

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

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2017
FOR
CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

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

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

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FOR THE YEAR ENDED 30 JUNE 2017

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CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2017

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 2017. 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 Metropolitan 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 Metropolitan 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 Metropolitan 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 Metropolitan University students generally and as individuals in need.

Significant activities

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

The provision of Recreational and Leisure Facilities

This year the Students union rebranded its Athletic Union as SU Sport to clearly demonstrate to the student membership that it provides administrative support to over 25 clubs and a significant number of individual athletes who compete throughout the year representing the University in both British Universities Colleges Sport and in National & Local leagues.

Our clubs have maintained their history of success at BUCS and National League levels, increasing the number of teams and individuals competing for the University and missing out on a top twenty BUCS ranking by 3 points. Our Men's Football team competed in the Welsh Premier division having gained promotion in the previous season and narrowly missed qualifying for the Europa Cup in a play off final in May 2017. In the BUCS Championship they were crowned BUCS Champions for the first time in their history.

Our Women's football team represented Wales in the European Club Championships over the 2016 summer and the 2017-18 season brought silverware in the shape of the Welsh Premier Women's League Cup and FAW Women's Cup.

Our Men's' Rugby team competed in the inaugural BUCS Super Rugby competition gaining substantial increase in its exposure, whilst at the same time increasing the number of students participating through freshers team competing in a WRU sponsored league.

Our Athletics club continued its strong representation, finishing second in the BUCS Outdoor Championships and with numerous individual medals. Many of the athletes have continued to develop and receive representative honours 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 sports events through our Pinnacle Campus Sport initiative. We have worked with Cardiff University to provide opportunities for students from both institutions to participate in an inter university league structure operating during the academic week.

This year we hosted the Varsity competition against Bath University on the Cyncoed Campus with teams competing in 7 events across the day in a competitive but friendly environment. The event itself saw an increase in attendance on the previous year when it was held at Bath and follow up meetings with our counterparts at Bath SU were very positive and we believe this event has a capacity to grow.

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2016

OBJECTIVES AND ACTIVITIES (Cont'd)

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.

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.

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 an increased focus on generating revenue from external sources through our media sales, advertising and corporate sponsorship packages which have contributed significantly to the year end result.

From a retail perspective our Llandaff and Cyncoed retail operation saw an improvement in surplus contributions to the accounts however much of the improvement was balanced by the deficit in our Zen Catering & Bar operations. Our Llandaff Starbucks operation continued to make a significant positive contribution to the overall accounts and have been a major success not only in terms of the surplus it has generated but also in respect of the positive customer service feedback we have received highlighted in the National Student Satisfaction survey.

We developed a marketing relationship with a new city centre organisation which has helped 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 private housing agency, 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. 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 continued to develop 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 a Student Achievement award ceremony at City Hall with the awards being presented by the Vice Chancellor.

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 managed to deliver a surplus for the financial year.

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2016

FINANCIAL REVIEW

Total income for the year to 30 June 2017 was £2,647,248 (2016 - £2,394,315). The expenditure for the year totalled £2,568,675 (2016 - £2,365,890), leaving a net surplus for the year of £78,573 before actuarial gains/losses on defined benefit pension scheme. An actuarial loss on defined benefit pension scheme of £134,372 (2016 - £12,946) has been reported. Net expenditure for the year is reported as £55,799.

The most significant financial effect on the Students Union was the nil increase in the central block grant funding from the University, which creates an inflationary pressure on the organisation in that we have to plan for salary and wage increases from within our existing revenue streams.

One of the key challenges we faced during the year was the performance of our catering and bar operations on the Llandaff campus which had a poor start to the year with little conference / summer business coming through, which meant that the financial support it required was greater than we had provided. This means the surplus generated by the other commercial operations within the centre was required to underpin the catering provision.

