

**REGISTERED COMPANY NUMBER: 08576499 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1153293**

**Report of the Trustees and  
Financial Statements for the Year Ended 30 June 2016  
for**

**London Metropolitan University Students'  
Union**

Knox Cropper  
8/9 Well Court  
London  
EC4M 9DN

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**London Metropolitan University Students'  
Union**

**Reference and Administrative Details  
for the Year Ended 30 June 2016**

**TRUSTEES**

M Brunone (resigned 30.6.16)  
J Dickinson  
Miss B Giunta (resigned 2.12.15)  
R Hull  
A Marillier (resigned 30.6.16)  
N Mitchell (resigned 30.6.16)  
O Opara (resigned 30.6.16)  
P Ptashko (resigned 28.1.16)  
P Matila  
B Ntuny (appointed 2.12.15)  
N Miller (appointed 27.6.16)  
G Olugbodi (appointed 27.6.16)  
F Onwumere (appointed 1.7.16)  
T Toki (appointed 1.7.16)

**REGISTERED OFFICE**

166-220 Holloway Road  
London  
N7 8DB

**REGISTERED COMPANY NUMBER**

08576499 (England and Wales)

**REGISTERED CHARITY NUMBER**

1153293

**AUDITORS**

Knox Cropper  
8/9 Well Court  
London  
EC4M 9DN

**BANKERS**

Barclays Bank PLC  
1 Churchill Place  
London  
E14 5HP

**Report of the Trustees  
for the Year Ended 30 June 2016**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2016. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The charitable object of London Metropolitan University Students' Union is the advancement of education of students at the University for the public benefit by,

- promoting the interests and welfare of students at London Metropolitan University during their course of study and representing, supporting and advising students;
- being the recognised representative channel between students and London Metropolitan University and any other external bodies; and
- providing social, cultural and recreational activities and forums for discussions and debate for the personal development of its students.

**Activities and achievements**

The three principle activities and the Union's achievements in meeting those objects are detailed below:

Student activities and development (Activity)

Central to this year's activities and the delivery of the strategic plan was the development of team sport and support to societies. We took over responsibilities for team sport in September 2015 and have been successfully in recruiting 200 active members and developing a program of activity. A range of socials and cultural events were conducted by both the Union and its societies. We saw a slight decrease in the number of societies to 36 from 44 in the previous year. Both NSS and our own satisfaction survey saw dramatic increases in satisfaction with the Union moving to 86 in the NSS league tables. We saw further growth in our Media opportunities for students with new staff support and equipment for the radio station and magazine. We saw a growth in output both in volume and quality and increased opportunities for volunteers.

We undertook our Investors in Volunteering accretion to invigorate our volunteer support activity with the final outcomes due in January 2017. Student union involvement and activity is seen as a key part of recruitment, retention and employability and we have continued to work with the University to recognise and accredit these activities through initiatives such as the Higher Education Achievement Record. Student involved in union activity are more likely to stay at University with a current retention rate of 89%.

The Union led a number of initiatives related to induction offering a number of events preregistration. These were well attended and feedback was excellent. We continue to build on our outreach work across all faculties and sites running our third successful engagement week in the second semester. The year culminated with the annual Student Union and Teaching awards which rewarded student volunteers and excellence in teaching. This saw increased participation and activity compared to previous years. There was an increase in community activity with work with local charities notably a food drive for the Islington food bank.

## **OBJECTIVES AND ACTIVITIES**

### Student representation and campaigns (Voice)

In 2014 trustees agreed a model of representation based upon communities or "Hubs" with each Hub representing an academic or geographical community.

- CASS Hub (Central House)
- FBL Hub (Moorgate)
- Holloway Hub (FLSC, FSSH)

The model was supported by a revised staffing and representation structure. Overall this change to a faculty basis has seen a development of better relationship between the union and faculties and more active focus on student issues. This model was slightly changed in 2015 to reflect more closely the four faculties.

- CASS Hub (Art and Architecture)
- FBL (Business & Law)
- FLSC (Life Sciences)
- FSSH (Social Science and Humanities)

This change in model is responsible for an increased level of participation in democratic activities over the past 3 years although we did see a dip in participation this year to 11%.

