistence	<u>51</u>	<u>6</u>
	<u>30,109</u>	<u>42,510</u>

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

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

8. COMMUNICATIONS

	2010 £		2009 £
Staffing			
Other staff costs	-		121
Student wages	2,783		975
Wages & Salaries	<u>41,945</u>		<u>54,491</u>
		44,728	55,587
Central Publications			
Freshers Week Publicity	-		227
Handbook and other publications	5,327		-
Student handbook	<u>-</u>		<u>5,989</u>
		5,327	6,216
Media			
Radio station	3,081		3,812
Universe	10,379		25,425
Web	<u>19,230</u>		<u>74</u>
		32,690	29,311
Other			
Training	1,379		-
Freshers fair income	(5,593)		(13,913)
Market research	-		517
Sundries	-		1,824
Recharges	-		8,215
Depreciation	2,291		-
Elections	1,407		-
Welfare	<u>2,470</u>		<u>-</u>
		1,954	(3,357)
		84,699	87,757

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

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

9. ADVICE, WELFARE & SUPPORT

	2010 £	2009 £
Course Reps	789	659
Affiliations	1,581	503
Awareness	1,576	2,599
Materials, services and sundry expenses	363	1,018
Nightline	389	411
Night buses	-	15,575
Other staff costs	34	-
Student wages	-	40
Sundries	662	1,079
Wages, salaries and pension contributions	82,204	74,069
Freshers	<u>638</u>	<u>-</u>
	88,236	95,953

10. EXCEPTIONAL ITEMS

	2010 £	2009 £
Lease costs	10,869	-
VAT reclaim	(11,813)	-
Redundancy costs	-	22,025
Other	-	1,783
Accelerated depreciation due to building works	<u>-</u>	<u>83,521</u>
	<u>(944)</u>	<u>107,329</u>

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

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

11a. TANGIBLE FIXED ASSETS - GROUP

	Plant and machinery £	Furniture & IT equipment £	Motor vehicles £	Other fixed assets £	Total £
COST					
At 1 August 2009	80,345	136,741	62,183	21,190	300,459
Transfers	6,059	(6,059)	-	-	-
Additions	326,192	321,245	14,915	55,316	717,668
Disposals	<u>(33,004)</u>	<u>(7,488)</u>	<u>(6,894)</u>	<u>-</u>	<u>(47,386)</u>
At 31 July 2010	<u>379,592</u>	<u>444,439</u>	<u>70,204</u>	<u>76,506</u>	<u>970,741</u>
DEPRECIATION					
At 1 August 2009	56,680	104,901	56,620	17,320	235,521
Charge for the year	92,112	70,559	8,507	13,507	184,685
Transfers	1,325	(1,325)	-	-	-
On disposals	<u>(30,547)</u>	<u>(7,183)</u>	<u>(6,894)</u>	<u>-</u>	<u>(44,624)</u>
At 31 July 2010	<u>119,570</u>	<u>166,952</u>	<u>58,233</u>	<u>30,827</u>	<u>375,582</u>
NET BOOK VALUE					
At 31 July 2010	<u>260,022</u>	<u>277,487</u>	<u>11,971</u>	<u>45,679</u>	<u>595,159</u>
At 31 July 2009	<u>23,665</u>	<u>31,840</u>	<u>5,563</u>	<u>3,870</u>	<u>64,938</u>

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

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

11b. TANGIBLE FIXED ASSETS - UNION

	Plant and machinery £	Furniture & IT equipment £	Motor vehicles £	Other fixed assets £	Total £
COST					
At 1 August 2009	80,345	129,268	62,183	21,190	292,986
Transfers	6,059	(6,059)	-	-	-
Additions	326,192	321,245	14,915	55,316	717,668
Disposals	<u>(33,004)</u>	<u>(3,238)</u>	<u>(6,894)</u>	<u>-</u>	<u>(43,136)</u>
 At 31 July 2010	 <u>379,592</u>	 <u>444,216</u>	 <u>70,204</u>	 <u>76,506</u>	 <u>967,518</u>
DEPRECIATION					
At 1 August 2009	56,680	99,334	56,620	17,320	229,954
Charge for the year	92,112	69,484	8,507	13,507	183,610
Transfers	1,325	(1,325)	-	-	-
On disposals	<u>(30,547)</u>	<u>(2,933)</u>	<u>(6,894)</u>	<u>-</u>	<u>(40,374)</u>
 At 31 July 2010	 <u>119,570</u>	 <u>164,560</u>	 <u>58,233</u>	 <u>30,827</u>	 <u>373,190</u>
NET BOOK VALUE					
At 31 July 2010	<u>260,022</u>	<u>276,656</u>	<u>11,971</u>	<u>45,679</u>	<u>594,328</u>
At 31 July 2009	<u>23,665</u>	<u>29,934</u>	<u>5,563</u>	<u>3,870</u>	<u>63,032</u>

12. CAPITAL COMMITMENTS

At 31 July 2010 the Students' Union had capital commitments as follows:

	2010 £	2009 £
Contracted for but not provided in these financial statements	<u> -</u>	<u> 273,710</u>

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

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

13. INVESTMENTS – UNION ONLY

	Shares in group undertakings £	Sub total carried forward £
COST OR VALUATION		
At 1 August 2009	2	1
Additions	<u>-</u>	<u>1</u>
At 31 July 2010	<u><u>2</u></u>	<u><u>2</u></u>

