


Charity Number 1143161
Company Registration number 7719030

University of the Arts London Students' Union

(Limited by guarantee)

Annual Report and Accounts
For the Year Ended 31 July 2013

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**University of the Arts London Students' Union
Annual Report and Accounts
For the Year Ended 31 July 2013**

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Administrative Information

Charitable Status

The University of the Arts London Students' Union (SUARTS) is an incorporated charity (limited by guarantee). The charity registration number is 1143161. The company registration number is 7719030.

It was originally established under the Education Act 1994 and was registered with the Charity Commission on 29 July 2011, when Students' Unions connected with exempt higher/further education institutions were removed by section 11(9), Charities Act 2006, from the list of exempt charities in Schedule 2 to the Charities Act 1993.

Principal address

The Student Hub
University of the Arts London
272 High Holborn
London
WC1V 7EY

Charity Trustees (who are also Company Directors for the purposes of the Companies Act)

From June 2013

Shelly Asquith
Mostafa Rajaai
Rosie Black
Hannah Roberts
Ling Duong
Kat Gilbert

From June 2012

Ben Westhead
Alex Rose
Fairouz Aniqah
Benedict Butterworth
Aini Hong
Polly Wright

External Trustee Advisors:

Mark Paterson
Sujata Rastogi

Mark Paterson

Auditors

Crowe Clark Whitehill
Aquis House
49-51 Blagrove Street
Reading
Berks
RG1 1PL

Bankers

HSBC
20 Eastcheap
The City
London
EC3M 1ED

Solicitors

Bates Wells and Braithwaite
2-6 Cannon Street
London
EC4M 6YH

SUARTS employs a Director to work closely with the Executive Officers and ensure effective management of the charity as head of a senior management team as follows:

Director	Pari Dhillon
Deputy Director	Jarlath O'Hara
Head of Advocacy and Engagement	Dave Lewis
Head of Activities and Opportunities	Sian Thurgood

The Executive Committee present their Annual Report for the year ended 31 July 2013, which includes the administrative information set out on page 1, together with the audited accounts for that year.

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Structure, governance and management

SUARTS is constituted under the Education Act 1994 as a charitable company limited by guarantee (see page 1) with internal regulations or Rules approved by the governing body of the University of the Arts London (the University). SUARTS's charitable Objects under the Act, to advance the University's educational purposes by providing representation and support for University of the Arts students, are supplemented by the further Object of helping members to develop their own charitable activities as active participants in civil society.

SUARTS is administered by its Trustee Board of up to 9 members comprising of up to four Sabbatical Trustees, three Student Trustees, and two Lay Trustees.

The sabbatical officers, together with the part-time, non-sabbatical officers (referred to as College Vice Presidents), are elected annually by a cross-campus secret ballot of the SUARTS membership.

The four posts of President, Activities and Volunteering Officer, Culture and Diversity Officer and Education Officer, are full time posts remunerated as authorised by the Education Act and cannot exceed two years duration for each holder.

SUARTS operates on democratic principles, working for and with our members, the students of the University of Arts London (UAL). The voice of students is represented by the Union Executive, run and elected by members of UAL. The Union also holds termly all student votes to understand the key issues facing UAL students. The Union also supports a range of assemblies to ensure that the diversity of the student body is heard.

The Trustee Board, assisted by sub-committees, where appropriate has delegated the day-to-day running of the Union to the Director. As charity Trustees, all Trustees receive a comprehensive training programme into their legal and administrative responsibilities at the start of their term of office, with ongoing guidance as and when required for issues arising during their term.

The Trustee Board meets six times per year to receive reports from sub-committees, Officers, Senior Management and the Director, to review the Union's performance and administration generally and to agree policy issues arising. The Union also employs a number of non-student core staff to provide continuity, consistency and knowledge in the management of its many activities. The staff team are accountable to the Director for the performance of their duties.

The Union has a Memorandum and Articles of Association which sets out its governance structure.

Relationship with the University

The Union receives a block grant from the University, and occupies spaces in University owned buildings.

In addition to the provision of space, the University also pays for utilities, caretaking and cleaning staff. This support is intrinsic to the relationship between the University and SUARTS. As recommended by the Charities SORP, which has been adopted for this and future financial years for due compliance with the requirements of Students' Unions provided for in the Charities Act 2011, an estimated value to SUARTS for this free serviced accommodation has been included in the accounts based on a recent

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historic estimate of market rates. Although SUARTS continues to generate supplementary funding from various mutual trading activities, it will always be dependent on the University's support.

