

Charity Number: 1143161
Company Registration Number: 7719030

University of the Arts London Students' Union

(Limited by guarantee)

Annual Report and Accounts 2019



**University of the Arts London Students' Union
Annual Report and Accounts 2019
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**University of the Arts London Students' Union
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Company Information**

Registered office: Arts SU
272 High Holborn
London
WC1V 7EY

Board of trustees: Martin Bailey
Anita Israel
Andrew Minnis
Amber Gonen (Appointed on 1 July 2019)
Pinky Latt (Appointed on 1 July 2019)
Eleanor West (Appointed on 1 July 2019)
Anne Akussah (Resigned on 1 July 2019)
Katy Jalilipour (Resigned on 1 July 2019)
Olivia Kellett (Resigned on 30 June 2019)
Hansika Jethnani (Resigned on 1 August 2018)
Jonathan Jewell (Resigned on 18 September 2018)

Professional advisors: Auditors
Crowe U.K. LLP
Registered auditors
Aquis House
49 – 51 Blagrove Street
Reading
RG1 1PL

Bankers

HSBC
1 – 3 Bishopsgate
London
EC2N 3 AQ

NatWest
Connaught House
65 Aldwych
London WC2B 4DS

Solicitors

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

**University of the Arts London Students' Union
Trustees' Report
For the year ended 31 July 2019**

Structure, Governance and Management

The University of the Arts London Students' Union (Arts SU) is established under the Education Act 1994 and is a charitable company limited by guarantee. Its internal regulations and Rules are approved by the University of the Arts London ('UAL').

Arts SU is governed by a Trustees Board of up to nine members. This is comprised of four Student Officer Trustees and three student Trustees who are elected by members of Arts SU annually. There is also two non-student Trustees (also known as an External Trustee) on the Board who are appointed for their particular professional skills and knowledge. These External Trustees are appointed by the Trustee Board and may serve an initial term of three years, renewable for one further term of three years.

Full details of current Trustees and those who served in 2018-19 and who joined or left the Board in the period from 31st July 2019 up to the date of this report, together with the origination's principal advisors can be found in Legal and Administrative Information on page 1.

All Trustees undertake an induction programme and are given briefings on the organisation's operations and goals. The induction programme, delivered by the Company Secretary, covers the role of Trustee, provides an understanding of the legal responsibilities of being a Trustee, and - through meeting key Board and senior staff members - provides an appreciation of Arts SU's vision, mission and values and the relationship between Trustees and staff team. In addition the Chair of the Trustee Board attends Chairs training, also delivered by the Company Secretary which outlines their specific role within the Trustee Board.

The Trustees are responsible for the overall performance and strategic direction of Arts SU on behalf of its members, over 20,000 students of the University of the Arts London. In this respect the Board undertakes self-assessment and further development initiatives as required, ensuring that they work to high standards.

How Governance works at Arts SU

Arts SU operates on democratic principles, working for and with our members, the students of UAL. The voice of students is represented by the Union Executive, run and elected by members of UAL. The Union also holds Student Council Meetings through which students are able to propose and vote on motions. The Union also supports a range of assemblies to ensure that the diversity of the student body is heard.

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Day-to-day operational and staff management is delegated to the Chief Executive who is responsible to the Trustees for strategy development, implementation and operational performance.

The Trustee Board meets at least five times per year to receive reports from sub-committees, Officers, Senior Management and the Chief Executive, to review the Union's strategic 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 is accountable to the Chief Executive for the performance of their duties

Employees

We employed an average of 52 salaried staff team members (39 full time equivalent) and employed 99 student staff team members during the year (23 full time equivalent).

Senior Leaders Salaries (Key Management Personnel)

The remuneration of senior management is consistent with the process for the rest of Arts SU, with the policy objective of ensuring that they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Union's success. The appropriateness and relevance of the remuneration policy will be reviewed periodically including reference to comparisons with other unions to ensure that the Union remains sensitive to the broader issues of pay and employment conditions elsewhere.

Delivery of the Union's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

Partnership Review Update

In November 2018 each of the Trustee Boards agreed the dissolution of the partnership between Arts SU and London School of Economics Students' Union.

The Partnership Review Programme was established to manage the dissolution of the partnership, with the purpose of creating two separate Students' Unions and operational structures fit for purpose to deliver their individual aims in the future.

