

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 2018  
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

**CARDIFF MET STUDENTS' UNION**

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

---

	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

---

## CARDIFF MET STUDENTS' UNION

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2018

---

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 2018. 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

This year saw the first full year of the rebranded SU Sport relaunch to demonstrate and increase awareness to the student membership that it provides administrative support to over 25 clubs and a significant number of individual athletes across all Schools of the University. Many of our teams compete throughout the year representing the University in both British Universities Colleges Sport and in National and Local leagues.

Our clubs have maintained their history of success at BUCS and National League levels, and we improved our position in the BUCS ranking re-entering the top twenty with a move from 21<sup>st</sup> to 18<sup>th</sup> in the UK. A number of our teams also play in National Leagues with the Men's Football team competing in the Welsh Premier League and narrowly missed qualifying for the Europa Cup in a play-off final in May 2018. In the BUCS Championship they were crowned BUCS Champions for the second time in their history, a feat not achieved by any other University.

Our Women's football team continued to enhance their reputation in Welsh football, representing Wales in the European Club Championships over the 2018 summer in the Ukraine and the 2017-18 season brought silverware in the shape of the Welsh Premier Women's League Cup.

Our Men's Rugby team competed in the BUCS Super Rugby competition gaining 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 third 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 third Annual Varsity competition against Bath University, which this year took place at Bath 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 700 students from Cardiff attending the event and as it moves into its fourth year we anticipate that it will continue to grow in a positive sporting environment.

## 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 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.

From a retail perspective, our Llandaff and Cyncoed retail operation faced significant product supply issues throughout the year with their main wholesale distributor going into administration. As a result, we had to source alternative supply lines in order to maintain stock levels in the units, and this had an impact on the margins that we could achieve. Our Llandaff Starbucks operation continued to make a significant positive contribution to the overall accounts and has been a major success not only in terms of the surplus it has generated but also in respect of the positive customer service and student engagement it delivers.

We developed 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 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, 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.

### **ACHIEVEMENT AND PERFORMANCE (Cont'd)**

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.

In February 2018, 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.

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 2018 was £2,488,989 (2017 - £2,647,248). The expenditure for the year totalled £2,471,328 (2017 - £2,568,675), leaving a net surplus for the year of £17,661 before actuarial gains/losses on defined benefit pension scheme. An actuarial loss on defined benefit pension scheme of £14,305 (2017 - £134,372) has been reported. Net income for the year is reported as £3,356.

The most significant financial effect on the Students' Union was the nil increase in the central block grant funding from the University and the inflationary pressure that it creates for 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 supply of products to our Retail Operations through our wholesale supplier going into administration. In the previous year we had seen an increase in the surplus that the both operations had generated, however the disruption to the supply meant that we had to source alternative suppliers and our range of products and margins were seriously reduced. The other main commercial issue that we faced was the increased deficit in our Centro operation with margins on our catering operation being lower than budgeted as the cost from our main supplier increased and due to the nature of the business, we could not pass this on in full to the customers. In addition, we experienced a reduction in internal business as the University focussed on its financial restructuring and expenditure corporately within our units was reduced.

From January 2018 to the end of the financial year, there was an increased revenue drive across the commercial areas and a far greater scrutiny on all expenditure to ensure that we achieved a year-end surplus.

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 £300,397 (this is after accounting in full for a pension provision of £479,885). 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.

## **CARDIFF MET STUDENTS' UNION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2018**

---

#### **FINANCIAL REVIEW (Cont'd)**

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

#### **FUTURE PLANS**

The Students' Union has been successful in obtaining an annual inflationary increase in its funding from the University, which will assist it in maintaining the provision of its existing services. It has also agreed a funding stream with a major supplier that will allow investing in the development of its commercial services and continuing to develop activities and services, which will contribute to improving the overall student experience.

We will be undertaking reviews of our commercial staffing structure to introduce a more streamlined management structure on both sites, with a greater emphasis on sales / staff ratios and profitability. There will be a greater emphasis on operational accountability, with performance meetings held with all commercial managers. Alongside this we will be targeting an increase in media sales and promotions revenue.

There will be an increased focus on and development of our Cardiff Met Award where the plans to enhance this service will include introducing more personalised support for the individual students with an aim to increase the number of participants undertaking and completing the Cardiff Met Award to 75. We will also be looking at introducing a phased start for students throughout the academic year providing greater flexibility to the scheme.

