

UNIVERSITY OF LONDON UNION

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2010

The University of London Union (ULU) Board of Trustees is pleased to present this annual report together with the financial statements for the year ending 31 July 2010.

This report includes the following sections:

- 1 Executive Summary
- 2 Reference and Administrative Information
- 3 Structure, Governance & Management
- 4 Objectives and Activities
- 5 Achievements and Performance
- 6 Financial Review
- 7 Investment Policy and Performance
- 8 Plans for Future Periods
- 9 Statement of Trustee Responsibilities
- 10 Responsibility of the University of London

UNIVERSITY OF LONDON UNION

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2010

1) Executive Summary

This is the third annual report and accounts published by the ULU Board of Trustees. The report of the Trustees is produced to fall into line with changing legislation with regard to Students' Unions and as a means of allowing our key stakeholders to gain a better understanding of ULU's activities, as well as to review our accounts.

Key Achievements

- A central theme surrounding sound management is the new charity legislation that encourages trustee boards to meet regularly to evaluate and question management. We are pleased to announce that in its third year the ULU Board of Trustees has been very strong – meeting more frequently than recommended to review initiatives and progress during the year. Activities this past year include working with Senate on the new constitution which was passed in May by the Senate and then by the University of London Board of Trustees in July, as well as the development of ULU's Strategic Framework.
- The benefits to students have also been widespread this year. ULU's annual awards ceremonies Laurels and Purples were enjoyed by large numbers of students, with richly deserving winners across a wide range of member institutions.
- This was another very positive year for ULU sports and societies. Full details of all the work done by the ULU sports department can be found in their annual report, available at the following website address: www.ulucosport.co.uk. Societies are continually reviewed to avoid duplication at college level.

2) Reference and Administrative Information

ULU was founded in 1955 and is an Unincorporated Association. The following section provides names and other details of the ULU Board of Trustees and professional advisors.

Principal Office: University of London Union, Malet Street, London, WC1E 7HY

Board of Trustees

The trustees serving during the year ending 31 July 2010 were as follows:

Sabbatical Officer Trustees

Nizam Uddin, President, Board of Trustees Chair (elected 1 Aug 2009)

Mazdak Alizadeh Vice President Student Activities (elected 1 August 2009)

UNIVERSITY OF LONDON UNION

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2010

Reference and Administrative Information (continued)

Student Trustees

Ed Stewart – University College (elected 1 Aug 2009)
Lauren McEvatt - Heythrop College (elected 1 Aug 2009)
Abs Hassanali – Heythrop College (elected 1 Aug 2009)
Emmanuel Akpan-Inwang – London School of Economics (elected 28 Oct 2009)

External Trustees:

Darrell Barnes (appointed 1 Sept 2007)
Jodi Ekelchik (appointed 1 Sept 2007)
Mike Owen (appointed 2009)

Heads of Colleges Representative Trustees:

Paul Shanley (appointed 1 Mar 2008), resigned January 2010

Staff/Non-Voting

Julie Adams, ULU General Manager
Jane Doogan, Membership Services Manager, Secretary to the Board of Trustees

Advisors

Auditors: Knox Cropper, Chartered Accountants, 153-155 London Road, Hemel Hempstead, Herts. HP3 9SQ

Bankers: Barclays Bank PLC, United Kingdom House, 7th Floor, 180 Oxford Street, London. BX3 2BB

Insurance: Endsleigh Insurance Services, Hadley House, Shurdington Road, Cheltenham. GL51 4UE

Within this document, the University of London Student Union will be referred to as the 'Union.' The Board of Trustees will be referred to as the 'Trustees'.

3) Structure, Governance & Management

a Governance

The Union is governed by the Constitution of July 2010. This Constitution was written based on the NUS model developed specifically with the Charity Commission for Student Unions.

b Membership of the Union

University of London students studying for a degree are automatically entitled to become a member of the Union. The membership is the beneficiaries of the Union's activities.

c Organisation and Management

The Board of Trustees is responsible for the governance of the Union and its property. The Trustees meet at a minimum of six times during the year, and at other times as required.

UNIVERSITY OF LONDON UNION

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2010

Structure, Governance & Management (continued)

The Senate sets the political and policy agenda of the Union, campaigns on issues affecting members, makes recommendation to the Trustees and affiliates with external organizations. The Senate meets at a minimum five times during the year, and at other times as required.