There is no reason to believe that this or equivalent support from the University will not continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body.

Risk Management

The Trustee Board has examined the major strategic, business and operational risks faced by SUARTS. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Budgetary and internal control risks are minimised by the implementation of procedures for the authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers and participants on all activities organised by the Union. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Aims, Objectives and Activities

The objects of the Union are the advancement of education of Students at University of the Arts for the public benefit by

- Promoting the interests and welfare of students at the University of the Arts London during their course of study and representing, supporting and advising students,
- Being the recognised representative channel between students and University of the Arts London and any other external bodies, and
- Providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its students

In pursuit of these objectives, SUARTS will ensure the diversity of its membership is recognised, valued and supported and as such has established student support and development departments and quality services for use by its members, to support its work with the university and other organisations on behalf of students.

These include Advice and Support, Communications and Engagement, Freshers activity, Student Activities (including clubs and societies), as well as bar, catering and retail services.

SUARTS continues to represent the students on relevant local, national and international issues. On a local level, SU Officers continue to attend many university committees and working groups to enhance the student experience at UAL and ensure that the student voice is heard and responded to at all levels of the University.

To further enhance the student experience, SUARTS attracts a diverse membership to get involved in the Union, the University and the local community by actively promoting the benefits of volunteering in student-led activities.

When reviewing our objectives and planning our activities, SUARTS gives due consideration to the Charity Commission's general and relevant supplementary guidance on public benefit.

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Achievements and Performance

Our Organisation

Our vision of SUARTS is an organisation that is 'A creative and innovative arts union for arts students'. It should be a gateway that students get a better, more creative, London student experience. This vision represents the fundamental shift that the Union is making to become a less generic SU to becoming a bespoke, relevant and high calibre SU for the students of UAL. This is an important shift to make at a time when UAL students will be paying significantly more for their education and student experience and therefore expecting more. There is increasing expectation that the SU is part of the delivery of an excellent student experience, and in partnership with the colleges and university, it must both understand and compliment this.

The SU's Strategic Plan sets out how this shift will be delivered and includes success indicators such as: actively engaging 10,000 students in the SU and delivering a majority of creative rather than generic SU events and activities. To become the high calibre, creative SU that UAL students expect, we identified the need to invest in new programmes of work and reduce our focus on areas that are less relevant to our student body. We recognise that we must provide more creative opportunities, nurturing new spaces where students interact with each other and become more relevant to the immediate learning environment that students find themselves in.

However, we come from a position where our resources have been lean compared to other students' unions. Whereas many other students' unions benefit from the immediacy of the student community to their location, we have to develop innovative solutions on reaching out across the six colleges within the resources we've been allocated. This challenge is something that we embrace – it makes our activity proactive, focused and well planned, it makes our decisions better and our resource allocation more effective, but a step change in funding would allow us to deliver the activity that students want quicker, and provide a demonstrable positive impact on the student experience.

As part of the university community, we have actively made choices over the last ten years to centralise where we can. We have a range of specialist staff employed in our main office which, in a more devolved model, we would simply not be able to employ. The benefits of individuals employed to deliver academic representation, digital communication, opportunities to play sport, vote in elections and receive advice are clear, but we recognised that this model allows us to sustain our levels of engagement, not necessarily improve them. In essence, we need to increase the number of our staff developing partnerships and destination activities through central coordination alongside placing new staff into college environments.

Delivering our Niche

We want to increase our responsibility in delivering the very best creative student experience possible for students, we already work closely with a range of departments and individuals across the university in projects from pre-enrolment and Freshers to academic representation and digital life, and have actively sought opportunities over the last year to increase the number of relationships we have across the six colleges and increase our ability to better support the university's objectives.

We do not want to be like other students' unions and our research demonstrates that students don't want us to be either. They want elements of what is traditionally considered an 'excellent student experience' (i.e. bringing people together and building communities, having fun, and the ability to influence their environment) but in a way which is relevant to the creative institution we are.

That 'excellent student experience' involves an approach which emphasises creativity, professional development and networking in the range of activities we do.

We have to be a gateway to a better student experience, not deliver every aspect of it. That means emphasising that through us students meet each other, make friends, find out what's going on in London and get networks or skills they will need when they graduate.

