

REGISTERED COMPANY NUMBER: 07003324 (England and Wales)
REGISTERED CHARITY NUMBER: 1148990

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2019
FOR
CARDIFF MET STUDENTS' UNION**

Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

	Page
Report of the Trustees	1 to 6
Report of the Independent Auditors	7 to 8
Consolidated Statement of Financial Activities	9
Consolidated and Charity Balance Sheets	10
Consolidated Cash flow Statement	11
Notes to the Financial Statements	12 to 25
Consolidated Detailed Statement of Financial Activities	26 to 28

CARDIFF MET STUDENTS' UNION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2019

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report together with the consolidated financial statements of the charity and its subsidiary for the year ended 30 June 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of Cardiff Met Students' Union are:-

- the advancement of education of students at Cardiff Met University for the public benefit by:-
 - providing opportunities for the expression of student opinion and actively representing the interest of students;
 - acting as a channel of communication in dealing with Cardiff Met University and other external bodies;
 - facilitating the social, recreational and education interests of its Membership, through providing services and support for its Members; and
 - working with other Students' Unions and affiliated bodies.
- the advancement of student welfare and the relief of the needs of students at Cardiff Met University through:-
 - the provision of recreational and leisure time activities provided in the interests of social welfare designed to improve conditions of student life;
 - the provision of support and activities which develop skills, capacities and capabilities to participate in society as mature responsible individuals;
 - the provision of services to promote the wellbeing of Cardiff Met University students generally and as individuals in need.

Significant activities

Cardiff Met Students' Union meets these objects by offering the students at Cardiff Met University the following services:-

The provision of Recreational and Leisure Facilities

Our clubs have maintained their history of success at BUCS and National League levels, and we improved our position in the BUCS ranking from 18th in the previous season to 16th in the 2018/19 league rankings.

The most significant achievements of the year were in the Men's and Women's football programme. The Men's team qualified for the Europa Cup following a playoff win against Bala Town, and played their preliminary round against opponents from Luxembourg narrowly missing out on the away goals rule. The Women's team maintained their success in dominating in all the domestic competitions and representing Wales in the European Qualifying tournament in Slovenia.

Our Men's Rugby team again competed in the BUCS Super Rugby competition attracting a substantial increase in its exposure and improved on their previous season as they acclimatised to this level of competition. At the same time they increased the participation opportunities through an additional squad in a WRU organised league.

Our Athletics club continued its strong representation, finishing fourth in the BUCS Outdoor Championships and winning individual medals. Many of the athletes have continued to develop and receive representative honours at National and International level in the process.

Alongside the provision of competitive sporting opportunities, we have increased the number of clubs that offer opportunities for students to participate in non-traditional sports, and we have continued to develop the opportunities for students to participate in intramural sport and social sporting events through our Pinnacle Campus Sport initiative.

This year we participated in the fourth Annual Varsity competition against Bath University, which this year took place at Cyncoed with teams competing in 8 events across the day in a competitive but friendly environment. The event itself saw a major increase in attendance on the previous year with over 2500 students from Cardiff and Bath attending the event.

The provision of Support Services

Membership Services

This includes help and advice on academic issues, course representation and the provision of training and development courses that focus on enhancing the employability of students and which contributes to one of the key strategic aims of the University itself.

This year there has been an increased focus of the provision of services to assist with mental health and wellbeing issues. We have delivered a number of Resilience and Wellbeing sessions alongside, an increased number of sessions by our Student Minds support group.

A notable initiative which has gained media recognition is our Campus canine's days, an initiative developed alongside Chantelle Haughton from the Cardiff School of Education and Social Policy. The impact of having dogs come onto campus is increasingly recognised throughout Higher Education as a positive contribution to students and staff wellbeing.

CARDIFF MET STUDENTS' UNION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2019

OBJECTIVES AND ACTIVITIES (Cont'd)

Clubs and Societies

The Students' Union promotes and supports a number of social and cultural societies which organise a range of trips, activities, events and social gatherings and are all run by students on a democratic basis.

At the start of the year we introduced a minimum membership fee for our societies with the aim of providing them with a funding base to increase the number of events that they planned.

Media

The Students' Union utilises its website, Facebook and twitter media services as the primary means of communicating with its membership. The website provides a vehicle for making sure students are aware of the services that the Students' Union offers and can be used as a means of obtaining feedback on issues that may affect their day to day life at University.

The provision of Social Activities

Bars and shops

The Students' Union provides a number of cost competitive catering / bar operations, coffee shops and retail operations where students can relax and socialise.

Futura Marketing and Promotions Limited

The charity's wholly owned subsidiary continued to undertake all non charitable activity.

Public benefit

The organisation's trustees confirm that they have had due regard to public benefit guidance published by the Charity Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out on the following pages.

ACHIEVEMENT AND PERFORMANCE

In respect of the provision of our on campus commercial operations, we have continued to provide high quality catering, bar and social provisions during the last year despite the challenging environment both on and off campus and the increased financial pressures on students.

There has needed to be a continued focus on staff costs, profit margins and the performance of each individual operation to assess the overall level of subsidy that each requires. In addition, there has been a continued focus on generating revenue from external sources through our media sales, advertising and corporate sponsorship packages that have contributed significantly to the year-end result and underpin the on-campus service provisions of the Students' Union.

We have undertaken a review of our commercial staffing structures and introduced a more streamlined management structure on both sites from which we will see benefits through improved financial performances within our commercial operations. Alongside this, we have focussed on reducing our administrative and finance staffing costs, and we will see the benefits of these changes coming through in the 2019/20 financial year.

We have recruited a new member of staff focussing on the transition and wellbeing of students when they come to University and this role is featuring in developing a much closer working relationship with the Reslife Programme and with Marketing and Recruitment on Open Days.

We have further strengthened the marketing relationships with a city centre organisation, which has continued to generate revenue for the Students' Union, and its affiliated clubs and societies increasing the revenue raised from this area. In respect of other commercial links, we have worked very closely with a number of private housing providers, which has generated revenue and provided a close link to the market and support in respect of advice and legislation.