Separately, sub-committees exist to promote the core activities of the Union. The Student Activities Committee will organise, promote, facilitate and regulate intercollegiate and Union organised student activities. Membership includes the Sabbatical Trustees, Chair of the Senate, and representatives of the Sports Committee, Societies Committee and the Intercollegiate Sports Committee. Approximately five meetings will be held during the year.

The Sabbatical Trustees establish a meeting calendar at the start of the new term year.

The day to day running of the Union is delegated to the ULU management team who work closely with the Sabbatical Trustees. ULU's General Manager will attend the Board of Trustee meetings, and invite others as required per the meeting agenda.

d Appointment and induction of trustees

Membership of the Board of Trustees includes the Sabbatical Trustees (not more than four, and elected by secret ballot of the members of the Union), student Trustees (not more than four, and elected by secret ballot of the members of the Union), External Trustees (not more than three appointed by the other Trustees), and one representative of College funders appointed by the Heads of Colleges. All Trustees must be full members of the Union or one of the appointed external Trustees.

Membership of the Senate will include the Sabbatical Trustees, elected representatives of the College Unions (one per college), Returning Officer and such other persons as may have been elected to Senate, *London Student* Editor (elected by secret ballot of members of the Union), and the Senate Chair (who will not count as a delegate from his or her college) as elected by members of the Union.

New Trustees and Senate appointees will be inducted into the workings of the Union at a suitable workshop scheduled towards the end of the appointed term. This induction is initiated by the current Sabbatical Trustees. Where necessary, the Board of Trustees will engage the University and/or the NUS (National Students Union) in an induction workshop early in the new term year, and in strategic planning reviews.

e Review of Related Parties

The University of London Collegiate Council is the primary funder of the Union and engages from time to time in matters relating to the Union's funding; it also has the power to dissolve the Union, transfer its assets or liabilities, review its constitution, and ensure compliance with University ordinances.

UNIVERSITY OF LONDON UNION

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2010

Structure ,Governance & Management (Continued)

f Networks and Affiliations

British Universities and Colleges Sports (BUCS)	National Union of Students Services Ltd
	Association of Managers of Student Unions
Grand National Archery Association	Royal Lifesaving Society
Amateur Football Alliance	St John Ambulance
South of England Athletics Association	British Mountaineering Council
British Triathlon	
England Athletics	
Southern Universities Dance Association	Hurlingham Polo Association
Inter-Varsity Dance Association	Schools & Universities Polo Association
Amateur Rowing Association	National Rifle Association
British Canoe Union	National Smallbore Rifle Association
British Fencing Association	Surrey Rifle Association
England Hockey	London Volleyball Association
Surrey Hockey Association	Royal Yachting Association
English Ice Hockey Association	British Universities Sailing Association
Jitsu Foundation	Shaolin Nam-Pai-Chuan
British Judo Association	British Shorinji Kempo Federation
Federation of English Karate Organisations	Amateur Swimming Association
English Lacrosse	British Sub Aqua Club
English Volleyball Association	South of England Men's Lacrosse Assoc

4) Objectives and Activities

a Objects / Aims

Through good governance, the Union enhances the student experience and serves as a voice for University of London students.

The objects and aims are as follows:

The Union's objects are the advancement of education of Students at The University of London for the public benefit by:

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

UNIVERSITY OF LONDON UNION

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2010

Objectivities and Activities (continued)

b Strategy

During the course of the year, the Board of Trustees engaged in a discussion about short term and long term strategic plans.

Following the consultation exercise during Spring 2010 to review ULU's internal and external strategic position, a Strategic Framework was developed. Key areas for consideration over the next three years include:

- Competition from the High Street and other UL College Unions;
- Continuation of ULU's grant funded to run the student activities, London Student and two sabbatical posts, and the need to achieve annual surpluses.
- ULU's performance in the current lease of the ULU building through 31st July 2014.
- Opportunities to collaborate and share resources with NUS regarding representation and campaigns in London.
- Results from the Lord Brown review into Higher Education funding, and impact to UL and their Students' Unions.
- Enhance ULU's marketing activities, including the development of a state of the art website to engage more with University of London students.
- Opportunities to increase ULU revenue around conference facilities, catering and bar sales.
- Formal adoption of the Constitution and Regulations, and the registration as a charity with the Charity Commission.