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To achieve our niche, it involves increasing the breadth of societies and events around creative disciplines within colleges, the variety of galleries and organisations students have access to showcase their work or get benefits not available to others, and being in the spaces they are

It means that we are constantly reimagining what we would do. A trip to Paris isn't sightseeing – it's with the intended purpose of enabling students to understand culture and art in a Parisian context. A social event doesn't promise cheap beer, but that in attending you will experience deliberate and structured networking so you can chat to other students. Giving feedback on their learning experience isn't about filling in another survey – but involves paint, flipchart and paper mache outside the canteen so students can practically draw or discuss what they love about studying here and what they would change.

It also understands that we need to be where students are. What we think and what's interesting online isn't placed on our website – it's on tumblr – where students are. Travelling to a bar in High Holborn isn't convenient for everyone – so we have sought to tell them about the best places to go near where they live. Before students arrive they want to meet other students and find out what it's like to study here – from their peers – so we enable them to do that.

We are providing creative development opportunities that no-one else can do. We're speaking with a tone that the university isn't able to. We're working across courses and colleges to bring students together through creative and fun activity that others cannot.

This contributes to a greater student experience, higher levels of student satisfaction, greater retention rates, better marketing opportunities for the university and a greater sense that we're a university community.

Extraordinary Foundations

We are delighted with the achievements of the last twelve months, particularly given our ability to respond to member demands and to deliver high impact strategic activity.

It is because of the enthusiasm, determination and passion of our members that we are sector leading in so many ways. We have a record number of people voting, participating in clubs and societies, being involved in student-led activities on campus and attending our events.

We have more evidence and information than ever before about what students want from their time studying at one of our six colleges, and the ability to deliver that like we haven't been able to previously.

Direct Impact on the lives of students

We could have a greater and more direct impact on improving the student experience, retention rates, student satisfaction and the sense of community that exists within our university and colleges.

With fairly limited resources, we continually intervene to provide catalysts for increased student satisfaction. However, our impact could be and should be considerably greater.

It is a direct consequence of the activity over the last year that we have

- Supported Sabbatical Officers to work with under satisfied courses to plan new activity on community spirit, the student voice and curriculum design
- Been approached by Deans of Schools to meet with course teams and provide support to strengthen student views about how a course can improve
- Set up a social committee, led by students, at LCC to plan student specific events
- Differentiated activities across the university – a focus on activities such as yoga and Pilates at CSM whilst focusing on more 'traditional' SU sports at LCC
- Provided guidance at School level about how improvements to the learning environment could be prioritised

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- Worked with college staff at Central Saint Martins to prioritise investment outside of the library, furniture in the canteen and (with course teams) access to the terrace
- Worked with college staff at London College of Communication to implement new procedures for the loaning of equipment, prioritised because of student feedback, leading to increased access for students from the Design Faculty
- Directed staff to seek additional funding for increasing the hours the LCC digital space is available due to prioritised student feedback

Developing Communities

We know from our research that the sense of community students have is limited by a number of factors. This includes some factors within our control (such as number social networking opportunities) and some factors which we do not (such as the physicality of the buildings)

Defining our role in developing a sense of community across the colleges is based on an extensive piece of research undertaken in partnership with the University – which informs us that the strongest sense of community is within courses, the college itself, London and then University of the Arts. This disconnect limits the impact of our organisation, but the University agreed to fund a pilot project which placed two of our staff within the colleges (at LCC and CSM), and confirmed in spring 2013 they considered the pilot successful so would extend the doubling of the funding for a second year.

These two quotes from staff that we worked with demonstrate the impact we had

For me, the College Community Coordinator Pilot project has been a success. During the year I have working closely with the Coordinator on a number of projects (especially during induction, and Green Weeks) and it is notable that we have a SU presence within Kings Cross. I believe that as a College we could do a lot more where we fully integrate our approaches to our student and staff community. I would fully endorse this role as an essential part of our engagement with the SU and our student cohort.

Associate Dean at Central Saint Martins

I think the College Coordinator role has worked really well this year. It is important to have a link between the Students' Union and College staff. As this role was based in the College, it allowed relationships to be built and establish standard ways of working together. The coordinator has had input on many areas such as NSS Stick it campaign, induction events and College committees and has helped me specifically as a sounding board to approaching student communications as well as hands on help with Freshers' Festival.

Middle Manager at London College of Communication

The project demonstrated that placing staff within colleges improved the quality of our projects, making the union more relevant, increasing the number of positive relationships that exist with college staff to deliver work, and, most importantly creating new opportunities to develop a stronger sense of community.

