

Winchester Student Union

Annual Report and Accounts

For the year ended 31 July 2020



WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

Administrative information

Charitable Status

Winchester Student Union is a registered charity established under the Education Act 1994. Charity registration no. 1147846.

Principal Address

Sparkford Road
Winchester
Hants
SO22 4NR

Charity Trustees Elected/appointed by Winchester Student Union Senate to hold office from July 2019

President - M Ball
Vice President, Activities – E O'Dwyer
Vice president, Education & Welfare – V Hurley
Other trustees:
S Vear
W Richards (term ended Feb 2020)
D Hutchins (term ended Feb 2020)
J Dickinson
H Flanagan (resigned March 2020)
Z Braid
J Walker (appointed Jul 2020)

Professional Advisers

Auditors
Crowe U.K. LLP
Chartered Accountants
and Registered Auditors
Aquis House
49-51 Blagrove Street
Reading
Berks
RG1 1PL

Bankers

National Westminster Bank
105 High Street
Winchester
Hants
SO23 9AW

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

The officers of the Union present their report and financial statements for the year ended 31 July 2020.

Structure, governance and management

Winchester Student Union (hereafter referred to as the Student Union) falls under the definition of a "Student Union" in section 20(1) of the Education Act 1994. The Student Union is an unincorporated association with charitable status.

The University of Winchester (hereafter referred to as the University) exercises its duty under the Education Act 1994 to take such steps as are reasonably practicable to secure that the Student Union operates in a fair and democratic manner and is accountable for its finances.

The Student Union is governed by its Constitution and is responsible for providing representation and support to the students of the University. The Trustees confirm that they have complied with the duty under S.4 of the Charities Act 2011 to have due regard to the guidance concerning the operation of public benefit published by the Charity Commission in exercising their responsibilities as Trustees.

In addition to the organisation's Trustees, there are five Executive Officers who undertake to ensure the day to day activities of the Union are representative of the members' needs. They are also elected by a cross-campus secret ballot of the membership. These are, President (also a Trustee), Vice President, Activities (also a Trustee), Vice President, Education & Welfare, and five part time officers without portfolio.

The Student Union is a democratic organisation with decision making power being vested in a board of elected student representatives called Student Senate. Student Senate has powers to ratify or challenge the decisions of committees and officers of the Student Union. The members of Student Senate are drawn from the student body.

The Executive Committee and its sub-committees oversee the day to day running of the Student Union and are accountable to Student Senate.

Executive Officers & Trustees receive an induction covering their legal and administrative responsibilities, with an on-going programme of development during their term of office.

The Executive Committee ordinarily meets fortnightly to receive reports from its elected officers and Union staff. This committee forms the day to day decision making body of the Student Union; with all significant business forwarded to Student Senate & the Board of Trustees for ratification or final approval.

The Board of Trustees meet no less than four times per annum. The Board of Trustees are responsible for Legal adherence, financial sustainability, and strategic direction of the Union and (subject to the Education Act, the Constitution and the Bye-Laws) may exercise all the powers of the Union.

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

The Student Union employs full-time contract staff to ensure effective management of its many activities and to implement the policy decisions made by Student Senate and other bodies. There is delegated authority, through the General Manager, for operational decision making and accountability within the departments of the Student Union, in accordance with an annually reviewed structure.

Relationship with University of Winchester

The Student Union receives subvention from the University in the form of a block grant and part-occupies buildings owned by the University. The Student Union pays an annual sum under lease to the University along with a separate apportionment for both cleaning and utilities. Although the Student Union successfully runs various trading and income generating activities, it is dependent on the support of the University. There is no reason to believe that this support will not continue for the foreseeable future as the Student Union is an integral part of the University structure, is required under the Education Act and of value to the overall student experience at the University.

The Student Union sees the quality of our relationship with the University as being key to our future success. Indeed the University's continued support and recognition of the Student Union's contribution to the overall student experience has led directly to the Student Union leasing bespoke, purpose built, Student Union facilities. The Student Union will consider, and reference back, where practicable, to the University's strategic objectives when setting and reviewing its own, to ensure that we strengthen our relationship and take a holistic approach to the Winchester student experience.

Principal Risks and Uncertainties

The Union has examined the major strategic, business and operational risks which the Student Union faces. The Board with particular assistance from the General Manager, reviews the Union's current and planned future activities in the light of any major risks arising from time to time and the effectiveness of systems and procedures designed to manage them. The principal risks and uncertainties currently facing the Union are considered to be:

- Full service provision and income generation in the context of Covid-19;
- Risk of cuts to University funding of the Union, caused by either perception of value of the Union or the universities own financial sustainability;
- Failure to anticipate, identify and satisfy the needs of the membership of Winchester Student Union;
- Collapse, consolidation or other change in status of our suppliers that leads to stock shortage or complete failure of delivery, and thereby loss of earnings.
- Through Covid-19 restrictions, commercial services fail to produce adequate yields to underpin non-commercial core activity and/or erodes reserves
- Failure to be seen by students or the university as the voice of students.