The development of a Strategic Framework has been an ambitious and exhaustive exercise, consolidating vast feedback from past and present. It should be reiterated that this document is not the final strategy detailing KPIs of success, but rather a guideline and a start to a process which for so long hasn't happened.

The absolute must for ULU going forward is being aware and conscious of the expectations placed upon it by the Heads of Colleges and the University of London Trustee Board, and reconciling this with the sometimes opposing expectations of the membership and from University of London Students' Unions. Student engagement and participation is integral to any future success of ULU, but the need to remain financially in the black is also a key factor for survival in the future. This balance needs to be met.

c Principal activities

Membership to the Union is free, and entitles students access to the building's facilities, as well as access to ULU networks, sports, clubs and societies. The building on Malet Street provides students access to the ULU Student Shop, Student Print Centre, the Lunchbox (providing quick access to food/drink), and other venues such as the Duck & Dive, and the Gallery for a drink and food, and to socialise with other Union members.

The building also operates Energybase, with state of the art fitness facilities and a swimming pool, which students are entitled to join on payment of a membership fee.

UNIVERSITY OF LONDON UNION

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2010

Objectivities and Activities (continued)

The University of London boasts over 120,000 students who are entitled to use the facilities.

The London Student Newspaper provides a student voice and communication forum for all University of London students.

5) Achievements and Performance

The following provides a summary of achievements this past year:

Adoption of the Constitution, as a precursor for registration with the Charity Commission

ULU achieved charity registration on 10 December 2010.

Revision to the Financial Regulations

Development of a Strategic Framework

Inclusion of ULU's Risk Register and Communications Plan as part of standard operating practice throughout the year, and as part of the handover documentation

Additional business for the Print Shop. One of our competitors in the area closed, which meant ULU can continue to provide a service for students not found in the immediate area

Following the renovations to the ground floor space, including Lunchbox, we have provided additional facilities for students to network and enhance the overall student experience.

6) Financial Review:

The Statement of Financial Activities (SOFA) discloses a net inflow of funds for the current year of £11k, compared to an outflow of £40k for the previous year.

Trading Areas

Student Shop

The newly refurbished shop has proved to be very popular this year. The turnover for the year is down on budget, largely due to the fact that the shop no longer sells sandwiches. The sales have therefore been transferred over to the Lunchbox, which as you will see later has more than exceeded expectations. Unfortunately the mail order online shop has seen a decline this year. Hopefully a new website under development during the first term will be able to focus more on this during the coming year.

Bars

Bars income picked up in the second half of the year. In general the lack of gigs through the Barfly contract is the reason why turnover is down. The contract with Barfly ended at the end of May with only one more gig to honour in October. We are looking to use the Venue for Conferencing

UNIVERSITY OF LONDON UNION

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2010

Financial Review (continued)

and Student led events as well as continuing to work with promoters to put on some gigs albeit there will be no long term agreement in place.

Birkbeck Bar

Turnover in the George Bar has increased by 39% on last year. This is an excellent result for ULU and Birkbeck in terms of additional income. A fantastic job has been done by the staff in the Birkbeck bar.

Catering

Annual turnover is up 7% on last year. The Gallery continues to be extremely popular despite the launch of the new Lunchbox on the ground floor. The offer of the fast food as well as healthy options gives a good mix.

Lunchbox

We exceeded all expectations this year with the new café and seating area. Turnover is up 51% on last year and 22% up on budget. The seating area is always full with students socialising which has given a whole new vibe to the ground floor area. The only down side is that we can't fit any more seats and tables into the area as it is always so busy. The new food lines have proved very popular and at peak times there is always a queue. I am very pleased to say that our vision of creating this open space for the students has paid off.

Kiosk

The Kiosk was disappointing again this year and the ULU Board of Trustees took the decision to give notice to the University and hand it back. This happened at the end of July, with a very small profit share. Unfortunately there is a lot of competition in the area and the limited size of the Kiosk means that there is not much on offer.

Print Shop

Closure of the print shop in Store Street nearby has meant ULU has gained more business, particularly in Thesis binding. This has led to an increase in net profit of 23% on last year.

Conference

Even though we have exceeded budget by 5% we are still down on last year as we lost part of the AIFS contract. They have continued to hire the classrooms in the same quantity but decided to discontinue their hire of three faculty offices. This lost us around £30k, some of which we did make up in additional room hire. Despite this we are only £4k down on last year overall which is an excellent result for that department.