Many of these community building activities took place around courses, but recognising that community is developed in different ways, we facilitated other activities to make this possible. We took over 100 students to Paris on a cultural trip, hosted two networking events aimed at postgraduate students, got agreement within Wimbledon to launch a new buddying scheme, and supported a student-run fashion create late.

Nearly 1000 students participated in sports clubs and societies, a number of new societies were set up and opportunities were explored with partners to expand sport provision.

Creative Opportunities

Students want greater access to creative opportunities, and we know there is a level of expectation that we deliver this. Creating the space for students to lead activities for themselves is a defining

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feature of other elite institutions and often leads to careers and notoriety that exist outside of the curriculum. Examples include the Cambridge Footlights, the Oxford Debating Union, and sport and athletics at Loughborough. LSE, Manchester, Leeds and Warwick graduates are all known for the skills they gain through extra-curricular activities, and Goldsmiths and SOAS are known for their political environments.

We have rapidly increased the breadth and reach of our creative projects over the last eighteen months, with events taking place at the British Museum, V&A, Museum of London and The Photographer's Gallery. We have had over 700 students who actively contributed and gained a prestigious experience for their CV's, and nearly 5000 students have physically attended these events alone.

Nearly 1000 students submitted their artwork in our annual open-submission exhibition that aims to present the finest works of art and design from across the University. The shortlist of 25 were showcased in Blueprint and Four Corners Gallery in East London which will form part of Time Out's First Thursdays programme.

In this vein, a digital platform 'Artography' showcasing different locations across London that our students can draw inspiration from was launched. Its design and delivery was recognised as being sector leading, leading to us winning the widely coveted Endsleigh & NUS Technology Innovation Award at the NUS Awards 2013. We were delighted with this external recognition.

Recognising our capacity will always be limited, we actively sought to develop relationships with a wide range of creative organisations across London. This has enabled us to better understand how we could use their spaces and their resources. Over the last year we explored and implemented activities with London Drawing, The Cinema Museum, John Jones Framers, Royal Academy of Art, V&A, V&A Museum of Childhood, The Design Museum, Hackney Picturehouse, Rich Mix, Cass Arts, The Southbank Centre and the Barbican.

Understanding our members did not consider us creative led us to rebrand the organisation and reposition our communications. A new visual identity was developed and fully implemented across the digital platforms, including a new website, using tumblr for news, and college specific emails. Colleges where the college coordinator project was implemented had open rates of c 10% higher than colleges that did not, and taking inspiration from the websites our members visited, our website is now considered "closer to looking like a gallery than a normal students' union", going from zero to over 1000 tumblr followers in under nine months, praise we were delighted with.

How Students Think We Are Doing

There are a number of ways in which we seek to understand what our members think about the organisation, identifying opportunities to expand activity considered excellent and stop activity considered irrelevant or poor. One of the main mechanisms used is the annual survey, which takes place in summer term, and had nearly 1,500 students complete.

- 59% of students say that we have a positive impact on their student experience
- Students at LCC (63%) and CSM (64%) where our pilot project took place during 2012/13 were more satisfied with us than LCF (56%), Chelsea (56%), Camberwell (52%) and Wimbledon (49%) students
- 50% of students state that they are hardly involved with the SU with low levels of officer awareness (83% not knowing who their college Vice President was)
- Almost a quarter of students say that we have had an increased presence in their college
- Students associate the Students' Union with societies, community and support and would like to see more opportunities, creativity and fun
- Over 90% of students think that our Devil Pays Nada campaign against illegal unpaid internships is both relevant and important and should continue to be a priority area of work
- Supporting existing research, students felt there was some sense of community within the course, college and then the University, however over 37% of students have not met with students from other UAL colleges

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There are many conclusions that can be drawn from the results, primarily that the organisation

- Needs to do much more to increase our presence within the colleges
- Needs to increasingly focus on providing more networking opportunities and social events
- Should facilitate more cross-college collaborative projects, events and exhibitions
- Needs to understand how to tailor activities for postgraduate, part-time and international students
- Needs to improve our communications and focus on digital output

This was also the year in which the National Student Survey included the results of a question about student perceptions of the Union. The survey is only of undergraduate students, and has a smaller sample size than our annual survey. Students are asked: *Thinking of all the services, including support, activities and academic representation provided by the Students' Union (Association or Guild) at your institution, to what extent do you agree with the following statement: 'I am satisfied with the Students' Union (Association or Guild) at my institution'*

The results from spring 2012 identified that 57% of students agreed with the statement, with the figure being 58% from spring 2013. This compares with a national average across all institutions that 68% of students agree with the statement. Given we're in the lowest quartile of unions funded (per student) it's unsurprising we are below the national average for satisfaction with the students' union.

