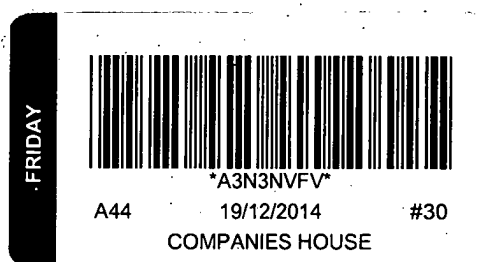


Charity Number: 1143161  
Company Registration number: 7719030

# University of the Arts London Students' Union

(Limited by guarantee)

**Annual Report and Accounts  
For the Year Ended 31 July 2014**



**University of the Arts London Students' Union  
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For the Year Ended 31 July 2014**

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**Administrative Information**

**Charitable Status**

The University of the Arts London Students' Union (SUARTS) is an incorporated charity (limited by guarantee). The charity registration number is 1143161. The company registration number is 7719030.

It was originally established under the Education Act 1994 and was registered with the Charity Commission on 29 July 2011, when Students' Unions connected with exempt higher/further education institutions were removed by section 11(9), Charities Act 2006, from the list of exempt charities in Schedule 2 to the Charities Act 1993.

**Principal address**

The Student Hub  
University of the Arts London  
272 High Holborn  
London  
WC1V 7EY

**Charity Trustees (who are also Company Directors for the purposes of the Companies Act)**

**From July 2013**

Shelly Asquith  
Mostafa Rajaai  
Hannah Roberts  
Rosie Black  
Ling Duong  
Kat Gilbert

**From July 2014**

Shelly Asquith  
Mostafa Rajaai  
Hannah Roberts  
Honor Severs  
Leo Di Cera  
Cai Zhang  
Molly Ofori-Mensah

**External Trustees:**

Sujata Rastogi (from July 2014)  
Mark Paterson (until March 2014)  
Martin Bailey (from November 2014)

**Auditors**

Crowe Clark Whitehill  
Aquis House  
49-51 Blagrove Street  
Reading  
Berks  
RG1 1PL

**Bankers**

HSBC  
20 Eastcheap  
The City  
London  
EC3M 1ED

**Solicitors**

Bates Wells and Braithwaite  
2-6 Cannon Street  
London  
EC4M 6YH

SUARTS employs a Director to work closely with the Executive Officers and ensure effective management of the charity as head of a senior management team as follows:

Director  
Deputy Director  
Director of Membership

Pari Dhillon  
Jarlath O'Hara  
Dave Lewis

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The Executive Committee present their Annual Report for the year ended 31 July 2014, which includes the administrative information set out on page 1, together with the audited accounts for that year.

**Structure, governance and management**

SUARTS is constituted under the Education Act 1994 as a charitable company limited by guarantee (see page 1) with internal regulations or Rules approved by the governing body of the University of the Arts London (the University). SUARTS's charitable Objects under the Act, to advance the University's educational purposes by providing representation and support for University of the Arts students, are supplemented by the further Object of helping members to develop their own charitable activities as active participants in civil society.

SUARTS is administered by its Trustee Board of up to 9 members comprising of up to four Sabbatical Trustees; three Student Trustees; and two Lay Trustees.

The sabbatical officers, together with the part-time, non-sabbatical officers (referred to as College Vice Presidents), are elected annually by a cross-campus secret ballot of the SUARTS membership.

The four posts of President, Activities and Volunteering Officer, Culture and Diversity Officer and Education Officer, are full time posts remunerated as authorised by the Education Act and cannot exceed two years duration for each holder.

SUARTS operates on democratic principles, working for and with our members, the students of the University of Arts London (UAL). The voice of students is represented by the Union Executive, run and elected by members of UAL. The Union also holds termly all student votes to understand the key issues facing UAL students. The Union also supports a range of assemblies to ensure that the diversity of the student body is heard.

The Trustee Board, assisted by sub-committees, where appropriate has delegated the day-to-day running of the Union to the Director. As charity Trustees, all Trustees receive a comprehensive training programme into their legal and administrative responsibilities at the start of their term of office, with ongoing guidance as and when required for issues arising during their term.

The Trustee Board meets six times per year to receive reports from sub-committees, Officers, Senior Management and the Director, to review the Union's performance and administration generally and to agree policy issues arising. The Union also employs a number of non-student core staff to provide continuity, consistency and knowledge in the management of its many activities. The staff team are accountable to the Director for the performance of their duties.

The Union has a Memorandum and Articles of Association which sets out its governance structure.

**Relationship with the University**

The Union receives a block grant from the University, and occupies spaces in University owned buildings.