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The Partnership Review Programme has impacted staff (people) across both SUs, this needed to be managed at pace, but with empathy and respect, at the same time meeting any legal or statutory requirements resulting from the change.

Both Boards agreed a governance structure of one working group, with dual reporting into the two Trustee Boards. Investment was made in specialist programme and HR support to deliver the programme.

The shape and structure of the new, independent Arts SU was based on the following inputs:

- Sabbatical officers' views and a review of the Unions' strategic priorities.
- Students views were sought by the Strategy Workstream
- Union staff views were collated through a series of five focus groups
- UAL and LSE partner feedback was collected through a number of informal and formal conversations and meetings through sabbatical officers and the Interim CEO

On 25 April the Trustee Boards agreed the draft staffing structures that the Union consulted on. All people transition activities took place over the subsequent three months so that the new organisation internal structure could officially start from 1 August 2019.

Key Achievements

There are many events, activities and services that form our day to day offer for students that range from artist development and creative activities to providing advice. To ensure this activity is meaningful, our strategy and sabbatical officer priorities give us direction. Below we have outlined our key achievements that have contributed towards our strategic aims and highlighted the impact this has had on our members.

1. Aim

We will offer opportunities which are out of the box and of the classroom

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Impact Measures

- Showcasing students at UAL and focusing on non-traditional art forms and subjects, we will have a comprehensive and nationally recognised program of events and exhibitions
- Our connections with creative industries will support our commitment to offering students creative opportunities which are out of the box and out of the classroom
- Our flagship creative development programs will provide skills development for creative entrepreneurs and will be an effective vehicle for selling students work
- Our student societies, sports clubs and volunteering communities will empower students to develop their own opportunities and allow the continued development of transferable skills

Progress

- We delivered over 150 creative events during the 2018 Welcome Period as part of our Arts Unlocked programme- creating stronger communities around creative practice across UAL locations
- Through our Xhibit programme, we supported 27 students to show their work at the Koppel Project Central Gallery in Soho. We also provided these students with enhanced professional development
- We established a programme to support Elite Athletes at UAL. This has been a success in providing additional resources to these athletes and has shown that UAL students can excel in their artistic and athletic practices
- Our work through the Made in Arts London programme guided 12 students to sell their work at the Affordable Art Fair Hampstead, with £8790 in total sales
- In Partnership with TM Lighting, the Annual Exhibition to launch Made in Arts London 2019 showcased 31 students over a month. Additionally, 180 students attended our professional development programme. This programme was developed to ensure students gain more knowledge and experience in professional creative practice

"Pretty cool event to see alternative galleries. Get to know the way students work on their arts! Thank you!" – Student, South London Art Tour

"Great to have something that makes me feel included as a gay man."– Student, LGBTQ+ Faire

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2. Aim

We will be a Union which listens and acts, ensuring that we are a positive agent for change in our colleges, University and community

Impact Measures

- We will be evidence led, using research and our unparalleled knowledge of the whole student body to drive positive change for students
- Our support for student and political activism will equip students with the skills and information they need to be the next generation of community leaders
- Students are at the heart of, and adding value to academic and non-academic decision making at UAL
- The entire UAL community will be clear on the impact and value of Arts SU

Progress

- Acting on the feedback and experience of UAL students, our work on the Attainment Gap included accomplished research, consultation with students and resulted in an impactful report. The recommendations of this were accepted by the UAL Court of Governors
- We implemented a stronger feedback loop between campaigning and our advice service, resulting in UAL regulation changes that will greatly benefit students with extenuating circumstances, allowing evidence from a broader range of health practitioners and counsellors
- Acting on feedback from students, we lobbied UAL to enable the LCC Dark Room Bar, giving students much needed social space in the college
- Through our lobbying and campaigning, the university has agreed to put sanitary products in toilets across UAL, meaning all students who need sanitary products will have access to them
- As a result of policy passed at Student Council, we elected the first Trans Students' Officer. This will give much needed representation to trans students at UAL.

3. Aim

We will be a supportive environment which provides networked communities and enables students to succeed during their time at UAL

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Impact Measures

- Our societies, sports clubs and volunteering communities will be centres of excellence in inclusivity and diversity and will be led by students, ensuring no student feel isolated when they are at UAL
- Our advice service will be a centre of excellence, working closely with UAL and the colleges, delivering proactive student support and information on issues of academia, mental health and housing
- Our partnerships with external organisations, will allow students to access a network of support and information during their time at UAL.

