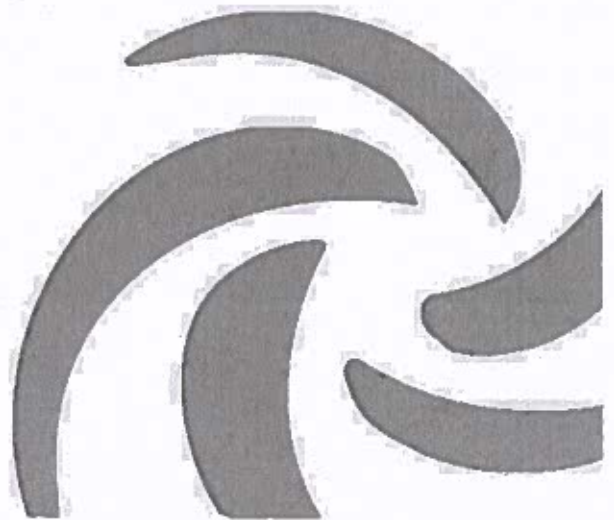


Charity number: 1147846

Winchester Student Union

Annual Report and Accounts

For the year ended 31 July 2019



WINCHESTER STUDENT UNION
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for the year ended 31 July 2019

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

Trustee Committee

July 2018

July 2019

President

T Atvars

M Ball

Vice President Activities

A Clucas

E O'Dwyer

Vice President Education

E Spencer-Boyce

V Hurley

Other Trustees

S Vear

S Vear

W Richards

W Richards

D Hutchins

D Hutchins

J Dickinson

J Dickinson

H Flanagan

H Flanagan

(née Williams)

(née Williams)

Professional Advisers

Auditors

Bankers

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

National Westminster Bank
105 High Street
Winchester
Hants
SO23 9AW

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Key Management Personnel

Winchester Student Union employs a General Manager to work closely with the Executive Officers and ensure effective management of the charity as head of a senior management team as follows:-

General Manager

A Hodgson

Finance & Commercial Services Manager

L Keys

WINCHESTER STUDENT UNION
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The officers of the Union present their report and financial statements for the year ended 31 July 2019.

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 eight part time Executive Officers who undertake a portfolio 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, Communications Officer, Entertainments Officer, Equality & Diversity Officer, Ethical & Environmental Officer, Mature & Part-time Students Officer, Sports & Societies Officer, Volunteering & Community Officer, and Welfare Officer.

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 all 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
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The Student Union employs fulltime 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 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 Unions 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:

- 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;
- Failure to be seen by students or the university as the voice of students resulting in lack of confidence from members/ University and/or poor NSS scores;
- 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
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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, & 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 over 2,650 students, over 162 unique engagement opportunities, including sports, societies, 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.

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 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.

WINCHESTER STUDENT UNION
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Achievements and performance

The Student Union has undertaken a full consultative review of its mission, vision and values and has reconceptualised its strategy for 2018-2022. This Strategy frames the core activities of the Union and is intended to give our members co-ownership of the objectives within it.

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, but this remains a challenging target. However recruitment of representatives has seen a demonstrable increase this year with 504 appointed, up from, 300 in 2017/2018. 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, the union continues to be instrumental in the delivery and support of both a Student Fellows Scheme and Student Panel Member's scheme. The latter offers paid opportunities for students to sit on the panel for validating or revalidating university degree programmes. The former allows 50 students to earn a £600 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.

Whilst Winchester Student Union's NSS result for question 26 (relating to SU's representation) is 4.5% higher than the national average, our score has dropped to 60.5% from 63% and for the first time has dropped our result below the national top quartile. Our staff and officers will prioritising action in the year ahead to reverse this decline in order to achieve our KPI target of achieving a top 20 placement.

Individual sports and extracurricular societies have decreased in number from 105 in 2017-2018 to 92 in 2018-2019. However, despite this reduction in number of unique opportunities has reduced, student participation numbers across those sports and societies has grown from around 1,850 to 2,172 participants in extracurricular activities; this represents a 17.5% increase to an average of 24 participants per group. Clubs and societies continue to be well monitored and supported, leading to well administered groups, and increased resourcing for activities.

