

**DE MONTFORT UNIVERSITY  
STUDENTS UNION LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2019**

**Company Registered Number 06634464 (England and Wales)**

**Charity Registered Number 1138587**

# DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

## TRUSTEES REPORT

### FOR THE YEAR ENDED 31 JULY 2019

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The Trustees (who are also the directors of the Charity for the purposes of the Companies Act) present their Trustees report together with the audited financial statements of De Montfort University Students Union Limited (the Charity) for the year ended 31 July 2019. The Trustees confirm that the Trustees report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in January 2015.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Charitable Status

De Montfort University Students Union Limited (DSU) is a company limited by guarantee (company number 06634464) and a registered charity (charity number 1138587).

##### Principal Address and Registered Office

First Floor, Campus Centre Building, Mill Lane, Leicester, LE2 7DR

##### Trustees

The following Trustees are also Directors of the company

##### Full-time Executive Officers

The Executive Officers are elected by the student population to hold office from 1 July 2018 to 30 June 2019 and are known also as the Executive Committee. The Executive Officers who held office during the year are:

|  |                                     |
|--|-------------------------------------|
| Union Development Executive                  | Kate Askew (appointed 01/07/19)     |
| Academic Executive                           | Laura Flowers (appointed 01/07/19)  |
| Equality & Diversity Executive               | Diya Rattanpal (appointed 01/07/19) |
| Student Opportunities & Engagement Executive | Aisha Ismail (appointed 01/07/19)   |
| Welfare Executive                            | Katie Hobbs (appointed 01/07/19)    |
| Deputy President Education                   | Mollie Footitt (resigned 30/06/19)  |
| Vice President Student Activities            | Derrick Mensah (resigned 30/06/19)  |
| Vice President Welfare and Community         | Jessica Okwuonu (resigned 29/10/18) |

##### External Trustees

The External Trustees are appointed to the Trustee Board by an Appointments Committee. The External Trustees who held office during the year are:

Danielle Gillett  
James Brooks (appointed 21/08/19)  
Sam Hagger (appointed 21/08/19)  
James Gardner (resigned 12/08/19)  
Robert Gofton (resigned 05/02/19)

# DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

## TRUSTEES REPORT (continued)

### FOR THE YEAR ENDED 31 JULY 2019

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#### Student Trustees

The Student Trustees who held office during the year are:

|                 |                                    |
|-----------------|------------------------------------|
| Student Trustee | Kalem Todd                         |
| Student Trustee | Laura Toher-Hindle                 |
| Student Trustee | Samuel Sayer (appointed 05/03/19)  |
| Student Trustee | Youssef Labib (appointed 01/07/19) |
| Student Trustee | Daniel Czyzak(resigned 03/12/18)   |
| Student Trustee | Tyler Arthur (resigned 30/06/19)   |

#### Auditors

RSM UK Audit LLP  
Chartered Accountants  
Rivermead House  
7 Lewis Court  
Grove Park  
Leicester  
Leicestershire  
LE19 1SD

**Charity Number** 1138587

**Company Number** 06634464

#### Bankers

Royal Bank of Scotland  
5 Market Street  
Leicester  
LE1 6DN

#### Governing document

The Students' Union is governed by the Memorandum and Articles of Association. The Students' Union is a company limited by guarantee and does not have any share capital. The guarantors are the members of the Students' Union, being registered students at the De Montfort University ("DMU") as defined in the Articles of Association.

#### DSU Staff

The Chief Executive Officer works closely with the Executive Officers and as head of the Senior Leadership Team ensures effective management. The Senior Leadership Team is made up of the following:

|  |                |
|--|----------------|
| Chief Executive Officer                      | Penni Robson   |
| Head of Commercial Services                  | Joe Stephenson |
| Head of Finance, People and Central Services | Paula Heneghan |
| Head of Membership Services                  | Colina Wright  |

# DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

## TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2019

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### Key Management and Trustees Pay

DSU follows De Montfort University's (DMU) pay and grading system with staff being aligned to the Universities Single Salary Pay Spine. Staff are awarded an annual pay award which is nationally negotiated and is usually applied to the scales on the 1 August each year. Dates can vary depending on national and local agreements but this is back dated to 1 August as required.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Organisational Structure and Decision Making

DSU became a company limited by guarantee on 1 August 2008 and registered as a charity on 26 October 2010. The governance structure includes the appointment of up to 4 External Trustees and 4 Student Trustees onto the Trustee Board. The experiences and expertise held by these Trustees ensure that DSU can focus on continuity as previously the short term of office held by the Executive Committee has made long term strategic planning more challenging. Appointments to the Trustee Board are made by an Appointment Committee.