Student reps or StARS remain fundamental to the student voice and to improving the quality and experience of students at London Met. This year we saw the support and attendance rise for faculty forums across the University.

The Union ran a number of change and awareness campaigns on national student issues, health, safer cycling, diversity and awareness. We also held our first disability forums and saw a growth in female representation at key levels. Black history month was again very successful with a series of events ranging from debate to social activity.

Student Council was central to Union policy, meeting five times in the year and discussing a wide range of student centred topics.

The Union undertook several research projects on the student experience using these to lobby for real change including University restructuring plans and campus development successfully lobbying for a student voice in these areas.

### Student advice

The Union provide a service for supporting students with academic issues such as mitigating circumstances, Appeals, Terminations etc and dealt with over 600 cases in the period. In addition, the Union ran a number of academic awareness campaigns and worked with the University on the development of academic procedures.

### **Public benefit**

The trustees have considered the Charity Commission's guidance on public benefit in developing the activities and services of the charity to meet its objectives.

The Union received a visit from the Charity Commission as part of its routine outreach work in early 2015. The Commission carried out a short audit on Union activity and procedure and while identifying a few areas for the Union to develop found no issue with its procedures or practice that required further investigation.

## **FINANCIAL REVIEW**

### **Reserves policy**

The Union has established a reserves policy which reflects the nature of its relationship with the University. It is considered best practice for charities to establish a level of reserves sufficient to enable core services to members to be delivered in the event of a disruption to its funding or operation. At the year end the free reserves of the Union stood at £14,226.

The Union maintains reserves in accordance with the Charity Commission's guidance which represent the 'free' reserves available to the Union's Trustees to be unrestrictively spent on the purposes of the Union.

They do not include any endowments, restricted or designated funds, nor do they include funds that could only be realised by disposing of fixed assets or stock in trade (or working capital).

In the Trustees' view the Union should maintain 'free' reserves that are appropriate to the Union's size, activity and structure

- At present the Union has no commitments in relation to rent, loans or hire purchase agreements
- The Union has no assets which require maintenance or replacement
- The Union holds adequate insurances for its activity
- Permanent staff are jointly contracted by both the Union and university
- The Union does not run any sizable trading activity or subsidiary companies
- The majority of Union income is from university grant funding
- Grants are paid on a monthly basis and these are carefully phased to ensure a healthy cash flow

Given the nature of activity and the contraction of staff, it is the view of Trustees that the Union only hold between £5,000 and £10,000 in reserve to allow for small variations in activity and income as to set and build a larger reserve would be detrimental to activity. Should amounts be in excess of £10,000 then the Trustees, in consultation with stakeholders, will draw up a plan to spend the additional funds.

During the year of operation the Union received a block grant of £550,000 from the London Metropolitan University. The sale of NUS Extra cards and some sundry income generated additional income of £30,437. This income was expended on the Union's charitable activities, primarily as staff costs. As a result of its activities, Net income for the year amounted to £5,431 that increased the unrestricted general funds to £14,226.

## **FUTURE PLANS**

The Union is in the final years of its strategic plan and one of the major areas of development will be reviewing current activity so it fits with the vision of stakeholders and developing a new plan. Central to the success of this plan will be developing the relationship with the University and reflecting its plans within its One Campus One Community model, while empathising the Unions status and separation from the University.

In the current plan Trustees agreed 3 key areas or themes for Union development,

- Student Voice
- Activity
- Infrastructure

**Report of the Trustees  
for the Year Ended 30 June 2016**

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Student Voice

The primary function of any Students' Union is to represent its members effectively to the University and to the wider community. In doing this it should affect positive change and therefore impact on its members lives and communities.