In addition to the provision of space, the University also pays for utilities, caretaking and cleaning staff. This support is intrinsic to the relationship between the University and SUARTS. As recommended by the Charities SORP, which has been adopted for this and future financial years for due compliance with the requirements of Students' Unions provided for in the Charities Act 2011, an estimated value to SUARTS for this free serviced accommodation has been included in the accounts based on a recent

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historic estimate of market rates. Although SUARTS continues to generate supplementary funding from various mutual 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 Trustee Board has examined the major strategic, business and operational risks faced by SUARTS. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Budgetary and internal control risks are minimised by the implementation of procedures for the authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers and participants on all activities organised by the Union. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

### **Aims, Objectives and Activities**

The objects of the Union are the advancement of education of Students at University of the Arts for the public benefit by:

- Promoting the interests and welfare of students at the University of the Arts London during their course of study and representing, supporting and advising students;
- Being the recognised representative channel between students and University of the Arts London and any other external bodies; and
- Providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its students.

In pursuit of these objectives, SUARTS will ensure the diversity of its membership is recognised, valued and supported and as such has established student support and development departments and quality services for use by its members, to support its work with the University and other organisations on behalf of students.

These include Advice and Support, Communications and Engagement, Freshers activity, Student Activities (including clubs and societies), as well as bar, catering and retail services.

SUARTS continues to represent the students on relevant local, national and international issues. On a local level, SU Officers continue to attend many University committees and working groups to enhance the student experience at UAL and ensure that the student voice is heard and responded to at all levels of the University.

To further enhance the student experience, SUARTS attracts a diverse membership to get involved in the Union, the University and the local community by actively promoting the benefits of volunteering in student-led activities.

When reviewing our objectives and planning our activities, SUARTS gives due consideration to the Charity Commission's general and relevant supplementary guidance on public benefit.

### **Achievements and Performance**

#### **Our Organisation**

Our vision of SUARTS is an organisation that is 'A creative and innovative arts union for arts students.' It should be a gateway that students get a better, more creative, London student experience. This

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vision represents the fundamental shift that the Union is making to become a less generic SU to becoming a bespoke, relevant and high calibre SU for the students of UAL. This is an important shift to make at a time when UAL students' relationship with the University is changing, and that there are increasing expectations on the University. There is increasing expectation that the SU is part of the delivery of an excellent student experience, and in partnership with the colleges and University, it must both understand and compliment this.

The SU's Strategic Plan sets out how this shift will be delivered and includes success indicators such as: actively engaging 10,000 students in the SU and delivering a majority of creative rather than generic SU events and activities. To become the high calibre, creative SU that UAL students expect, we identified the need to invest in new programmes of work and reduce our focus on areas that are less relevant to our student body. We recognise that we must provide more creative opportunities, nurturing new spaces where students interact with each other and become more relevant to the immediate learning environment that students find themselves in.

However, we come from a position where our resources have been lean compared to other students' unions. Whereas many other students' unions benefit from the immediacy of the student community to their location, we have to develop innovative solutions on reaching out across the six colleges within the resources we've been allocated. This challenge is something that we embrace – it makes our activity proactive, focused and well planned, it makes our decisions better and our resource allocation more effective, but a step change in funding would allow us to deliver the activity that students want quicker, and provide a demonstrable positive impact on the student experience.

As part of the University community, we have actively made choices over the last ten years to centralise where we can. We have a range of specialist staff employed in our main office which, in a more devolved model, we would simply not be able to employ. The benefits of individuals employed to deliver academic representation, digital communication, opportunities to play sport, vote in elections and receive advice are clear, but we recognised that this model allows us to sustain our levels of engagement, not necessarily improve them. In essence, we need to increase the number of our staff developing partnerships and destination activities through central coordination alongside placing new staff into college environments.

***Delivering our Niche***

We want to increase our responsibility in delivering the very best creative student experience possible for students; we already work closely with a range of departments and individuals across the University in projects from pre-enrolment and Freshers to academic representation and digital life, and have actively sought opportunities over the last year to increase the number of relationships we have across the six colleges and increase our ability to better support the University's objectives.

We do not want to be like other students' unions and our research demonstrates that students don't want us to be either. They want elements of what is traditionally considered an 'excellent student experience' (i.e. bringing people together and building communities, having fun, and the ability to influence their environment) but in a way which is relevant to the creative institution we are.

That 'excellent student experience' involves an approach which emphasises creativity, professional development and networking in the range of activities we do.

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We have to be a gateway to a better student experience, not deliver every aspect of it. That means emphasising that through us students meet each other, make friends, find out what's going on in London and get networks or skills they will need when they graduate.

To achieve our niche, it involves increasing the breadth of societies and events around creative disciplines within colleges, the variety of galleries and organisations students have access to showcase their work or get benefits not available to others, and being in the spaces they are.