Our plans and strategies for managing risk include maintaining effective internal controls, risk registers, incident-reporting and monitoring systems and insurance cover wherever appropriate.

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

Aims, Objectives and activities

The Student Union's (charitable) objects are set out in its Constitution and are:
"The advancement of education of Students at University of Winchester for the public benefit by:

1. promoting the interests and welfare of Students at University of Winchester during their course of study and representing, supporting and advising Students;
2. being the recognised representative channel between Students and University of Winchester and any other external bodies; and
3. providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its Students.

The Student Union pursues these aims independently of any political party or religious group and strives for equal opportunities and positive action within the law to facilitate the participation of groups discriminated against by society.

In pursuit of these aims the Student Union has established departments and services for use by its members and to support its work with the University and other organisations on behalf of students. These include the Engagement, Activities and Services Offices, The Advice Centre, The Vault Bar & Venue, The Terrace Coffee Bar, The Union Shop, The Shop @ Westdowns, and the campus laundries.

Student Officers of the Union sit on every major committee of the University and meet regularly with representatives of Winchester City Council and other local organisations, including residents' associations, police and communities together (PACT) and the Winchester Community Safety Partnership, to represent the interests of all students at the University.

The Student Union's commitment to its members includes extracurricular opportunities for 3,283 students, over 162 unique engagement opportunities, including sports, societies, representational networks, volunteering, and student representatives. It is estimated that these volunteers contribute around 50,000 hours per annum, in promotion of activism and participation.

As a part of our ongoing commitment to increase the breadth and depth of engagement opportunities for our members the Union's trustees have established a fixed term project, including a staff post, running from 2019 to 2021, to benchmark and improve participation and engagement. This includes the completion in 2020 of a thorough examination of all engagement opportunities by student demographic and identifying actions to improve engagement.

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

Key Management remuneration.

The remuneration of key management personnel is set by the Board, with the policy objective of ensuring that they are provided with appropriate incentives to encourage performance and are, in a fair and responsible manner, rewarded for their individual contributions to the Union's success. The appropriateness and relevance of such remuneration is reviewed annually, including reference to comparisons with other Unions to ensure that the Union remains sensitive to the broader issues of pay and employment conditions elsewhere.

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

Achievements and performance.



The Student Union is now one year into its three-year strategy. This Strategy frames the core activities within each Zone of the Union, and is intended to give our members co-ownership of the objectives within it. Across the four Zones of Education, Welfare, Activities and Services we have set 39 key targets for completion or action by 2022. Of these 20 are noted in 219/20 as 'progress made' with a further 9 'achieved or met'. Included within these successful met zone criteria are:

Education Zone

Through effective communication and provision of information, we have ensured that more than two thirds of our members (when asked via survey) recognise their academic rights as a student, along with their routes of appeal.

Our Advice Centre has provided a demonstrable increase in student advocacy through the increased number of student cases served in 19/20.

Welfare Zone

We have significantly increased the balance of resource available to promote wellbeing including the provision of free sanitary and sexual health products to our members and committing to fund the Advice Centre beyond its initially planned two-year trial. This has also assisted with the result that, over two thirds of our members believe that the Union does enough to support their wellbeing, when asked via our annual survey.

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

Activities Zone

We have moved forward with improving participation and diversity within our activities, both with the creation of Representational Networks and the completion of a broad research project into our existing demographics with activities.

Services Zone

To improve our service standards, we have sourced and deployed a mystery shop programme for the first time, and are using this programme as mechanism for improving the customer experience as well as recognising and rewarding exemplary staff service. In addition, we have achieved a platinum level Bets Bar None award marking us as one of the most socially responsible licenced venues in the country.

Other achievements

Representing student interests is a core role of the Student Union. To this end the Student Union is responsible for the recruitment, training and onward support of Academic Representatives or STARs.

The Union has the intention of achieving 100% programme level student representation, and this remains a challenging target. However recruitment of representatives has seen a demonstrable increase in 2019/2020 with 609 appointed, up from, 504 in 2018/2019. STARs receive training, resources & onward support from the Student Union.

The Union's student representatives, including elected student executive, senate members and Student Academic Reps, sit on and contribute to 22 University committees and 275 academic programme committees. Through the Union's liaison with the University, *other than the Senior Manager Team meetings and University Management Group*, it is the intention that there is no policy, decision or strategy-making body within the University, without student representation.