From a representation perspective, the structure that we have established has continued to enhance our involvement in many aspects of University life, with the introduction of our new part time officer team making a significant impact in their first year. We have continued to develop an initiative in association with the Universities' Learning & Teaching Section called Student Led Teaching Fellowships, which recognises excellence in teaching.

We have developed our Training & Development Initiative, provided high quality employability to students from across all Schools in the University. The Cardiff Met Award, which recognises commitment of students who have undertaken a certain level of work, volunteering and training activities and this year the awards were made at an award ceremony at City Hall.

In addition, we provided more resources for a Student Achievement event, which took place at the Park Plaza and recognised the contribution and success of our students in societies, volunteering and representation roles and recognised those staff who had been awarded the Student Teaching Fellowships.

In February 2019, in collaboration with the partnership office of the University, we organised a 3-day training event for a number of international students from the overseas partner institutions. This event has previously been recognised as industry leading, and we have continued to develop it so that it provides the students with the opportunity to see Cardiff Met and the city itself, and experience the quality of the training that we provide to our home students.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2019**

ACHIEVEMENT AND PERFORMANCE (Cont'd)

Despite the challenging economic climate, the obvious continued pressure on student finances, it is testament to the effective performance of the Board of Trustees, the significant commitment and contribution of all members of staff and the effective financial monitoring systems that we have in place, that we have again managed to continue to provide a range of services in accordance with the objectives of the organisation and deliver a surplus for the financial year.

FINANCIAL REVIEW

Total income for the year to 30 June 2019 was £2,540,069 (2018 - £2,488,989). The expenditure for the year totalled £2,519,161 (2018 - £2,471,328), leaving a net surplus for the year of £20,908 before movement on the defined benefit pension scheme provision. An unwinding of the discounted defined benefit pension scheme provision of £16,151 (2018 - £14,305) has been reported. Net income for the year is reported as £4,757.

The most significant financial effect on the Students' Union is the inflationary pressure for the organisation in that we have to plan for salary and wage increases from within our existing revenue streams. These commitments in respect of annual salary award, the impact on minimum wage legislation and increased cost of raw materials and commercial supplies meant that there needed to be a focus on commercial performance and monitoring of costs and expenditure.

We had anticipated an improvement in the performance of our retail operations following the wholesale supply problems that we had in the previous financial year, however these were very slow to come through and as a result the anticipated improvement did not materialise. The new supply arrangement with the Co-Op was slower to be introduced to the Students' Union market with additional supply lines being phased in rather than being immediately available.

We changed the staffing structure in Centro from the start of the year with a particular focus on the catering operation and this resulted in both an improvement in the margins being achieved and the quality of the food itself. As the new structure settles we will be looking to improve on the other elements of the service, most notably the Starbucks operation and venue hire.

In respect of our major commercial operation Zen on Llandaff Campus we experienced a very quiet summer trading period and this together with a poor first term trading through operational issues meant that we did not get the improvements that we had aimed for and the operation continued to be reliant on the Starbucks operation to underpin the other services.

Against the challenging on campus commercial situation, we were able to generate an increase in revenue from our advertising, marketing and media sales.

Towards the end of the financial year and the football season our Men's football team qualified for the Europa Cup, and as a result would receive prize money of c£195k which would be paid out by UEFA in October 2019. A substantial part of this funding was required to cover the cost of a home and away fixture against opponents in Luxembourg. Within the 2018/19 accounts we have accounted for this expenditure which was in the region of £43k.

The remainder of this income will appear in the income in the financial accounts for the 2019/20 period, and the trustees of the Students Union have approved that this money is ring-fenced for the football club to ensure that it is able to maintain its position in the Welsh Premier League in the forthcoming seasons.

Despite the financial challenges, the Students' Union has maintained its funding commitment for representation structure, and enhanced series of student campaign from our full and part time officers, its clubs and societies throughout the financial year and provisions have been made to develop and enhance the support for these operations in forthcoming years.

Reserves policy

The Board of Trustees has adopted a policy on reserves which aims to increase the reserves over the next five years to achieve sufficient reserves to ensure services can continue to meet all statutory and legal commitments for a minimum of three months. This would equate to approximately £500,000.

Total funds at the year end amounted to a negative total of £295,640 (this is after accounting in full for a pension provision of £466,951). At the year end there were no restricted fund balances. The charity has no free reserves.

The Students' Union will continue to budget for a managed surplus outcome each financial year, which whilst contributing to the policy of increasing its reserves will allow it to continue to provide the range of services and opportunities for its students that it exists for.

Principle risks and uncertainties

The principle risks and uncertainties that could affect the performance and viability of the Students' Union, primarily relate to the parent institution, particularly in respect of funding through fee structures; student recruitment and retention.

These risks will be part of the planning meetings that are held regularly with senior University management, and as a Board of Trustees we will implement the necessary budgetary safeguards to ensure that we account for these uncertainties.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2019**

FINANCIAL REVIEW (Cont'd)

Factors likely to affect future financial performance

The risks and uncertainties identified above could be a factor that would affect the financial performance of the Students' Union. As a Board of Trustees we will monitor these factors and make the necessary plans to deal with them.

There will be an increased focus on strengthening the commercial performance of our on campus operations, and there will be a greater focus on developing additional revenue from external sources.

Principal funding sources

Cardiff Met University has provided grant funding in the amount of £915,720 to support the services offered by the Students' Union.

FUTURE PLANS

With no increase in our Block grant funding, we will be focussing on our commercial services to ensure that they generate an increased surplus to the accounts, alongside which we will monitor our central and administrative costs to ensure they remain within budget. We have successfully managed the operations of the Students' Union for a number of years ensuring that we deliver services that contribute to the Student Experience whilst delivering a planned surplus outcome on our accounts and we will seek to maintain this approach in the 2019/20 financial year.