We worked with high performing courses to understand why we did so well, and low performing courses to understand what immediate things we could do differently. We were encouraged that the gap between satisfaction levels with the students' union was less than the comparative level for the University and the sector average.

Relationship with the University

We made excellent progress over the last year seeking to work with a greater range of staff within the colleges, and have a greater impact across the whole university. We were involved in a number of key appointments and actively contributed to new policies and strategies that have been agreed.

The University underwent its Quality Assurance Agency Institutional Audit, and we provided the Student Written Submission. Whilst the institution disagreed with a small number of our comments and conclusions, they were, on the whole, positive and have enacted many of our recommendations.

The pace of change is too slow within the institution, and we often do not get credited for initiating discussions about the practical conclusions for the problems that students raise. The University made progress on timetabling, programme structure and facilities, but students who originally raised the issues have since long graduated. This has impacted on our ability to be perceived as a catalyst of meaningful change.

We are grateful that the University provided additional block grant funding, but as we continue to be in the lower quartile for funding per student of students' unions, our ability to have a greater role within the institution is limited. We continued to pursue an approach which seeks to remedy this.

Future Plans

The University is on the cusp of developing its new strategic plan, discussing what it will do with the teaching estate (particularly LCC and LCF), and changing its approach to what student enhancement and engagement means, so we will actively seek to influence these discussions to benefit both our union and our members.

We will continue to work on delivering our five key strategic aims

1. We will build creative communities across disciplines and colleges
2. We will provide a credible range of creative opportunities
3. We will have influence at a course, college and university level on the academic experience and quality of education

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- 4 We will reduce unfairness faced by Black and Disabled students
- 5 Commercial Services are college specific, viable and provide excellence in customer service

These aims are underpinned with strategic enablers (representative democracy, productive relationships with partners, an empowered staff team, a well-resourced union, being a creative gateway, helping students get advice and support) allowing us to provide structure and a planning framework to improve services and identify new activity.

We will continue to pursue a philosophy that we'll be creative, innovative and 'arts union for arts students' It should be a gateway that students get a better, more creative, London student experience. This vision represents the fundamental shift that the Union is making to become a less generic students' union to becoming a bespoke, relevant and high calibre union for our members In becoming increasingly college specific over 2013/14 we will be better placed to deliver our objectives and improve the lives of our members

Financial Review

SUARTS's gross general fund income was £2,958,855 during the year This included annual block grant from the University (totalling £739,596), other grants totalling £128,000, an estimated value of the space which is granted by the University (valued at £1,500,000), and income from commercial venues

Total expenditure of £2,931,666 on the wide-ranging student benefits we provide, as well as on the modest fundraising and other revenue-generating activities we undertake, resulted in a surplus for the year in its general funds of £27,189 The impact of the loss was to increase the Union's general fund balance (representing the free reserves available for spend by the Union) from £85,737 to £112,926 This is below the £185,000 level which Trustees have indicated they would like set aside to be able to cope with any unexpected downturn in funding or additional calls on our resources without immediately curtailing activities

Total reserves, which also include restricted Club and Society balances of £14,048 and a Capital Grants reserve of £22,020, were £148,994 Of these total reserves, £112,926 are unrestricted reserves The Union is looking to replenish its cash reserves over a medium term period given that a large proportion (£77,447) of its total funds are represented by fixed assets

The accounts include £70,000 in deferred income in the balance sheet, which relates to an advance from the University on future year grant which helped to support the Union's cash position in the year. This will be recognised as income in future years' accounts.

A balanced budget has been prepared for 2013/14 and is being monitored closely to ensure that general fund balances are maintained at least at the current level A medium-term financial strategy has been developed with the aim of replenishing unrestricted reserves to a target level of £185,000 by 2016/17.

Funds

All funds have been classified as General Funds in the annual accounts, apart from Club and Society Funds which are ring-fenced and a Capital Grant reserve, which relates to a grant received in a previous year which is amortised in line with the depreciation charges on funded assets and therefore reduces each year

Funds Held as Custodian Trustee

In addition to the grant-support funds it disburses to Clubs and Societies, SUARTS acts as custodian for funds raised by the students' many Clubs and Societies themselves Any funds raised by Clubs and Societies are included in restricted funds.