Progress

- After demonstrating the value of consent training by delivering sessions during the welcome period, we have worked with UAL to increase the number of students receiving consent training
- We re-developed the advice section of the website, including introducing a self-help section and a live chat method of accessing advice
- Our 'Lates' programme strengthened relationships with established arts institutions and enabled over 20 students to develop their practice with organisations such as the British Museum and the Royal Academy.
- We supported over 50 students to work with Canopy Market at Kings Cross to a Made in Arts London Takeover of the event. This development allowed UAL students to gain vital experience in selling work directly to customers
- Our Advice Team opened 1,110 cases in the last calendar year range of issues including mitigating circumstances, appeals, misconduct, complaints, housing and harassment
- We fostered collaboration between student curators and societies through our Free Range Exhibition at the Truman Brewery, where our Fail Better Society also collaborated in this showcase to deliver successful events
- Our growing partnerships with arts organisations such as Cass Arts and Metro Imaging facilitated students receiving £500 materials bursaries, mentorships and £1000 in house services to support their creative practice

"Thank you so much for this opportunity. I'm beyond ecstatic at the thought of being chosen, at the thought of all the new art I will be able to make, all the new connections and people I will meet, all the future opportunities which will be leveraged by this achievement! Truly thank you and truly proud." – Lizzie Reid, Made in Arts London artist and selected artist for the Cass Art bursary.

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4. Aim

We will work with UAL to ensure education is accessible for and reflective of students at UAL

Impact Measures

- Arts SU's student academic representation structures will be the recognised voice of students' academic needs and co-producers in their education.
- By working in partnership with the colleges and UAL, we will have reviewed what students, where they learn and how they learn so that UAL has a diversified curriculum which is reflective of the diversity of students at UAL and their backgrounds
- Academic and support staff of UAL will be consistently working with Arts SU to co-develop solutions to challenges and submitting policy proposals to colleges and UAL committees.

Progress

- The course representative system continues to be an important and successful way of making change. This year we established Meet the Head events, which had a positive impact on course representatives relationships with key people at UAL and provided students with a new platform to make their voices heard by the university
- Our work this year on Decolonising the Curriculum and the Attainment Gap at UAL resulted in recommendations from our Attainment Gap Report being approved by the Court of Governors, UAL's highest decision making body. These recommendations include delivering face-to-face diversity and inclusion training to all staff at UAL and make great strides towards lessening the attainment gap for our black students and students of colour.
- Our Advice Team implemented weekly term-time college drop-ins to enable students to access to regular, on site advice
- We lobbied UAL to change regulations for student-parents, putting pressure on the university to make extenuating circumstances more accessible
- 88% of students who used our advice service felt more informed and 83% felt supported and listened to as a result of the advice they received

"The Decolonising Curriculum series have been incredible. But all in all, having more tutors from different background could support the students better." – UAL Student

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Looking forward

In the 19/20 Academic Year, our organisational structure will enable staff and student officers to be more present across our six colleges. This is an exciting opportunity to meet our students where they are and build stronger communities. We are excited about the opportunities this will bring in building on our strategic aims.

Financial Review

Income

Our total income for the year increased to £3,429,255 (£2018: £3,379,153). This was due an increase in the grants received from the University.

Costs

Total expenditure from for the year was £3,436,872 (2018: £3,367,687) which is a increase on the previous year.

Outcome

The outcome for the year is an operating deficit on general funds of £5,259 (2018: £39,856 surplus).

Restricted Funds

These funds comprise monies held for Student Groups (ratified sports clubs and societies, which are branches of Arts SU) and grants received from UAL and other external organisations for specific student-facing projects. During the year income of £171,206 (2018: £159,065) and expenditure of £173,564 (2018: £187,455) resulted in net outgoing resources of £2,358 (2018: £28,390). Arts SU acts as a custodian for the funds raised by the clubs and societies themselves.

Future Funding

Arts SU has sufficient funds to meet its future obligations. The block grant from UAL for 2019/20 has been confirmed at £1,477,000 (£1,353,010 in 2018).