We will make developments to the Part Time Officer structure that we introduced in 2017/18, introducing an additional officer covering the environmental portfolio and role sharing the Equality & Diversity role.

We will recruit a new member of staff to focus on the transition and wellbeing of new students, providing them more targeted support and ensuring that they have a successful move into Higher Education.

We will also utilise the additional funding stream to recruit intern 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.

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. 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.

#### **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 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.

## **CARDIFF MET STUDENTS' UNION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2018**

---

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **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.

##### **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 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 & 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

##### **Auditors**

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

## CARDIFF MET STUDENTS' UNION

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2018

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Trustees

M Davies	Chief Executive Officer	
W Fuller	President from 01/08/2017 to 31/07/2018 Vice President from 01/08/2016 to 31/07/2017	Resigned 31/07/2018
B Woolridge	President from 01/08/2016 to 31/07/2017	Resigned 31/07/2017
I Gardiner	President from 01/08/2018; Vice President from 01/08/2017 to 31/07/2018	
J Nottingham	Vice President from 05/08/2018	Resigned 31/07/2017 Re-appointed 05/08/2018
J Sampson		Resigned 31/07/2017
E Monteith		Resigned 31/07/2017
J Morris		Resigned 31/07/2017
M Tagara		Appointed 01/09/2017 Resigned 31/07/2018
A Smith		Appointed 01/09/2017 Resigned 31/07/2018
K Davies		Appointed 01/09/2017
J Staniforth		Appointed 29/09/2017
B Yotsova		Appointed 05/08/2018
W Simmons		Appointed 18/09/2018 Resigned 25/09/2018
A Fox		Appointed 18/09/2018

#### 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:

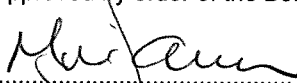
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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 18 October 2018 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 2018 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).

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 2018 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](http://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: 23 October 2018

CARDIFF MET STUDENTS' UNION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 30 JUNE 2018

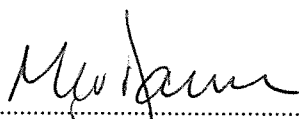
	Notes	Unrestricted fund £	Restricted funds £	2018 Total funds £	2017 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	796,544	110,000	906,544	954,053
<b>Charitable activities</b>	6				
Provision of recreational and leisure facilities		310,374	720	311,094	382,185
Provision of support services		14,374	-	14,374	18,239
Provision of social activities		1,107,555	2,475	1,110,030	1,154,955
Other trading activities	4	108,320	35,324	143,644	134,194
Investment income	5	408	-	408	434
Other income		2,895	-	2,895	3,188
<b>Total</b>		<u>2,340,470</u>	<u>148,519</u>	<u>2,488,989</u>	<u>2,647,248</u>
<b>EXPENDITURE ON</b>					
Raising funds	8	17,331	-	17,331	15,066
<b>Charitable activities</b>	9				
Provision of recreational and leisure facilities		629,320	49,794	679,114	725,006
Provision of support services		345,968	1,650	347,618	401,312
Provision of social activities		1,330,190	97,075	1,427,265	1,427,291
<b>Total</b>		<u>2,322,809</u>	<u>148,519</u>	<u>2,471,328</u>	<u>2,568,675</u>
<b>NET INCOME</b>		<u>17,661</u>	<u>-</u>	<u>17,661</u>	<u>78,573</u>
<b>Transfers between funds</b>		-	-	-	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains/losses on defined benefit pension scheme		(14,305)	-	(14,305)	(134,372)
<b>Net income/(expenditure) for the year</b>		<u>3,356</u>	<u>-</u>	<u>3,356</u>	<u>(55,799)</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>(303,753)</u>	<u>-</u>	<u>(303,753)</u>	<u>(247,954)</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>(300,397)</u></u>	<u><u>-</u></u>	<u><u>(300,397)</u></u>	<u><u>(303,753)</u></u>