Key aims are

- Ensuring officers are representative of the student body and its communities and are fully and effectively-accountable for their performance
- Making the StARs system the basis for an effective voice for students , on university and Union activity and development
- To create real positive change for students by relevant and effective campaigning, lobbying and research
- To become a partner and critical friend of the University making sure regulations, policy and procedures, academic or otherwise reflect student concerns
- To understand and actively engage with the student community demonstrating our role and making the Union a place students feel they belong

Activity

Activity covers all the opportunities available in the Students' Union from student staff to student volunteering in media and campaigns. These activities provide a chance for students to try new things and gain skills for employability and life. To do this:

- The Students ' Union (hubs ) will be seen as a centre for opportunities to participate in a diverse range of societies, media, leisure, sport and other activities and that the range and quality of these opportunities will be improved
- We will develop opportunities for students to learn skills and to recognise these. Thereby improving student employability and life skills

Infrastructure

In order to achieve our objectives and effectively support student communities and activities, the foundations of the Union must be sustainable and secure. Trustees will therefore be

- A recognised and Quality Students' Union by entering and completing the NUS quality scheme
- Continue to develop a sustainable and suitable resource and support structure

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charitable company is controlled by its governing document, its memorandum and articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. In the event of winding up the liability of each Company Law Member is limited to £1.

**Recruitment and appointment of new trustees**

The Board of Trustees is made up of not more than 5 sabbatical officer trustees, not more than 2 student trustees, 1 alumni trustee and not more than 3 external trustees. The sabbatical officer trustees are elected by secret ballot by the members of the Union and serve one year in office unless re-elected for second year. The student trustees are elected by a simple majority vote of the Student Council from its membership and should include 1 undergraduate and 1 postgraduate student. Student trustees serve for a 2 year term and must be a student for the duration of their term in office. Student trustees can serve for a maximum of 2 consecutive terms. The alumni and external trustees are appointment by the Appointments Committee and ratified by the trustees. They can serve for a maximum of 2 terms of 2 years each. One of the external trustees will be a Governor of the London Metropolitan University, selected by its Board of Governors.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

The Board of Trustees met 5 times during the year. It is responsible for the strategic direction, governance and sustainability of the Union but delegates its day to day running to the officer trustees and a senior management team.

**Induction and training of new trustees**

Once elected or appointed all trustees receive training to enable them to understand their legal obligations and their other responsibilities as charity trustees. The officer trustees also receive more comprehensive training as they work full time for the organisation and complete a portfolio of duties, alongside their trustee roles.

**Key management remuneration**

The levels of remuneration for all staff including those of senior management are calculated on the basis of University HERA scales which map responsibilities and experience to set scales on the university pay structure. Staff are also entitled to cost of living rises and London living allowance as outlined in the university pay structure and reflecting nationally negotiated and implemented rates.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Risk management**

The trustees have a duty to identify and review the risks to which the Union is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. They regularly review the major strategic, operational and reputational risks faced by the charity, this forms an agenda item for all trustees meetings. Each risk identified is assessed for its impact and likelihood, actions required to mitigate or manage it are noted and the risk is assigned to a senior staff member or trustee.

At present the major risks are identified below with notes on mitigation a full report is available on request.

#### **Sustainability:** Cuts to core grant funding related to Student numbers

##### Mitigation

- Active participation in recruitment groups and activity that exist within the University
- Union provides an active resource for potential students
- Ensures effective funding through annual budget conversation

#### **Sustainability:** Failure to be seen by students or the university as the voice of students resulting in breakaway protest groups and lack of confidence from the University

##### Mitigation

- Communicate clearly to membership all actions taken
- Review of relationship agreement
- Ongoing University Liaison group
- Feedback on regular University/ Union Meetings

#### **Core Business:** Failure to anticipate, identify and satisfy the needs of all the membership

##### Mitigation

- Faculty Officer Model
- Regular research to inform decisions

#### **Core Business:** Radical activity on campus

##### Mitigation

- Liaison
- Active relationship with estates and secretary's office
- Staff Training
- Monitoring of online media
- Strong links with University

#### **Systems:** Inadequate provision of a safe recreational, learning, working environment

##### Mitigation

- Implementation of effective procedures
- Adequate insurance for activities
- Liaison with H&S
- Risk assessments for events and activities

At this time there are no uncertainties as to the charity's ability to continue as a going concern.

The impact of any significant pension deficit and pension arrangements are a responsibility of the University.