We have restructured the provision of support services to our sports clubs & societies combining the responsibility with one member of staff. We will aim to increase the number of societies, the number and range of events that they provide for their membership and encourage planning to ensure the continuity of the society.

As part of the audit process of Cardiff Met University being undertaken by the Quality Assurance Agency, we will be submitting our own Student Submission as part of our contribution to the review. This will require a substantial amount of preparatory work by the Students' Union Officers who will lead on the process and meet with the audit team in 2020.

We will review the effective of the revised Part Time Officer roles, and provide additional staff support to ensure that there is a planned approach to their campaigns throughout the academic year.

As part of the staff restructuring, we have introduced a new role of Policy and Procedures Advisor, which in addition to providing students with academic advice and representation, will provide a focus for the Students' Union on developing a suite of policies relevant to our members. After discussions by the Trustees, it has been agreed that in the short term we should look at formalising our policies around Zero Tolerance, and as a longer term development we will be aiming for a draft Equality and Diversity Policy to be presented to the Trustees by the year end.

It has been recognised that our collaborative work with local and international partners is industry leading, and as the University expands its global outlook, so we need to match that in order to represent our students around the world. We will continue to develop plans to identify how best to enhance this service and continue to develop the role we play. Fundamental to this will be the training event that we organise each February, introducing partner students to the Students' Union and Cardiff.

We will be working with international / partnership teams to undertake a range of representative visits to collaborative partners, creating stronger links with overseas representatives and sharing best practice. As part of our memberships of ACUI we will be sending delegates to the regional conference as part of the International Experience, which will include visiting a number of colleges and Universities in New England.

As mentioned in the financial review for 2018/19, the Men's football team through their qualification in the Europa Cup, have reserves which will allow them to invest in the team and club structure to ensure they are able to retain their Welsh Premier League status. As a member of that league structure, the club was also successful in obtaining funding to develop its academy structure, led by the newly recruited Academy Director position (job share).

This new initiative will work closely with the established University junior academy which has developed alongside the success of the football clubs (men's and women's), and will be a major factor in increasing the civic and community profile of the University throughout Cardiff and the surrounding areas. This funding stream is based on an audit process undertaken by the FAW Trust and its continuation is dependent on the club retaining its league status.

We will be seeking to develop the support services that contribute to student wellbeing, in particular the officers will be scheduling more campus canine sessions on both of our sites so that it becomes a regular feature of campus life.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is governed by its Memorandum and Articles of Association and is constituted as a company limited by guarantee.

The charity owns 100% of the share capital of Futura Marketing and Promotions Limited, a company governed by its Memorandum and Articles of Association.

CARDIFF MET STUDENTS' UNION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The Board consists of at least three and not more than twelve individuals, as follows:

- the President and Vice President (the Sabbatical Officers) who are elected by the members from amongst their number to serve for a period of one year but may be re-elected for one further year thereafter
- the paid Chief Executive Officer
- one representative of each school of learning at Cardiff Met University, provided that each representative is a member and is appointed by the Committee for a maximum of one year subject to reappointment for an additional two further years only
- up to two individuals with specialist knowledge appointed by the Board from outside the members to serve for a period of no more than three years subject to reappointment, and for no longer than six years in total.

Organisational structure

Overall responsibility for the management of Cardiff Met Students' Union rests with the Board of Trustees, which is responsible for setting the strategic direction and policies of the organisation. Board members carry the ultimate responsibility for the conduct of Cardiff Met Students' Union and for ensuring the organisation satisfies its legal and contractual obligations. Trustees meet at least four times a year. In addition, the Board have established a Finance and Services sub-committee.

Induction and training of trustees

The new trustees all participated in a comprehensive 5-day training event prior to the commencement of the academic year, covering a range of key areas of their roles. It was in part delivered by external consultants. In addition, one to one sessions took place focussing on the financial management information systems, to ensure that there was an understanding of the information that they would receive at both the Finance and Services Committee and each Board of Trustees.

Key management remuneration

The Students' Union will maintain a market comparison system through its HR and Finance functions, based on other Students' Unions and charity equivalents to inform on any key management remuneration and recruitment. These are all included in budgetary plans which are approved by Finance and Services and the Board of Governors.

In terms of annual inflationary increase these are based on affordability, and were applied equally across all salaried staff within the organisation.

Related parties

The charity has a wholly owned subsidiary trading company, 'Futura Marketing and Promotions Limited' to undertake all non-charitable activity.

Risk management

The trustees acknowledge their duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

An annual internal audit is carried out each year by the internal auditors appointed by Cardiff Met University. This internal audit evaluates the adequacy of risk management and control within the system and the extent to which controls have been applied.

The internal audit report has been approved by the Finance and Services committee of the Students' Union, and in accordance with the Education Act 1994 it has been presented to the Resources Committee and Board of Governors meetings of the University. The outcome of the Internal Audit report was that there was substantial assurance of the financial regulations and procedures in place.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07003324 (England and Wales)

Registered Charity number

1148990

Registered office

Central Union Office
Cardiff Met University
Cyncoed Campus, Cyncoed Road
CARDIFF
CF23 6XD

Company Secretary

S Bradley

CARDIFF MET STUDENTS' UNION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2019

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
Cardiff, CF23 8RS

Trustees

M Davies	Chief Executive Officer	
W Fuller	President until 31/07/2018	Resigned 31/07/2018
I Gardiner	President from 01/08/2018 to 31/07/2019	Resigned 31/07/2019
J Nottingham	Vice President from 05/08/2018 to 31/07/2019	Appointed 05/08/2018 Resigned 31/07/2019
A Fox	President from 01/08/2019	Appointed 18/09/2018
K Davies	Vice President from 01/08/2019	
M Tagara		Resigned 31/07/2018 Re-appointed 01/09/2019
A Smith		Resigned 31/07/2018
J Staniforth		Resigned 31/07/2018
B Yotsoua		Appointed 05/08/2018 Resigned 31/07/2019
W Simmons		Appointed 18/09/2018 Resigned 25/09/2018
M Bashardoustesmaeili		Appointed 01/09/2019
G Fowkes		Appointed 01/09/2019
E Speer		Appointed 01/09/2019
J Stacey		Appointed 01/09/2019 Resigned 13/09/2019
I Smith		Appointed 01/10/2019