The notes form part of these financial statements

**CONSOLIDATED AND CHARITY BALANCE SHEETS**  
**AT 30 JUNE 2018**

		Group		Charity	
	Notes	2018 £	2017 £	2018 £	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	15	65,680	66,633	65,680	66,633
Investments	16	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
		65,680	66,633	65,684	66,637
<b>CURRENT ASSETS</b>					
Stocks	17	32,802	40,022	32,802	40,022
Debtors: amounts falling due within one year	18	55,334	97,482	72,800	118,162
Cash at bank		<u>226,572</u>	<u>207,878</u>	<u>159,446</u>	<u>136,777</u>
		314,708	345,382	265,048	294,961
<b>CREDITORS</b>					
Amounts falling due within one year	19	(200,900)	(223,323)	(195,220)	(214,081)
<b>NET CURRENT ASSETS</b>		<u>113,808</u>	<u>122,059</u>	<u>69,828</u>	<u>80,880</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		179,488	188,692	135,512	147,517
<b>PENSION LIABILITY</b>		(479,885)	(492,445)	(479,885)	(492,445)
<b>NET ASSETS/(LIABILITIES)</b>	22	<u>(300,397)</u>	<u>(303,753)</u>	<u>(344,373)</u>	<u>(344,928)</u>
<b>FUNDS</b>	21				
Unrestricted funds:					
General fund		179,488	188,692	135,512	147,517
Pension reserve		<u>(479,885)</u>	<u>(492,445)</u>	<u>(479,885)</u>	<u>(492,445)</u>
		(300,397)	(303,753)	(344,373)	(344,928)
Restricted funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUNDS</b>		<u>(300,397)</u>	<u>(303,753)</u>	<u>(344,373)</u>	<u>(344,928)</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 18 October 2018 and were signed on its behalf by:

  
 M Davies - Trustee

  
 I Gardiner - Trustee

The notes form part of these financial statements

CARDIFF MET STUDENTS' UNION

CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	2017 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>45,019</u>	<u>88,519</u>
<b>Net cash provided by (used in) operating activities</b>		<u>45,019</u>	<u>88,519</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(26,733)	(26,955)
Interest received		<u>408</u>	<u>434</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(26,325)</u>	<u>(26,521)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		18,694	61,998
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>207,878</u>	<u>145,880</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>226,572</u>	<u>207,878</u>

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

	2018 £	2017 £
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	17,661	78,573
<b>Adjustments for:</b>		
Depreciation charges	27,686	47,709
Interest received	(408)	(434)
Decrease/(increase) in stocks	7,220	581
Decrease/(increase) in debtors	42,148	(26,608)
Increase/(decrease) in creditors	(22,423)	11,783
Difference between pension charge and cash contributions	<u>(26,865)</u>	<u>(23,085)</u>
<b>Net cash provided by (used in) operating activities</b>	<u>45,019</u>	<u>88,519</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**

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**

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 2018**3. DONATIONS AND LEGACIES**

	2018	2017
	£	£
Donations	14,291	61,800
Cardiff Met University grant	892,253	892,253
	<u>906,544</u>	<u>954,053</u>

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

	2018	2017
	£	£
General block grant	332,253	332,253
SU Sport	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**

	2018	2017
	£	£
Fundraising income	13,000	14,164
Trading income – subsidiary	75,750	65,251
Sponsorships	22,324	22,134
Hire income	25,655	22,916
Minibus and car hire recharge	6,203	8,723
Merchandise sales	712	1,006
	<u>143,644</u>	<u>134,194</u>

**5. INVESTMENT INCOME**

	2018	2017
	£	£
Deposit account interest	<u>408</u>	<u>434</u>

**6. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	2018	2017
		£	£
SU Sport income	Provision of recreational and leisure facilities	117,713	118,072
Clubs & Societies income	Provision of recreational and leisure facilities	193,381	264,113
Job shop agency income	Provision of support services	14,374	18,239
Shop income	Provision of social activities	282,560	322,822
Bar income	Provision of social activities	232,276	227,826
Catering income	Provision of social activities	544,487	548,157
Amusements income	Provision of social activities	1,628	2,079
ENTS department income	Provision of social activities	48,975	53,743
Safe taxi scheme	Provision of social activities	104	328
		<u>1,435,498</u>	<u>1,555,379</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 JUNE 2018**7. RESULTS OF PARENT CHARITABLE COMPANY**

The total income of the parent charitable company was £2,467,837 and net income before actuarial losses on defined benefit schemes were £14,860. Net movement in funds after actuarial losses on defined benefit schemes was £555.