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of London Metropolitan University Students' Union for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 7 December 2016 and signed on its behalf by:

.....  
F Onwumere - Trustee

## **Report of the Independent Auditors to the Members of London Metropolitan University Students' Union**

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We have audited the financial statements of London Metropolitan University Students' Union for the year ended 30 June 2016 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the related notes. 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 30 June 2016 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

**Report of the Independent Auditors to the Members of  
London Metropolitan University Students'  
Union**

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**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:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Richard Billinghamurst (Senior Statutory Auditor)  
for and on behalf of Knox Cropper  
8/9 Well Court  
London  
EC4M 9DN

Date: 7 December 2016

**Note:**

The maintenance and integrity of the London Metropolitan University Students' Union website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

London Metropolitan University Students'  
Union

Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 30 June 2016

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		2016 Unrestricted fund £	2015 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>	Notes		
Donations and legacies	2	550,000	553,211
Other trading activities	3	<u>30,437</u>	<u>28,660</u>
<b>Total</b>		<b>580,437</b>	581,871
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>	4		
Student activities and development		329,621	293,463
Student representation and campaigns		137,835	165,461
Student advice		<u>107,550</u>	<u>119,473</u>
<b>Total</b>		<b>575,006</b>	578,397
<b>NET INCOME</b>		<b>5,431</b>	3,474
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<b>8,795</b>	5,321
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>14,226</u></b>	<u>8,795</u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

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The notes form part of these financial statements

London Metropolitan University Students'  
Union (Registered number: 08576499)

Statement of Financial Position  
At 30 June 2016

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	Notes	£	2016 Unrestricted fund £	Total 2015 funds £
<b>CURRENT ASSETS</b>				
Debtors	11		14,531	12,179
Cash at bank and in hand			<u>66,557</u>	<u>75,630</u>
			<b>81,088</b>	<b>87,809</b>
<b>CREDITORS</b>				
Amounts falling due within one year	12		<b>(66,862)</b>	<b>(79,014)</b>
			<u>14,226</u>	<u>8,795</u>
<b>NET CURRENT ASSETS</b>				
			<b>14,226</b>	<b>8,795</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>14,226</b>	<b>8,795</b>
			<u>14,226</u>	<u>8,795</u>
<b>NET ASSETS</b>				
			<b>14,226</b>	<b>8,795</b>
<b>FUNDS</b>	13			
Unrestricted funds			<u>14,226</u>	<u>8,795</u>
<b>TOTAL FUNDS</b>			<u>14,226</u>	<u>8,795</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 7 December 2016 and were signed on its behalf by:

.....  
O Opara -Trustee

The notes form part of these financial statements

London Metropolitan University Students'  
Union

Statement of Cash Flows  
for the Year Ended 30 June 2016

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	Notes	2016 £	2015 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>(9,073)</u>	<u>8,042</u>
<b>Net cash provided by (used in) operating activities</b>		<u>(9,073)</u>	<u>8,042</u>
		_____	_____
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(9,073)</b>	8,042
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>75,630</u>	<u>67,588</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>66,557</u>	<u>75,630</u>

The notes form part of these financial statements

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Notes to the Statement of Cash Flows  
for the Year Ended 30 June 2016

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1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2016	2015
	£	£
<b>Net income for the reporting period (as per the statement of financial activities)</b>	<b>5,431</b>	3,474
<b>Adjustments for:</b>		
(Increase)/decrease in debtors	<b>(2,352)</b>	27,321
Decrease in creditors	<b>(12,152)</b>	<b>(22,753)</b>
<b>Net cash provided by (used in) operating activities</b>	<b><u>(9,073)</u></b>	<b><u>8,042</u></b>

## 1. ACCOUNTING POLICIES

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

### **Income**

All income is recognised in the Statement of Financial Activities once the Union has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Union to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

### **Taxation**

The Union is exempt from corporation tax on its charitable activities.

### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### **Pension costs and other post-retirement benefits**

The Union participates in two pension schemes, the London Pensions Fund Authority (LPFA) and the National Employment Savings Trust (NEST). NEST is a defined contribution scheme open to the Union's sabbatical officers and contributions payable to the scheme are charged to the Statement of Financial Activities in the period to which they relate.