It means that we are constantly reimagining what we would do. Playing sport every Wednesday isn't just about representing the University – it is an opportunity to demonstrate that until Wednesday afternoons are free that students' extracurricular opportunities will be limited. A social event doesn't promise cheap beer, but that in attending you will experience deliberate and structured networking so you can chat to other students. Giving feedback on their learning experience isn't about filling in another survey – but involves paint, flipchart and paper mache outside the canteen so students can practically draw or discuss what they love about studying here and what they would change.

It also understands that we need to be where students are. What we think and what's interesting online isn't placed on our website – it's on tumblr – where students are. Before students they arrive they want to meet other students and find out what it's like to study here – from their peers – so we enable them to do that.

We are providing creative development opportunities that no-one else can do. We're speaking with a tone that the University isn't able to. We're working across courses and colleges to bring students together through creative and fun activity that others cannot.

This contributes to a greater student experience, higher levels of student satisfaction, greater retention rates, better marketing opportunities for the University and a greater sense that we're a University community.

### ***Democracy & Campaigns***

We are proud of our ability to change the institution for the benefit of our members. We put our principles into action by paying our student staff the London living wage, and after sustained direct action and lobbying the University agreed to pay their cleaning staff a living wage too. Properly paid staff creates a better environment for students to study and learn in.

We took action on 'Wednesday Afternoons free' leading to a commitment that no undergraduate courses would be timetabled during Wednesday afternoons in 2014/15. We were delighted about this but will watch courses closely as the experience of other students' unions is that a small number of courses resist the principles of allowing students the opportunity to play sport or pursue extra-curricular activities on Wednesday afternoons.

Students are regularly engaged in unpaid internships, and we worked with a number of organisations during the year seeking change. We campaigned on the issue and highlighted a number of ways in which students were able to take the issue forward themselves.

Over 3,300 students voted in our elections. This extraordinary figure is down to a number of factors, including better campaigns from candidates, college-focused get out the vote campaigns and targeted attendance on days likely to increase turnout. Although this indicator is used by NUS to compare students' unions - it is a frustrating one as it doesn't tell us how representative we actually are.

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We worked with the University to improve Student & Dean forums, including agreeing changes to how the meeting can shape and influence other decision making groups within the colleges. We also ran a project at LCC which looked at different models of student representation, and were able to better represent the views of students to the University as a consequence of all of this work.

***Developing Communities***

We know from our research that the sense of community students have is limited by a number of factors. This includes some factors within our control (such as number social networking opportunities) and some factors which we do not (such as the physicality of the buildings).

Defining our role in developing a sense of community across the colleges is based on an extensive piece of research undertaken in partnership with the University – which informs us that the strongest sense of community is within courses, the college itself, London and then University of the Arts. This disconnect limits the impact of our organisation, and towards the end of the academic year the University agreed to make permanent the £100k pilot funding provided for college-based staff.

The need to facilitate communities started even before students started the year. Each college held a networking party and during freshers week we delivered college specific events – including tours of fabric shops and King's Cross. Following this we supported a range of students to deliver events from a Halloween party for CSM students through to an Afro-Caribbean open mic night at LCC and a clothes swap at LCF.

Through all of these events and activities covered within this theme of work we had just under 10,000 face to face contacts with our members.

Understanding that different events resonate differently across colleges, we expanded the Student Initiative Fund. Over £5,000 was allocated for students to run projects themselves, whereby we provide small pots of funding and facilitation support to ensure the project can be a success. Funds were used for activities such as photography exhibitions, course crits and book launches – all led by students, providing skills and experiences for the students doing the activity.

The project demonstrated that placing staff within colleges improved the quality of our projects, making the union more relevant, increasing the number of positive relationships that exist with college staff to deliver work, and, most importantly creating new opportunities to develop a stronger sense of community.

Nearly 1200 students participated in sports clubs and societies, a number of new societies were set up and opportunities were explored with partners to expand sport provision. We were successful in a significant bid to Sport England which will see us significantly increase the provision of non-competitive sport in 2014/15.

We ran a teaching awards project with the University, with over 600 students participating at the nomination stage. The project was jointly funded by the NUS, and we have been used as a case study as an excellent way to creatively involve students in projects. Alongside this we continued to train and support course reps, training nearly 400 during the course of the year.

***Creative Opportunities***

Students want greater access to creative opportunities, and we know there is a level of expectation that we deliver this. Creating the space for students to lead activities for themselves is a defining



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feature of other elite institutions and often leads to careers and notoriety that exist outside of the curriculum. Examples include the Cambridge Footlights, the Oxford Debating Union, and sport and athletics at Loughborough. LSE, Manchester, Leeds and Warwick graduates are all known for the skills they gain through extra-curricular activities, and Goldsmiths and SOAS are known for their political environments.

We have rapidly increased the breadth and reach of our creative projects in the last three years. During the course of last year 2488 students took part in creative opportunities, including running workshops at the RA, receiving 121 support about their practice, attending workshops, entering competitions and being supported to sell their work.