Fixed Assets

Arts SU fixed assets stayed broadly in line with the prior year.

Reserves

At the end of the year total reserves were £173,124 (2018: £180,741) of which unrestricted funds were £135,483 (2018: £140,742) and restricted funds were £37,641 (2018: £39,999).

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Reserves Policy

Arts SU reserves policy is that general (unrestricted) reserves should be a minimum of £120,000. At this level we believe that we would be able to continue the student-facing activities of the organisation in the event of a significant decline in non-University funding, whilst allowing time to re-establish or re-focus income generating activities.

As at 31 July 2019 our total unrestricted reserves equated to £135,483 (£140,742 in 2018). Free reserves (after deducting fixed assets) were £129,342 (£128,917 in 2018).

Risk management

The Trustees are responsible for Art's SU risk management and the effectiveness of internal controls. On behalf of the Trustees, the Senior Leadership Team performed a review of major risks in February 2019 and presented the findings and the mitigating measures to the February Audit and Risk Committee. The key risks and their mitigations are outlined below:

- GDPR compliance
- UK leaving the EU
- NUS collapse/major change
- Partnership review and decision to dissolve
- Lack of commercial strategy and declining income
- Importance of well managed relationship with UAL
- Elections
- Alcohol licensing and food hygiene
- People

Relationship with the University of the Arts London

The Union receives a block grant from the University and occupies spaces in University owned buildings. The occupation and use of these spaces is set out in the Memorandum of Understanding between Arts SU and the University. 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 Arts SU. Although Arts SU continues to generate supplementary funding from various mutual trading activities, it will always be dependent on the University's support.

The Trustees consider it reasonable to anticipate that this or equivalent support from the University will 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 in one form or another.

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The University was fully involved in the Partnership Review, with the Dean of Students a member of the Partnership Review Programme Board. The block grant commitment from the University increased by 14% in 2019/20, along with designated funding for campaigns that broadened access to Higher Education (£35,000) and student led arts based activities fund (£125,000). The Trustees therefore consider the Union to be financially viable for the foreseeable future.

Fundraising

The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Public Benefit

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

Affiliation

Arts Students' Union is affiliated to the following organisations. Membership, granted by the payment of an affiliation fee, entitles the Union to have a say in how the organisations are run or what focus they have. This may be in the form of a vote or a voice on working parties over and above other membership benefits such as access to expert advice or information resources.

Affiliation fee:	2018-19
National Union of Students (NUS)	£33,726.00
British Universities and Colleges Sport (BUCS)	£2,646.96
Advice UK	£1,575.00
National Council of Voluntary Organisations	£Nil
Association of CE's in Voluntary Organisations (ACEVO)	£499.00

Confirmation of these affiliations is taken at the AGM.

Small Companies

Exemption In preparing this report the Trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

On Behalf of the Trustee Board



Chair of Arts SU Trustee Board - Pinky Latt

Date: 13th April 2020

**University of the Arts London Students' Union
Trustees' Report
For the year ended 31 July 2019**

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 Year. 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.
-

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The Trustees are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as the determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website.

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.

Approved and authorised for issue on behalf of the University of the Arts London Students' Union on 13th April 2020



Trustee

Pinky Latt

**University of the Arts London Students' Union
Independent Auditors Report
for the year ended 31 July 2019**

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

Opinion

We have audited the financial statements of University of the Arts Students' Union for the year ended 31 July 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2019 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

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Independent Auditors Report
for the year ended 31 July 2019**

- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the Trustees' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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Independent Auditors Report
for the year ended 31 July 2019**

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept; 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 in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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Independent Auditors Report
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Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

[Date] 14 April 2020

University of the Arts London Students' Union
Statement of Financial Activities
for the year ended 31st July 2019