Additionally, through the continued work of the office of the Vice President, Education & Welfare, the union continues to be instrumental in the delivery and support of a Student Fellows Scheme. This scheme allows for 15 student led projects to earn a £800 bursary by working with university staff on a specific research project; to empower students to drive change, to better a university programme or specific method of delivery, or improving resources for learning.

Winchester Student Union's NSS result for question 26 (relating to SU's representation) is 7% higher than the national average, and our score has improved from 60.5% (2019) to 63% (2020). This places us in the national top quartile and 21st of all HEI providers. Our staff and officers will continue to act in the year ahead to achieve our KPI target of a top 20 placement.

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

We completed a full refurbishment of our venue/leisure facility, which whilst not returning as strongly on the investment as anticipated, has proven popular with our membership. Our addition of EFT/contactless payment solutions to all tills has proven to be an overwhelmingly positive one, both for member satisfaction and financial performance.

Regrettably curtailment of most activities was required in March of 2020 due to Covid-19 lockdown. This did have a negative effect on our trade via our venue and shops and the ability to deliver key events such as sports tour and the summer ball, and ultimately worked against us fulfilling the potential of what was a very positive year with numerous achievements.

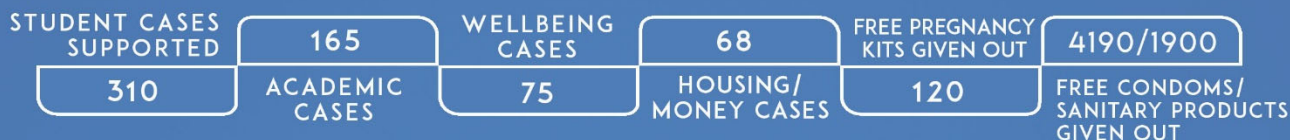
Charity

As a requirement of the Charities Act 2006 we have registered with the Charity Commission and have been issued the following charity registration number: 1147846. Through this process of registration we have ensured that our charitable objectives as defined through our Mission, Vision and Values, are intrinsic to the day to day business of the Student Union.

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

WINCHESTER STUDENT UNION IMPACT REPORT

ADVICE CENTRE

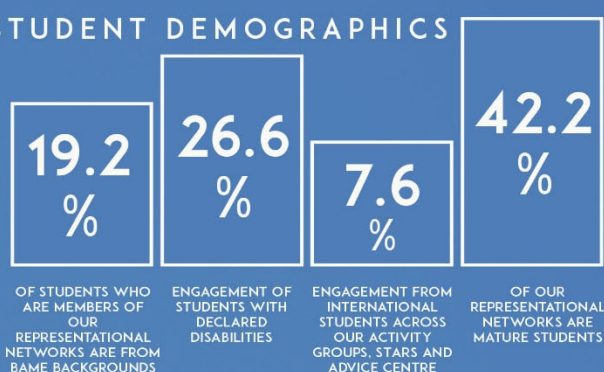


NSS 2020

WE PLACED 21ST
OUT OF 137 UNIONS
IN THE COUNTRY



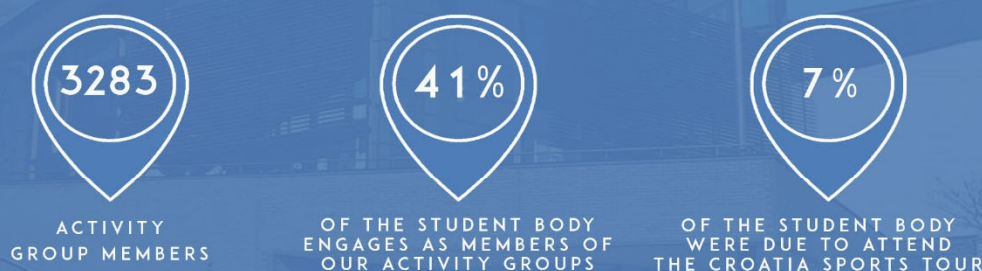
STUDENT DEMOGRAPHICS



ELECTIONS 2020



ACTIVITY GROUPS



STARS (STUDENT ACADEMIC REPRESENTATIVES)



WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

Financial review

It would be imprudent to report on the union's financial performance without first acknowledging the impact of Covid-19. This saw the Union effectively cease almost all commercial activity to support the charity in March 2020. This had the effect of reducing our total expected income by £189k, predominately through Bar and Entertainments shortfall. In turn this caused us to explore cost saving activity to minimise the impact this would have on our year end position. This included taking advantage of the CJRS scheme for five of our full-time employees, as well as other costs savings across commercial activity and unrestricted charitable activity.

Winchester Student Union's gross income from all sources this year totalled £1,755,044. Total expenditure of £1,823,936 was committed to the wide-ranging student benefits we provide within a considered budget. Our year end resulted in a net deficit of (£69k), but within this figure was an agreed project spend of £53k to support the Advice Centre and Student Engagement. In real terms therefore, the Union ended the year at a position (£16k) from budgeted expectation.