#### Recruitment and training of Trustees

The current Trustee Board consists of twelve Trustees and is constituted as follows:-

- 5 Executive Officer Trustees
- 4 Elected Student Trustees
- 3 External Trustees

The five Executive Officer posts are Union Development Executive, Academic Executive, Equality & Diversity Executive, Student Opportunities and Engagement Executive and Welfare Executive.

These are full time posts which make up the Executive Committee and are remunerated as authorised by the Education Act. These posts cannot exceed two years duration for each post holder. On induction the Executive Committee receive ILM accredited Trustee training and have access to ongoing training as required. The Executive Officers are also charity Trustees.

The Executive Committee meets monthly to receive reports including financial information, to discuss policy issues and receive information from staff as required. DSU also employs a number of non-student staff who are accountable to the CEO for the performance of their duties.

The Trustee Board structure also includes four elected student trustee positions to improve the voice of students at DSU. This structure ensure accountability of the Executive Committee as well as increasing student participation in DSU.

Our External Trustees are appointed for a term of four years and can stand for re-election for another term. Up to 3 external trustees are appointed by the Appointments Committee ratified by the Trustee Board. One External Trustee shall be appointed by DMU Board of Governors.

All Trustees receive a full induction into the work of the Students' Union and the roles and responsibilities of a Trustee.

DSU is affiliated to the NUS and receives support and information on a wide range of topics.

# DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

## TRUSTEES REPORT (continued)

### FOR THE YEAR ENDED 31 JULY 2019

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#### **Third party indemnity provision for trustees**

Qualifying third party indemnity provision is in place for the benefit of the trustees.

#### **Principal risks and uncertainties**

##### **Risk management**

The major strategic, business and operational risks to which the charity is exposed, as identified by the Trustees, are regularly reviewed and systems or procedures put in place to mitigate those risks. A risk register has been established which is updated and reported to the Executive Committee and Trustee Board quarterly, covering the following key matters amongst others:

**Funding** – DSU receives the majority of its income from DMU as well as generating its own income from commercial services. Annual budgets are set and approved by the Trustee Board with management accounts and variances to budget regularly reviewed. DSU is also represented on the DMU Board of Governors to ensure reporting and communication with our main funder and reports to the University's Finance and HR Reporting Committee (FHRC) and Quarterly Review & Performance Committee (QPR) on a quarterly basis.

**Retention of key staff** – We use experts to assist with key recruitment decisions. We provide enhanced support and supervision giving people opportunities to progress. Key staff are involved in long term strategy and annual business planning, aligning resources to activities.

**Governance management** – We have a corporate governance structure aligned with Charity Commission best practice guidelines which involve strong communication with staff and trustees, review of policies and procedures, regular meetings and information on performance and progress and clear and defined decision-making processes. DSU completed a full governance review in 2018 which endorsed our new structures as best practise.

**Financial systems and control** – Qualified in-house finance professionals produce accurate and up to date financial reporting with close monitoring of internal controls and a regular review of processes and procedures to ensure they are fit for purpose.

**Compliance with laws and regulations** – We constantly monitor and review changes as well as adhere to best practice, using specialist support where necessary.

**Brexit** – no significant risks have been identified as a result of the decision to leave the EU. Close monitoring of the impact of Brexit on the student body and DSU will continue and is supported by DMU and NUS.

#### **Public benefit**

The Trustees have considered this matter, in conjunction with the guidance contained in the Charity Commission's general guidance on public benefit and have concluded that as a registered charity and Students' Union, our work directly supports and benefits the 27,000+ students registered to study at DMU. In planning our work we test that the primary goals of all our activities are linked to our core aims and therefore are for the direct benefit of our member students.

# DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

## TRUSTEES REPORT (continued)

### FOR THE YEAR ENDED 31 JULY 2019

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#### OBJECTIVES AND ACTIVITIES

DSU is constituted under the Education Act 1994 as a charity.

The main aims of DSU as set out in its governing documents are:

To advance the education of the students of DMU for the public benefit by:

- Providing representation, advice and assistance to students on matters affecting their welfare and interest as students;
- being the recognised representative channel between Students and DMU and any other external body;
- providing sporting, social, cultural and recreational opportunities and facilities for students so as to further the education purposes of DMU;
- promoting and encouraging contact and co-operation between students;
- advancing the welfare and physical and mental wellbeing of students;
- all such objects as are charitable in law which are incidental or conducive to the foregoing objects.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission general guidance on public benefit.