	Notes	General Funds	Restricted Funds	2019 Total £	2018 £
Gross Income					
Donations:					
Block Grant		888,863	-	888,863	839,000
Other University Grants		412,969	-	412,969	363,658
Other Grants		148,610	5,685	154,295	7,000
Space Grant		1,500,000	-	1,500,000	1,500,000
Other Trading Activities:					
Commercial Activities		268,013	-	268,013	421,643
Media Sales		27,122	-	27,122	63,700
Charitable activities for Students					
Clubs and Societies		-	165,521	165,521	159,065
Other Income		12,472	-	12,472	25,087
Total income		3,258,049	171,206	3,429,255	3,379,153
Expenditure On					
Charitable Activities for Students					
Student Engagement		1,302,542	-	1,302,542	1,179,524
Student Support		310,992	-	310,992	307,899
Student Activities		662,790	173,564	836,354	820,292
Entertainment and Events		90,123	-	90,123	90,299
Marketing and Communications		115,516	-	115,516	110,225
Projects		76,126	-	76,126	84,649
Commercial Activities		705,219	-	705,219	774,799
Total expenditure	3-7	3,263,308	173,564	3,436,872	3,367,687
Net income and movement in funds					
		(5,259)	(2,358)	(7,617)	11,466
Fund balances brought forward		140,742	39,999	180,741	169,275
Fund balances carried forward		135,483	37,641	173,124	180,741

Notes 1 to 19 form part of these accounts.

University of the Arts London Students' Union
Company Registration Number 7719030
Balance Sheet
at 31st July 2019

	Notes	2019		2018	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	8		6,141		11,825
Current Assets					
Stock		10,555		9,457	
Debtors & prepayments	9	175,477		239,558	
Cash at bank & in hand		<u>263,506</u>		<u>314,122</u>	
		449,538		563,137	
Current Liabilities					
Creditors: Amounts due within one year	10	<u>(282,555)</u>		<u>(394,221)</u>	
Net Current Assets			<u>166,983</u>		<u>168,916</u>
Net Assets			<u>173,124</u>		<u>180,741</u>
Reserves					
Unrestricted Funds					
General Funds	12		110,483		140,742
Designated Funds	12		<u>25,000</u>		<u>-</u>
			135,483		140,742
Restricted Funds	12		<u>37,641</u>		<u>39,999</u>
Total Funds	13		<u>173,124</u>		<u>180,741</u>

Approved and authorised for issue on behalf of the University of the Arts London Students' Union on 13th April 2020



Trustee

Pinky Latt

Notes 1 to 19 form part of these accounts

University of the Arts London Students' Union
Cashflow statement
For the year ended 31st July 2019

		2019 £	2018 £
<i>Net cash (used in)/generated by</i>			
<i>operating activities</i>	18	(50,616)	109,265
 Cash flows from investing activities:			
Purchase of fixed assets	8	-	(991)
Change in cash and cash equivalents in the year		(50,616)	108,274
Cash and cash equivalent brought forward		314,122	205,848
Cash and cash equivalents carried forward		263,506	314,122
 Reconciliation to Balance Sheet			
Cash at bank and in hand		263,506	314,122

Notes 1 to 19 form part of these accounts

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

1 Accounting Policies

(a) **Company information**

The University of Arts London Students' Union is an incorporated charity: a private limited company limited by guarantee and registered in the UK (Charity number 1143161, Company Number: 7719030). Its registered office is at SU Arts, 272 High Holborn, London WC1V 7EY. The principal activities are campaigning, representation, provision of social activities and the organisation of sporting and recreational activities and opportunities. It is a public benefit entity as defined by FRS102.

(b) **Basis of preparation**

The financial reporting framework that has been applied in the preparation of these accounts is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and the 2015 Charities Statement of Recommended Practice based thereon – the Charities SORP.

(c) **Going concern**

At the time of approving the accounts, the COVID-19 virus continues to develop and has recently been designated a global pandemic by the World Health Organisation. Both the short term and long term effects of the rapidly escalating situation are as yet unknown and the Trustees continue to closely monitor the financial and operational impact of the developing situation. Despite the current circumstances, with the continued financial support of the University of the Arts London and with only a small percentage of income generated by commercial activities, the Trustees believe the Union is able to continue as a going concern for the foreseeable future, being at least twelve months from the date of approving these financial statements and therefore have prepared the financial statements on a going concern basis.

(d) **Incoming resources**

All income and capital resources are recognised in the accounts when the entitlement to the income or endowment arises, there is probable economic benefit to the Union and the amount can be reliably quantified.

Grants received are credited to income according to the period to which they relate and treated as unrestricted unless restrictions are specified

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

Income from commercial activities includes amounts received in exchange for supplying goods and services through the Union's bar, catering and retail outlets, with amounts recognised based on the date of sale.