At year end total Union funds, inclusive of £65.7k restricted funds, stand at £769,534, a reduction of £68,892 from prior year.

Our cash and cash equivalents at the end of the year stand at £525,413, a reduction of £67k from prior year.

In year we completed the last stage of our refurbishment of venue and leisure facilities, and a refurbishment of our campus retail space. In total we have committed £360k of our reserves to reinvest in our leisure & retail spaces.

Grant

Winchester Student Union has continued to benefit from the recognition and support of the University through the payment of a subvention grant, and in 2019/2020 this sum totalled £306,900.

The sum of £285,710 has been agreed for 2020/2021, with an additional one off sum of £47,500 granted as a Covid-19 support fund. Total 20/21 incoming funding from the University is therefore, £333,210.

Reserves level and policy

The Trustees of Winchester Student Union have reviewed our reserves requirement and have resolved that three months planned charitable expenditure & three months full time staff salary, in hand, is a prudent minimum reserve level as per charity SORP. This sum is a provision to be able to cope with any unexpected downturn in funding, further disruption from Covid-19 or additional calls on our resources, without immediately curtailing activities. In 2020/2021 this sum would equate to £150,000.

Current total cash/cash equivalent funds of the Union stand at £525,413. This is comprised of £459,615 unrestricted funds and £65,798 in restricted funds. It is our intention that this unrestricted accumulated fund, will be attributed against Zone

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

priorities and projects to achieve our strategy, and to safeguard us against the turbulence caused by Covid-19 government action, including the possibility of further lockdown.

NUS affiliation

The Union is currently affiliated to the NUS, for which our total subscription costs amounted to £11,600 for the year, and no donations were made during the year to any external institutions out of Winchester Student Union own resources.

Custodian Activities: Clubs' & Societies' Funds and the annual RAG

Winchester Student Union acts as custodian for funds raised by the students' many Clubs & Societies themselves. In addition to the grant-support funds it disburses to them as shown in the accounts, Winchester Student Union is also custodian of the annual RAG proceeds from fundraising events organised by the students under Winchester Student Union auspices, for distribution to the intended charities. Funds raised by this year's RAG amounting to £2,262 was distributed among the major charities nominated by the RAG Committee.

Fundraising

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

Future Funding

The Trustees confirms that Winchester Student Union has sufficient funds to meet all its obligations. Funding from the university for 2020/21 has been confirmed and commercial activities, are expected to generate funds sufficient for subsidy of charitable activities planned.

The trustees are satisfied that Winchester Student Union is, and will remain a going concern.

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


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President & Chair of Trustees

Dated: 23/01/21

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

Independent Auditor's Report to the Members of Winchester Student Union

Opinion

We have audited the financial statements of Winchester Student Union for the year ended 31 July 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2020 and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

Auditor's responsibilities for the audit of the financial statements


We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP

Statutory Auditor

Aquis House

49-51 Blagrove St

Reading

Date: 4 February 2021

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2020

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR

	Notes	Unrestricted funds	Restricted funds	Total 2020	Total 2019
		£	£	£	£
Income and endowments from:					
Voluntary income:					
- University Grant		306,900	-	306,900	310,000
Other Trading Activities:					
- Advertising income and marketing		20,960	-	20,960	21,983
Investment income		1,223	-	1,223	2,125
Charitable activities for students:					
- Student Activities		3,222	172,264	175,486	197,952
- Bars		395,987	-	395,987	488,558
- Shops		638,813	-	638,813	664,755
- Entertainments		143,260	-	143,260	202,466
Government CJRS grant		45,977	-	45,977	-
Other income		26,438	-	26,438	28,597
Total		1,582,780	172,264	1,755,044	1,916,436
Expenditure on:					
Charitable Activities for students:					
- Student Activities & Communications		252,663	158,445	411,108	410,427
- Bars		531,254	-	531,254	538,487
- Shops		618,179	-	618,179	638,226
- Entertainments & security		195,646	-	195,646	212,658
- Other Commercial Activities		67,749	-	67,749	81,682
Total	4-6	1,665,491	158,445	1,823,936	1,881,480
Net income/(Expenditure)		(82,711)	13,819	(68,892)	34,956
Reconciliation of funds:					
Fund balances brought forward		786,447	51,979	838,426	803,470
Fund balances carried forward	14	703,736	65,798	769,534	838,426