As a result there was a need for an increased focus on the performance of our Retail Operations which successfully increased their surplus contribution to the Students Union account as a whole. In addition to this, there was a greater emphasis on revenue generated from external bookings and advertising.

Despite the financial challenges, the Students Union has maintained its funding of all the representation structure, 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 £303,753 (this is after accounting in full for a pension provision of £492,445). 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.

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 operation, and there will be a greater focus on developing additional revenue from external sources.

Principal funding sources

Cardiff Metropolitan University has provided grant funding in the amount of £892,253 to support the services offered by the Students' Union.

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2016

FUTURE PLANS

The Students Union has been successful in obtaining funding which has been included within the overall block grant funding from the University to continue to develop activities and services, which will contribute to improving the overall student experience. These plans include the continued development of the Job Shop so that in addition to providing voluntary, part time opportunities for students there will be an increased focus on engaging with local employers and stakeholders. It will continue to work in conjunction with the Training & Development operation where the plans to enhance this function will include introducing more job specific training session and the aim will be to increase the number of participants undertaking the Cardiff Met Award to 75.

We will be introducing a new addition to the representation structure within the Students Union, creating 7 part time officer roles in key portfolio areas that can enhance how we support students and enhance the student experience.

We will recruit a new member of staff to focus on increasing the number of societies that we have and improve the support that we have in place for the existing established societies.

We will also utilise the additional funding stream to recruit interns staff who will work on improving our work on student voice initiatives and to increase the number of volunteering opportunities and support for staff delivering initiatives to provide leadership and development opportunities for the students.

We will revise the format and delivery of the Pinnacle campus Sport provision, focussing on all sports taking place on the Cyncoed campus on a Friday night.

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 be looking to develop plans to identify how best to enhance this service and continue to develop the role we play.

We already deliver a highly successful 2-day training event for students from our International partners and we plan to extend this to 3 days to provide them with more development opportunities during their visit to Cardiff.

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.

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 Metropolitan 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 understanding of the information that they would receive at both the Finance & Services Committee and each Board of Trustees.

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 & 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 Metropolitan 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 & 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 Metropolitan University
Cyncoed Campus, Cyncoed Road
CARDIFF
CF23 6XD

Trustees

M Davies	Chief Executive Officer	
W Fuller	President from 1 August 2017 Vice President from 1 August 2016 – 31 July 2017	
B Woolridge	President from 1 August 2016 – 31 July 2017	Resigned 31/07/2017
S Kelly	President from 1 August 2015 – 31 July 2016	Resigned 31/07/2016
I Gardiner	Vice President from 1 August 2017	
J Nottingham		Resigned 31/07/2017
J Sampson		Resigned 31/07/2017
E Montieth		Resigned 31/07/2017
J Morris		Resigned 31/07/2017
M Fabro Tagara		Appointed 01/08/2017
A Smith		Appointed 01/08/2017
K Davies		Appointed 01/08/2017
J Staniforth		Appointed 01/09/2017

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2016

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary
S Bradley

Auditors

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

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

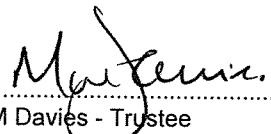
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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 on19.10.17..... and signed on its behalf by:


.....
M Davies - Trustee

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

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 2017 on pages nine to twenty eight. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

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 2017 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 AND SUBSIDIARY

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.