Media sale income includes sponsorship relating to Fresher Fair stalls, which is accounted for when the contractual entitlement to the income arises, and NUS Extra card income which is accounted for based on sales arising in the period.

Club and societies' income includes membership, sponsorship and grant income which is treated as restricted.

(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) **Resources expended**

Expenditure is accrued as soon as a liability is considered probable. Expenditure includes irrecoverable VAT and 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. The value of free serviced campus accommodation is apportioned on estimated floor space occupied. Other central overhead costs, as well as governance 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.

(g) **Termination benefits**

Termination benefits are accounted following a commitment by legislation, by contractual or other agreements with employees to make payments (or provide other benefits) to employees when the Union terminates their employment.

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

1 Accounting Policies (continued)

(h) **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.

(i) **Stock**

Stock is valued at the lower of the cost (gift value for any donated items) and its net realisable value.

(j) **Debtors**

Short term debtors are measured at transaction price, less any impairment.

(k) **Financial Instruments**

The charity holds only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at fair value.

(l) **Creditors**

Short term creditors are measured at transaction price.

(m) **Fund accounting**

University of the Arts London Students' Union administers and accounts for a number of charitable funds, as follows:-

- **Unrestricted Funds** representing unspent income which may be used for any activity/purpose at the Trustees' own discretion;
- **Restricted funds** raised and administered by the University 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.

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

2 Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

Preparation of the financial statements requires management to make judgements and estimates. The directors consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

3 Charitable and other Activity costs

	Cost of Sales £	Staff £	Rent £	Other £	Total 2019 £	Total 2018 £
Student Engagement	-	592,275	555,000	155,267	1,302,542	1,179,524
Student Support	-	124,981	165,000	21,011	310,992	307,899
Student Activities	-	236,846	300,000	125,944	662,790	632,837
Entertainments and Events	-	9,897	60,000	20,226	90,123	90,299
Marketing and Communications	-	14,657	90,000	10,859	115,516	110,225
Projects	-	39,250	15,000	21,876	76,126	84,649
Commercial Activities	132,684	181,448	315,000	76,087	705,219	774,799
Restricted Funds:						
Clubs and Societies	-	-	-	173,564	173,564	183,726
RAG	-	-	-	-	-	3,729
Total costs	132,684	1,199,354	1,500,000	604,834	3,436,872	3,367,687

Included above are governance costs in relation to the annual audit fee of £12,350 (2018: £12,000).

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

4 Central Overhead Costs included in Note 3

Resources expended	<i>Usage</i>	Staff £	Rent & Rates £	Other £	Total £
Student					
Engagement	37%	90,381	555,000	64,164	709,545
Student Support	11%	26,870	165,000	19,076	210,946
Student Activities	20%	48,855	300,000	34,683	383,538
Entertainments & Events	4%	9,771	60,000	6,937	76,708
Marketing & Communications	6%	14,657	90,000	10,405	115,062
Projects	1%	2,443	15,000	1,734	19,177
Commercial Activities	21%	51,298	315,000	36,417	402,715
Totals	100%	244,275	1,500,000	173,416	1,917,691

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

4 Central Overhead Costs included in Note 3 (continued)

Other costs comprised:-	2019	2018
	£	£
Affiliations and Subscriptions	33,650	30,254
Insurances	17,551	13,197
Audit fees	18,687	12,000
Training costs	6,929	12,153
Bank charges	1,694	10,522
Accounting costs	2,172	10,464
Office equipment	4,137	7,014
Recruitment expenses	7,501	4,280
Sundry expenses	81,095	38,025
Total	173,416	137,909

5 Net income for the year

Net income for the year is stated after charging/(crediting)	2019	2018
	£	£
Depreciation	5,684	7,078
Auditors' remuneration	12,350	12,000

6 Staff Costs

	2019	2018
	£	£
Wages and salaries	1,077,726	1,053,932
Social security	95,400	90,173
Pension costs	25,148	24,547
Other staff related costs	1,080	1,722
	1,199,354	1,170,374

No employees earned over £60,000 per annum (2018: nil). The aggregate employee benefits including employers national insurance and pension costs of key management personnel were £194,613 (2018: £195,525). The accounts include termination payments totalling £43,008 (2018: £nil).