The notes on pages 18 to 30 form part of these accounts

WINCHESTER STUDENT UNION
Annual Report and Accounts
as at 31 July 2020

BALANCE SHEET

		2020		2019	
		£	£	£	£
	Notes				
Fixed Assets					
Tangible assets	9		396,472		301,462
Investments	10		60		60
			<hr/>		<hr/>
			396,532		301,522
Current Assets					
Stocks		45,016		36,583	
Debtors & prepayments	11	21,782		106,395	
Bank and cash balances		525,413		592,543	
		<hr/>		<hr/>	
		592,211		735,521	
Liabilities					
Creditors: Amounts falling due within one year	12	(106,740)		(108,902)	
		<hr/>		<hr/>	
Net Current Assets			485,471		626,619
Creditors: Amounts falling due after more than one year					
Pension Scheme Funding deficit			(112,469)		(89,715)
			<hr/>		<hr/>
Total Net Assets			769,534		838,426
			<hr/>		<hr/>
The funds of the charity:					
Restricted funds					
Clubs & Societies			65,798		51,979
Unrestricted funds					
Accumulated general fund			703,736		786,447
			<hr/>		<hr/>
Total charity funds	14		769,534		838,426
			<hr/>		<hr/>

Approved on behalf of the Winchester Student Union on23/01/21..... by:

... Megan Ball 

President

... Victoria Hurley 

Vice President

The notes on pages 18 to 30 form part of these accounts

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

STATEMENT OF CASH FLOWS

	2020	2019
	£	£
Cash flows from operating activities:		
Net income/(Expenditure)	(68,892)	34,956
Depreciation	73,189	43,219
Profit on disposal of fixed assets	-	(642)
Interest received	(1,223)	(2,125)
(Increase)/decrease in stock	(8,433)	6,297
Decrease/(increase) in debtors	84,613	(14,140)
Increase in pension deficit	22,754	3,607
Decrease in creditors	<u>(2,162)</u>	<u>(77,708)</u>
Net cash provided by/(used in) operating activities	<u>99,846</u>	<u>(6,536)</u>
Cash flows from investing activities		
Interest receivable	1,223	2,125
Proceeds from sale of assets	-	1,792
Purchase of tangible fixed assets	<u>(168,199)</u>	<u>(215,431)</u>
Net cash used in investing activities	<u>(166,976)</u>	<u>(211,514)</u>
Change in cash and cash equivalents in the year	(67,130)	(218,050)
Cash and cash equivalents at the beginning of the year	<u>592,543</u>	<u>810,593</u>
Cash and cash equivalents at the end of the year	<u>£ 525,413</u>	<u>£ 592,543</u>

The notes on pages 18 to 30 form part of these financial statements

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

NOTES TO THE ACCOUNTS

1 CHARITY INFORMATION

The principal activities of the Union are campaigning, representation, provision of social activities and, the organisation of sporting and recreational activities and opportunities. Winchester Student Union is an unincorporated association with charitable status (charity registration no. 1147846). It is unincorporated and domiciled in the UK. The address of the registered office is Sparkford Road, Winchester, Hants, SO22 4NR.

2 Accounting Policies

(a) Accounting convention

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), including FRS102 "the Financial Reporting Standard applicable in the UK and Republic of Ireland", and the 2015 Charities Statement of Recommended Practice based thereon – the Charities SORP.

The Union meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

(b) Going concern

The Trustees have reviewed the reserves held by the Charity, budgets and forecasts that cover the twelve month period from the date of this report. In their assessment of going concern the Trustees have considered the current and developing impact on the charity as a result of the Covid-19 virus. In their opinion, they consider that the Charity has the resources needed in order to continue to operate as a viable going concern. As such, the Trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements

(c) Income and endowments

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

(d) Resources expended

Expenditure includes irrecoverable VAT. Charitable expenditure comprises the direct and indirect costs of delivering public benefit. The value of premises costs is apportioned on estimated floor space occupied. Governance and other central overhead costs are apportioned to charitable and other projects/activities on a usage basis, pro rata to the total costs of each project or activity undertaken.

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

NOTES TO THE ACCOUNTS, continued

2 Accounting Policies (continued)

(e) Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. Assets are not capitalised below £1,000 cost per item/set. Equipment, fixtures and fittings are included at cost. Depreciation is provided at the following annual rates in order to write the cost of assets off over their estimated useful lives:-

Fixtures and Fittings	- 10-20% straight line
Motor Vehicles	- 10-20% straight line
Property Improvements	- 10-20% straight line

(f) Investments

Winchester Student Union's fixed asset investments are valued at cost, as these assets are not readily saleable and a reliable market value is not readily ascertainable.

(g) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of 3 months or less from the date of acquisition or opening of the deposit or similar account.

(h) Debtors

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

(i) 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.

(j) Pension costs

Retirement benefits to employees of the Union are provided through two pension schemes, one defined benefit (SUSS), the other defined contribution (NUSPS).