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

Date: 20 October 2017

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2017**

	Notes	Unrestricted fund £	Restricted funds £	2017 Total funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	826,553	127,500	954,053	941,420
Charitable activities	6				
Provision of recreational and leisure facilities		371,712	10,473	382,185	169,603
Provision of support services		18,239	-	18,239	16,940
Provision of social activities		1,154,955	-	1,154,955	1,149,259
Other trading activities	4	101,646	32,548	134,194	113,186
Investment income	5	434	-	434	126
Other income		3,188	-	3,188	3,781
Total		2,476,727	170,521	2,647,248	2,394,315
EXPENDITURE ON					
Raising funds	8	15,066	-	15,066	24,891
Charitable activities	9				
Provision of recreational and leisure facilities		668,235	56,771	725,006	504,045
Provision of support services		384,662	16,650	401,312	388,881
Provision of social activities		1,330,191	97,100	1,427,291	1,448,073
Total		2,398,154	170,521	2,568,675	2,365,890
NET INCOME		78,573	-	78,573	28,425
Transfers between funds		35,927	(35,927)	-	-
Other recognised gains/(losses)					
Actuarial gains/losses on defined benefit pension scheme		(134,372)		(134,372)	(12,946)
Net income/(expenditure) for the year		(19,872)	(35,927)	(55,799)	15,479
RECONCILIATION OF FUNDS					
Total funds brought forward		(283,881)	35,927	(247,954)	(263,433)
TOTAL FUNDS CARRIED FORWARD		(303,753)	-	(303,753)	(247,954)

CONTINUING OPERATIONS

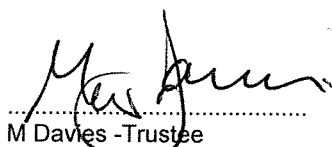
All income and expenditure has arisen from continuing activities.

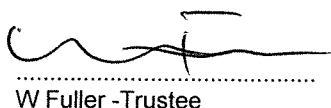
The notes form part of these financial statements

CONSOLIDATED AND CHARITY BALANCE SHEETS
AT 30 JUNE 2017

		Group		Charity	
	Notes	2017 £	2016 £	2017 £	2016 £
FIXED ASSETS					
Tangible assets	15	66,633	87,387	66,633	87,387
Investments	16	-	-	4	4
		66,633	87,387	66,637	87,391
CURRENT ASSETS					
Stocks	17	40,022	40,603	40,022	40,603
Debtors: amounts falling due within one year	18	97,482	70,874	158,569	118,660
Cash at bank		207,878	145,880	136,777	86,410
		345,382	257,357	335,368	245,673
CREDITORS					
Amounts falling due within one year	19	(223,323)	(211,540)	(214,081)	(200,628)
NET CURRENT ASSETS		<u>122,059</u>	<u>45,817</u>	<u>121,287</u>	<u>45,045</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		188,692	133,204	187,924	132,436
PENSION LIABILITY		<u>(492,445)</u>	<u>(381,158)</u>	<u>(492,445)</u>	<u>(381,158)</u>
NET ASSETS/(LIABILITIES)		<u>(303,753)</u>	<u>(247,954)</u>	<u>(304,521)</u>	<u>(248,722)</u>
FUNDS	21				
Unrestricted funds:					
General fund		188,692	97,277	187,924	96,509
Pension reserve		<u>(492,445)</u>	<u>(381,158)</u>	<u>(492,445)</u>	<u>(381,158)</u>
		(303,753)	(283,881)	(304,521)	(284,649)
Restricted funds		-	35,927	-	35,927
TOTAL FUNDS		<u>(303,753)</u>	<u>(247,954)</u>	<u>(304,521)</u>	<u>(248,722)</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 19.10.17 and were signed on its behalf by:


M Davies - Trustee


W Fuller - Trustee

The notes form part of these financial statements

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>88,519</u>	<u>(13,386)</u>
Net cash provided by (used in) operating activities		<u>88,519</u>	<u>(13,386)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(26,955)	(18,330)
Interest received		<u>434</u>	<u>106</u>
Net cash provided by (used in) investing activities		<u>(26,521)</u>	<u>(18,224)</u>
Change in cash and cash equivalents in the reporting period		61,998	(31,590)
Cash and cash equivalents at the beginning of the reporting period		<u>145,880</u>	<u>177,470</u>
Cash and cash equivalents at the end of the reporting period		<u>207,878</u>	<u>145,880</u>

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

	2017 £	2016 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	78,573	28,425
Adjustments for:		
Depreciation charges	47,709	50,572
Interest received	(434)	(126)
Decrease/(increase) in stocks	581	(2,786)
Decrease/(increase) in debtors	(26,608)	4,464
Increase/(decrease) in creditors	11,783	(71,951)
Difference between pension charge and cash contributions	<u>(23,085)</u>	<u>(21,984)</u>
Net cash provided by (used in) operating activities	<u>88,519</u>	<u>(13,386)</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 Metropolitan 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.