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

The Union employed an average of 52 (2018: 50) permanent staff members during the year, which equated to an average full time equivalent of 39 (2018: 36) permanent staff. 23 (2018: 23) student and temporary staff were employed.

7 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, social security and pension costs for the sabbatical officers amounted to £105,058 (2018: £102,949). Full time sabbatical officers in post were paid a salary of £23,993 (2018: £23,756) for 11 months of the year whilst the new Sabbatical officers were paid £2,236 (2018: £2,156) for one month of the year.

4 (2018:4) trustees were reimbursed a total of £2,014 (2018: £1,672) in connection with their duties during the period. The expenses reimbursed during the year related to attendance at conferences and meetings, training and events.

Travel loans under normal terms for staff were advanced to one of the paid trustees during the year. This was repaid in year.

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

8 Tangible Fixed Assets

	Furniture & IT Equipment £	TOTAL £
COST		
At 1 August 2018 and 31 July 2019	<u>72,146</u>	<u>72,146</u>
DEPRECIATION		
At 1 August 2018	60,321	60,321
Charge for the year	<u>5,684</u>	<u>5,684</u>
At 31st July 2019	<u>66,005</u>	<u>66,005</u>
NET BOOK VALUE		
At 31st July 2019	<u>6,141</u>	<u>6,141</u>
<i>At 31 July 2018</i>	<u>11,825</u>	<u>11,825</u>

9 Debtors

	2019 £	2018 £
Trade debtors	163,174	223,299
Other debtors	9,919	10,168
Prepayments and accrued income	<u>2,384</u>	<u>6,091</u>
	<u>175,477</u>	<u>239,558</u>

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

10	Creditors: Amounts due within one year	2019 £	2018 £
	Trade creditors	110,477	19,080
	Social security & other taxes	25,274	43,140
	Accruals & deferred income	120,559	174,158
	Other creditors	26,245	157,843
		282,555	394,221
11	Deferred Income	2019 £	2018 £
	Balance as at 1 August 2018	149,594	7,930
	Amount released to income earned from charitable activities	(149,594)	(7,930)
	Amount deferred in year	9,366	149,594
	Balances as at 31 July 2019	9,366	149,594

Deferred income includes receipts relating to the subsequent period, including marketing and other income relating to the Freshers period.

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

12. Funds

Year ended 31 July 2019	1 Aug 2018 £	Incoming Resources £	Outgoing Resources £	31 July 2019 £
Unrestricted Funds				
General funds	140,742	3,233,049	(3,263,308)	110,483
Designated funds	-	25,000	-	25,000
	140,742	3,258,049	(3,263,308)	135,483
Restricted Funds				
Clubs and Societies	38,710	165,521	(173,564)	30,667
RAG	1,289	-	-	1,289
Arts Active	-	5,685	-	5,685
	39,999	171,206	(173,564)	37,641
Total Funds	180,741	3,429,255	(3,436,872)	173,124

The Designated funds are part of the block grant given by the University of the Arts to help the Union in its transition through to campus based activity.

Restricted Funds relate to Club and Society funds, monies raised by Raise and Give (RAG) activities and student activities financed by a grant from Sport England.

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

12. Funds (continued)

Year ended 31 July 2018

	<i>1 Aug 2017</i>	<i>Incoming Resources</i>	<i>Outgoing Resources</i>	<i>31 Jul 2018</i>
	£	£	£	£
<i>Unrestricted Funds</i>	<u>100,886</u>	<u>3,220,088</u>	<u>3,180,232</u>	<u>140,742</u>
<i>Restricted Funds Clubs and Societies RAG</i>	63,611 4,778	158,825 240	183,726 3,729	38,710 1,289
	<u>68,389</u>	<u>159,065</u>	<u>187,455</u>	<u>39,999</u>
<i>Total Funds</i>	<u>169,275</u>	<u>3,379,153</u>	<u>3,367,687</u>	<u>180,741</u>

13 Analysis of Net Assets between Funds

At 31 July 2019

	<i>General Funds</i>	<i>Restricted Funds</i>	Total
	£	£	£
Fixed Assets	6,141	-	6,141
Net current assets	129,342	37,641	166,983
	<u>135,483</u>	<u>37,641</u>	<u>173,124</u>

At 31 July 2018

	<i>General Funds</i>	<i>Restricted Funds</i>	<i>Total</i>
	£	£	£
Fixed Assets	11,825	-	11,825
Net current assets	128,917	39,999	168,916
	<u>140,742</u>	<u>39,999</u>	<u>180,741</u>

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

14 Control Relationship

Ultimate control of the Union rests with its membership, represented by the Board of Trustees.