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Cardiff Met Students' Union for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing those financial statements, the trustees are required to:

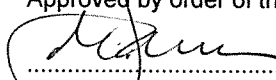
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:-

- there is no relevant audit information of which the group's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the Board of Trustees on 17.10.19 and signed on its behalf by:


M Davies - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CARDIFF MET STUDENTS' UNION

Opinion

We have audited the financial statements of Cardiff Met Students' Union (the 'parent company') and its subsidiary (the 'group') for the year ended 30 June 2019 on pages nine to twenty five. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2019 and of the group's 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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
- 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CARDIFF MET STUDENTS' UNION

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page six, the trustees (who are also the directors of the group and parent 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 group'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.

Our 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 a Report of the Independent Auditors 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 Report of the Independent Auditors.

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.

Julia Mortimer (Senior Statutory Auditor)
for and on behalf of Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

22 October 2019

CARDIFF MET STUDENTS' UNION

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2019**

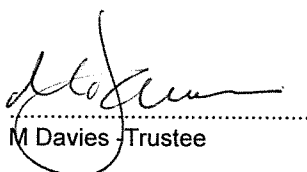
	Notes	Unrestricted fund £	Restricted funds £	2019 Total funds £	2018 Total Funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	821,267	110,000	931,267	906,544
Charitable activities	6				
Provision of recreational and leisure facilities		378,495	-	378,495	311,094
Provision of support services		-	-	-	14,374
Provision of social activities		1,098,659	990	1,099,649	1,110,030
Other trading activities	4	114,152	12,088	126,240	143,644
Investment income	5	566	-	566	408
Other income		3,852	-	3,852	2,895
Total		2,416,991	123,078	2,540,069	2,488,989
EXPENDITURE ON					
Raising funds	8	18,738	-	18,738	17,331
Charitable activities	9				
Provision of recreational and leisure facilities		602,058	123,078	725,136	679,114
Provision of support services		352,984	-	352,984	347,618
Provision of social activities		1,422,303	-	1,422,303	1,427,265
Total		2,396,083	123,078	2,519,161	2,471,328
NET INCOME		20,908	-	20,908	17,661
Unwinding of discounted pension provision		(16,151)	-	(16,151)	(14,305)
Net income/(expenditure) for the year		4,757	-	4,757	3,356
RECONCILIATION OF FUNDS					
Total funds brought forward		(300,397)	-	(300,397)	(303,753)
TOTAL FUNDS CARRIED FORWARD		(295,640)	-	(295,640)	(300,397)

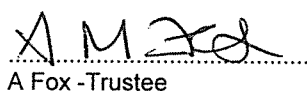
The notes form part of these financial statements

CONSOLIDATED AND CHARITY BALANCE SHEETS
AT 30 JUNE 2019

		Group		Charity	
	Notes	2019 £	2018 £	2019 £	2018 £
FIXED ASSETS					
Tangible assets	15	69,008	65,680	69,008	65,680
Investments	16	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
		69,008	65,680	69,012	65,684
CURRENT ASSETS					
Stocks	17	41,274	32,802	41,274	32,802
Debtors: amounts falling due within one year	18	113,462	55,334	129,426	72,800
Cash at bank		<u>241,409</u>	<u>226,572</u>	<u>171,135</u>	<u>159,446</u>
		396,145	314,708	341,835	265,048
CREDITORS					
Amounts falling due within one year	19	(293,842)	(200,900)	(291,383)	(195,220)
NET CURRENT ASSETS		<u>102,303</u>	<u>113,808</u>	<u>50,452</u>	<u>69,828</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		171,311	179,488	119,464	135,512
PENSION LIABILITY		(466,951)	(479,885)	(466,951)	(479,885)
NET ASSETS/(LIABILITIES)		<u>(295,640)</u>	<u>(300,397)</u>	<u>(347,487)</u>	<u>(344,373)</u>
FUNDS	21				
Unrestricted funds:					
General fund		171,311	179,488	119,464	135,512
Pension reserve		<u>(466,951)</u>	<u>(479,885)</u>	<u>(466,951)</u>	<u>(479,885)</u>
		(295,640)	(300,397)	(347,487)	(344,373)
Restricted funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS		<u>(295,640)</u>	<u>(300,397)</u>	<u>(347,487)</u>	<u>(344,373)</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 17.10.19 and were signed on its behalf by:


M Davies -Trustee


A Fox -Trustee

The notes form part of these financial statements

CARDIFF MET STUDENTS' UNION

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>39,805</u>	<u>45,019</u>
Net cash provided by (used in) operating activities		<u>39,805</u>	<u>45,019</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(25,534)	(26,733)
Interest received		<u>566</u>	<u>408</u>
Net cash provided by (used in) investing activities		<u>(24,968)</u>	<u>(26,325)</u>
Change in cash and cash equivalents in the reporting period		14,837	18,694
Cash and cash equivalents at the beginning of the reporting period		<u>226,572</u>	<u>207,878</u>
Cash and cash equivalents at the end of the reporting period		<u>241,409</u>	<u>226,572</u>

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	20,908	17,661
Adjustments for:		
Depreciation charges	22,206	27,686
Interest received	(566)	(408)
Decrease/(increase) in stocks	(8,472)	7,220
Decrease/(increase) in debtors	(58,128)	42,148
Increase/(decrease) in creditors	92,942	(22,423)
Difference between pension charge and cash contributions	<u>(29,085)</u>	<u>(26,865)</u>
Net cash provided by (used in) operating activities	<u>39,805</u>	<u>45,019</u>

1. STATUTORY INFORMATION

Cardiff Met Students' Union is a registered charity and private company limited by guarantee, incorporated in Wales in the United Kingdom. The registered office is Central Union Office, Cardiff Met University, Cyncoed Campus, Cyncoed Road, Cardiff, CF23 6XD. The nature of the group and company's operations and principal activities are disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the group's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Cardiff Met Students' Union meets the definition of a public benefit entity as demonstrated within the Report of the Trustees.