These financial statements for the year ended 30 June 2017 are the first financial statements that comply with Financial Reporting Standard 102. The date of transition is 1 July 2015.

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

The transition to Financial Reporting Standard 102 has resulted in several changes to existing accounting policies which can be seen in the following notes.

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

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

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

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.

2. ACCOUNTING POLICIES - continued

Investment income

Investment income is recognised on a receivable basis.

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

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

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

Rentals 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.

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017**

3. DONATIONS AND LEGACIES

	2017	2016
	£	£
Donations	61,800	49,167
Cardiff Metropolitan University grant	892,253	892,253
	<u>954,053</u>	<u>941,420</u>

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

	2017	2016
	£	£
General block grant	332,253	332,253
Athletic Union	150,000	150,000
Campus Centre	110,000	110,000
Activity fee	300,000	300,000
	<u>892,253</u>	<u>892,253</u>

4. OTHER TRADING ACTIVITIES

	2017	2016
	£	£
Fundraising income	14,164	13,149
Trading income – subsidiary	65,251	60,562
Sponsorships	22,134	5,847
Hire income	22,916	21,124
Minibus and car hire recharge	8,723	6,643
Merchandise sales	1,006	5,861
	<u>134,194</u>	<u>113,186</u>

5. INVESTMENT INCOME

	2017	2016
	£	£
Deposit account interest	<u>434</u>	<u>126</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2017	2016
		£	£
Athletic Union income	Provision of recreational and leisure facilities	118,072	92,666
Clubs & Societies income	Provision of recreational and leisure facilities	264,113	76,937
Job shop agency income	Provision of support services	18,239	16,940
Shop income	Provision of social activities	322,822	329,904
Bar income	Provision of social activities	227,826	215,629
Catering income	Provision of social activities	548,157	550,325
Amusements income	Provision of social activities	2,079	3,978
ENTS department income	Provision of social activities	53,743	49,373
Safe taxi scheme	Provision of social activities	328	50
		<u>1,555,379</u>	<u>1,335,802</u>

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017**

7. RESULTS OF PARENT CHARITABLE COMPANY

The total income of the parent charitable company was £2,632,501 and net income before actuarial losses on defined benefit schemes were £78,573. Net movement in funds after actuarial losses on defined benefit schemes was (£55,799).

8. RAISING FUNDS

Other trading activities

	2017	2016
	£	£
Merchandise purchases	212	4,355
Fresher's Fayre	13,940	11,998
Commission	914	3,797
Mini bus and car hire costs	-	4,741
	<u>15,066</u>	<u>24,891</u>

9. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 10)	Totals
	£	£	£
Provision of recreational and leisure facilities	590,700	134,306	725,006
Provision of support services	311,181	90,131	401,312
Provision of social activities	<u>1,310,261</u>	<u>117,030</u>	<u>1,427,291</u>
	<u>2,212,142</u>	<u>341,467</u>	<u>2,553,609</u>

10. SUPPORT COSTS

	Staff costs	Other	Depreciation	Governance costs	Totals
	£	£	£	£	£
Provision of recreational and leisure facilities	72,671	53,881	1,021	6,733	134,306
Provision of support services	65,005	18,082	928	6,116	90,131
Provision of social activities	<u>85,331</u>	<u>21,784</u>	<u>1,174</u>	<u>8,741</u>	<u>117,030</u>
	<u>223,007</u>	<u>93,747</u>	<u>3,123</u>	<u>21,590</u>	<u>341,467</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):