Nearly 500 students submitted their artwork in our annual open-submission exhibition that aims to present the finest works of art and design from across the University. The shortlist were showcased in Blueprint and Art Bermondsey.

Recognising our capacity will always be limited, we actively sought to develop relationships with a wide range of creative organisations across London. This has enabled us to better understand how we could use their spaces and their resources. Over the last two years we explored and implemented activities with the British Museum, Frieze, V&A, The Design Museum, Hackney Picturehouse, Rich Mix, Cass Arts, The Southbank Centre and many others.

Understanding our members did not consider us creative led us to rebrand the organisation and reposition our communications in 2012/13. It has been fully operational over the last year, and more closely presents the Union how we wish to be perceived. Our visual cues are galleries and digital magazines, and feedback from students is overwhelmingly positive. Colleges where the college coordinator project was implemented had open rates of c.10% higher than colleges that did not, and it is clear which content different audiences respond to. Over the course of the next year we will understand how the visual identity can be developed further and begin to showcase more students through our channels.

### ***How Students Think We Are Doing***

There are a number of ways in which we seek to understand what our members think about the organisation, identifying opportunities to expand activity considered excellent and stop activity considered irrelevant or poor. One of the mechanisms used is the annual survey, which takes place in summer term, and had nearly 1,300 students complete.

Over the last year, fewer students agree with the statement "The Students' Union has had a positive impact on my student experience".. We appear to be having less of a positive impact on the student experience than a year ago. In 2011, 70% of respondents agreed with the statement. In 2013, 59% agreed with the statement and in 2014, 56% agree with the statement. Analysing the comments that this question prompts there are two clear trends.

- Students are not aware of what we're achieving or doing
- Students believe we overly focus on issues that do not relate to their experience

College-level data provides us with information about student opinion from one college to another. Over the course of the year it appears that Chelsea students think we're having a greater impact on their lives whilst LCC students believe we're having less of an impact on their student experience.

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The continued message from our annual survey is that students would like to better associate us with the word opportunities. They would like us to be more helpful, more supportive and less creative and fun than we concluded last year.

This was also the year in which the National Student Survey included the results of a question about student perceptions of the Union. The survey is only of undergraduate students, and has a smaller sample size than our annual survey. Students are asked: *Thinking of all the services, including support, activities and academic representation provided by the Students' Union (Association or Guild) at your institution, to what extent do you agree with the following statement: 'I am satisfied with the Students' Union (Association or Guild) at my institution'.*

The results from spring 2012 identified that 57% of students agreed with the statement, with the figure being 58% from spring 2013, and 56% from spring 2014. This compares with a national average across all institutions that 68% of students agree with the statement. We're closer to the national average than the University is – and we understand the resources and activities that are required to increase this.

We worked with high performing courses to understand why we did so well, and low performing courses to understand what immediate things we could do differently. Particular courses were pursued to understand how we could improve – and a link was established between course staff perception of the Union and students' perceptions of the Union.

#### ***Relationship with the University***

Students are not involved in holistic decisions about their experience studying here, and it can be a frustrating institution to study at. We would like to see a new approach to student feedback and empowering students within the institution, and until the University makes this transition the Union will not be considered as equals in delivering an improved student experience.

The Union has little, or no, representation on a range of issues which have a direct impact on the lives of students. This includes no representation on any committee which has substantive discussions about the estate, how halls are run or how the University spends its money. Due to this, we do not consider our relationship with the University a strategic partnership and more towards a parent-child bond.

We have seen increases in our funding from the institution over the last four years, and the funding provided to allow us to deliver more college-based activities is the beginning of a strategic partnership. We are not provided with the spaces to significantly increase our income and therefore whilst we remain dependent on the institutional block grant our growth is significantly dependent on them.

#### **Future Plans**

The strategic plan of 2011 is nearing its end. The plan helped structure the work of the Union and identified areas for prioritised growth and contraction. Whilst we will continue to work on the five key strategic aims detailed below, we will also consider what plan we need for the next cycle

1. We will build creative communities across disciplines and colleges
2. We will provide a credible range of creative opportunities
3. We will have influence at a course, college and University level on the academic experience and quality of education
4. We will reduce unfairness faced by Black and Disabled students
5. Commercial Services are college specific, viable and provide excellence in customer service

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These aims are underpinned with strategic enablers (representative democracy, productive relationships with partners, an empowered staff team, a well-resourced union, being a creative gateway, helping students get advice and support) allowing us to provide structure and a planning framework to improve services and identify new activity.

We will continue to pursue a philosophy that we'll be creative, innovative and 'arts union for arts students.' It should be a gateway that students get a better, more creative, London student experience.