#### Relationship with DMU

For the year ended 31 July 2019 DSU received a Block Grant from DMU of £1,046,865 (2018: £1,046,868). For the financial year 2019/20 DMU have agreed a Block Grant of £1,287,868.

DSU is extremely grateful for the University's continuing support including the use of the recently refurbished Campus Centre Building and ongoing financial and other support which the University has provided during the year. The stable Block Grant and continued use of campus space ensures DSU can keep supporting its members and deliver the best service to achieve its aims and ambitions for the coming year.

DSU continue to benefit from positive relationships with University staff at all levels. We aspire to make a continued positive contribution to the lives of our members and the campus community in 2019/20.

The Charities SORP has been adopted for due compliance with the requirements for Students' Unions' provided in the Charities Act 2006. As a result an estimated value to DSU for the free serviced accommodation has been included in the financial statements. This has been valued at £150,000 based on market prices within the Midlands.

#### FINANCIAL REVIEW

##### Results

DSU gross income from all sources this year totalled £2,281,389 (2018: £2,087,660). Total expenditure of £2,197,125 (2018: £2,005,211) on the wide-ranging student benefits we provide left a surplus of £84,264 (2018: £82,449).

At the year end, DSU had total funds deficit of £368,572 (2018: £452,836), of which includes restricted funds of £124,332 (2018: £89,668) and designated funds of £65,418 (2018: £100,949).

Following the adoption of FRS102, the charitable company has been required to recognise the net present value of future contributions required to eliminate the shortfall estimated with respect to charitable company participation in the Students' Union Superannuation Scheme. This has resulted in a liability being recognised in the balance sheet at 31 July 2019 of £911,216 (2018: £909,241) and this has resulted in a charge to the Statement of Financial Activities in the year of £54,403 (2018: £24,903).

# DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

## TRUSTEES REPORT (continued)

### FOR THE YEAR ENDED 31 JULY 2019

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#### FINANCIAL REVIEW (*continued*)

##### Reserves Policy

The Trustee Board have approved a reserves policy and identified three reasons for DSU to hold reserves:-

- To provide financial stability to enable DSU to continue to achieve its objectives during challenging trading periods. This will enable DSU to cover regular short term fluctuations in income and cashflow.
- To allow DSU to take advantage of strategic development opportunities and plan for growth.
- To enable DSU to make provision for our staff redundancies and closure costs on any dissolving of the Charity.

DSU has identified that a minimum level of unrestricted funds should be set to counter balance trading uncertainty and produce a base level for stability. Additionally a target level of unrestricted funds will also be set to allow for growth and for DSU to take advantage of strategic development opportunities going forward.

The level of unrestricted funds should be set as three months operating costs, with an additional fund to cover redundancy costs for all staff (general reserve) and a designated fund for investment.

##### SUSS Pension Scheme

Following the triennial valuation at the 30 June 2016, the net present value of future contributions required to eliminate the shortfall has increased the liability being recognised in the balance sheet at 31 July 2019 to £911,216 (2018: £909,241) and a subsequent deficit on reserves of £368,572 (2018: £452,836). The trustees are confident the current deficit compared to the above reserves policy is wholly as a result of the provision required on adoption of FRS102, that this deficit will reduce over the coming years and that cash reserves remain adequate.

#### REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

We have reviewed the key achievements and progress over the course of the year below:

##### Marketing and Communications

2018/19 has seen further development in the way DSU communicate with our members. With the formulation of stronger working relationships with key departments at the University as well as better internal communication and cohesive working within the Union itself, we have ensured events, campaigns and information about DSU are better communicated in a more timely and connected way, using a broad range of channels.. We have dramatically increased the quantity and quality of our video output and communications, which is widely used across campus and online, and continues to achieve good engagement numbers.

During the year the department was able to add to the staff team with the creation of the Events and Communication Coordinator role. The creation of this role has allowed us to offer more engaging events than ever to increase our communication with students and offer a wide range of events. Throughout the next academic year the Marketing and Communications department will concentrate on ensuring that we are listening to our members and work to improve our communications further with DMU students and key stakeholders.

##### Membership Services

This year has seen success in many aspects of membership services with increased engagement at a variety of levels.

# DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

## TRUSTEES REPORT (continued)

### FOR THE YEAR ENDED 31 JULY 2019

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#### REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR (continued)

##### **Student Voice**

The 2019 officer elections were the first to be run after the full governance review, which included changes to the election regulations, new full time roles and a return to voting at ballot stations. As expected, the reintroduction of ballot stations led to a drop in voter numbers; 1,891 students cast a total of 10,305 individual votes. 36 candidates stood for 12 posts, all but one were contested.

The Annual General Meeting was well attended and the students voted overwhelmingly to approve the changes to the Articles of Association and Bye-Laws which came about as part of the governance review. The annual accounts and Trustee Board report were well received. Student Councils were also well attended and there was keen debate about union policy as well as considered Executive Officer scrutiny.

DSU continues to work closely with the University to develop the academic representation scheme ensuring that the student voice is heard at all levels within DSU and the University. Students are valued members of many University committees; they attend a variety of meetings including Academic Board, Academic Quality Committee, Programme Boards, Staff Student Representative Committees, course validations and periodic reviews

Consideration is currently being undertaken as to the future of School Rep Coordinators, who are managed by the University. DSU is heavily involved in this review and will work side by side with the University to ensure any decisions taken are in the interest of the student body.

##### **Activities: Societies**

DSU has continued to support student groups and increase the number of students involved. DSU currently has 179 societies and the new online system has removed barriers and enabled easier access for students and committee members. The total society memberships has reached 7,396, with a total of 1,109 committee members. These societies are all student led through committee volunteers.

##### **Activities: MyUniPal**

MyUniPal has transitioned into a group mentoring scheme focusing on the transition into higher education. The team works closely with, and is a full member of, the mentoring working group (Mentoring For All) which includes 5 mentoring schemes across the University working in partnership to ensure accessibility of mentoring on and off campus. In academic year 2018/19, the scheme engaged with over 50 volunteers that supported International Welcome Week, Freshers' Week 2018 and Refreshers' Week 2019 and different peer support initiatives. For academic year 19/20 the scheme will continue supporting International Welcome Week and Freshers' Fair as well as giving an opportunity for volunteers to develop peers support activities in their networks.

##### **Activities: DSU Sport**

In 2018/19 DSU sold 4,315 memberships to Sporting Clubs with 1,687 individuals purchasing a membership. 397 of these individuals became student leaders and are elected committee members for the group. The Activities department continues to work in partnership with the DMU Sport team and are currently planning the training and support of new committee members and creating a calendar of events for 2019/20.



# DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

## TRUSTEES REPORT (continued)

### FOR THE YEAR ENDED 31 JULY 2019

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#### REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR (*continued*)

##### **Advice**

The Advice team has provided excellent advice and support to students this year on more than 2,500 cases. The Advice team helped students gain over £95k in returned damage deposits, SFE funding cases, rent write-offs and immigration application fees saved. In addition, the team have represented students in many University committees including disciplinary, academic misconduct, complaints/appeals and deferrals. The advisers have also supported individual students with more challenging cases such as supporting students through court proceedings regarding housing deposits and liaising with the Home Office on a very complex case regarding a lost passport.

##### **Supplies (DSU Shop)**

Supplies sells a variety of specialist supplies for DMU courses as well as stationary, clothing and provides dissertation and binding services.

Supplies has made a profit of £24k (2018 £25k). Constant product reviews, relationship development on the DMU Campus, excellent customer service and a small scale redecoration have been key to our success this year. In addition, DSU have been able to provide a full time contract to our Retail Manager to allow consistent opening of Supplies throughout the year.

##### **DSU Sales & Advertising**

DSU Sales & Advertising achieved a net profit figure of £50k (2018 £34k). This increase is down to a strong Fresher's Fair booking performance and direct sponsorship agreements with a number of national and local companies. Sales of the newly branded NUS Extra Card (Totum card) were maintained despite the reduction in attractiveness of this offer to students. For the 2019-20 financial year the reduction in commissions received on the Totum cards from 47% to 12% will directly affect the profit within this department however we will ensure this lost profit will be replaced.

##### **DSU Function Rooms and SU's Diner**

DSUs new American style catering offer, SU's Diner, opened in September 2018 with a focus on quick service and value for money. DSU continue to develop this offer in line with student feedback and have revamped the menu as well as making improvements to the seating and service delivery.

The DSU Function Rooms (including private hire bookings) made a profit of £13k (2018 £80k) due to lower than expected sales in particular on the relaunched Friday night event. Following investment into the Function Rooms during the year we have seen an increase in usage of this space in particular by our student groups and also our colleagues within DMU when holding events for students. Throughout the year there was a keen focus on cost control and service delivery and this has enabled the posts of Head of Commercial and Venues Managers to be made full time to ensure consistent service and the ability to meet out of term bookings.