**8. RAISING FUNDS****Other trading activities**

	2018 £	2017 £
Merchandise purchases	-	212
Freshers' Fayre	16,753	13,940
Commission	578	914
	<u>17,331</u>	<u>15,066</u>

**9. CHARITABLE ACTIVITIES COSTS**

	Direct costs £	Support costs (See note 10) £	Totals £
Provision of recreational and leisure facilities	552,265	126,849	679,114
Provision of support services	263,222	84,396	347,618
Provision of social activities	<u>1,313,721</u>	<u>113,544</u>	<u>1,427,265</u>
	<u>2,129,208</u>	<u>324,789</u>	<u>2,453,997</u>

**10. SUPPORT COSTS**

	Staff costs £	Other £	Depreciation £	Governance costs £	Totals £
Provision of recreational and leisure facilities	70,570	48,647	936	6,696	126,849
Provision of support services	61,258	16,352	832	5,954	84,396
Provision of social activities	<u>82,716</u>	<u>21,089</u>	<u>1,071</u>	<u>8,668</u>	<u>113,544</u>
	<u>214,544</u>	<u>86,088</u>	<u>2,839</u>	<u>21,318</u>	<u>324,789</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):

	2018 £	2017 £
Auditors' remuneration	6,063	6,038
Depreciation - owned assets	<u>27,686</u>	<u>47,709</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	2018 £	2017 £
S Kelly	-	1,791
B Woolridge	1,510	17,867
W Fuller	18,569	16,500
I Gardiner	<u>17,059</u>	<u>-</u>

During the year, M Davies received a gross salary of £77,100 (2017: £75,500) and employers pension contributions of £7,380 (2017: £7,117) (a commercial rate for the role of Chief Executive Officer).

During the year student representative fees totalling £10,000 were paid to four trustees (2017: £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 £570 (2017: £2,891 for five trustees).

**13. STAFF COSTS**

	2018 £	2017 £
Wages and salaries	769,187	876,429
Social security costs	44,555	50,693
Other pension costs and deficit contributions	<u>17,667</u>	<u>17,786</u>
	<u>831,409</u>	<u>944,908</u>

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

	2018	2017
Average number of monthly employees	28	28
Average number of fortnightly employees	<u>45</u>	<u>51</u>
	<u>73</u>	<u>79</u>

During the year ended 30 June 2018 the full time equivalent number of staff employed was 43 (2017: 45).

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

	2018 No.	2017 No.
£70,000 - £80,000	1	1
Pension contributions	£7,380	£7,117

Total remuneration paid to key management personnel in the year was £133,458 (2017: £130,179).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 JUNE 2018

## 14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - YEAR ENDED 30 JUNE 2017

	2017 Unrestricted funds £	2017 Restricted funds £	2017 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	826,553	127,500	954,053
<b>Charitable activities</b>			
Provision of recreational and leisure facilities	371,712	10,473	382,185
Provision of support services	18,239	-	18,239
Provision of social activities	1,154,955	-	1,154,955
Other trading activities	101,646	32,548	134,194
Investment income	434	-	434
Other income	3,188	-	3,188
<b>Total</b>	<b>2,476,727</b>	<b>170,521</b>	<b>2,647,248</b>
<b>EXPENDITURE ON</b>			
Raising funds	15,066	-	15,066
<b>Charitable activities</b>			
Provision of recreational and leisure facilities	668,235	56,771	725,006
Provision of support services	384,662	16,650	401,312
Provision of social activities	1,330,191	97,100	1,427,291
<b>Total</b>	<b>2,398,154</b>	<b>170,521</b>	<b>2,568,675</b>
<b>NET INCOME</b>	<b>78,573</b>	<b>-</b>	<b>78,573</b>
<b>Transfers between funds</b>	<b>35,927</b>	<b>(35,927)</b>	<b>-</b>
<b>Other recognised gains/(losses)</b>			
Actuarial gains/losses on defined benefit schemes	(134,372)	-	(134,372)
<b>Net income/(expenditure) for the year</b>	<b>(19,872)</b>	<b>(35,927)</b>	<b>(55,799)</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>(283,881)</b>	<b>35,927</b>	<b>(247,954)</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>(303,753)</b>	<b>-</b>	<b>(303,753)</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 30 JUNE 2018**15. TANGIBLE FIXED ASSETS – Group and Charity**