### **Financial Review**

SUARTS's gross general fund income was £3,013,878 during the year. This included annual block grant from the University (totalling £834,027), other grants totalling £123,500, an estimated value of the space which is granted by the University (valued at £1,500,000), advertising income and income from commercial venues.

Total general fund expenditure of £2,988,703 on the wide-ranging student benefits we provide, as well as on the modest fundraising and other revenue-generating activities we undertake, resulted in a surplus for the year in its general funds of £25,175. The impact of the surplus was to increase the Union's general fund balance from £112,926 to £138,101.

Free reserves increased from £57,499 to £98,149 and the Union aims to increase this reserve to £185,000 by the end of the 2016/17 financial year. This is the level which Trustees indicated they would like set aside to be able to cope with any unexpected downturn in funding or additional calls on our resources without immediately curtailing activities.

Total reserves, which also include restricted Club and Society balances of £30,936, a restricted fund relating to a grant from Sport England of £2,403 and a Capital Grants reserve of £10,920, were £182,360 as at 31 July 2014.

The accounts include £35,000 in deferred income in the balance sheet, which relates to an advance from the University on future year grant which helped to support the Union's cash position in the year. This will be recognised as income in next year's accounts.

A balanced budget has been prepared for 2014/15 and is being monitored closely to ensure that general fund balances are maintained at least at the current level. A medium-term financial strategy has been developed with the aim of replenishing unrestricted reserves to a target level of £185,000 by 2016/17.

### **Funds**

All funds have been classified as General Funds in the annual accounts, apart from Club and Society Funds and activity financed from a grant from Sport England which are ring-fenced and a Capital Grant reserve, which relates to a grant received in a previous year which is amortised in line with the depreciation charges on funded assets and therefore reduces each year.

### **Funds Held as Custodian Trustee**

In addition to the grant-support funds it disburses to Clubs and Societies, SUARTS acts as custodian for funds raised by the students' many Clubs and Societies themselves. Any funds raised by Clubs and Societies are included in restricted funds.

### **Future Funding**

The Executive Committee confirms that the Union has sufficient funds to meet all its obligations. The block grant for 2014/15 has been confirmed at £773,000, which excludes any separate ring fenced funding. Commercial activities are also expected to generate a contribution to Union funds.

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of the charitable company for the purpose of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

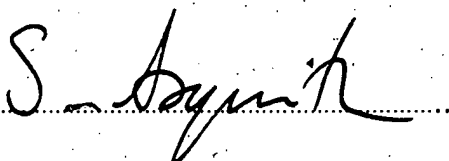
Under company law the Trustees must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and regulations made thereunder. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of Information to Auditors**

Insofar as each of the Trustees of the charitable company at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's Auditor in connection with preparing the audit report) of which the charitable company's Auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's Auditor is aware of that information.



President      SHELLY ASQUITH

Date: 8 December 2014

## **Independent Auditor's Report to the Members of the University of the Arts London Students' Union**

We have audited the financial statements of the University of the Arts London Students' Union for the year ended 31 July 2014 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet and the related notes set out on pages 13 to 21.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and Auditor**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; 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 charitable company's affairs as at 31 July 2014 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

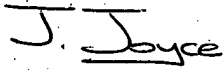
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the trustees annual report.



Janette Joyce  
Senior Statutory Auditor  
For and on behalf of  
**Crowe Clark Whitehill LLP**  
Statutory Auditor  
Reading

Date: 8.12.14

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**STATEMENT OF FINANCIAL ACTIVITIES**  
(incorporating an income and expenditure account)