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Best Bar None is a national programme designed to recognise and reward responsible retailing. We have a long standing relationship with this programme, with our licensed trade operations conducted to the award's rigorous standards; with health and safety, corporate social responsibility and community relations at the heart of our licensed premises' operational management. This has led to Winchester Student Union winning the national scheme three times in the last 10 years, and achieving the status 'highly commended' at the BBN scheme awards held at the House of Lords. We continue to perform well in the scheme, achieving a gold rating. We have also been instrumental in launching a local city level Best Bar None scheme in Winchester, and along with Winchester City Council, Winchester Business Improvement District and Best Bar None, have assisted in creating, validating and delivering the Winchester Scheme. This has led to improving our relationship with the community and statutory authorities as well as improving the safety and experience of our students using the city centre. We continue to be rightly proud of our licensing social responsibility.

We continue to well manage a large purpose built leisure facility, and this facility is scheduled for a full refurbishment in line with our strategy. External draws on both our students' time and money, continue to provide challenges on our usage and attendance figures, but is our hope that refurbishment and focused events will place us in good stead. 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. This combined with our adjusted ticket sales policy for venue to encourage earlier entry, and responsive product range, has led to a healthy year for venue operations, albeit one still heavily reliant on specific weekly events.

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.

Vision, principles & zones

The Student Union's combined mission and vision statement is:

Student Led. Student Delivered. Students Empowered.

It is felt that this summates the Union's fundamental purpose in an efficient and memorable way, reflecting both our day to day purpose and our long term goal. This can be further enhanced by the below statement, applied for audiences for which more detail would be beneficial or appropriate;

"Winchester Student Union strives to empower its membership through the provision of exceptional student led and student delivered activities and services".

We have taken the view to consolidate the number and complexity of our values to aid in our ability to disseminate them effectively. In addition we feel that the word principle [a fundamental doctrine or tenet; a distinctive ruling opinion; an accepted or professed rule of action or conduct] is a more compelling method of expressing our core beliefs and differentiates us from the University.

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Our principles are;

"Democracy: the right to choose".

"Communication: the right to be informed".

"Representation: the right to be heard".

All work of the Student Union, present and future is encapsulated within our four zones, those being;



Education

Relating to representation, academic support and sustainability;
"We will empower our students to meaningfully and effectively influence their own academic experience; ensuring they can see real change"

By 2022 we will:

- Ensure that Student Representation will be active and effective, from the classroom to the boardroom.
- That Students are aware of their academic rights, routes of appeal and the support available to them.
- That Students feel empowered to engage with change-making opportunities and encouraged to let their voice be heard.

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WELFARE

"We will empower our students to access necessary and suitable welfare support; allowing them to flourish whilst at university and beyond"



Welfare

Relating to liberation, wellbeing and equality;

"We will empower our students to access necessary and suitable welfare support; allowing them to flourish whilst at university and beyond"

By 2022 we will:

- Have striven to ensure that every student is happy and healthy.
- Ensure every student will have access to the support they need throughout their time at university.
- Ensure students are empowered with the skills and knowledge to support their own wellbeing.

ACTIVITIES

"We will empower our students to maximise their student experience through the pursuit of extra-curricular and recreational activities"



Activities

Relating to extra and co-curricular opportunities;

"We will empower our students to maximise their student experience through the pursuit of extra-curricular and recreational activities"

By 2022 we will:

- Communicate effectively with students the opportunities and activities they can engage with.
- Campaign to ensure that Student have access to the appropriate facilities and resource required to participate.
- Ensure students are seen, valued and empowered to be, active members of the wider community.

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SERVICES

"We will empower our students to understand, and shape, the range of commercial services utilised to support the sustainability of the Union"



Services

Relating to the development of your union's resources;

"We will empower our students to understand, and shape, the range of commercial services utilised to support the sustainability of the Union"

By 2022 we will:

- Through employment recognise and nurture talent.
- Ensure our students are satisfied with breadth of our services and consider them to be 'value for money'.
- Ensure student voice informs principle decision making within our services.