	Bars & Shops fittings £	Office fixtures & fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 July 2017	244,386	12,102	11,699	11,980	280,167
Additions	<u>26,733</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,733</u>
At 30 June 2018	<u>271,119</u>	<u>12,102</u>	<u>11,699</u>	<u>11,980</u>	<u>306,900</u>
<b>DEPRECIATION</b>					
At 1 July 2017	184,228	9,150	11,699	8,457	213,534
Charge for year	<u>24,854</u>	<u>720</u>	<u>-</u>	<u>2,112</u>	<u>27,686</u>
At 30 June 2018	<u>209,082</u>	<u>9,870</u>	<u>11,699</u>	<u>10,569</u>	<u>241,220</u>
<b>NET BOOK VALUE</b>					
At 30 June 2018	<u>62,037</u>	<u>2,232</u>	<u>-</u>	<u>1,411</u>	<u>65,680</u>
At 30 June 2017	<u>60,158</u>	<u>2,952</u>	<u>-</u>	<u>3,523</u>	<u>66,633</u>

**16. FIXED ASSET INVESTMENTS – Charity**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 July 2017 and 30 June 2018	<u>4</u>
<b>NET BOOK VALUE</b>	
At 30 June 2018	<u>4</u>
At 30 June 2017	<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 2018

## 17. STOCKS – Group and Charity

	2018 £	2017 £
Stocks	<u>32,802</u>	<u>40,022</u>

## 18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Trade debtors	20,993	32,756	17,651	27,962
Other debtors	-	672	-	672
Amount due from group undertakings	-	-	25,505	29,668
Prepayments and accrued income	<u>34,341</u>	<u>64,054</u>	<u>29,644</u>	<u>59,860</u>
	<u>55,334</u>	<u>97,482</u>	<u>72,800</u>	<u>118,162</u>

## 19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Trade creditors	56,997	53,929	56,997	53,929
Social security and other taxes	15,710	12,433	15,710	12,433
VAT	6,876	11,911	4,271	8,534
Other creditors	30,992	40,542	30,992	40,542
Accruals and deferred income	<u>90,325</u>	<u>104,508</u>	<u>87,250</u>	<u>98,643</u>
	<u>200,900</u>	<u>223,323</u>	<u>195,220</u>	<u>214,081</u>

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

	2018 £	2017 £
Cardiff Met University grant income	-	9,167
Private hire bookings	5,043	6,708
Freshers' fayre	2,000	-
Other advance funding	<u>10,778</u>	<u>8,297</u>
	<u>17,821</u>	<u>24,172</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 2017 were released to the Statement of Financial Activities during the year and amounts deferred in the year ended 30 June 2018 are new sources of income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 JUNE 2018**20. LEASING AGREEMENTS**

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

	2018 £	2017 £
Within one year	133,333	138,510
Between one and five years	<u>174,400</u>	<u>281,765</u>
	<u>307,733</u>	<u>420,275</u>

Total lease payments recognised as an expense in the year were £144,376 (2017: £141,464).

**21. MOVEMENT IN FUNDS**

	At 1/7/17 £	Net movement in funds £	Transfers between funds £	At 30/6/18 £
<b>Unrestricted funds</b>				
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	<u>5,312</u>	<u>867</u>	-	<u>6,179</u>
	(303,753)	3,356	-	(300,397)
<b>TOTAL FUNDS</b>	<u>(303,753)</u>	<u>3,356</u>	<u>-</u>	<u>(300,397)</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
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	<u>112,983</u>	<u>(112,116)</u>	-	<u>867</u>
	2,340,470	(2,322,809)	(14,305)	3,356
<b>Restricted funds</b>				
Clubs and societies	35,324	(35,324)	-	-
Rental lease	110,000	(110,000)	-	-
Santander Events fund	2,475	(2,475)	-	-
Campus Sport Coordinator	<u>720</u>	<u>(720)</u>	-	-
	148,519	(148,519)	-	-
<b>TOTAL FUNDS</b>	<u>2,488,989</u>	<u>(2,471,328)</u>	<u>-</u>	<u>3,356</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 JUNE 2018