	Note	<u>General Funds</u> £	<u>Restricted Funds</u> £	<u>Capital Grant</u> £	<u>2014 Total</u> £	<u>2013 Total</u> £
<b>INCOMING RESOURCES</b>						
<b>Voluntary income</b>						
Block Grant		834,027	-	-	<b>834,027</b>	739,596
Other University Grants		122,000	-	-	<b>122,000</b>	128,000
Other Grants		1,500	7,941	-	<b>9,441</b>	-
Grant of serviced accommodation	1 c)	1,500,000	-	-	<b>1,500,000</b>	1,500,000
<b>Activities for generating funds</b>						
Advertising Income		54,171	-	-	<b>54,171</b>	47,548
<b>Charitable activities</b>						
Bars		244,163	-	-	<b>244,163</b>	244,107
Shops		16,281	-	-	<b>16,281</b>	23,668
Entertainment and Events		32,427	-	-	<b>32,427</b>	49,112
Catering & Functions		188,515	-	-	<b>188,515</b>	122,867
<b>Other income</b>						
Release of Capital Grant		11,100	-	-	<b>11,100</b>	54,000
Sundry Income		9,694	-	-	<b>9,694</b>	49,957
Club and Society Income		-	154,819	-	<b>154,819</b>	159,611
		<b>3,013,878</b>	<b>162,760</b>	<b>-</b>	<b>3,176,638</b>	<b>3,118,466</b>
<b>RESOURCES EXPENDED</b>						
<b>Charitable Activities</b>						
Student Engagement		1,081,873	-	-	<b>1,081,873</b>	998,162
Student Support		235,341	-	-	<b>235,341</b>	272,905
Student Activities		559,718	5,538	-	<b>565,256</b>	611,047
Entertainments and Events		95,569	-	-	<b>95,569</b>	84,867
Marketing and Communications		160,542	-	-	<b>160,542</b>	149,320
Projects		51,657	-	-	<b>51,657</b>	36,358
Bars		540,687	-	-	<b>540,687</b>	576,516
Shops		27,758	-	-	<b>27,758</b>	33,373
Catering & Functions		224,448	-	-	<b>224,448</b>	158,318
Club and Society Expenditure		-	137,931	-	<b>137,931</b>	149,811
Release of Capital Grant		-	-	11,100	<b>11,100</b>	54,000
<b>Governance</b>		<b>11,110</b>	<b>-</b>	<b>-</b>	<b>11,110</b>	10,800
<b>TOTAL RESOURCES EXPENDED</b>	<b>2-5</b>	<b>2,988,703</b>	<b>143,469</b>	<b>11,100</b>	<b>3,143,272</b>	<b>3,135,477</b>
<b>NET INCOMING/ (OUTGOING) RESOURCES</b>		<b>25,175</b>	<b>19,291</b>	<b>(11,100)</b>	<b>33,366</b>	<b>(17,011)</b>
Funds brought forward		112,926	14,048	22,020	<b>148,994</b>	166,005
<b>Funds carried forward</b>		<b>138,101</b>	<b>33,339</b>	<b>10,920</b>	<b>182,360</b>	<b>148,994</b>

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


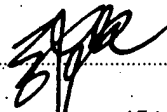
The notes on pages 15 to 21 form part of these accounts.

**University of the Arts London Students' Union  
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**BALANCE SHEET**  
Company Registration Number 7719030

	Notes	As at 31-Jul-14 £	As at 31-Jul-13 £
<b><u>TANGIBLE FIXED ASSETS</u></b>			
Tangible fixed assets	6	50,872	77,447
<b><u>CURRENT ASSETS</u></b>			
Stock		19,315	21,222
Debtors and Prepayments	7	73,392	74,802
Cash at Bank and in Hand		178,997	102,149
		271,704	198,173
<b><u>CURRENT LIABILITIES</u></b>			
Amounts falling due within one year	8	(140,216)	(126,626)
<b>NET CURRENT ASSETS</b>		<b>131,488</b>	<b>71,547</b>
<b>NET ASSETS</b>		<b>182,360</b>	<b>148,994</b>
<b>Financed by:</b>			
General Funds		138,101	112,926
Restricted Funds		33,339	14,048
Capital Grant Reserve	10	10,920	22,020
	9,12	<b>182,360</b>	<b>148,994</b>

Approved and authorised for issue on behalf of the University of the Arts London Students' Union by the Board of Trustees on 8 December 2014 :

 .....	President	SHELLY ASQUITH
 .....	Trustee	

The notes on pages 15 to 21 form part of these accounts.



**University of the Arts London Students' Union  
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**NOTES TO THE FINANCIAL STATEMENTS**

**1 ACCOUNTING POLICIES**

**a) Accounting Convention**

These accounts are prepared under the Charities Act 2011 on the historical cost convention in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities' published in March 2005 (SORP 2005) and with applicable UK Accounting & Financial Reporting Standards.

Under FRS 1 the Company is exempt from the requirement to prepare a Cashflow Statement on the grounds of its size

**b) Going Concern**

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 Executive Committee's Responsibilities as disclosed in the Annual Report.

**c) Incoming resources**

All income and capital resources are recognised in the accounts when the Union is legally entitled to the income and the amount can be quantified with reasonable certainty.

The University grant of free serviced accommodation is accounted for as income and expenditure of the year at an estimated value to the Union by reference to alternatives available on the commercial market.

**d) Resources expended**

Expenditure includes irrecoverable VAT.

- i) Charitable expenditure and costs of generating funds - comprises the direct and indirect costs of delivering public benefit.
- ii) Governance costs - those incurred for compliance and statutory requirements, such as the annual audit, annual elections and training for sabbatical officers.
- iii) Space grant - the value of free serviced campus accommodation is apportioned on estimated floor space occupied.
- iv) Other central overhead costs - are apportioned to charitable and other projects / activities on a usage basis, pro rata to the total costs of each project or activity undertaken.