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Future Funding

The Executive Committee confirms that the Union has sufficient funds to meet all its obligations. The block grant for 2013/14 has been confirmed at £739,600, which excludes any separate ring fenced funding. Commercial activities are also expected to generate a contribution to Union funds.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of the charitable company for the purpose of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.


Under company law the Trustees must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources 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 accounting 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 to operate

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and regulations made thereunder. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Disclosure of Information to Auditors

Insofar as each of the Trustees of the charitable company at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's Auditor in connection with preparing the audit report) of which the charitable company's Auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's Auditor is aware of that information


SHELLY ASOVITH ..

President

Dated

12/12/13

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Independent Auditor's Report to the Members of the University of the Arts London Students' Union

We have audited the financial statements of the University of the Arts London Students' Union for the year ended 31 July 2013 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet and the related notes set out on pages 16 to 22.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

Respective responsibilities of Trustees and Auditor

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- the charitable company has not kept adequate accounting records, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Crowe Clark Whitehill ✓

Alastair Lyon
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
Reading

Date *12 December 2013*

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STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)

	Note	<u>General Funds</u>	<u>Restricted Funds</u>		<u>2013 Total</u>	<u>2012 Total</u>
		£	<u>Clubs and Societies</u>	<u>Capital Grant</u>	£	£
			£	£		
<u>INCOMING RESOURCES</u>						
Voluntary income						
Block Grant		739,596	-	-	739,596	800,100
Other University Grants		128,000	-	-	128,000	-
Grant of serviced accommodation	1(c)	1,500,000	-	-	1,500,000	1,500,000
Activities for generating funds						
Advertising Income		47,548	-	-	47,548	27,863
Charitable activities						
Bars		244,107	-	-	244,107	243,350
Shops		23,668	-	-	23,668	53,335
Entertainment and Events		49,112	-	-	49,112	50,859
Catering & Functions		122,867	-	-	122,867	61,145
Other income						
Release of Capital Grant		54,000	-	-	54,000	53,815
Sundry Income		49,957	-	-	49,957	41,890
Club and Society Income		-	159,611	-	159,611	104,214
		2,958,855	159,611	-	3,118,466	2,936,571
<u>RESOURCES EXPENDED</u>						
Charitable Activities						
Student Engagement		998,162	-	-	998,162	903,356
Student Support		272,905	-	-	272,905	291,652
Student Activities		611,047	-	-	611,047	549,339
Entertainments and Events		84,867	-	-	84,867	114,543
Marketing and Communications		149,320	-	-	149,320	170,776
Projects		36,358	-	-	36,358	18,447
Bars		576,516	-	-	576,516	667,804
Shops		33,373	-	-	33,373	52,145
Catering & Functions		158,318	-	-	158,318	122,673
Club and Society Expenditure		-	149,811	-	149,811	99,966
Release of Capital Grant		-	-	54,000	54,000	53,815
Governance						
		10,800	-	-	10,800	10,000
TOTAL RESOURCES EXPENDED	2-5	2,931,666	149,811	54,000	3,135,477	3,054,516
NET INCOMING/ (OUTGOING) RESOURCES		27,189	9,800	(54,000)	(17,011)	(117,945)
Funds brought forward		85,737	4,248	76,020	166,005	283,950
Funds carried forward		112,926	14,048	22,020	148,994	166,005

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 16 to 22 form part of these accounts.

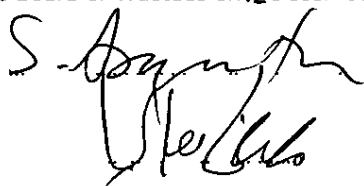
**University of the Arts London Students' Union
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BALANCE SHEET

Company Registration Number 7719030

	Notes	As at 31-Jul-13 £	As at 31-Jul-12 £
<u>TANGIBLE FIXED ASSETS</u>			
Tangible fixed assets	6	77,447	130,842
<u>CURRENT ASSETS</u>			
Stock		21,222	24,601
Debtors and Prepayments	7	74,802	60,223
Cash at Bank and in Hand		102,149	42,670
		<u>198,173</u>	<u>127,494</u>
<u>CURRENT LIABILITIES</u>			
Amounts falling due within one year	8	(126,626)	(92,331)
NET CURRENT ASSETS		71,547	35,163
NET ASSETS		<u>148,994</u>	<u>166,005</u>
<u>Financed by:</u>			
Unrestricted Funds:			
General Funds		112,926	85,737
Restricted Funds:			
Club and Society Funds		14,048	4,248
Capital Grant Reserve		22,020	76,020
		<u>148,994</u>	<u>166,005</u>