Financial review

We have now been located in a purpose built facility leased to us by the University for twelve years, and it is therefore not unexpected that some of our spaces are showing signs of their age and robust usage. In 2015 we started phase 1 of a venue refurbishment comprising of level 2 of building. This year we undertook infrastructure work to improve the Venue's sound and lighting and committed to a full refurbishment of the Venue and retail space, comprising of level 1 of our building over July & August 2019. In total we have committed to reinvesting £314k of our reserves to our leisure & retail spaces.

Even before this reinvestment of funds, we are pleased to have experienced an upturn of 12% to total income based on prior year. This coupled with strong commercial margins, effective staffing levels & some underspend in controlled budgeted expenditure has led to our ability to increase our fund balance carried forward by 4.3%.

Winchester Student Union's gross income from all sources this year totalled £1,916,436. Total expenditure of £1,881,480 was committed to the wide-ranging student benefits we provide within a balanced and considered budget. This led to a surplus position for the year of £34,956, increasing Winchester Student Union total funds from £803,470 to £838,426 (inclusive of £51,979 of restricted funds). This is a position that will allow us to successfully tackle several key large capital and development projects.

Due to the above noted refurbishment and project works our cash and cash equivalent position has reduced from £810,593 in 2018 to £592,543 in 2019.

Winchester Student Union has continued to benefit from the recognition and support of the University through the payment of a subvention grant, and in 2018/2019 this sum totalled £310,000.

WINCHESTER STUDENT UNION
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The sum of £306,900 has been agreed for 2018/2019, with an additional sum of £25,000 granted to deliver a specific engagement project.

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 or additional calls on our resources, without immediately curtailing activities. For 2019/2020 this sum would equate to £159,000.

Current total cash/cash equivalent funds of the Union stand at £592,543. This is comprised of £540,564 unrestricted funds and £51,979 in restricted funds. It is our intention that this unrestricted accumulated fund, will be attributed against projects to achieve our goals over 2019-2022 period.

Currently our balance of £540,564, is 85% of planned annual charitable expenditure and full time staffing salaries, and that level is above the threshold of our minimum reserves requirement - as such reserves are £381,564 higher than our minimum requirement, the Union will be undertaking further investment in developing activities & services and achieving strategic goals as defined by our Zone priorities. The exact shape of this investment will be governed by student officers and trustees, in response to member voice.

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 £4,455 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 2019/20 has been confirmed and commercial activities are expected to generate funds sufficient for the charitable activities planned.

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

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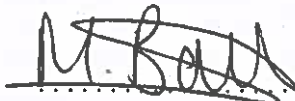
Trustees' Responsibilities

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.



President & Chair of Trustees

Dated: 29/10/2019

MEGAN BALL

WINCHESTER STUDENT UNION
Annual Report and Accounts
for the year ended 31 July 2019

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 2019 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 2019 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
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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.

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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 UK LLP

Crowe U.K. LLP

Statutory Auditor

Aquis House

49-51 Blagrove St

Reading

Date: *29.10.19*

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
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for the year ended 31 July 2019

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR

	Notes	Unrestricted funds	Restricted funds	Capital Grant	Total 2019	Total 2018
		£	£	£	£	£
Income and endowments from:						
Voluntary income:						
- University Grant		310,000	-	-	310,000	300,000
Other Trading Activities:						
- Advertising income and marketing		21,983	-	-	21,983	20,752
Investment income		2,125	-	-	2,125	395
Charitable activities for students:						
- Student Activities		26,963	170,989	-	197,952	172,428
- Bars		488,558	-	-	488,558	447,714
- Shops		664,755	-	-	664,755	595,436
- Entertainments		202,466	-	-	202,466	145,407
Other income		28,597	-	-	28,597	29,704
Total		1,745,447	170,989	-	1,916,436	1,711,836
Expenditure on:						
Charitable Activities for students:						
- Student Activities & Communications		240,137	170,290	-	410,427	290,235
- Bars		538,487	-	-	538,487	486,561
- Shops		638,226	-	-	638,226	590,540
- Entertainments & security		212,658	-	-	212,658	170,998
- Other Commercial Activities		81,682	-	-	81,682	69,886
Total	4-6	1,711,190	170,290	-	1,881,480	1,608,220
Net income		34,257	699	-	34,956	103,616
Transfers: Capital grant amortisation		1,657	-	(1,657)	-	-
Net movement in funds		35,914	699	(1,657)	34,956	103,616
Reconciliation of funds:						
Fund balances brought forward		750,533	51,280	1,657	803,470	699,854
Fund balances carried forward	14	786,447	51,979	-	838,426	803,470