There have been no material departures from Financial Reporting Standard 102.

Consolidation

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

This includes capital grants.

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the group has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Income from other trading activities includes income received under contract. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income is recognised on a receivable basis.

It is not the policy of the group to show income net of expenditure.

2. ACCOUNTING POLICIES - continued

Basis of recognition of liabilities

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds include direct merchandise costs which are available for resale.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets

Tangible fixed assets are initially recorded at cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Bar and shop fixtures and fittings	12.5% - 33.33% on cost
Office furniture and equipment	12.5% - 33.33% on cost
Computers	33.33% on cost

Investments

Fixed asset investments are stated at cost. Provision is made, where necessary, for any permanent diminution in value.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Stock is included at the lower of cost or net realisable value using the FIFO stock valuation method.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. ACCOUNTING POLICIES - continued

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Pension costs and other post-retirement benefits

The Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. Where a plan has been agreed to fund an identified deficit, a liability is recognised for the present value of the contributions payable that arise from that agreement with the resulting expense recognised in the Statement of Financial Activities.

The Union also participate in the National Union of Students Pension Scheme, a defined contribution scheme. Contributions payable to this pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Termination payments

The charitable company recognises termination benefits as a liability and an expense only when the entity is demonstrably committed either to terminate the employment of an employee or group of employees before the normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Operating lease commitments

Rental applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Significant accounting judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, be likely to differ from the related actual results. No estimates or assumptions have been identified that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2019**3. DONATIONS AND LEGACIES**

	2019	2018
	£	£
Donations	15,547	14,291
Cardiff Met University grant	<u>915,720</u>	<u>892,253</u>
	<u>931,267</u>	<u>906,544</u>

The above grant received from Cardiff Met University is allocated as follows:

	2019	2018
	£	£
General block grant	355,720	332,253
SU Sport	150,000	150,000
Campus Centre	110,000	110,000
Activity fee	<u>300,000</u>	<u>300,000</u>
	<u>915,720</u>	<u>892,253</u>

4. OTHER TRADING ACTIVITIES

	2019	2018
	£	£
Fundraising income	4,138	13,000
Trading income – subsidiary	89,646	75,750
Sponsorships	7,950	22,324
Hire income	16,951	25,655
Minibus and car hire recharge	7,529	6,203
Merchandise sales	<u>26</u>	<u>712</u>
	<u>126,240</u>	<u>143,644</u>

5. INVESTMENT INCOME

	2019	2018
	£	£
Deposit account interest	<u>566</u>	<u>408</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2019	2018
		£	£
SU Sport income	Provision of recreational and leisure facilities	104,115	117,713
Clubs & Societies income	Provision of recreational and leisure facilities	274,380	193,381
Job shop agency income	Provision of support services	-	14,374
Shop income	Provision of social activities	286,537	282,560
Bar income	Provision of social activities	244,351	232,276
Catering income	Provision of social activities	527,873	544,487
Amusements income	Provision of social activities	1,158	1,628
ENTS department income	Provision of social activities	39,632	48,975
Safe taxi scheme	Provision of social activities	<u>98</u>	<u>104</u>
		<u>1,478,144</u>	<u>1,435,498</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2019**7. RESULTS OF PARENT CHARITABLE COMPANY**

The total income of the parent charitable company was £2,508,081 and net income before actuarial losses on defined benefit schemes were £13,037. Net movement in funds after adjusting for the provision for the defined benefit pension scheme was (£3,114).

8. RAISING FUNDS**Other trading activities**

	2019 £	2018 £
Freshers' Fayre	14,593	16,753
Commission	<u>4,145</u>	<u>578</u>
	<u>18,738</u>	<u>17,331</u>

9. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Support costs (See note 10) £	Totals £
Provision of recreational and leisure facilities	574,570	150,566	725,136
Provision of support services	260,557	92,427	352,984
Provision of social activities	<u>1,297,765</u>	<u>124,538</u>	<u>1,422,303</u>
	<u>2,132,892</u>	<u>367,531</u>	<u>2,500,423</u>

10. SUPPORT COSTS

	Staff costs £	Other £	Depreciation £	Governance costs £	Totals £
Provision of recreational and leisure facilities	74,913	67,516	840	7,297	150,566
Provision of support services	67,951	17,245	746	6,485	92,427
Provision of social activities	<u>87,666</u>	<u>26,569</u>	<u>960</u>	<u>9,343</u>	<u>124,538</u>
	<u>230,530</u>	<u>111,330</u>	<u>2,546</u>	<u>23,125</u>	<u>367,531</u>

Support costs are allocated to each of the charitable activities based on an estimate of the time spent on each of these activities.

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2019 £	2018 £
Auditors' remuneration	6,896	6,063
Depreciation - owned assets	<u>22,206</u>	<u>27,686</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2018**12. TRUSTEES' REMUNERATION AND BENEFITS**

Trustees who are elected to the roles of President and Vice President are remunerated for their services on an annual basis.

During the year, remuneration including employers pension contributions paid in respect of these roles were as follows:

Name	2019 £	2018 £
B Woolridge	-	1,510
W Fuller	1,559	18,569
I Gardiner	19,161	17,059
J Nottingham	<u>17,602</u>	<u>-</u>

During the year, M Davies received a gross salary of £80,020 (2018: £77,100) and employers pension contributions of £7,565 (2018: £7,380) (a commercial rate for the role of Chief Executive Officer).