SUSS

Winchester Student 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 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 Winchester student union. However the Union has entered into an arrangement to clear the scheme deficit over a 24 year period. The Net Present Value of Winchester Student Union's contributions as part of this plan are reflected as a liability on the balance sheet, which will reduce as they are paid.

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

NOTES TO THE ACCOUNTS, continued

2 Accounting Policies (continued)

Pension costs (continued)

NUSPS

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme, National Union of Students Pension Scheme (NUSPS). Contributions are at the rate of 3% for the employer and 4% for the employee. Pensions costs are charged in the period in which the salaries to which they relate are payable.

(k) Leased assets

Rentals payable under operating leases are charged as expenditure on a straight line basis over the period of the lease.

(l) Stock

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

(m) Fund accounting

Winchester Student Union administers and accounts for a number of charitable funds, as follows:-

- (i) Unrestricted Funds** representing unspent income which may be used for any activity/purpose at the Executive Committee's own discretion;
- (ii) Restricted funds** raised and administered by Winchester Student Union for specific purposes as determined by students, such as Club and Societies Accounts, as well as revenue received for purposes specified by the donor and also (if not material enough to require a separate column in the SoFA) any small capital grants received from the University.

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

NOTES TO THE ACCOUNTS, continued

3 Critical areas of judgement

Preparation of the financial statements requires management to make judgements and estimates.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are that of the SUSS pension scheme deficit. A discount rate of 1.45% has been used in line with industry standards.

4 Charitable and other Activity costs

	Cost of sales £	Staff costs £	Rent £	Other Costs £	Total £
Charitable activities					
Student Activities & Communications	-	151,724	19,000	240,384	411,108
Bars	137,307	203,296	46,550	144,101	531,254
Shops	426,490	136,848	10,450	44,391	618,179
Entertainments & Security	97,811	44,914	18,050	34,871	195,646
Other Commercial Activities	-	55,261	950	11,538	67,749
Total costs	661,608	592,043	95,000	475,285	1,823,936

Included in above are audit costs of £10,660 (2019: £10,350).

2019 COMPARATIVE

	Cost of sales £	Staff costs £	Rent £	Other Costs £	Total £
Charitable activities					
Student Activities & Communications	-	99,644	19,000	291,783	410,427
Bars	165,159	197,200	46,550	129,578	538,487
Shops	456,344	129,152	10,450	42,280	638,226
Entertainments & Security	116,276	42,020	18,050	36,312	212,658
Other Commercial Activities	-	64,463	950	16,269	81,682
Total costs	737,779	532,479	95,000	516,222	1,881,480

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

NOTES TO THE ACCOUNTS, continued

5 Central Overhead Costs included in Note 4

	Average Usage	Staff £	Rent £	Other £	Total £
Charitable activities					
Student Activities & Communications	30%	43,618	19,000	12,441	75,059
Bars	17.5%	25,444	46,550	30,481	102,475
Shops	17.5%	25,443	10,450	6,843	42,736
Entertainments & Security	17.5%	25,443	18,050	11,820	55,313
Other Commercial Activities	17.5%	25,443	950	622	27,015
Totals	100%	145,391	95,000	62,207	302,598

	2020 £	2019 £
Other costs comprised:		
Legal & Professional fees	18,749	15,604
Repairs & Renewals	3,357	4,694
Insurances	27,250	25,444
Sundry expenses	12,851	44,506
	62,207	90,248

6 Net income for the year

	£	£
Net income for the year is stated after charging		
Depreciation	73,189	43,219
Auditors Remuneration	10,660	10,350

7 Staff Costs

	2020 £	2019 £
Wages and salaries	517,820	481,707
Social security	27,252	22,196
Pension costs	41,068	17,053
Other staff costs	5,903	11,523
	592,043	532,479

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

NOTES TO THE ACCOUNTS, continued

7 Staff Costs (continued)

No employee earned over £60,000 per annum. The key management personnel of the union comprise the Trustees, the General Manager and the Finance and Commercial Services Manager. The aggregate employee benefits of key management personnel was £142,220 (2019: £132,942). The average staffing was as follows:-

	No.	No.
Non-student staff	15	14
Students – term time only	70	81
	<u>85</u>	<u>95</u>

8 Trustees' Remuneration and Expenses

The President and Vice Presidents received annual remuneration of £23,609 for academic year 2018-19 and £22,829 for academic year 2019-20, details of whom can be found in the administrative information in the annual report. This is authorised in the Union's governing document, for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities. This work includes voicing student opinion with the institution and local community, defending and extending the rights of students through petitions, discussion with MPs and also organising and supporting student volunteers and service provision for them. The total salary and NI costs for the sabbatical officers amounted to £66,039 (2019: £62,573), pension costs for these officers amounted to £2,447 (2019: £1,126).