The notes on pages 19 to 31 form part of these accounts

WINCHESTER STUDENT UNION
Annual Report and Accounts
as at 31 July 2019

BALANCE SHEET

		2019	2018
		£	£
	Notes		
Fixed Assets			
Tangible assets	9	301,462	130,400
Investments	10	60	60
		<u>301,522</u>	<u>130,460</u>
Current Assets			
Stocks		36,583	42,880
Debtors & prepayments	11	106,395	92,255
Bank and cash balances		592,543	810,593
		<u>735,521</u>	<u>945,728</u>
Liabilities			
Creditors: Amounts falling due within one year	12	(108,902)	(186,610)
Net Current Assets		626,619	759,118
Creditors: Amounts falling due after more than one year			
Pension Scheme Funding deficit		(89,715)	(86,108)
Total Net Assets		<u>838,426</u>	<u>803,470</u>
The funds of the charity:			
Restricted funds			
Capital grant		-	1,657
Societies		51,979	51,280
Unrestricted funds			
Accumulated general fund		786,447	750,533
Total charity funds	14	<u>838,426</u>	<u>803,470</u>

Approved on behalf of the Winchester Student Union on 29/10/2019 by:

 MEGAN BALL

President

 VICTORIA WULEY

Vice President

The notes on pages 19 to 31 form part of these accounts

WINCHESTER STUDENT UNION
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STATEMENT OF CASH FLOWS

	2019	2018
	£	£
Cash flows from operating activities:		
Net income	34,956	103,616
Depreciation	43,219	49,174
(Profit)/loss on disposal of fixed assets	(642)	465
Interest received	(2,125)	(395)
Decrease/(increase) in stock	6,297	(4,110)
(Increase) in debtors	(14,140)	(41,212)
Increase/(decrease) in pension deficit	3,607	(2,253)
(Decrease)/Increase in creditors	<u>(77,708)</u>	<u>90,727</u>
Net cash (used in)/provided by operating activities	<u>(6,536)</u>	<u>196,012</u>
Cash flows from investing activities		
Interest receivable	2,125	395
Proceeds from sale of assets	1,792	-
Purchase of tangible fixed assets	<u>(215,431)</u>	<u>(13,641)</u>
Net cash used in investing activities	<u>(211,514)</u>	<u>(13,246)</u>
Change in cash and cash equivalents in the year	(218,050)	182,766
Cash and cash equivalents at the beginning of the year	<u>810,593</u>	<u>627,827</u>
Cash and cash equivalents at the end of the year	<u>£ 592,543</u>	<u>£ 810,593</u>

The notes on pages 19 to 31 form part of these financial statements

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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

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis 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.

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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 20 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.

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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.

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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 2.25% 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	-	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

Included in above are audit costs of £10,350 (2018: £9,670).

2018 COMPARATIVE

	Cost of sales £	Staff costs £	Rent £	Other Costs £	Total £
Charitable activities					
Student Activities & Communications	-	70,173	19,000	201,062	290,235
Bars	145,971	178,730	46,550	115,310	486,561
Shops	410,012	122,201	10,450	47,877	590,540
Entertainments & Security	76,607	38,754	18,050	37,587	170,998
Other Commercial Activities	-	49,986	950	18,950	69,886
Total costs	632,590	459,844	95,000	420,786	1,608,220

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NOTES TO THE ACCOUNTS, continued