	2017	2016
	£	£
Auditors' remuneration	6,038	4,263
Depreciation - owned assets	47,709	49,845
Depreciation - assets on hire purchase contracts and finance leases	-	727
	<u>-</u>	<u>727</u>

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	2017 £	2016 £
S Kelly	1,791	16,517
B Woolridge	17,867	15,130
W G Fuller	<u>16,500</u>	<u>-</u>

During the year, M Davies received a gross salary of £75,500 (2016: £70,554) and employers pension contributions of £7,117 (2016: £6,855) (a commercial rate for the role of Chief Executive Officer).

During the year student representative fees totalling £12,500 were paid to five trustees (2016: £12,500 was paid to five 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 totalling £2,891 (2016: £248 for five trustees).

13. STAFF COSTS

	2017 £	2016 £
Wages and salaries	876,429	807,640
Social security costs	50,693	47,268
Other pension costs and deficit contributions	<u>17,786</u>	<u>17,579</u>
	<u>944,908</u>	<u>872,487</u>

Included within staff costs are termination payments amounting to £Nil (2016: £13,370).

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

	2017	2016
Average number of monthly employees	28	29
Average number of fortnightly employees	<u>51</u>	<u>42</u>
	<u>79</u>	<u>71</u>

During the year ended 30 June 2017 the full time equivalent number of staff employed was 45 (2016: 43).

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

	2017 No.	2016 No.
£70,000 - £80,000	1	1
Pension contributions	£7,117	£6,855

Total remuneration paid to key management personnel in the year was £130,179 (2016: £121,764).

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - YEAR ENDED 30 JUNE 2016

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	514,420	427,000	941,420
Charitable activities			
Provision of recreational and leisure facilities	163,123	6,480	169,603
Provision of support services	16,940	-	16,940
Provision of social activities	1,149,259	-	1,149,259
Other trading activities	97,940	15,246	113,186
Investment income	126	-	126
Other income	3,781	-	3,781
Total	1,945,589	448,726	2,394,315
EXPENDITURE ON			
Raising funds	24,891	-	24,891
Charitable activities			
Provision of recreational and leisure facilities	444,882	59,163	504,045
Provision of support services	366,567	22,314	388,881
Provision of social activities	1,080,506	367,567	1,448,073
Total	1,916,846	449,044	2,365,890
NET INCOME	28,743	(318)	28,425
Other recognised gains/(losses)			
Actuarial gains/losses on defined benefit schemes	(12,946)	-	(12,946)
Net movement in funds	15,797	(318)	15,479
RECONCILIATION OF FUNDS			
Total funds brought forward	(299,678)	36,245	(263,433)
TOTAL FUNDS CARRIED FORWARD	(283,881)	35,927	(247,954)

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017

15. TANGIBLE FIXED ASSETS – Group and Charity

	Bars & Shops fittings £	Office fixtures & fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 July 2016	225,149	12,102	11,699	16,355	265,305
Additions	24,533	-	-	2,422	26,955
Disposals	(5,296)	-	-	(6,797)	(12,093)
At 30 June 2017	<u>244,386</u>	<u>12,102</u>	<u>11,699</u>	<u>11,980</u>	<u>280,167</u>
DEPRECIATION					
At 1 July 2016	144,937	7,789	11,699	13,493	177,918
Charge for year	44,587	1,361	-	1,761	47,709
Eliminated on disposal	(5,296)	-	-	(6,797)	(12,093)
At 30 June 2017	<u>184,228</u>	<u>9,150</u>	<u>11,699</u>	<u>8,457</u>	<u>213,534</u>
NET BOOK VALUE					
At 30 June 2017	<u>60,158</u>	<u>2,952</u>	<u>-</u>	<u>3,523</u>	<u>66,633</u>
At 30 June 2016	<u>80,212</u>	<u>4,313</u>	<u>-</u>	<u>2,862</u>	<u>87,387</u>

16. FIXED ASSET INVESTMENTS - Charity

	Shares in group undertakings £
MARKET VALUE	
At 1 July 2016 and 30 June 2017	<u>4</u>
NET BOOK VALUE	
At 30 June 2017	<u>4</u>
At 30 June 2016	<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.