**e) Tangible fixed assets**

Fixed assets are stated at cost less accumulated depreciation. Assets are not capitalised below £500 cost per item/set. Equipment, fixtures and fittings are included at cost. Depreciation is provided at the following annual rates in order to write the cost of assets off over their estimated useful lives:-

Fixtures and fittings	20-25% per annum on cost
Computer and Office Equipment	25% per annum on cost

**f) Stock**

Stock is valued at the lower of cost and net realisable value.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**ACCOUNTING POLICIES (CONTINUED)**

**g) Pension Costs**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**h) Fund accounting**

The Union administers and accounts for a number of funds, as follows:

i) Unrestricted funds representing unspent income which may be used for any activity/ purpose at the Executive Committee's own discretion.

ii) Restricted funds raised and administered by the Union for specific purposes as determined by students such as Club and Societies' accounts, as well as revenue received for purposes specified by the donor and also (if not material enough to require a separate column in the SoFA) any small capital grants received from the University.

iii) Capital Grants are recognised in the SoFA when the Union is entitled to them and are included in a separate reserve in the balance sheet. The reserve is released in line with the depreciation charged on the capital items included within the fixed asset purchased using the capital grant.

iv) Custodian Funds entrusted to the Union for safekeeping, but not under its management control, e.g. Clubs & Societies' funds. Such custodian activities are disclosed in the Annual Report, but as the funds are not managed by the Union they cannot be included in the accounts.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**Note 2**

**Charitable activities for students**

	Cost of Sales £	Staff Costs £	Other Admin £	Total £
Student Engagement	-	400,085	681,788	1,081,873
Student Support	-	57,249	178,092	235,341
Student Activities	-	162,394	402,862	565,256
Entertainments and Events	-	5,372	90,197	95,569
Marketing and Communications Projects	-	63,967	96,575	160,542
Bars	97,078	147,704	295,905	540,687
Shops	7,007	4,672	16,079	27,758
Catering & Functions	104,460	62,800	57,188	224,448
Club and Society Expenditure	-	-	137,931	137,931
Release of Capital Grant	-	-	11,100	11,100
Governance	-	-	11,110	11,110
	<b>208,545</b>	<b>927,671</b>	<b>2,007,056</b>	<b>3,143,272</b>

Included in governance costs above is the annual audit fee of £10,710 (2013: £10,400).

**Note 3**

**Central overhead costs included in Note 2**

	Usage %	Staff £	Rent £	Other £	Total £
Student Engagement	37	39,881	555,000	39,939	634,820
Student Support	11	11,856	165,000	11,874	188,730
Student Activities	20	21,557	300,000	21,588	343,145
Entertainments and Events	4	4,311	60,000	4,318	68,629
Marketing and Communications	6	6,467	90,000	6,477	102,944
Projects	1	1,078	15,000	1,079	17,157
Bars	17	18,324	255,000	18,350	291,674
Shops	1	1,078	15,000	1,079	17,157
Catering & Functions	3	3,234	45,000	3,238	51,472
		<b>107,786</b>	<b>1,500,000</b>	<b>107,942</b>	<b>1,715,728</b>

Overheads have been apportioned on the basis of estimated staff time.

Other costs comprised:

Depreciation	37,666
Accounting Costs	15,466
Insurances	14,071
Bank Charges	12,818
Bad Debt	6,466
Stationery and Minor Equipment	4,800
Travel	3,306
Irrecoverable VAT	2,571
Sundry Expenses	20,291

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	<b>2014</b>	<b>2013</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Note 4</b>		
<b>Staff Costs</b>		
Wages and salaries	<b>838,951</b>	771,208
Social security	<b>68,507</b>	63,648
Pension Costs	<b>4,031</b>	7,731
Other staff costs	<b>16,182</b>	23,160
	<b>927,671</b>	<b>865,747</b>

No employee earned over £60,000 in either period.

The staffing was as follows:

	<b>Number</b>	<b>Number</b>
Full time	<b>36</b>	<b>39</b>

**Note 5**

**Trustees' Remuneration and Expenses**

Sabbatical officers are paid as authorised in the Union's governing document, for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities. This work included voicing student opinion with the University and local community, defending and extending the rights of students through petitions etc. and also organising and supporting student volunteers and service provision for them.

The total salary and social security costs for the sabbatical officers amounted to £95,529 (2013: £94,554). Sabbatical officers were paid a total of £87,568 for 11 months of the year whilst the new Sabbatical officers were paid £7,961 for one month of the year.