LPFA is a statutory, contributory, defined benefit scheme and is contracted out of the State Earnings-Related Pension Scheme. The scheme is valued every three years and in the intervening years the actuaries review the progress of the scheme. Administration staff of the Union have joint contracts of employment with London Metropolitan University and are entitled to join the LPFA. Although the University is able to identify its share of the underlying assets and liabilities of the LPFA, the Union is not. Therefore, using the exemption under FRS 102, contributions to the scheme are accounted for as if they were defined contribution schemes and employer contributions payable to the scheme are charged as expenditure in the period to which they relate.

Notes to the Financial Statements - continued  
for the Year Ended 30 June 2016

**2. DONATIONS AND LEGACIES**

	2016 £	2015 £
Gifts	-	1
LMU block grant	<u>550,000</u>	<u>553,210</u>
	<u>550,000</u>	<u>553,211</u>

**3. OTHER TRADING ACTIVITIES**

	2016 £	2015 £
NUS Extra cards commission	14,230	16,481
Student welcome and catering	<u>16,207</u>	<u>12,179</u>
	<u>30,437</u>	<u>28,660</u>

**4. CHARITABLE ACTIVITIES COSTS**

	Direct costs (See note 5) £	Support costs (See note 6) £	Totals £
Student activities and development	264,999	64,622	329,621
Student representation and campaigns	104,282	33,553	137,835
Student advice	<u>81,455</u>	<u>26,095</u>	<u>107,550</u>
	<u>450,736</u>	<u>124,270</u>	<u>575,006</u>

**5. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2016 £	2015 £
Trustees' remuneration etc	77,926	71,437
Staff costs	313,058	272,198
Society events	12,788	30,037
NUS affiliation fees	6,489	11,142
Conferences	6,124	4,933
Marketing and advertising	15,819	31,681
Catering	1,000	-
Elections	11,223	15,844
Training & development	3,950	12,369
Campaign welfare	1,737	7,049
Services	<u>622</u>	<u>5,858</u>
	<u>450,736</u>	<u>462,548</u>

Notes to the Financial Statements - continued  
for the Year Ended 30 June 2016

6. SUPPORT COSTS

	Information technology £	Human resources £	Other £	Governance costs £	Totals £
Student activities and development	2,178	35,568	14,928	11,948	64,622
Student representation and campaigns	1,131	18,469	7,750	6,203	33,553
Student advice	<u>879</u>	<u>14,364</u>	<u>6,027</u>	<u>4,825</u>	<u>26,095</u>
	<u>4,188</u>	<u>68,401</u>	<u>28,705</u>	<u>22,976</u>	<u>124,270</u>

Activity	Basis of allocation
Information technology	Direct staff costs
Human resources	Direct staff costs
Other	Direct staff costs
Governance costs	Direct staff costs

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2016 £	2015 £
Auditors' remuneration	<u>4,920</u>	<u>5,540</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

	2016 £	2015 £
Trustees' salaries	89,530	82,347
Trustees' social security	<u>7,877</u>	<u>6,255</u>
	<u>97,407</u>	<u>88,602</u>

Trustees remuneration relates to the Sabbatical officers, who are also trustees of the Union.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 30 June 2016. In the year to 30 June 2015, one trustee received reimbursement of travel and board meeting expenses of £204.

Notes to the Financial Statements - continued  
for the Year Ended 30 June 2016

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9. STAFF COSTS

	<b>2016</b>	2015
	<b>£</b>	£
Wages and salaries	<b>416,714</b>	376,816
Social security costs	<b>33,100</b>	27,765
Other pension costs	<b><u>25,436</u></b>	<u>26,926</u>
	<b><u>475,250</u></b>	<u>431,507</u>

The key management personnel of the Union are those persons having authority and responsibility for planning, directing and controlling the activities of the Union, directly or indirectly, including any Trustee of the Union. In addition to the Trustees, key management personnel includes the Chief Executive. Aggregate remuneration and benefits paid to key management personnel during the year amounted to £154,199 (2015 - £145,366).