Recreation

Membership sales of Energybase are still up on last year by 8%. The club continues to be extremely busy and we are increasing membership numbers month on month. The additional classes on Saturdays have proved to be very popular and even though there has had to be an increase in instructors costs the increase in memberships has more than covered this. Overall the net profit is up 31% on last year. Costs have been kept down in order to achieve this.

UNIVERSITY OF LONDON UNION

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2010

Financial Review (continued)

Rentals

The income is more or less on budget. At the time of writing this the Opticians lease has now been completed and the Nightline lease is still ongoing. However the income has been accrued for.

Grant from Colleges

The final year of the two year phase in with a reduction of around £150k.

Expenditure

Student Activities

The clubs and societies have had another very successful year. The annual student activities report will soon be available and will be sent out to all Heads of Colleges and Student Unions. It will also be available on the website.

Student Representation

Only the governance of ULU is funded by the Colleges now.

London Student

Exceeded budget by £6,500. This has been subsidised by ULU profits. BAM the advertising agency did not achieve as much income as needed to cover the print costs.

Marketing

We are still continuing with a consultant one day per week on a retainer. This has worked quite well in some areas but we have had a lack of input and imagination for the website which the Board of Trustees have addressed for the next year.

General Administration

This area has come in budget.

Premises

Over budget this year. The increase again in the University contract for electricity increased more than budget as well as an increase in the water rates charges. We also have increased salaries on our reception area. Due to the increase in footfall into the building one person has struggled to cope with all the enquiries and membership issuing. We had to address this issue as a matter of urgency.

Consolidated

At the year end we made a net surplus on unrestricted activities of £116,132, against a budget of £49,086. We have transferred another £50k from the accumulated fund to the long term maintenance reserve.

UNIVERSITY OF LONDON UNION

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2010

Financial Review (continued)

This will give us a balance of £200 k in this fund which has been set aside in a reserve with our bank and cannot be used for any other purpose.

7) Investment Policy and Performance

The Trustees have established a policy whereby funds not committed to project activity or invested in tangible fixed assets should be invested at low risk whilst maintaining the best rate of return. This precludes investing in instruments such as equities and bonds which whilst offering the potential of higher return over a longer term also carry higher risks. The Union's available cash resources have been invested on fixed term deposits with Abbey Santander.

8) Plans for Future Periods

The Trustees will engage in discussions at the start of the 2009-10 term year to develop a strategic plan to be reviewed on an annual basis going forward. Objectives will be defined, and these will be incorporated within the Union's planning and evaluation activities. The strategic plan will link in with other management tools developed over the past year, primarily the communications plan and organisational risk register.

Following the adoption of the Strategic Framework, the Trustees will engage in discussions in the Autumn for the 2010-2011 term to define a strategic plan for the next year. As prescribed in the Strategic Framework, areas for consideration include:

1. Embarking on a mass student consultation exercise to gauge students' views on the ground about their interaction and perception of ULU
2. Using this strategic framework as the base for a much more detailed future ULU Strategy
3. Delegating different aspects of this framework to relevant individuals within ULU to take the lead
4. Following on from previous point, prioritise the most important areas of development and design a time line for implementation whilst taking into consideration resource implications

9) Statement of Trustees Responsibilities

As required, the Trustees will prepare accounts for each financial year, which give a true and fair view of its financial activities during the year and of its financial position at the end of the year. In preparing the accounts, the Trustees should follow best practices:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- follow applicable accounting standards disclosing and explaining any departures in the accounts, and
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the Union will continue in operation.

The Trustees are responsible for maintaining accounting records to be able to disclose the financial position of the Union at any time.

UNIVERSITY OF LONDON UNION

REPORT OF THE TRUSTEES

YEAR ENDED 31 JULY 2010

10) Responsibility of the University of London

The University, in the form of the Collegiate Council has the responsibility to ensure that the Union is following sound financial practice.

Signed for and on behalf of the Trustees on by:

Malet Street
London
WC1E 7HY

.....
(Trustee)

.....
(Trustee)

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
UNIVERSITY OF LONDON STUDENTS' UNION

We have audited the financial statements of the University of London Union for the year ended 31 July 2010 which are set out on pages 13 to 21. These financial statements have been prepared under the historical cost convention

This report is made solely to the Union's members as a body. Our audit work has been undertaken so that we might state to the Union'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 Union and the Unions 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 set out on page 11, the trustees' 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 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 Practice's 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 Union'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.