Trustees were reimbursed expenses of £1,567 in connection with their duties during the period.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**6 TANGIBLE FIXED ASSETS**

	<b>Fixtures and Fittings</b>	<b>Furniture &amp; IT Equipment</b>	<b>Total</b>
	£	£	£
<b>COST</b>			
At 1 August 2013	500,217	70,163	<b>570,380</b>
Additions	-	11,091	<b>11,091</b>
<b>At 31 July 2014</b>	<b>500,217</b>	<b>81,254</b>	<b>581,471</b>
<b>DEPRECIATION</b>			
At 1 August 2013	452,965	39,968	<b>492,933</b>
Charge for the Year	23,628	14,038	<b>37,666</b>
<b>At 31 July 2014</b>	<b>476,593</b>	<b>54,006</b>	<b>530,599</b>
<b>NET BOOK VALUE</b>			
<b>At 31 July 2014</b>	<b>23,624</b>	<b>27,248</b>	<b>50,872</b>
At 31 July 2013	47,252	30,195	77,447

**7 DEBTORS**

	<b>2014</b>	<b>2014</b>
	£	£
Trade Debtors	<b>31,542</b>	62,172
Other Debtors	<b>40,642</b>	9,517
Prepayments and Accrued Income	<b>1,208</b>	3,113
	<b>73,392</b>	<b>74,802</b>

**8 CREDITORS: Amounts falling due within one year**

	<b>2014</b>	<b>2014</b>
	£	£
Trade Creditors	<b>15,766</b>	19,027
Social Security & other taxes	<b>30,799</b>	26,853
Accruals and deferred income	<b>74,018</b>	80,746
Other creditors	<b>19,633</b>	-
	<b>140,216</b>	<b>126,626</b>

**University of the Arts London Students' Union**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**9 FUND ANALYSIS**

	Balance at 1-Aug 2013 £	Incoming Resources £	Outgoing Resources £	Balance at 31-Jul 2014 £
<b>Unrestricted Funds</b>	<b>112,926</b>	<b>3,013,878</b>	<b>(2,988,703)</b>	<b>138,101</b>
<b>Restricted Funds:</b>				
Club and Society Funds	14,048	154,819	(137,931)	<b>30,936</b>
Sport England Grant	-	7,941	(5,538)	<b>2,403</b>
	<b>14,048</b>	<b>162,760</b>	<b>(143,469)</b>	<b>33,339</b>
<b>Capital Grant Reserve</b>	<b>22,020</b>	-	<b>(11,100)</b>	<b>10,920</b>
<b>Total Funds</b>	<b>148,994</b>	<b>3,176,638</b>	<b>(3,143,272)</b>	<b>182,360</b>

Restricted Funds relate to Club and Society funds and student activities financed by a grant from Sport England.

The Capital Grant Reserve relates to a grant received in a previous year for refurbishment work.

**10 CAPITAL GRANT RESERVE**

Balance Brought Forward	£ 22,020
Transfer to unrestricted funds	(11,100)
Balance Carried Forward	<b>10,920</b>

A capital grant of £215,000 was provided by the University in 2010 to fund the refurbishment of the bars. This is considered to be an expendable endowment fund. This is being released to unrestricted funds to match the depreciation charge of the corresponding assets.

**11 STUDENT SOCIETY/CLUB MATERIAL FUNDS HELD WERE:**

	Opening Balance £	Net Income £	Closing Balance £
Men's Basketball	1,421	686	2,107
Women's Basketball	1,459	1,113	2,572
General	2,074	554	2,628
Women's Hockey	1,720	2,856	4,576
Men's Hockey	1,843	1,294	3,137
Fashion Society	1,116	1,098	2,214
Life Drawing	2,178	1,140	3,318
	<b>11,811</b>	<b>8,741</b>	<b>20,552</b>

**12 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Restricted Funds £	Capital Grant £	Total Funds £
Fixed assets	39,952	-	10,920	<b>50,872</b>
Net current assets	98,149	33,339	-	<b>131,488</b>
	<b>138,101</b>	<b>33,339</b>	<b>10,920</b>	<b>182,360</b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**13 RELATED PARTY TRANSACTIONS**

The University of the Arts provides the Union with an annual grant as shown in the Statement of Financial Activities. 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. In line with SORP 2005 the value of this benefit included in the accounts is £1,500,000 which management believe would be the market rate of rentals payable for a similar property.

Amounts due from the University of the Arts as at the year end amounted to £15,280 (2013: £44,144).

Included within accruals and deferred income is a grant received in advance from the University amounting to £35,000 (2013: £70,000) which will be repaid over the next year.

**14 CONTROL RELATIONSHIP**

The Union is controlled by the executive committee which is subject to democratic election by the voting membership of the Union. The ultimate control of the Union is vested under constitution in the membership in the general meeting. As such no single person or entity controls the Union as defined by Financial Reporting Standard 8.

**15 PENSION COMMITMENTS**

The Union operates a defined contribution pension scheme for the benefit of certain employees. The assets of the scheme are administered in a fund independent from those of the Union.

There were no amounts due at the balance sheet date.

Contributions are at the rate of 3% for the employer and 3% for the employee. The Union's cost of contribution in the year amounted to £4,031 (2013: £7,731).