During the year student representative fees totalling £5,000 were paid to two trustees (2018: £10,000 was paid to four trustees).

The above payments have been made in accordance with Section 5.4 of the charity's Memorandum and Articles of Association.

Trustees' expenses

Five trustees received a reimbursement of travel and subsistence expenses and coaching fees totalling £5,571 (2018: £570 for five trustees).

13. STAFF COSTS

	2019 £	2018 £
Wages and salaries	797,354	769,187
Social security costs	50,409	44,555
Other pension costs and deficit contributions	<u>22,348</u>	<u>17,667</u>
	<u>870,111</u>	<u>831,409</u>

The average number of employees during the year was as follows:

	2019	2018
Average number of monthly employees	28	28
Average number of fortnightly employees	<u>80</u>	<u>80</u>
	<u>108</u>	<u>108</u>

During the year ended 30 June 2019 the full time equivalent number of staff employed was 54 (2018: 54).

The number of employees whose emoluments amounted to a rate of over £60,000 during the year were as follows:

	2019 No.	2018 No.
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
Pension contributions	£7,565	£7,380

Total remuneration paid to key management personnel in the year was £153,075 (2018: £147,863).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2019

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - YEAR ENDED 30 JUNE 2018

	2018 Unrestricted funds £	2018 Restricted funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	796,544	110,000	906,544
Charitable activities			
Provision of recreational and leisure facilities	310,374	720	311,094
Provision of support services	14,374	-	14,374
Provision of social activities	1,107,555	2,475	1,110,030
Other trading activities	108,320	35,324	143,644
Investment income	408	-	408
Other income	2,895	-	2,895
Total	2,340,470	148,519	2,488,989
EXPENDITURE ON			
Raising funds	17,331	-	17,331
Charitable activities			
Provision of recreational and leisure facilities	629,320	49,794	679,114
Provision of support services	345,968	1,650	347,618
Provision of social activities	1,330,190	97,075	1,427,265
Total	2,322,809	148,519	2,471,328
NET INCOME	17,661	-	17,661
Transfers between funds	-	-	-
Other recognised gains/(losses)			
Actuarial gains/losses on defined benefit schemes	(14,305)	-	(14,305)
Net income/(expenditure) for the year	3,356	-	3,356
RECONCILIATION OF FUNDS			
Total funds brought forward	(303,753)	-	(303,753)
TOTAL FUNDS CARRIED FORWARD	(300,397)	-	(300,397)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 30 JUNE 2019**15. TANGIBLE FIXED ASSETS – Group and Charity**

	Bars & Shops fittings £	Office fixtures & fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 July 2018	271,119	12,102	11,699	11,980	306,900
Additions	<u>20,791</u>	<u>1,716</u>	<u>-</u>	<u>3,027</u>	<u>25,534</u>
At 30 June 2019	<u>291,910</u>	<u>13,818</u>	<u>11,699</u>	<u>15,007</u>	<u>332,434</u>
DEPRECIATION					
At 1 July 2018	209,082	9,870	11,699	10,569	241,220
Charge for year	<u>19,660</u>	<u>598</u>	<u>-</u>	<u>1,948</u>	<u>22,206</u>
At 30 June 2019	<u>228,742</u>	<u>10,468</u>	<u>11,699</u>	<u>12,517</u>	<u>263,426</u>
NET BOOK VALUE					
At 30 June 2019	<u>63,168</u>	<u>3,350</u>	<u>-</u>	<u>2,490</u>	<u>69,008</u>
At 30 June 2018	<u>62,037</u>	<u>2,232</u>	<u>-</u>	<u>1,411</u>	<u>65,680</u>

16. FIXED ASSET INVESTMENTS – Charity

	Shares in group undertakings £
MARKET VALUE	
At 1 July 2018 and 30 June 2019	<u>4</u>
NET BOOK VALUE	
At 30 June 2019	<u>4</u>
At 30 June 2018	<u>4</u>

There were no investment assets outside the UK.

The charity holds 100% of the share capital of Futura Marketing and Promotions Limited, a company registered in England and Wales, primarily to carry out trading activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 30 JUNE 2019

17. STOCKS – Group and Charity

	2019 £	2018 £
Stocks	<u>41,274</u>	<u>32,802</u>

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Trade debtors	37,288	20,993	30,934	17,651
VAT	2,414	-	2,414	-
Amount due from group undertakings	-	-	25,518	25,505
Prepayments and accrued income	<u>73,760</u>	<u>34,341</u>	<u>70,560</u>	<u>29,644</u>
	<u>113,462</u>	<u>55,334</u>	<u>129,426</u>	<u>72,800</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Trade creditors	68,489	56,997	68,489	56,997
Social security and other taxes	13,392	15,710	13,392	15,710
VAT	1,434	6,876	-	4,271
Other creditors	65,090	30,992	65,090	30,992
Accruals and deferred income	<u>145,437</u>	<u>90,325</u>	<u>144,412</u>	<u>87,250</u>
	<u>293,842</u>	<u>200,900</u>	<u>291,383</u>	<u>195,220</u>

Included within accruals and deferred income above is the following deferred income:

	2019 £	2018 £
Cardiff Met University grant income	9,167	-
Private hire bookings	5,725	5,043
Freshers' fayre	-	2,000
Castell Howell funding	42,857	-
Other advance funding	<u>11,577</u>	<u>10,778</u>
	<u>69,326</u>	<u>17,821</u>

The deferred income relates to monies received in advance of the period or events to which they relate.

All amounts deferred in the year ended 30 June 2018 were released to the Statement of Financial Activities during the year and amounts deferred in the year ended 30 June 2019 are new sources of income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2019**20. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019 £	2018 £
Within one year	130,339	133,333
Between one and five years	<u>51,047</u>	<u>174,400</u>
	<u>181,386</u>	<u>307,733</u>

Total lease payments recognised as an expense in the year were £148,139 (2018: £144,376).