Opinion on financial statements

In our opinion the financial statements give a true and fair view of the state of the Union's affairs as at 31 July 2010 and of its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;

Knox Cropper
Statutory Auditors and
Chartered Accountants
153-155 London road
Hemel Hempstead
Hertfordshire HP3 9SQ

Date

UNIVERSITY OF LONDON UNION

Statement of Financial Activities

Year ended 31st July 2010

	Notes	2010 Restricted £	2010 Unrestricted £	2010 Total £	2009 Total £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Grant income					
College grant		-	761,185	761,185	886,637
College contribution to premises		-	69,756	69,756	68,649
Activities for generating funds					
Conference room hire and rental income	2	-	549,945	549,945	594,295
Sponsorship and marketing income	2	-	46,748	46,748	58,102
Investment income					
Interest received		-	18,062	18,062	22,316
		-	1,445,696	1,445,696	1,629,999
Incoming resources from charitable activities					
Student representation	4 (a)	-	14,038	14,038	16,642
Student activity	4 (b)	91,802	-	91,802	89,252
Student social enterprises					
Venues	3 (a)	50,000	1,485,543	1,535,543	1,321,860
Shops	3 (b)	50,000	513,491	563,491	475,799
Recreation facilities	3 (c)	-	848,597	848,597	795,204
		191,802	2,861,669	3,053,471	2,698,757
Other income					
Associate and temporary memberships		-	45,126	45,126	34,909
Miscellaneous income		-	3,807	3,807	2,325
		-	48,933	48,933	37,234
Total income		191,802	4,356,298	4,548,100	4,365,990
RESOURCES EXPENDED					
Cost of generating funds					
Conference room hire and rental expenditure		-	349,359	349,359	326,665
Fund raising and marketing costs		-	40,921	40,921	33,171
		-	390,280	390,280	359,836
Charitable activities					
Student representation	4 (a)	-	65,382	65,382	61,063
Student activity	4 (b)	81,110	513,067	594,177	623,254
Student social enterprises					
Venues	3 (a)	6,674	1,767,581	1,774,255	1,581,819
Shops	3 (b)	7,396	875,663	883,059	828,637
Recreation facilities	3 (c)	201,885	588,352	790,237	921,729
		297,065	3,810,044	4,107,109	4,016,502
Governance	5	-	39,847	39,847	29,273
Total expenditure		297,065	4,240,171	4,537,236	4,405,611
Net movement in funds		(105,263)	116,127	10,864	(39,621)
Reconciliation of funds					
Funds 1st August 2009		663,372	1,358,847	2,022,219	2,061,840
Funds at 31st July 2010		558,109	1,474,974	2,033,083	2,022,219

UNIVERSITY OF LONDON UNION

Balance Sheet

Year ended 31st July 2010

	Notes	2010		2009	
		£	£	£	£
Tangible fixed assets	8		996,220		1,068,191
Investment	9		10,472		10,472
Current assets					
Stock	10	70,849		66,015	
Debtors	11	127,352		232,718	
Short term deposits		1,552,662		1,394,618	
Cash and bank		-		23,429	
		<u>1,750,863</u>		<u>1,716,780</u>	
Creditors: falling due within one year	12	<u>(724,472)</u>		<u>(773,224)</u>	
Net current assets			<u>1,026,391</u>		<u>943,556</u>
Total assets less current liabilities			2,033,083		2,022,219
Creditors: falling due after more than one year			-		-
			<u>2,033,083</u>		<u>2,022,219</u>
Funds					
Unrestricted funds	13		756,289		743,396
Designated funds	13		718,685		615,451
Restricted funds	13		<u>558,109</u>		<u>663,372</u>
			<u>2,033,083</u>		<u>2,022,219</u>