	Sub total brought forward £	Unlisted investments £	Total £
COST OR VALUATION			
At 1 August 2009	2	60	62
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 31 July 2010	<u><u>2</u></u>	<u><u>60</u></u>	<u><u>62</u></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 A Shares	Purchasing Services	0.33%
UHSU Solutions Limited Ordinary Shares	Employment and Accommodation Bureau	100%
UHSU Enterprises Limited Ordinary Shares	Non-trading	100%

14. STOCKS

	Group		Union	
	2010 £	2009 £	2010 £	2009 £
Total Stock	<u><u>98,368</u></u>	<u><u>28,326</u></u>	<u><u>-</u></u>	<u><u>28,326</u></u>

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

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

15. DEBTORS

	Group		Union	
	2010	<i>2009</i>	2010	<i>2009</i>
	£	£	£	£
Trade debtors	276,013	<i>179,132</i>	4,374	<i>122,315</i>
Amounts owed by subsidiaries	-	<i>-</i>	163,443	<i>71,595</i>
Other debtors	191,221	<i>101,338</i>	5,315	<i>96,730</i>
Prepayments and accrued income	14,099	<i>403,545</i>	14,099	<i>403,545</i>
	<u>481,333</u>	<i><u>684,015</u></i>	<u>187,231</u>	<i><u>694,185</u></i>

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

	Group		Union	
	2010	<i>2009</i>	2010	<i>2009</i>
	£	£	£	£
Bank loans and overdrafts	353,189	<i>12,480</i>	353,189	<i>12,480</i>
HP and finance leases	51,124	<i>-</i>	51,124	<i>-</i>
Trade creditors	525,327	<i>538,670</i>	44,025	<i>537,041</i>
Social security and other taxes	95,556	<i>39,520</i>	58,942	<i>27,998</i>
Other creditors	364,561	<i>191,851</i>	43,992	<i>18,255</i>
Accruals and deferred income	24,879	<i>81,316</i>	24,879	<i>81,316</i>
	<u>1,414,636</u>	<i><u>863,837</u></i>	<u>576,151</u>	<i><u>677,090</u></i>

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

	Group		Union	
	2010	<i>2009</i>	2010	<i>2009</i>
	£	£	£	£
HP and finance leases	<u>172,700</u>	<i><u>-</u></i>	<u>172,700</u>	<i><u>-</u></i>

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

18. PENSIONS

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

The most recent valuation of the scheme was carried out as at 1 October 2007 and showed that the market value of the scheme's assets was £56,318,000 with these assets representing 69% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £24,901,000.

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

The following assumptions applied at 1 October 2007:-

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

The 2007 valuation recommended a contribution requirement expressed in two parts: a rate of 17.3% of Earnings (with higher rates in certain circumstances) paying for future accrual, with additional monthly contributions expressed in monetary terms intended to clear the ongoing funding deficit over a period of 15 years. These rates applied with effect from 1 October 2008 and will be 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 2008 applicable to this Union for the majority of members is 9% of Earnings for members and 8.55% of Earnings for the Union (17.55% 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 2010 amounted to £34,887 (2009 - £65,025), including funding deficit contributions.

UNIVERSITY OF HERTFORDSHIRE STUDENTS' UNION

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

19. RESERVES

	As at 1 August 2010	Incoming resources	Resources expended	Transfers	As at 31 July
	£	£	£	£	2010
					£
Capital reserve	-	168,226	-	<i>(39,307)</i>	128,919
Operating reserve	<u>138,111</u>	<u>7,522,076</u>	<i>(7,794,613)</i>	<u>39,307</u>	<u>(95,119)</u>
Total	<u>138,111</u>	<u>7,690,302</u>	<u>(7,794,613)</u>	-	<u>33,800</u>

21. RELATED PARTY TRANSACTIONS

The University of Hertfordshire

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 Hertfordshire. The Union is in receipt of a recurrent grant from the parent body of £590,000 (2009 - £626,200). A capital grant of £168,226 (2009: Nil) was also received during the year to provide funding for capital expenditure.

In addition the Union occupies its building on a rent free basis under an informal licence 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 £101,855 (2009 - £94,841).

The Trustees of the Students' Union have been re-imbursed an amount of £7,596 for costs incurred in carrying out their duties as Trustees.

UHSU Solutions Limited

The Union holds 100% of the issued share capital of this company. During the year the Union entered into the following transactions:

A management charge of £24,000 (2009 - £24,000) was levied on the company. A payment by way of gift aid was received from the company amounting to £48,595 (2009 - £22,290). The balance owing to the Students' Union as at 31 July 2010 was £71,595 (2009: £46,290).

UHSU Enterprises Limited

The Union holds 100% of the issued share capital of this company. During the year the Union entered into the following transactions:

A management charge of £71,784 (2009 - £nil) was levied on the company. The balance owing to the Students' Union as at 31 July 2010 was £98,672 (2009: £1 due from the Union).

22. CONTROLLING PARTY

The Union is controlled by the Trustee Board, eight of whose members are subject to democratic election by the voting membership of the union. The ultimate control of the Union is vested under the constitution in the membership by referenda. As such no single person or entity controls the union as defined by Financial Reporting Standard 8.