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017

17. STOCKS – Group and Charity

	2017 £	2016 £
Stocks	<u>40,022</u>	<u>40,603</u>

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade debtors	32,756	23,940	27,962	16,497
Other debtors	672	1,305	672	1,305
Amount due from group undertakings	-	-	70,075	56,114
Prepayments and accrued income	<u>64,054</u>	<u>45,629</u>	<u>59,860</u>	<u>44,744</u>
	<u>97,482</u>	<u>70,874</u>	<u>158,569</u>	<u>118,660</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade creditors	53,929	61,676	53,929	61,676
Social security and other taxes	12,433	11,813	12,433	11,813
VAT	11,911	5,960	8,534	3,198
Other creditors	40,542	58,964	40,542	58,964
Accruals and deferred income	<u>104,508</u>	<u>73,127</u>	<u>98,643</u>	<u>64,977</u>
	<u>223,323</u>	<u>211,540</u>	<u>214,081</u>	<u>200,628</u>

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

	2017 £	2016 £
Cardiff Metropolitan University grant income	9,167	9,167
Private hire bookings	6,708	5,546
Other advance funding	8,297	6,281
Job shop programme	<u>-</u>	<u>10,000</u>
	<u>24,172</u>	<u>30,994</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 2016 were released to Statement of Financial Activities during the year and amounts deferred in the year ended 30 June 2017 are new sources of income.

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017

20. LEASING AGREEMENTS

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

	2017 £	2016 £
Within one year	138,510	135,048
Between one and five years	<u>281,765</u>	<u>406,453</u>
	<u>420,275</u>	<u>541,501</u>

Total lease payments recognised as an expense in the year were £141,464 (2016: £143,517).

21. MOVEMENT IN FUNDS

	At 1/7/16 £	Net movement in funds £	Transfers between funds £	At 30/6/17 £
Unrestricted funds				
General fund	97,177	65,257	(1,439)	160,995
Pension reserve	(381,158)	(134,372)	23,085	(492,445)
Designated fund: Women's football club	-	8,104	14,281	22,385
Designated fund: Men's football club	<u>100</u>	<u>5,212</u>	<u>-</u>	<u>5,312</u>
	(283,881)	(55,799)	35,927	(303,753)
Restricted funds				
Fee Implementation Plan fund	<u>35,927</u>	<u>-</u>	<u>(35,927)</u>	<u>-</u>
TOTAL FUNDS	<u>(247,954)</u>	<u>(55,799)</u>	<u>-</u>	<u>(303,753)</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	2,302,078	(2,236,821)	-	65,257
Pension reserve	-	-	(134,372)	(134,372)
Designated fund: Women's football club	22,018	(13,914)	-	8,104
Designated fund: Men's football club	<u>152,631</u>	<u>(147,419)</u>	<u>-</u>	<u>5,212</u>
	2,476,727	(2,398,154)	(134,372)	(55,799)
Restricted funds				
Clubs and societies	32,548	(32,548)	-	-
Rental lease	110,000	(110,000)	-	-
Santander Events fund	2,500	(2,500)	-	-
Cardiff Metropolitan University - Jobshop	10,000	(10,000)	-	-
Campus Sport Coordinator	10,473	(10,473)	-	-
Drinkaware	<u>5,000</u>	<u>(5,000)</u>	<u>-</u>	<u>-</u>
	170,521	(170,521)	-	-
TOTAL FUNDS	<u>2,647,248</u>	<u>(2,568,675)</u>	<u>(134,372)</u>	<u>(55,799)</u>

21. MOVEMENT IN FUNDS - continued

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 Metropolitan University to cover the rental lease costs for the Campus Centre, Cyncoed.