The financial statements on pages 14 to 22 were approved by Board of Trustees on

2010 and signed on its behalf by

Trustee

UNIVERSITY OF LONDON UNION

Cash Flow Statement

Year ended 31st July 2010

	Notes	2010 Total £	2009 Total £
Operating surplus / (deficit)		10,864	(39,621)
Depreciation		323,607	352,895
Loss on disposal of asset		-	4,376
Investment income		(18,062)	(22,316)
		<u>316,409</u>	<u>295,334</u>
Decrease in stock		(4,834)	20,966
(Increase) / decrease in debtors		105,366	(14,245)
(Decrease) / increase in creditors		(80,207)	(158,503)
Net cash inflow from operating activities		<u>336,734</u>	<u>143,552</u>
Return on investments		18,062	29,316
Capital expenditure			
Payments to acquire tangible fixed assets		(251,636)	(130,346)
		<u>103,160</u>	<u>42,522</u>
Management of liquid reserves		(158,044)	(50,128)
Decrease / increase in cash		<u>(54,884)</u>	<u>(7,606)</u>
Reconciliation of net cash flow to movement in funds	15		
(Decrease) / increase in cash in the year		(54,884)	(7,606)
Cash flow from increase in liquid resources		158,044	50,128
Cash used to repay loan		-	-
Change in net funds		<u>103,160</u>	<u>42,522</u>
Net funds at 1st August 2009		<u>1,418,047</u>	<u>1,375,525</u>
Net funds at 31st July 2010		<u><u>1,521,207</u></u>	<u><u>1,418,047</u></u>

Notes to the accounts

Year ended 31st July 2010

1 Accounting policies

(a) Accounting convention

The accounts are prepared under the historical cost convention.

(b) Fixed assets and depreciation

Expenditure on major repairs and refurbishment work is capitalised and depreciation over its estimated useful life.

Equipment, including motor vehicles, is capitalised and depreciated over the estimated lives of the assets. Full year depreciation is provided in the year of purchase. The rates of depreciation currently used are as follows:

Property improvements	2% - 20%
Fixtures and equipment	10% - 25%

(c) Investments

Investments are valued at cost.

(d) Stocks

Stocks are valued at the lower of cost and net realisable value.

(e) Pension schemes

The Union participates in the Universities Superannuation Scheme (USS), and the Superannuation Arrangements of the University of London (SAUL), which are funded defined benefit schemes. The schemes are contracted out of the State Second Pension (S2P). The schemes are valued formally every three years by professionally qualified independent actuaries using the projected unit method. Reviews of the schemes' position are carried out in the period between valuations. The Union has adopted Financial Reporting Standard No.17. As it is not possible to identify the underlying assets and liabilities of the schemes, the charge to Statement of Financial Activities is the contributions payable to the schemes for the accounting period, which is the same as it would be if these were defined contribution schemes.

(f) Governance costs

Governance costs comprise strategic planning and organisational costs including legal advice and audit fees

(g) Funds

Unrestricted funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and that have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been put aside at the discretion of the trustees for particular purposes. At the year-end they comprise a capital fund and a maintenance fund, which represents the net book value of unrestricted fixed assets and the cyclical repairs and maintenance of the Charity's properties respectively.

Restricted funds are funds subject to special conditions imposed by the grant giving organisation. Restricted funds comprise the building fund, which represents grants given to refurbish the charity's premises, and the sports and societies fund, which represents funds raised by the individual clubs and societies for their own use.

UNIVERSITY OF LONDON UNION

Notes to the accounts

Year ended 31st July 2010

2	Activities for generating funds	2010	2009
		Total	Total
		£	£
	Conference room hire and rental income		
	Franchise rental	72,033	89,223
	Conference income	477,912	505,072
		<u>549,945</u>	<u>594,295</u>
	Sponsorship and marketing income		
	Marketing and publicity	26,905	31,052
	Freshers fayre	19,843	27,050
		<u>46,748</u>	<u>58,102</u>

3 Student social enterprise

(a) Venues

	Bars	Catering	Other	2010	2009
	£	£	£	Total	Total
	£	£	£	£	£
Sales	556,693	358,861	569,989	1,485,543	1,321,860
Other income - restricted	-	50,000	-	50,000	-
	<u>556,693</u>	<u>408,861</u>	<u>569,989</u>	<u>1,535,543</u>	<u>-</u>
<i>Direct costs:</i>					
Cost of sales	218,797	127,348	285,124	631,269	508,070
<i>Other direct costs:</i>					
Salaries and wages	225,398	171,524	94,111	491,033	463,823
Other costs	48,678	22,409	32,148	103,235	124,417
Other costs - restricted	-	-	6,674	6,674	-
	<u>492,873</u>	<u>321,281</u>	<u>418,057</u>		
	<u>63,820</u>	<u>87,580</u>	<u>151,932</u>		
<i>Support costs</i>					
Administration				192,097	199,466
Premises				349,947	286,043
				<u>1,774,255</u>	<u>1,581,819</u>
Net deficit for the year				<u>(238,712)</u>	<u>(259,959)</u>