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

	<b>2016</b>	2015
Sabbatical officers	<b>4</b>	4
Administration staff	<b><u>13</u></b>	<u>12</u>
	<b><u>17</u></b>	<u>16</u>

No employees received emoluments in excess of £60,000.

## 10. PENSION ARRANGEMENTS

The Union contributes to two pension schemes, the London Pensions Fund Authority (LPFA) for its administration staff and National Employment Savings Trust (NEST) for its sabbatical officers. NEST is a defined contribution pension scheme and pension contributions in the current year amounted to £nil.

The LPFA Fund (the Fund) provides members with benefits related to pay and service at rates which are defined under the Local Government Pension Scheme Regulations 1997. To finance these benefits assets are accumulated in the Fund and held separately from the assets of the Union.

The Union pays contributions to the Fund at rates determined by the Fund's actuaries, based on regular actuarial reviews of the financial position of the Fund. From 1 August 2013, the employer's contribution rate payable by the Union was 18.6% of pensionable salaries.

The actuarial valuation as at 31 March 2013 informed a review by the LPFA of the contributions to be paid to the Fund by employers from 1 April 2014. It was agreed that, with effect from 1 April 2014, the contribution to be paid by the Union to the Fund for current service was 16.0% of pensionable payroll. The Union's contribution to the Fund for the current period was £25,436 (2015: £26,926).

The University has also agreed to pay lump sum contributions for past service deficits of £937,000 from 1 April 2014 to March 2015, £1,080k from April 2015 to March 2016 and £1,132k from April 2016 to March 2017. This will have no impact on the Union's liability.

The Fund has variable employee contribution rates dependent on the employee's pensionable salary. These rates range from 5.5% to 12.5%. There is also contribution flexibility where members can opt to pay 50% contributions for 50% of the pension benefit.

The pension cost, which includes the liability for pension increases, has been determined in accordance with the advice from the Fund actuary, Barnett Waddingham, and is based on an actuarial valuation as at 31 March 2013 using the projected unit method. The rates certified at the actuarial valuation as at 31 March 2013 applied from 1 April 2014. The main financial assumptions in the 2013 actuarial valuation were:

Rate of investment return 8.8% per annum  
Rate of salary increases 2.3% per annum  
Rate of pension increases 3.5% per annum

Because the administrative staff of the Union are employed by joint contracts of employment with London Metropolitan University it is not possible to separately identify the assets and benefits attributable to the Union. However, the actuarial valuation as at 31 March 2013 showed that the market value of the Fund's assets attributable to the University was estimated at approximately £166m and that the actuarial value of those assets represented 70% of the value of the benefits that have accrued to the University's pensioners, deferred pensioners and current members based upon past service but allowing for assumed pay increases and pension increases.

The actuarial valuation dated 31 March 2013 was published on 27 March 2014. The next actuarial valuation is due as at 31 March 2016, publication is expected early in 2017.

Notes to the Financial Statements - continued  
for the Year Ended 30 June 2016

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Trade debtors	1,200	12,179
Other debtors	<u>13,331</u>	<u>-</u>
	<u><b>14,531</b></u>	<u><b>12,179</b></u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Trade creditors	53,062	56,354
Other creditors	<u>13,800</u>	<u>22,660</u>
	<u><b>66,862</b></u>	<u><b>79,014</b></u>

**13. MOVEMENT IN FUNDS**

	At 1.7.15 £	Net movement in funds £	At 30.6.16 £
<b>Unrestricted funds</b>			
General fund	8,795	5,431	14,226
	<u>8,795</u>	<u>5,431</u>	<u>14,226</u>
<b>TOTAL FUNDS</b>	<u><b>8,795</b></u>	<u><b>5,431</b></u>	<u><b>14,226</b></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	580,437	(575,006)	5,431
	<u>580,437</u>	<u>(575,006)</u>	<u>5,431</u>
<b>TOTAL FUNDS</b>	<u><b>580,437</b></u>	<u><b>(575,006)</b></u>	<u><b>5,431</b></u>

**14. RELATED PARTY DISCLOSURES**

Trustee Officers are remunerated for their executive responsibilities in accordance with the Union constitution. Four trustees of the Union received payment for their services as Sabbatical Officers of the Union as set out in note 8.