##### **Student Union Lettings Limited (trading as Sulets)**

On 1 August 2012 the trade and assets of the Lettings operation were transferred to a new limited company Student Union Lettings Limited (trading as Sulets). Sulets is a registered charity and company limited by guarantee, with two members - DSU and The University of Leicester Students' Union (ULSU). Sulets supports DSU with sponsorship of activities and events during the year and we ensure it continues to contribute to our aims and objectives through our Board representation.

In the opinion of the Trustees, Sulets is not a subsidiary undertaking of the Charity. All funds generated by Sulets are restricted for use by Sulets in line with the objects of that charity.

# DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

## TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2019

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### PLANS FOR THE FUTURE

Following completion of the governance review last year DSU is in the process of preparing a new Strategic Plan for the next three years to 2022. We have also updated our vision, mission and values that underpin our plans. Planning is being done in conjunction with key stakeholders to ensure we meet the needs of all our student members and impacts on the DMU Strategic Framework.

#### Our Values and Mission

DSU is an independent student-run and student-led organisation. Our mission is

**Empowering you to create an unforgettable journey by looking out for your wellbeing, creating a sense of belonging and providing opportunities to get actively involved.**

We will deliver this by living up to our values, or Golden Threads, which are:

- Inclusion - your DSU is for you. Be who you are.
- Invested in you
- Support your wellbeing - a system of support that's accessible to all.
- Communication - listening to you and acting on it. Letting you know what we do.
- Celebrate your achievement, celebrate you.

Our longer term aims that are woven by our golden threads are to:

- Create a social hub which is the place for all DMU students to connect.
- Help and empower you by keeping you informed, advising and supporting on your rights and facilitating clubs, societies and other student groups.
- Support your wellbeing – with a system of support that's accessible to all.
- Amplify your voice - making sure that your opinions are heard at all levels across the University by representing you and helping you find your voice on campus.
- Build collaborative relationships - working with the University, other unions, and the community to represent your interests and create the best experience for you.

Based on these we have identified a set of priorities for 2019/20 that support our longer term ambition and these are:

- Engagement – however you want to get involved
- Wellbeing – providing support, advice, signposting, “just being there”, a safe and welcoming place to come.
- Belonging - creating a sustainable community in the heart of the campus.
- Representation – enhancing academic representation and empowering students to get actively involved.

Operational plans designed to develop, monitor and deliver these priorities is being developed and we look forward to working on them over the course of the next year.

# DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

## TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2019

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### Auditors

RSM UK Audit LLP have indicated their willingness to be reappointed for another term. In accordance with the Company Act 2006 a resolution proposing the reappointment of RSM UK Audit LLP as Auditor will be put to the members.

### Trustees' Responsibilities

The Trustees (who are also directors of De Montfort University Students Union for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the 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 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply the Companies Act 2006. They are also responsible for the 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 auditor is unaware and the trustees have taken all the necessary steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by the section 415A of the Companies Act 2006.

This report was approved by the Trustees on 8<sup>th</sup> Oct '19 and signed on their behalf by:



**D Gillett**  
External Trustee

# INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

FOR THE YEAR ENDED 31 JULY 2019

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## Opinion

We have audited the financial statements of De Montfort University Students Union Limited (the 'charitable company') for the year ended 31 July 2019 which comprise the Statement of Financial Activities, incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2019 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.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF  
DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED (continued)**

**FOR THE YEAR ENDED 31 JULY 2019**

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**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees Report, which includes the Director' Report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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 in preparing the Trustees' Report.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 10, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

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

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF  
DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED (continued)**

**FOR THE YEAR ENDED 31 JULY 2019**

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**Use of our report**

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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*RSM UK Audit LLP*

Gareth Jones, Senior Statutory Auditor  
for and on behalf of  
RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants,  
Rivermead House  
7 Lewis Court  
Grove Park  
Leicester  
Leicestershire  
LE19 1SD