(b) Shops

	Retail	Kiosk	2010	2009
	Outlets	£	Total	Total
	£	£	£	£
Sales	496,059	17,432	513,491	475,799
Other income - restricted	50,000	-	50,000	-
	<u>546,059</u>	<u>17,432</u>	<u>563,491</u>	<u>475,799</u>
<i>Direct costs:</i>				
Cost of sales	240,769	4,576	245,345	216,854
<i>Other direct costs:</i>				
Salaries and wages	108,395	9,888	118,283	116,936
Other costs	30,174	2,253	32,427	47,131
Other costs - restricted	7,396	-	7,396	-
Profit share	-	357	357	2,644
	<u>386,734</u>	<u>17,074</u>		
	<u>109,325</u>	<u>358</u>		
<i>Support costs</i>				
Administration			197,586	205,165
Premises			281,665	239,907
			<u>883,059</u>	<u>828,637</u>
Net deficit for the year			<u>(319,568)</u>	<u>(352,838)</u>

UNIVERSITY OF LONDON UNION

Notes to the accounts

Year ended 31st July 2010

3 Student social enterprise (continued)

(c) Recreation facilities

	2010 Restricted £	2010 Unrestricted £	2010 Total £	2009 Total £
Sales	-	848,597	848,597	795,204
<i>Other direct costs:</i>				
Salaries and wages	-	230,404	230,404	304,999
Other costs	201,885	161,914	363,799	294,865
<i>Support costs</i>				
Administration	-	87,816	87,816	91,185
Premises	-	108,218	108,218	230,680
	<u>201,885</u>	<u>588,352</u>	<u>790,237</u>	<u>921,729</u>
Net (deficit)/surplus for the year	<u>(201,885)</u>	<u>260,245</u>	<u>58,360</u>	<u>(126,525)</u>

4 Student representation and activities

	2010 £	2009 £
(a) Student representation		
Advertising for London Student Newspaper	14,038	16,642
<i>Other direct costs:</i>		
Salaries and wages	19,317	20,446
Other costs	30,323	23,461
Other expenses	(255)	2,362
<i>Support costs</i>		
Administration	9,483	7,916
Premises	6,514	6,878
	<u>65,382</u>	<u>61,063</u>
Net deficit for the year	<u>(51,344)</u>	<u>(44,421)</u>

(b) Student activities

Sports and societies income	91,802	89,252
Sports and societies expenditure	81,110	84,667
Facilities cost	22,018	14,353
Sports and student development	311,472	332,859
Minibus	-	-
Boathouse	20,131	23,140
Sailing club	-	22,555
<i>Support costs</i>		
Administration	35,674	28,108
Premises	123,772	117,572
	<u>594,177</u>	<u>623,254</u>

5 Governance

	2010 £	2009 £
Audit fees	10,000	9,800
Elections	5,417	4,546
Welfare and campaigns	1,871	-
<i>Support costs</i>		
Administration	5,488	5,700
Premises	17,071	9,227
	<u>39,847</u>	<u>29,273</u>

UNIVERSITY OF LONDON UNION

Notes to the accounts

Year ended 31st July 2010

6	Support costs	2010	2009
	General Administration	£	£
	Salaries	189,680	181,898
	Printing, stationery, postage, advertising and photocopying	19,391	17,684
	Miscellaneous	1,085	90
	Insurance	61,453	63,371
	Bad debts	(141)	1,132
	Irrecoverable VAT	103,966	116,715
	Redundancy costs	-	21,000
	University administration charge	50,004	50,001
	Training and other staff expenses	24,975	16,879
	Computer maintenance and consumables	58,806	55,364
	Loan interest and bank charges	11,353	12,444
	Legal fees	7,650	11,388
	Other expenses	1,085	1,092
	Depreciation	64,699	56,870
		<u>594,006</u>	<u>605,928</u>
	Premises costs		
	Salaries	205,285	203,809
	Building maintenance	405,941	390,697
	Cleaning and refuse	192,193	196,562
	Furniture and equipment	4,271	6,360
	Electricity, gas and council tax	275,215	239,005
	Telephone	7,290	8,211
	Other expenses	1,838	2,525
		<u>1,092,033</u>	<u>1,047,169</u>
	Total support costs	<u>1,686,039</u>	<u>1,653,097</u>
	Administration apportioned as follows:	%	
	Conference room hire and rental expenditure	11.1%	65,862
	Student representation	1.6%	9,483
	Student activity	6.0%	35,674
	<i>Student social enterprises</i>		
	Venues	32.3%	192,097
	Shops	33.3%	197,586
	Recreation facilities	14.8%	87,816
	Governance	0.9%	5,488
		<u>100.0%</u>	<u>594,006</u>

Administration support costs have been apportioned based on the estimate of time spent by staff on the various activities.