5 Central Overhead Costs included in Note 4

	Average Usage	Staff £	Rent £	Other £	Total £
Charitable activities					
Student Activities & Communications	25%	45,084	19,000	18,050	82,134
Bars	35%	26,299	46,550	44,222	117,071
Shops	14%	26,299	10,450	9,927	46,676
Entertainments & Security	18%	26,299	18,050	17,147	61,496
Other Commercial Activities	8%	26,299	950	902	28,151
Totals	100%	150,280	95,000	90,248	335,528

Other costs comprised:	2019 £	2018 £
Legal & Professional fees	15,604	12,856
Repairs & Renewals	4,694	3,315
Insurances	25,444	23,254
Sundry expenses	44,506	37,756
	90,248	77,181

6 Net income for the year

Net income for the year is stated after charging	£	£
Depreciation	43,219	49,174
Auditors Remuneration	10,350	9,670

7 Staff Costs

	2019 £	2018 £
Wages and salaries	481,707	425,173
Social security	22,196	20,175
Pension costs	17,053	6,957
Other staff costs	11,523	7,539
	532,479	459,844

WINCHESTER STUDENT UNION
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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 £132,942 (2018: £127,144). The average staffing was as follows:-

Non-student staff	14	14
Students – term time only	81	81

8 Trustees' Remuneration and Expenses

The President and Vice Presidents received annual remuneration of £20,875 for academic year 2018-19 and £23,609 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 £62,573 (2018: £59,036), pension costs for these officers amounted to £1,126 (2018: £671).

7 (2018: 6) members of the Executive Committee were reimbursed a total of £1,922 (2018: £3,484) for the year in respect of personal travel and subsistence expenses.

There were no other trustee-benefits for the year (2018: £nil).

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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 2018	271,952	140,445	51,375	-	463,772
Additions	-	57,447	-	157,984	215,431
Disposals	-	(26,312)	(1,500)	-	(27,812)
At 31 July 2019	271,952	171,580	49,875	157,984	651,391
Depreciation					
At 1 August 2018	174,275	120,204	38,893	-	333,372
Charge for the year	21,323	16,731	5,165	-	43,219
Disposals	-	(25,162)	(1,500)	-	(26,662)
At 31 July 2019	195,598	111,773	42,558	-	349,929
Net Book Values					
- at 31 July 2019	76,354	59,807	7,317	157,984	301,462
- at 31 July 2018	97,677	20,241	12,482	-	130,400

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

10 Investments

	2019 £	2018 £
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.

11 Debtors

	2019 £	2018 £
Trade debtors	2,009	17,818
Prepayments & accrued income	66,728	65,985
Other debtors	37,658	8,452
	106,395	92,255

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NOTES TO THE ACCOUNTS, continued

12 Creditors: Amounts due within one year	2019	2018
	£	£
Trade creditors	55,562	135,718
Accruals and deferred income	53,340	50,892
	108,902	186,610

Deferred income of £14,564 (2018: £10,365) is included within creditors. This relates to events taking place post year end.

13 Analysis of Net Assets between Funds

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

2018 COMPARATIVE

	Unrestricted Funds £	Restricted Income Funds £	Capital Grant Fund	Total £
Fixed Assets and investments	128,803	-	1,657	130,460
Net current assets	707,838	51,280	-	759,118
Long term liabilities	(86,108)	-	-	(86,108)
	750,533	51,280	1,657	803,470

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NOTES TO THE ACCOUNTS, continued

14 Funds

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

* 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.

2018 COMPARATIVE

	As at 1 August 2017	Incoming resources	Resources expended	Transfers	As at 31 July 2018
<u>Restricted funds</u>					
Capital grant fund	6,822	-	-	(5,165)	1,657
Clubs and societies fund*	41,011	117,537	(107,268)	-	51,280
<u>Unrestricted funds</u>					
<u>General funds</u>					
Accumulated fund	652,021	1,594,299	(1,500,952)	5,165	750,533
	699,854	1,711,836	(1,608,220)	-	803,470

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NOTES TO THE ACCOUNTS, continued

15 Leasing Commitments

At 31 July 2019 Winchester Student Union had total commitments under non-cancellable operating leases as detailed below:-

	2019 £	2018 £
Equipment		
Operating leases expiring within one year	723	91
Operating leases expiring between two to five years	2,169	-
	<u>2,892</u>	<u>91</u>

The amount paid during the year in respect of operating leases for equipment was £814 (2018: £1,097).