5 (2019: 7) members of the Executive Committee were reimbursed a total of £558 (2019: £1,922) for the year in respect of personal travel and subsistence expenses.

There were no other trustee-benefits for the year (2019: £nil).

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

NOTES TO THE ACCOUNTS, continued

9 Tangible Fixed Assets

	Property Improvements	Fixtures and Fittings	Motor Vehicles	Assets under course of construction	Total
	£	£	£	£	£
Cost					
At 1 August 2019	271,952	171,580	49,875	157,984	651,391
Additions	29,701	7,766	-	130,731	168,198
Disposals	(66,226)	(28,119)	-	-	(94,345)
Transfers	288,715	-	-	(288,715)	-
At 31 July 2020	524,142	151,227	49,875	-	725,244
Depreciation					
At 1 August 2019	195,598	111,773	42,558	-	349,929
Charge for the year	53,000	15,023	5,165	-	73,188
Disposals	(66,226)	(28,119)	-	-	(94,345)
At 31 July 2020	182,372	98,677	47,723	-	328,772
Net Book Values					
- at 31 July 2020	341,770	52,550	2,152	-	396,472
<i>- at 31 July 2019</i>	<i>76,354</i>	<i>59,807</i>	<i>7,317</i>	<i>157,984</i>	<i>301,462</i>

All of the tangible fixed assets are used for charitable activities.

10 Investments

	2020 £	2019 £
At Cost		
Investment in NUS Services Limited	60	60

In order to continue receiving retrospective discounts through the Central Billing System, Winchester Student Union has minority holding of 60 'A' shares in this trading company.

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

NOTES TO THE ACCOUNTS, continued

11 Debtors	2020	2019
	£	£
Trade debtors	54	2,009
Prepayments & accrued income	17,786	66,728
Other debtors	3,942	37,658
	21,782	106,395

12 Creditors: Amounts due within one year	2020	2019
	£	£
Trade creditors	9,317	55,562
Accruals and deferred income	97,423	53,340
	106,740	108,902

Deferred income of £13,260 (2019: £14,564) is included within creditors. This mainly relates to income for the Student Fellow Scheme.

13 Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Income Funds	Total
	£	£	£
Fixed Assets and investments	396,532	-	396,532
Net current assets	419,673	65,798	485,471
Long term liabilities	(112,469)	-	(112,469)
	703,736	65,798	769,534

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

NOTES TO THE ACCOUNTS, continued

13 Analysis of Net Assets between Funds (continued)

2019 COMPARATIVE

	<i>Unrestricted Funds</i>	<i>Restricted Income Funds</i>	<i>Total</i>
	£	£	£
<i>Fixed Assets and investments</i>	301,522	-	301,522
<i>Net current assets</i>	574,640	51,979	626,619
<i>Long term liabilities</i>	(89,715)	-	(89,715)
	<u>786,447</u>	<u>51,979</u>	<u>838,426</u>

14 Funds

	<i>As at 1 August 2019</i>	Incoming resources	Resources expended	Transfers	As at 31 July 2020
<u>Restricted funds</u>					
Clubs and societies fund*	51,979	172,264	(158,445)	-	65,798
<u>Unrestricted funds</u>					
General funds	786,447	1,582,780	(1,665,491)	-	703,736
Accumulated fund					
	<u>838,426</u>	<u>1,755,044</u>	<u>(1,823,936)</u>	<u>-</u>	<u>769,534</u>

* No single fund within this balance is considered material to these financial statements.

Restricted Funds

A capital grant of £15,000 was provided by the University in 2016 to fund the purchase of a new mini bus. This has been amortised by annual transfers to unrestricted funds over 5 years to offset the depreciation charge.

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

NOTES TO THE ACCOUNTS, continued

14 Funds (continued)

2019 COMPARATIVE

	As at 1 August 2018	Incoming resources	Resources expended	Transfers	As at 31 July 2019
<i>Restricted funds</i>					
Capital grant fund	1,657	-	-	(1,657)	-
Clubs and societies fund*	51,280	170,989	(170,290)	-	51,979
<i>Unrestricted funds</i>					
General funds					
Accumulated fund	750,533	1,745,447	(1,711,190)	1,657	786,447
	<u>803,470</u>	<u>1,916,436</u>	<u>(1,881,480)</u>	<u>-</u>	<u>838,426</u>

15 Leasing Commitments

At 31 July 2020 Winchester Student Union had total commitments under non-cancellable operating leases as detailed below:-

	2020 £	2019 £
Equipment		
Operating leases expiring within one year	723	723
Operating leases expiring between two to five years	1,446	2,169
	<u>2,169</u>	<u>2,892</u>

16 Capital Commitments

Amounts contracted for by Winchester Student's Union, but not provided for in the financial statements, amount to £nil (2019: £129,842).