Approved and authorised for issue on behalf of the University of the Arts London Students' Union by the Board of Trustees on 12 December 2013



President - SHELLY ASQUITH

Trustee

The notes on pages 16 to 22 form part of these accounts

**University of the Arts London Students' Union
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For the Year Ended 31 July 2013**

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

a) Accounting Convention

These accounts are prepared under the Charities Act 2011 on the historical cost convention in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' published in March 2005 (SORP 2005) and with applicable UK Accounting & Financial Reporting Standards

Under FRS 1 the Company is exempt from the requirement to prepare a Cashflow Statement on the grounds of its size

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 as outlined in the Executive Committee's Responsibilities as disclosed in the Annual Report

c) Incoming resources

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

The University grant of free serviced accommodation is accounted for as income and expenditure of the year at an estimated value to the Union by reference to alternatives available on the commercial market

d) Resources expended

Expenditure includes irrecoverable VAT

- i) Charitable expenditure and costs of generating funds - comprises the direct and indirect costs of delivering public benefit
- ii) Governance costs - those incurred for compliance and statutory requirements, such as the annual audit, annual elections and training for sabbatical officers
- iii) Space grant - the value of free serviced campus accommodation is apportioned on estimated floor space occupied
- iv) 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

e) Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. Assets are not capitalised below £500 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	25% per annum on cost
Computer and Office Equipment	25% per annum on cost

f) Stock

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

**University of the Arts London Students' Union
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

ACCOUNTING POLICIES (CONTINUED)

g) Pension Costs

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year

h) Fund accounting

The Union administers and accounts for a number of 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 the 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
- iii) Capital Grants are recognised in the SoFA when the Union is entitled to them and are included in a separate reserve in the balance sheet. The reserve is released in line with the depreciation charged on the capital items included within the fixed asset purchased using the capital grant
- iv) Custodian Funds entrusted to the Union for safekeeping, but not under its management control, e.g. Clubs & Societies' funds. Such custodian activities are disclosed in the Annual Report, but as the funds are not managed by the Union they cannot be included in the accounts

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Note 2

Charitable activities for students

	Cost of Sales £	Staff Costs £	Other Admin £	Total £
Student Engagement	-	314,006	684,156	998,162
Student Support	-	88,942	183,963	272,905
Student Activities	-	187,005	424,042	611,047
Entertainments and Events	-	5,361	79,506	84,867
Marketing and Communications	-	46,090	103,230	149,320
Projects	-	14,483	21,875	36,358
Bars	107,821	161,549	307,146	576,516
Shops	11,034	5,619	16,720	33,373
Catering & Functions	63,801	42,692	51,825	158,318
Governance	-	-	10,800	10,800
	182,656	865,747	1,883,263	2,931,666

Included in governance costs above is the annual audit fee of £10,800 (2012 £10,000)

Note 3

Central overhead costs included in Note 2

	Usage %	Staff £	Rent £	Other £	Total £
Student Engagement	37	49,591	555,000	57,438	662,029
Student Support	11	14,743	165,000	17,076	196,819
Student Activities	20	26,806	300,000	31,048	357,854
Entertainments and Events	4	5,361	60,000	6,210	71,571
Marketing and Communications	6	8,042	90,000	9,314	107,356
Projects	1	1,340	15,000	1,552	17,892
Bars	17	22,785	255,000	26,391	304,176
Shops	1	1,340	15,000	1,552	17,892
Catering & Functions	3	4,021	45,000	4,657	53,678
		134,029	1,500,000	155,238	1,789,267

Overheads have been apportioned on the basis of estimated staff time

Other costs comprised

Depreciation (non-trading)	70,541
Accounting Costs	18,444
Insurances	15,559
Bank Charges	13,595
Bad Debt	9,827
Irrecoverable VAT	8,218
Sundry expenses	19,054
	155,238

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2013	2012
	<u>Total</u>	<u>Total</u>
	£	£
Note 4		
Staff Costs		
Wages and salaries	771,208	700,941
Social security	63,648	57,700
Pension Costs	7,731	5,865
Other staff costs	14,217	14,353
	<u>856,804</u>	<u>778,859</u>