Fee Implementation Plan fund

The Fee Implementation Plan was been established in agreement with the University to fund specific initiatives through the Students' Union that enhance the overall student experience; contributing to the employability and workplace skills of our students through a world class Job Shop and Training & Development Programme and providing an enhanced range of social, sporting and cultural activities to supplement their academic experience. The funding has continued during 2016/17 but forms part of the core grant.

Santander Events fund

Santander provided match funding for the Health Sciences Gala Dinner.

Cardiff Metropolitan University - Jobshop

Funding received towards the costs of a telephone campaign.

Campus Sports Coordinator

Income received from Cardiff Met University towards the costs of employing a Campus Sports Coordinator.

Drinkaware

A £5,000 grant was received from Drinkaware to fund student employees to raise awareness around alcohol.

Transfers between funds

A transfer of £35,927 has been made from the Fee Implementation Plan fund to the general fund. Although objectives have been set out for this income from the University, it is considered by the University to be part of the core grant and so should be treated as part of the general funds of the Students' Union.

A transfer of £14,281 has been made from the general fund to the Women's football club fund, representing funds designated for use in the Women's football club.

A transfer of £23,085 to the pension reserve represents deficit payments made during the year.

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.

22. PENSION COMMITMENTS - continued

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 2017 amounted to £23,085 which are all deficit contributions (2016: £21,984). At the year end a liability was recognised for the present value of the contributions payable of £492,445 (2016 - £381,158).

The Union also participates in the National Union of Students Pension Scheme, a defined contribution scheme. During the year ended 30 June 2017 the Union contributed a total of £17,786 into the scheme (2016: £17,579). At the year end there were outstanding contributions of £340 (2016: £350).

23. FINANCIAL INSTRUMENTS

Group -	2017	2016
Financial assets	£	£
Financial assets that are debt instruments measured at amortised cost	<u>284,183</u>	<u>197,010</u>

	2017	2016
Financial liabilities	£	£
Financial liabilities measured at amortised cost	<u>174,807</u>	<u>162,773</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.

Charity -	2017	2016
Financial assets	£	£
Financial assets that are debt instruments measured at amortised cost	<u>274,169</u>	<u>185,326</u>

	2017	2016
Financial liabilities	£	£
Financial liabilities measured at amortised cost	<u>168,942</u>	<u>154,624</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. RELATED PARTY DISCLOSURES

During the year, S Kelly a trustee was paid a total amount of £950 (2016: £823) for coaching fees and other related expenditure.

During the year, N Chapman a trustee was paid a total amount of £Nil (2016: £2,000) for internship fees.

During the year, B Woolridge a trustee was paid a total amount of £Nil (2016: £743) in respect of various football club expenses.

During the year, W Fuller a trustee was paid a total amount of £700 (2016: £Nil) in respect of coaching fees for women's football.

There were no other transactions for the year ended 30 June 2017 which required disclosure.

25. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted funds £	Unrestricted funds £	Total £
Fund balances at 30 June 2017 are represented by:			
Tangible fixed assets	-	66,633	66,633
Current assets	9,887	335,495	345,382
Current liabilities	(9,887)	(213,436)	(223,323)
Pension liability	-	(492,445)	(492,445)
	<u>-</u>	<u>(492,445)</u>	<u>(492,445)</u>
Total net assets/(liabilities)	<u>-</u>	<u>(303,753)</u>	<u>(303,753)</u>

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 JUNE 2017**

26. 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	65,251
Cost of sales	(14,854)
	<hr/>
Gross profit	50,397
Administrative expenses	(54,165)
	<hr/>
Other operating income	(3,768)
	3,750
	<hr/>
Interest receivable and similar income	(18)
	18
	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	-
Taxation	-
PROFIT FOR THE FINANCIAL YEAR	<hr/> <hr/>