17 Related Party Transactions

The Union is in receipt of a recurrent grant from Winchester University of £306,900 (2019: £310,000). Total other amounts received from the University in the year were £36,540 (2019: £28,991). Total amount paid to the University in the year was £154,886 (2019: £283,367). The year end net balance owed to the university was £nil (2019: £27,583).

The son of Lorette Keys (Finance and Commercial Services Manager) has been employed part time by the Union. He is employed under a standard contract of employment and is paid at the same rate as other employees. Lorette Keys was not involved in the recruitment process and the appointment was approved by the Trustees.

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

NOTES TO THE ACCOUNTS, continued

18 Control Relationship

Ultimate control of Winchester Student Union rests with its membership, represented by Winchester Student Union Student Senate.

19 Pension Costs

SUSS

Winchester Student 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 2019 and showed that the market value of the Scheme's assets was £119.1m 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 £140.9m.

The 2019 valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 16 years and will increase by 8% from 1 October 2021 and by a further 5% in each subsequent year. These contributions also include an allowance for the cost of the ongoing administrative and operational expenses of running the Scheme. These rates applied with effect from 1 October 2020 and will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2022. Surpluses or deficits which arise at future valuations will also impact on Winchester Student Union's future contribution commitment. In addition to the above contributions, Winchester Student Union also pays its share of the Scheme's levy to the Pension Protection Fund.

In accordance with FRS102, the net present value of the future contributions required over 15 years to clear the funding deficit is £112,469 (2019: £89,715). In calculating this net present value, a one-off increase of 8% in 2021 and then an annual increases of 5% thereafter have been made and a discount rate of 1.45% representing the typical yield of high quality corporate bonds has then been applied.

For the period 1 August 2019 to 31 July 2020, the Winchester Student Union made monthly payments as part of the deficit reduction plan. This is expecting to clear the Union's deficit over the coming 15 years. This year there has been a net debit to the Statement of Financial Activities of £22,775 in respect of the pension deficit (2019: £3,607).

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

NOTES TO THE ACCOUNTS, continued

19 Pension Costs (continued)

NUSPS

Since 1 October 2011, all participating employees have been in a new defined contribution pension scheme, National Union of Students Pension Scheme (NUSPS). Contributions for existing members remain at a variable rate (minimum of 3% for the employee) and 3% for the employer. Contributions for new members are in line with Government guidelines at a variable rate.

The total contributions paid into pension schemes by the Union in respect of eligible employees for the year ended 31 July 2020 amounted to £11,887 (2019: £7,302), including deficit contributions paid and the unwinding of the discount applied in previous years.

20 Financial Instruments

Financial assets held at amortised value include cash, and trade debtors. Financial Liabilities held at amortised value include pension deficit, trade creditors and accruals (excluding deferred income).

Financial assets held at amortised cost are £525,467 (2019: £594,552).

Financial liabilities held at amortised cost are £145,188 (2019: £184,053).

Financial assets give rise to interest received of £1,223 (2019: £2,125) and financial liabilities give rise to interest cost of £nil (2019: £nil).

WINCHESTER STUDENT UNION
Annual Report and Accounts
For the year ended 31 July 2020

NOTES TO THE ACCOUNTS, continued

21. Comparative Statement of Financial Activities

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Capital Grant</i>	<i>Total 2019</i>
	£	£	£	£
<i>Income and endowments from:</i>				
<i>Voluntary income:</i>				
- University Grant	310,000	-	-	310,000
<i>Other Trading Activities:</i>				
- Advertising income and marketing	21,983	-	-	21,983
<i>Investment income</i>	2,125	-	-	2,125
<i>Charitable activities for students:</i>				
- Student Activities	26,963	170,989	-	197,952
- Bars	488,558	-	-	488,558
- Shops	664,755	-	-	664,755
- Entertainments	202,466	-	-	202,466
<i>Other income</i>	28,597	-	-	28,597
<i>Total</i>	1,745,447	170,989	-	1,916,436
<i>Expenditure on:</i>				
<i>Charitable Activities for students:</i>				
- Student Activities & Communications	240,137	170,290	-	410,427
- Bars	538,487	-	-	538,487
- Shops	638,226	-	-	638,226
- Entertainments & security	212,658	-	-	212,658
- Other Commercial Activities	81,682	-	-	81,682
<i>Total</i>	1,711,190	170,290	-	1,881,480
<i>Net income</i>	34,257	699	-	34,956
<i>Transfers: Capital grant amortisation</i>	1,657	-	(1,657)	-
<i>Net movement in funds</i>	35,914	699	(1,657)	34,956
<i>Reconciliation of funds:</i>				
<i>Fund balances brought forward</i>	750,533	51,280	1,657	803,470
<i>Fund balances carried forward</i>	786,447	51,979	-	838,426