No employee earned over £60,000 in either period

The staffing was as follows

	Number	Number
Full time	<u>39</u>	<u>32</u>

Note 5

Trustees' Remuneration and Expenses

Sabbatical officers are paid as authorised in the Union's governing document, for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities. This work included voicing student opinion with the University and local community, defending and extending the rights of students through petitions etc and also organising and supporting student volunteers and service provision for them. The total salary and social security costs for the sabbatical officers amounted to £94,554 (2012 £78,427)

Trustees were not reimbursed any expenses in connection with their duties during either period

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 TANGIBLE FIXED ASSETS

	Fixtures and Fittings	Furniture & IT Equipment	Total
	£	£	£
COST			
At 1 August 2012	500,217	50,191	550,408
Additions	-	19,972	19,972
At 31 July 2013	<u>500,217</u>	<u>70,163</u>	<u>570,380</u>
DEPRECIATION			
At 1 August 2012	390,324	29,242	419,566
Charge for the Period	62,641	10,726	73,367
At 31 July 2013	<u>452,965</u>	<u>39,968</u>	<u>492,933</u>
NET BOOK VALUE			
At 31 July 2013	<u>47,252</u>	<u>30,195</u>	<u>77,447</u>
At 31 July 2012	<u>109,893</u>	<u>20,949</u>	<u>130,842</u>

7 DEBTORS

	2013	2012
	£	£
Trade Debtors	62,172	45,615
Other Debtors	9,517	9,900
Prepayments and Accrued Income	3,113	478
	<u>74,802</u>	<u>55,993</u>

8 CREDITORS: Amounts falling due within one year

	2013	2012
	£	£
Trade Creditors	19,027	25,517
Social Security & other taxes	26,853	23,126
Accruals and deferred income	80,746	12,404
Other creditors	-	31,284
	<u>126,626</u>	<u>92,331</u>

**University of the Arts London Students' Union
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9 FUND ANALYSIS

	Balance at 1-Aug 2012 £	Incoming Resources £	Outgoing Resources £	Balance at 31-Jul 2013 £
Unrestricted Funds	85,737	2,958,855	(2,931,666)	112,926
Restricted Funds	80,268	159,611	(203,811)	36,068
Total Funds	166,005	3,118,466	(3,135,477)	148,994

Restricted Funds relate to capital grants and Club and Society funds

10 CAPITAL GRANT RESERVE

Balance Brought Forward	£ 76,020
Transfer to unrestricted funds	(54,000)
Balance Carried Forward	22,020

A capital grant of £215,000 was provided by the University in 2010 to fund the refurbishment of the bars. This is considered to be an expendable endowment fund. This is being released to unrestricted funds to match the depreciation charge of the corresponding assets

11 STUDENT SOCIETY/CLUB MATERIAL FUNDS HELD WERE:

	Opening Balance £	Income £	Expenditure £	Closing Balance £
General	2,032	1,677	(1,538)	2,171
Tour	134	2,099	(197)	2,036
Life Drawing	1,176	9,196	(8,194)	2,178
	3,342	12,972	(9,929)	6,385

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed assets	77,447	-	77,447
Net current assets	57,499	14,048	71,547
	134,946	14,048	148,994

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13 RELATED PARTY TRANSACTIONS

The University of the Arts provides the Union with an annual grant as shown in the Statement of Financial Activities. In addition the Union occupies its building on a rent free basis under an informal license subject to the Union maintaining the building in a good state of repair. In line with SORP 2005 the value of this benefit included in the accounts is £1,500,000 which management believe would be the market rate of rentals payable for a similar property.

Amounts due from the University of the Arts as at the year end amounted to £44,144 (2012 £53,412)

Included within accruals and deferred income is a grant received in advance from the University amounting to £70,000 (2012 £nil) which will be repaid over the next two years.

14 CONTROL RELATIONSHIP

The Union is controlled by the executive committee which is subject to democratic election by the voting membership of the Union. The ultimate control of the Union is vested under constitution in the membership in the general meeting. As such no single person or entity controls the Union as defined by Financial Reporting Standard 8.

15 PENSION COMMITMENTS

The Union operates a defined contribution pension scheme for the benefit of certain employees. The assets of the scheme are administered in a fund independent from those of the Union.

There were no amounts due at the balance sheet date.

Contributions are at the rate of 3% for the employer and 3% for the employee. The Union's cost of contribution in the year amounted to £7,731 (2012 £5,865).