## 21. MOVEMENT IN FUNDS - continued

## Comparatives for movement in funds

	At 1/7/16 £	Net movement in funds £	Transfers between funds £	At 30/6/17 £
<b>Unrestricted funds</b>				
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	100	5,212	-	5,312
	(283,881)	(55,799)	35,927	(303,753)
<b>Restricted funds</b>				
Fee Implementation Plan fund	35,927	-	(35,927)	-
<b>TOTAL FUNDS</b>	<u>(247,954)</u>	<u>(55,799)</u>	<u>-</u>	<u>(303,753)</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
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	152,631	(147,419)	-	5,212
	2,476,727	(2,398,154)	(134,372)	(55,799)
<b>Restricted funds</b>				
Clubs and societies	32,548	(32,548)	-	-
Rental lease	110,000	(110,000)	-	-
Santander Events fund	2,500	(2,500)	-	-
Cardiff Met University – Jobshop	10,000	(10,000)	-	-
Campus Sport Coordinator	10,473	(10,473)	-	-
Drinkaware	5,000	(5,000)	-	-
	170,521	(170,521)	-	-
<b>TOTAL FUNDS</b>	<u>2,647,248</u>	<u>(2,568,675)</u>	<u>(134,372)</u>	<u>(55,799)</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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 JUNE 2018**21. MOVEMENT IN FUNDS - continued****Santander Events fund**

Santander provided match funding during the year for the Christmas Ball (2017 - Health Sciences Gala Dinner).

**Campus Sports Coordinator**

Income of £720 has been received during the year from Cardiff Met University towards the costs of employing a Campus Sports Coordinator. Income of £10,473 was received during the year ended 30 June 2017.

**Transfers between funds**

The transfer of £26,865 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.

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 2018 amounted to £26,865 which are all deficit contributions (2017: £23,085). At the year end a liability was recognised for the present value of the contributions payable of £479,885 (2017 - £492,445).

The Union also participates in the National Union of Students Pension Scheme, a defined contribution scheme. During the year ended 30 June 2018 the Union contributed a total of £17,667 into the scheme (2017: £17,786). At the year end there were outstanding contributions of £974 (2017: £340).

**23. FINANCIAL INSTRUMENTS**

<b>Group -</b>		
<b>Financial assets</b>	2018	2017
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>270,595</u>	<u>284,183</u>
<b>Financial liabilities</b>	2018	2017
	£	£
Financial liabilities measured at amortised cost	<u>160,493</u>	<u>174,807</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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 JUNE 2018

## 23. FINANCIAL INSTRUMENTS - continued

<b>Charity -</b>	2018	2017
<b>Financial assets</b>	£	£
Financial assets that are debt instruments measured at amortised cost	<u>220,935</u>	<u>233,762</u>
 <b>Financial liabilities</b>	 2018	 2017
	£	£
Financial liabilities measured at amortised cost	<u>159,468</u>	<u>168,942</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

Mr S Kelly, a trustee until 31 July 2016, was paid a total amount of £Nil (2017: £950) for coaching fees and other related expenditure.

During the year, Mr W Fuller a trustee was paid a total amount of £Nil (2017: £700) in respect of coaching fees for women's football.

There were no other transactions for the year ended 30 June 2018 which required disclosure.

## 25. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted funds £	Unrestricted funds £	Total £
<b>Fund balances at 30 June 2018 are represented by:</b>			
Tangible fixed assets	-	65,680	65,680
Current assets	18,333	296,375	314,708
Current liabilities	(18,333)	(182,567)	(200,900)
Pension liability	-	(479,885)	(479,885)
<b>Total net assets/(liabilities)</b>	<u>-</u>	<u>(300,397)</u>	<u>(300,397)</u>

**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	75,750
Cost of sales	(17,331)
	<hr/>
Gross profit	58,419
Administrative expenses	(15,233)
	<hr/>
	43,186
Other operating income	-
	<hr/>
	43,186
Interest receivable and similar income	22
	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>43,208</b>
Taxation	-
	<hr/>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b><u>43,208</u></b>
The aggregate of the assets, liabilities and funds was:	
	£
Assets	75,165
Liabilities	(31,185)
	<hr/>
Funds	<u>43,980</u>