21. MOVEMENT IN FUNDS

	At 1/7/18 £	Net movement in funds £	Transfers between funds £	At 30/6/19 £
Unrestricted funds				
General fund	159,722	9,678	(29,085)	140,315
Pension reserve	(479,885)	(16,151)	29,085	(466,951)
Designated fund: Women's football club	13,587	(7,809)	-	5,778
Designated fund: Men's football club	<u>6,179</u>	<u>19,039</u>	-	<u>25,218</u>
	(300,397)	4,757	-	(295,640)
TOTAL FUNDS	<u>(300,397)</u>	<u>4,757</u>	<u>-</u>	<u>(295,640)</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,225,321	(2,215,643)	-	9,678
Pension reserve	-	-	(16,151)	(16,151)
Designated fund: Women's football club	20,928	(28,737)	-	(7,809)
Designated fund: Men's football club	<u>170,742</u>	<u>(151,703)</u>	-	<u>19,039</u>
	2,416,991	(2,396,083)	(16,151)	4,757
Restricted funds				
Clubs and societies	12,088	(12,088)	-	-
Rental lease	110,000	(110,000)	-	-
Santander Events fund	<u>990</u>	<u>(990)</u>	-	-
	123,078	(123,078)	-	-
TOTAL FUNDS	<u>2,540,069</u>	<u>(2,519,161)</u>	<u>(16,151)</u>	<u>4,757</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2019

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/7/17 £	Net movement in funds £	Transfers between funds £	At 30/6/18 £
Unrestricted funds				
General fund	160,995	25,592	(26,865)	159,722
Pension reserve	(492,445)	(14,305)	26,865	(479,885)
Designated fund: Women's football club	22,385	(8,798)	-	13,587
Designated fund: Men's football club	5,312	867	-	6,179
	(303,753)	3,356	-	(300,397)
TOTAL FUNDS	<u>(303,753)</u>	<u>3,356</u>	<u>-</u>	<u>(300,397)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,210,404	(2,184,812)	-	25,592
Pension reserve	-	-	(14,305)	(14,305)
Designated fund: Women's football club	17,083	(25,881)	-	(8,798)
Designated fund: Men's football club	112,983	(112,116)	-	867
	2,340,470	(2,322,809)	(14,305)	3,356
Restricted funds				
Clubs and societies	35,324	(35,324)	-	-
Rental lease	110,000	(110,000)	-	-
Santander Events fund	2,475	(2,475)	-	-
Campus Sport Coordinator	720	(720)	-	-
	148,519	(148,519)	-	-
TOTAL FUNDS	<u>2,488,989</u>	<u>(2,471,328)</u>	<u>(14,305)</u>	<u>3,356</u>

Designated fund: Women's football club

Income and prizes received by the women's football club have been designated to be spent on the activities of the women's football club.

Designed fund: Men's football club

Any unspent income generated by the men's football club has been designated to be spent on future activities of the club.

Clubs and Societies

Funding from sponsorship and fundraising was given specifically to fund Clubs and Societies.

Rental lease

Grant funding was kindly received from Cardiff Met University to cover the rental lease costs for the Campus Centre, Cyncoed.

Santander Events fund

Santander provided match funding during the year for the Christmas Ball (2018 –Christmas Ball).

22. PENSION COMMITMENTS

The Union participates in the Students' Union Superannuation Scheme, which is a defined benefit scheme whose membership consists of employees of students' unions and related bodies throughout the country. Benefits in respect of service up to 30 September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1 October 2003 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the scheme closed to future accrual.

The most recent Valuation of the Scheme was carried out as at 30 June 2016 and showed that the market value of the Scheme's assets was £101.3m with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £119.7m.

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

The 2016 valuation recommended a monthly contribution requirement by each Union expressed in monetary terms intended to clear the ongoing funding deficit over a period of 16 years and will increase by 20% from 1 October 2017 and by a further 5% in each subsequent year. The recovery plan is due to end in June 2033, but contributions due from October 2020 onwards will be reviewed following the next actuarial valuation.

In addition to the above contributions, the Union also pays its share of the scheme's levy and associated expenses to the Pension Protection Fund.

The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 30 June 2019 amounted to £29,085 which are all deficit contributions (2018: £26,865). At the year end a liability was recognised for the present value of the contributions payable of £466,951 (2018 - £479,885).

The Union also participates in the National Union of Students Pension Scheme, a defined contribution scheme. During the year ended 30 June 2019 the Union contributed a total of £22,348 into the scheme (2018: £17,667). At the year end there were outstanding contributions of £65 (2018: £974).

23. FINANCIAL INSTRUMENTS

Group -	2019	2018
Financial assets	£	£
Financial assets that are debt instruments measured at amortised cost	<u>325,005</u>	<u>270,595</u>
 Financial liabilities	 2019	 2018
	£	£
Financial liabilities measured at amortised cost	<u>209,690</u>	<u>160,493</u>

Financial assets measured at amortised cost comprise cash at bank, trade debtors, other debtors and accrued income.

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

23. FINANCIAL INSTRUMENTS - continued

Charity -	2019	2018
Financial assets	£	£
Financial assets that are debt instruments measured at amortised cost	<u>270,695</u>	<u>220,935</u>
 Financial liabilities	 2019	 2018
	£	£
Financial liabilities measured at amortised cost	<u>208,665</u>	<u>159,468</u>

Financial assets measured at amortised cost comprise cash at bank, trade debtors, other debtors, accrued income and amount due from group undertakings.

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

24. CONTINGENT ASSET

On 1 July 2019, Cardiff Met Students' Union were notified by the UEFA that the prize money the men's football club will receive for reaching the qualifying stages of the Europa League will be in the region of €220,000. As the amount due to be received is uncertain, only £41,500 has been included within accrued income, which is equivalent to the costs incurred for the first leg of the qualifier which took place on 27 June 2019.

25. RELATED PARTY DISCLOSURES

K Davies, a trustee, was paid a total amount of £2,250 (2018: £Nil) for coaching fees and other related expenditure.