	Premises apportioned as follows:	%	
	Conference room hire and rental expenditure	18.8%	204,847
	Student representation	0.6%	6,514
	Student activity	11.3%	123,772
	<i>Student social enterprises</i>		
	Venues	32.0%	349,947
	Shops	25.8%	281,665
	Recreation facilities	9.9%	108,218
	Governance	1.6%	17,071
		<u>100.0%</u>	<u>1,092,033</u>

Premises support costs have been apportioned based on floor area.

UNIVERSITY OF LONDON UNION

Notes to the accounts

Year ended 31st July 2010

7	Net movement in funds		
	Net movement in funds is arrived at after charging:	2010	2009
		£	£
	Depreciation	323,607	352,895
	Audit fee	10,000	9,800
		<u>333,607</u>	<u>362,700</u>
8	Fixed assets		
		Property	Furniture &
		Improvement	Equipment
			Total
	Cost	£	£
	At 1st August 2009	4,428,534	1,427,401
	Additions	196,623	55,013
	Disposals	-	-
	At 31st July 2010	<u>4,625,157</u>	<u>1,482,414</u>
	Depreciation		
	At 1st August 2009	3,360,363	1,427,381
	Charge for year	314,180	9,427
	Disposals	-	-
	At 31st July 2010	<u>3,674,543</u>	<u>1,436,808</u>
	Net book value		
	At 31st July 2010	<u>950,614</u>	<u>45,606</u>
	At 31st July 2009	<u>1,068,171</u>	<u>20</u>
9	Investments	2010	2009
		£	£
	At cost	<u>10,472</u>	<u>10,472</u>
10	Stock	2010	2009
		£	£
	Bar	4,173	3,476
	Birbeck	1,280	1,283
	Energybase	419	622
	Catering	13,498	3,493
	Paperwork	46,243	53,738
	Sports	5,236	3,403
		<u>70,849</u>	<u>66,015</u>
11	Debtors	2010	2009
		£	£
	Trade debtors	90,259	88,001
	Prepayments and accrued income	37,093	144,717
		<u>127,352</u>	<u>232,718</u>
12	Creditors: amounts falling due within one year	2010	2009
		£	£
	Trade creditors	120,036	433,398
	Deferred income	10,037	8,317
	Bank loans and overdrafts	31,455	-
	Other creditors and accruals	562,944	331,509
		<u>724,472</u>	<u>773,224</u>

UNIVERSITY OF LONDON UNION

Notes to the accounts

Year ended 31st July 2010

13	Fund movements	At 1st Aug 2009	Deficit for the year	Transfers	At 31st July 2010
		£	£	£	£
	Unrestricted funds				
	Accumulated	743,396	116,127	(103,234)	756,289
	Designated funds				
	Capital fund	457,201	-	43,984	501,185
	Maintenance fund	158,250	-	59,250	217,500
	Restricted funds				
	Building fund	610,990	(115,955)	-	495,035
	Sports and societies fund	52,382	10,692	-	63,074
		<u>2,022,219</u>	<u>10,864</u>	<u>-</u>	<u>2,033,083</u>

14	Analysis of net assets between funds	Restricted funds	Unrestricted funds	2010 Total
		£	£	£
	Tangible fixed assets	495,035	501,185	996,220
	Investments	-	10,472	10,472
	Current assets	63,074	1,687,789	1,750,863
	Current liabilities	-	(724,472)	(724,472)
	Total net assets	<u>558,109</u>	<u>1,474,974</u>	<u>2,033,083</u>

15	Analysis of changes in net funds	At 1st Aug 2009	Transfers	At 31st July 2010
		£	£	£
	Cash at bank	23,429	(54,884)	(31,455)
	Short term deposits	1,394,618	158,044	1,552,662
		<u>1,418,047</u>	<u>103,160</u>	<u>1,521,207</u>