16 Capital Commitments

Amounts contracted for by Winchester Student's Union, but not provided for in the financial statements, amount to £129,842 (2018: £48,850).

17 Related Party Transactions

Winchester University

The Union is in receipt of a recurrent grant from the University of £310,000 (2018: £300,000). Total other amounts received from the University in the year was £28,991 (2018: £39,928). Total amount paid to the University in the year was £283,367 (2018: £262,288). The year end net balance owed to the university was £27,583 (2018: £92,758).

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 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.

WINCHESTER STUDENT UNION
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NOTES TO THE ACCOUNTS, continued

19 Pension Costs (continued)

The following assumptions applied at 30 June 2016:-

- The investment return would be 4.3% per annum before retirement and 2.3% per annum after retirement.
- Pensions accruing on the CARE basis would revalue at 3.2% per annum.
- Present and future pensions would increase at rates specified by Scheme rules with appropriate assumptions where these are dependent on inflation.

The 2016 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 20% from 1 October 2017 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 2017 and will be formally reviewed following completion of the next Valuation due with an effective date of 30 June 2019. 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 17 years to clear the funding deficit is £89,715 (2018: £86,108). In calculating this net present value, annual increases of 5% have been made and a discount rate of 2.25% representing the typical yield of high quality corporate bonds has then been applied

For the period 1 August 2018 to 31 July 2019, the Winchester Student Union made monthly payments as part of the deficit reduction plan. This is expected to clear the Union's deficit over the coming 20 years. This year there has been a net debit to the Statement of Financial Activities of £3,607 in respect of the pension deficit (2018: receipt of £2,253).

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 4% 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 2019 amounted to £7,302 (2018: £6,957), including deficit contributions paid and the unwinding of the discount applied in previous years.

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NOTES TO THE ACCOUNTS, continued

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 £594,552 (2018: £828,411).

Financial liabilities held at amortised cost are £184,053 (2018: £262,353).

Financial assets give rise to interest received of £2,125 (2018: £395) and financial liabilities give rise to interest cost of £nil (2018: £nil).

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NOTES TO THE ACCOUNTS, continued

21. Comparative Statement of Financial Activities

	Unrestricted funds	Restricted funds	Capital Grant	Total 2018
	£	£	£	£
Income and endowments from:				
Voluntary income:				
- University Grant	300,000	-	-	300,000
Other Trading Activities:				
- Advertising income and marketing	20,752	-	-	20,752
Investment income	395	-	-	395
Charitable activities for students:				
- Student Activities	54,891	117,537	-	172,428
- Bars	447,714	-	-	447,714
- Shops	595,436	-	-	595,436
- Entertainments	145,407	-	-	145,407
Other income	29,704	-	-	29,704
Total	<u>1,594,299</u>	<u>117,537</u>	<u>-</u>	<u>1,711,836</u>
Expenditure on:				
Charitable Activities for students:				
- Student Activities & Communications	182,967	107,268	-	290,235
- Bars	486,561	-	-	486,561
- Shops	590,540	-	-	590,540
- Entertainments & security	170,998	-	-	170,998
- Other Commercial Activities	69,886	-	-	69,886
Total	<u>1,500,952</u>	<u>107,268</u>	<u>-</u>	<u>1,608,220</u>
Net income	93,347	10,269	-	103,616
Transfers: Capital grant amortisation	5,165		(5,165)	-
Net movement in funds	98,512	10,269	(5,165)	103,616
Reconciliation of funds:				
Fund balances brought forward	<u>652,021</u>	<u>41,011</u>	<u>6,822</u>	<u>699,854</u>
Fund balances carried forward	<u>750,533</u>	<u>51,280</u>	<u>1,657</u>	<u>803,470</u>