15 Related Party Transactions

The University provides the Union with an annual grant as shown in the Statement of Financial Activities. The University of the Arts London provides the Union with accommodation and a range of support services for which no actual charge is made, however the value of this support has been recognised in the accounts as a benefit in kind.

The Union occupies its building on a rent free basis under an informal licence. Under the Charities SORP the 'donations in kind' must be valued and included within the accounts. The value to the Union for this space is considered to be £1,500,000 (2018: £1,500,000).

The net amounts due from the University of the Arts London as at the year-end was £78,763 (2018: £179,436).

Up to 31 July 2019 the Union worked in partnership with the London School of Economics Students' Union. At 31 July 2019 the net amount due to the London School of Economics Students' Union was £34,532 (2018: £nil).

Amounts paid to Trustees are disclosed in Note 7 of these accounts.

16 Pension Costs

The Union operates a defined contribution pension scheme for the benefit of certain employees. Contributions are at variable rates up to 3% for the employer and a minimum contribution rate of 3% for the employee. The Union's cost of contribution in the year amounted to £25,148 (2018: £24,547) and all costs were allocated to unrestricted funds.

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

17 Financial Instruments

	2019	2018
	£	£
Financial assets measured at amortised cost	436,599	547,589
Financial liabilities measured at amortised cost	247,915	201,487

The Charity's income, expense, gains and losses in respect of financial instruments are summarised below:

	2019	2018
	£	£
Income and expenses:		
Total interest expense for financial liabilities held at amortised cost	-	10,552

Financial assets held at amortised cost comprise trade debtors, other debtors and cash at bank.

Financial liabilities held at amortised cost comprise trade creditors, other creditors and accruals.

18 Reconciliation of net movement in funds to net cash flow from operating activities

	2019	2018
	£	£
Net movement in funds	(7,617)	11,466
Add back depreciation charge	5,684	7,078
Decrease/(increase) in debtors	64,081	(118,228)
(Increase)/decrease in stock	(1,098)	525
(Decrease)/increase in creditors	(111,666)	208,424
	<u>(50,616)</u>	<u>109,265</u>

University of the Arts London Students' Union
Notes to the accounts
For the year ended 31st July 2019

19 Comparative Statement of Financial Activities

	<i>General Funds</i>	<i>Restricted Funds</i>	<i>2018 £</i>
<i>Gross Income</i>			
<i>Donations:</i>			
<i>Block Grant</i>	839,000	-	839,000
<i>Other University Grants</i>	363,658	-	363,658
<i>Other Grants</i>	7,000	-	7,000
<i>Space Grant</i>	1,500,000	-	1,500,000
<i>Other Trading Activities:</i>			
<i>Commercial Activities</i>	421,643	-	421,643
<i>Media Sales</i>	63,700	-	63,700
<i>Charitable activities for students:</i>			
<i>Clubs and Societies</i>	-	159,065	159,065
<i>Other Income</i>	25,087	-	25,087
<i>Total income</i>	<u>3,220,088</u>	<u>159,065</u>	<u>3,379,153</u>
 <i>Expenditure On</i>			
<i>Charitable Activities for students:</i>			
<i>Student Engagement</i>	1,179,524	-	1,179,524
<i>Student Support</i>	307,899	-	307,899
<i>Student Activities</i>	632,837	187,455	820,292
<i>Entertainments and Events</i>	90,299	-	90,299
<i>Marketing and Communications</i>	110,225	-	110,225
<i>Projects</i>	84,649	-	84,649
<i>Commercial Activities</i>	774,799	-	774,799
<i>Total expenditure</i>	<u>3,180,232</u>	<u>187,455</u>	<u>3,367,687</u>
 <i>Net income/expenditure</i>	 39,856	 (28,390)	 11,466
<i>Fund balances brought forward</i>	<u>100,886</u>	<u>68,389</u>	<u>169,275</u>
<i>Fund balances carried forward</i>	<u>140,742</u>	<u>39,999</u>	<u>180,741</u>