The aggregate of the assets, liabilities and funds was:

	£
Assets	80,089
Liabilities	(79,317)
	<hr/>
Funds	<hr/> <hr/> 772

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

RECONCILIATION OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
INCOME AND ENDOWMENTS FROM				
Donations and legacies		941,420	-	941,420
Charitable activities		1,335,802	-	1,335,802
Other trading activities		113,186	-	113,186
Investment income		126	-	126
Other income		3,781	-	3,781
Total		2,394,315	-	2,394,315
EXPENDITURE ON				
Raising funds		24,891	-	24,891
Charitable activities	1	2,362,983	(21,984)	2,340,999
Total		2,387,874	(21,984)	2,365,890
NET INCOME		<u>6,441</u>	<u>21,984</u>	<u>28,425</u>

Notes to the reconciliation of income and expenditure

1. **Defined Benefit Pension Scheme**

As a result of the requirement to recognise pension liabilities under FRS 102, the deficit contributions paid during the period have been offset against the liability which has increased the profit in the year ended 30 June 2016 by £21,984.

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

RECONCILIATION OF FUNDS
AT 1 JULY 2015
(DATE OF TRANSITION TO FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		119,629	-	119,629
CURRENT ASSETS				
Stocks		37,817	-	37,817
Debtors		75,338	-	75,338
Cash at bank and in hand		<u>177,470</u>	<u>-</u>	<u>177,470</u>
		290,625	-	290,625
CREDITORS				
Amounts falling due within one year		(283,491)	-	(283,491)
NET CURRENT ASSETS		<u>7,134</u>	<u>-</u>	<u>7,134</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		126,763	-	126,763
PENSION LIABILITY	1	-	(390,196)	(390,196)
		<u>126,763</u>	<u>(390,196)</u>	<u>(263,433)</u>
FUNDS				
Unrestricted funds		90,518	(390,196)	(299,678)
Restricted funds		<u>36,245</u>	<u>-</u>	<u>36,245</u>
TOTAL FUNDS		<u>126,763</u>	<u>(390,196)</u>	<u>(263,433)</u>

CARDIFF MET STUDENTS' UNION AND SUBSIDIARY

RECONCILIATION OF FUNDS
AT 30 JUNE 2016

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		87,387	-	87,387
CURRENT ASSETS				
Stocks		40,603	-	40,603
Debtors		70,874	-	70,874
Cash at bank and in hand		<u>145,880</u>	<u>-</u>	<u>145,880</u>
		257,357	-	257,357
CREDITORS				
Amounts falling due within one year		(211,540)	-	(211,540)
NET CURRENT ASSETS		<u>45,817</u>	<u>-</u>	<u>45,817</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		133,204	-	133,204
PENSION LIABILITY	1	-	(381,158)	(381,158)
NET ASSETS/(LIABILITIES)		<u>133,204</u>	<u>(381,158)</u>	<u>(247,954)</u>
FUNDS				
Unrestricted funds		97,277	(381,158)	(283,881)
Restricted funds		<u>35,927</u>	<u>-</u>	<u>35,927</u>
TOTAL FUNDS		<u>133,204</u>	<u>(381,158)</u>	<u>(247,954)</u>

Notes to the reconciliation of funds

1. **Defined Benefit Pension Scheme**

The group was not previously required to recognise the pension deficit as a liability on the balance sheet. Instead the pension deficit contributions were accounted for as if the scheme was a defined contribution scheme and recognised in the Statement of Financial Activities when incurred.

Under FRS 102, the group is required to recognise the pension deficit as a liability on the balance sheet and to recognise the actuarial gain or loss in the Statement of Financial Activities. As a result of this, a pension liability of £390,196 and £381,158 has been recognised at 1 July 2015 and 30 June 2016 respectively.