There were no other related party transactions for the year ended 31 March 2016.

**15. GOING CONCERN**

The Union is dependent on the ongoing financial support of the London Metropolitan University. The trustees are of the opinion that this support will be forthcoming from the University for at least a further 12 months from the date of approval of these financial statements.

**16. FIRST YEAR ADOPTION**

**Transitional relief**

The accounts comply with the new accounting standard FRS 102 which came into force on 1 January 2015 and the new Charity SORP (FRS 102). In preparing these accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the new Charity SORP (FRS 102), the restatement of comparative items was required. The transition has had no impact on the Union's financial performance or financial position at the date of transition (1 July 2014) and in respect of the financial statements for the year ended 30 June 2015. Therefore no reconciliation of reserves or net income/expenditure is required.

**London Metropolitan University Students'  
Union**

**Detailed Statement of Financial Activities  
for the Year Ended 30 June 2016**

	2016 £	2015 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Gifts	-	1
LMU block grant	<u>550,000</u>	<u>553,210</u>
	<b>550,000</b>	<b>553,211</b>
<b>Other trading activities</b>		
NUS Extra cards commission	<b>14,230</b>	16,481
Student welcome and catering	<u>16,207</u>	<u>12,179</u>
	<b>30,437</b>	<b>28,660</b>
<b>Total incoming resources</b>	<b>580,437</b>	<b>581,871</b>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Trustees' salaries	<b>71,624</b>	65,877
Trustees' social security	<b>6,302</b>	5,560
Wages	<b>268,795</b>	234,157
Social security	<b>22,395</b>	16,805
Pensions	<b>21,868</b>	21,236
Society events	<b>12,788</b>	30,037
NUS affiliation fees	<b>6,489</b>	11,142
Conferences	<b>6,124</b>	4,933
Marketing and advertising	<b>15,819</b>	31,681
Catering	<b>1,000</b>	-
Elections	<b>11,223</b>	15,844
Training & development	<b>3,950</b>	12,369
Campaign welfare	<b>1,737</b>	7,049
Services	<u>622</u>	<u>5,858</u>
	<b>450,736</b>	<b>462,548</b>
<b>Support costs</b>		
<b>Information technology</b>		
Software costs	<b>500</b>	-
Website design	<b>500</b>	396
Carried forward	<b>1,000</b>	396

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**London Metropolitan University Students'  
Union**

**Detailed Statement of Financial Activities  
for the Year Ended 30 June 2016**

	<b>2016</b>	2015
	£	£
<b>Information technology</b>		
Brought forward	1,000	396
Computer hardware	<u>3,188</u>	<u>1,206</u>
	<b>4,188</b>	1,602
<b>Human resources</b>		
Trustees' salaries	8,953	8,235
Trustees' social security	788	695
Wages and salaries	52,815	54,902
Social security	2,278	3,507
Pensions	2,676	4,821
Travel and subsistence	41	-
Agency staff	295	-
Casual staff	255	2,477
Staff related costs - visas	-	257
Payroll services	<u>300</u>	<u>-</u>
	<b>68,401</b>	74,894
<b>Other</b>		
Insurance	2,429	2,543
Set up costs	4,420	3,805
Bank charges	664	724
General office expenses	<u>21,192</u>	<u>9,832</u>
	<b>28,705</b>	16,904
<b>Governance costs</b>		
Trustees' salaries	8,953	8,235
Trustees' social security	787	-
Wages	5,574	5,410
Social security	550	1,198
Pensions	892	869
Auditors' remuneration	4,920	5,540
Accountancy and legal fees	1,000	-
Legal fees	300	993
Trustees Expenses	<u>-</u>	<u>204</u>
	<b>22,976</b>	22,449
<b>Total resources expended</b>	<b>575,006</b>	578,397
<b>Net income</b>	<u><u>5,431</u></u>	<u><u>3,474</u></u>

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