There were no other transactions for the year ended 30 June 2019 which required disclosure.

26. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted funds £	Unrestricted funds £	Total £
Fund balances at 30 June 2019 are represented by:			
Tangible fixed assets	-	69,008	69,008
Current assets	9,167	386,978	396,145
Current liabilities	(9,167)	(284,675)	(293,842)
Pension liability	-	(466,951)	(466,951)
Total net assets/(liabilities)	<u>-</u>	<u>(295,640)</u>	<u>(295,640)</u>

27. SUBSIDIARY COMPANY

During the year the charity owned 100% of the issued ordinary share capital of Futura Marketing and Promotions Limited, a company registered in England and Wales. The subsidiary was used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the SOFA.

A summary of the results of the subsidiary for the year is shown below:

	£
Turnover	89,646
Cost of sales	(18,738)
	<hr/>
Gross profit	70,908
Administrative expenses	(19,911)
	<hr/>
	50,997
Other operating income	-
	<hr/>
	50,997
Interest receivable and similar income	82
	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	51,079
Taxation	-
	<hr/>
PROFIT FOR THE FINANCIAL YEAR	<u>51,079</u>
The aggregate of the assets, liabilities and funds was:	
	£
Assets	79,828
Liabilities	(27,977)
	<hr/>
Funds	<u>51,851</u>

CARDIFF MET STUDENTS' UNION

**CONSOLIDATED DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2019**

	2019 £	2018 £
INCOME		
Donations and legacies		
Donations	15,547	14,291
Cardiff Met - general block grant	355,720	332,253
Cardiff Met - Campus Centre grant	110,000	110,000
	481,267	456,544
Other trading activities		
Fundraising income – Clubs and Societies	4,138	13,000
Trading income – Futura Marketing and Promotions	89,646	75,750
Advertising and sponsorships	7,950	22,324
Hire income – Bars	16,951	25,655
Minibus and car hire recharge	7,529	6,203
Merchandise sales	26	712
	126,240	143,644
Investment income		
Deposit account interest	566	408
Provision of recreational and leisure facilities		
SU Sport grant allocation	150,000	150,000
SU Sport income	104,115	117,713
Fee Implementation Plan	300,000	300,000
Clubs and Societies income	274,380	193,381
	828,495	761,094
Provision of support services		
Job shop agency income	-	14,374
Provision of social activities		
Shop income	286,537	282,560
Bar income	244,351	232,276
Catering income	527,873	544,487
Amusements income	1,158	1,628
ENTS department income	39,632	48,975
Safe taxi scheme	98	104
	1,099,649	1,110,030
Other income		
Other income	3,852	2,895
Total income	2,540,069	2,488,989

CARDIFF MET STUDENTS' UNION

**CONSOLIDATED DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2019**

	2019 £	2018 £
EXPENDITURE ON		
Other trading activities		
Freshers' Fayre	14,593	16,753
Commission	<u>4,145</u>	<u>578</u>
	18,738	17,331
Provision of recreational and leisure facilities		
SU Sport direct expenditure	216,107	230,793
SU Sport salary costs	35,447	34,870
Clubs and Societies expenditure	306,698	271,507
Proportion of directly attributable leasing costs	16,318	14,395
Bad debt write off	-	700
Allocation of support costs	<u>150,566</u>	<u>126,849</u>
	725,136	679,114
Provision of support services		
Engagement services salary costs	63,196	48,048
Training & Development programme expenditure	6,850	7,200
Training & Development salary costs	58,120	59,226
Job Shop programme expenditure	2,104	1,633
Job shop agency wages	-	8,275
Job shop support labour costs	8,556	11,626
Fee Implementation Plan expenditure	121,731	127,214
Allocation of support costs	<u>92,427</u>	<u>84,396</u>
	352,984	347,618
Provision of social activities		
Llandaff & Cyncoed shops - direct expenditure	206,722	209,424
Llandaff & Cyncoed shops - salary costs	61,658	58,594
Llandaff & Cyncoed coffee shop - salary costs	57,286	53,589
Bar - direct expenditure	142,552	136,084
Bar/food - salary costs	324,491	311,930
Depreciation of bar and shop fittings	19,660	18,304
Security salary costs	15,598	16,452
Catering direct expenditure	321,366	340,136
ENTS department direct expenditure	35,572	51,731
Coffee machine lease	2,704	797
Rent - Campus Centre	110,000	110,000
Safe taxi fees	156	137
Allocation of support costs	<u>124,538</u>	<u>113,544</u>
	1,422,303	1,420,722

This page does not form part of the statutory financial statements

CARDIFF MET STUDENTS' UNION

**CONSOLIDATED DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2019**

	2019 £	2018 £
Support costs		
Central salary costs, including pension	200,657	182,845
Sabbatical salaries	29,873	31,699
Telephone costs	2,700	3,141
Insurance costs	26,704	25,236
Post, stationery and other office costs	8,618	8,977
Office equipment costs	7,943	5,346
Minibus costs	26,088	8,794
Minibus repairs and fuel costs	22,022	21,451
Professional fees	61	38
Conferences	4,226	4,746
Bank charges	5,377	4,994
Bad debt provision	4,225	(711)
Sundry costs	1,938	3,792
Depreciation of office fixtures and computers	2,546	2,839
Staff expenses, training and development	1,428	284
Auditors remuneration	7,896	7,063
Governance staff costs	15,229	14,255
	<u>367,531</u>	<u>324,789</u>
Re-allocation of support costs to charitable activities	(367,531)	(324,789)
Total expenditure	2,519,161	2,464,785
	<u> </u>	<u> </u>
Net income before tax and refurbishment activity	<u>20,908</u>	<u>24,204</u>
Refurbishment		
Depreciation on refurbishment improvements	<u>-</u>	<u>(6,543)</u>
Net income before movement on defined benefit pension scheme	<u>20,908</u>	<u>17,661</u>