Date: 4/11/19

**DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCORPORATING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 JULY 2019**

|   | Note | Restricted<br>funds<br>2019<br>£ | Unrestricted<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ | Total<br>funds<br>2018<br>£ |
|---|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>Income from:</b>                             |      |                                  |                                    |                             |                             |
| Donations and legacies                          | 4    | -                                | 1,261,865                          | 1,261,865                   | 1,196,868                   |
| Charitable activities                           | 4    | 193,678                          | 613,873                            | 807,551                     | 720,446                     |
| Other trading activities                        | 4    | -                                | 109,385                            | 109,385                     | 112,778                     |
| Investment income                               | 4    | -                                | 1,155                              | 1,155                       | 366                         |
| Other income                                    | 5    | -                                | 101,433                            | 101,433                     | 57,202                      |
| <b>Total</b>                                    |      | <u>193,678</u>                   | <u>2,087,711</u>                   | <u>2,281,389</u>            | <u>2,087,660</u>            |
| <b>Expenditure on:</b>                          |      |                                  |                                    |                             |                             |
| Raising funds                                   | 6    | -                                | 112,874                            | 112,874                     | 126,483                     |
| Charitable activities                           | 6    | 160,989                          | 1,923,262                          | 2,084,251                   | 1,878,728                   |
| <b>Total</b>                                    | 6    | <u>160,989</u>                   | <u>2,036,136</u>                   | <u>2,197,125</u>            | <u>2,005,211</u>            |
| Net income before                               |      | 32,689                           | 51,575                             | 84,264                      | 137,388                     |
| Termination costs                               | 11   | -                                | -                                  | -                           | (54,939)                    |
| <b>Net income and<br/>net movement in funds</b> | 11   | 32,689                           | 51,575                             | 84,264                      | 82,449                      |
| <b>Reconciliation of funds</b>                  |      |                                  |                                    |                             |                             |
| Total funds brought forward                     |      | (819,573)                        | 366,737                            | (452,836)                   | (535,285)                   |
| <b>Total funds carried forward</b>              | 17   | <u>(786,884)</u>                 | <u>418,312</u>                     | <u>(368,572)</u>            | <u>(452,836)</u>            |

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

A detailed comparative Statement of Financial Activities is shown in note 23.

**DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED**

**BALANCE SHEET  
COMPANY NUMBER 06634464**

**AS AT 31 JULY 2019**

|  | Note | £              | 2019<br>£        | £              | 2018<br>£        |
|--|------|----------------|------------------|----------------|------------------|
| <b>Fixed assets:</b>                           |      |                |                  |                |                  |
| Tangible assets                                | 12   |                | 76,489           |                | 125,329          |
| <b>Current assets:</b>                         |      |                |                  |                |                  |
| Stocks   | 13   | 35,538         |                  | 40,996         |                  |
| Debtors  | 14   | 76,718         |                  | 82,677         |                  |
| Cash at bank                                   |      | 538,654        |                  | 390,347        |                  |
|  |      | <u>650,910</u> |                  | <u>514,020</u> |                  |
| <b>Liabilities:</b>                            |      |                |                  |                |                  |
| Creditors: amounts falling due within one year | 15   | (184,755)      |                  | (182,944)      |                  |
| <b>Net current assets</b>                      |      |                | 466,155          |                | 331,076          |
| <b>Net assets excluding pension liability</b>  |      |                | <u>542,644</u>   |                | <u>456,405</u>   |
| Defined benefit pension scheme liability       | 20   |                | (911,216)        |                | (909,241)        |
| <b>Total net liabilities</b>                   |      |                | <u>(368,572)</u> |                | <u>(452,836)</u> |
| <b>Total funds of charity</b>                  |      |                |                  |                |                  |
| Restricted funds                               | 17   |                | 124,332          |                | 89,668           |
| Unrestricted funds:                            |      |                |                  |                |                  |
| General fund                                   | 17   |                | 352,894          |                | 265,788          |
| Facilities development reserve                 | 17   |                | 65,418           |                | 100,949          |
| Total unrestricted funds                       |      |                | <u>418,312</u>   |                | <u>366,737</u>   |
| Pension reserve                                | 17   |                | (911,216)        |                | (909,241)        |
| <b>Total charity funds</b>                     |      |                | <u>(368,572)</u> |                | <u>(452,836)</u> |

The financial statements on pages 14 to 32 were approved by the Board of Trustees and authorised for issue on 8<sup>th</sup> Oct '19 and signed on their behalf, by:



**D Gillett**  
External Trustee



**DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 JULY 2019**

|   | Note | £     | 2019<br>£      | £       | 2018<br>£      |
|---|------|-------|----------------|---------|----------------|
| <b>Cash flows from operating activities</b>                               |      |       |                |         |                |
| <b>Net cash provided by operating activities</b>                          | 19   |       | 147,152        |         | 74,307         |
| <b>Cash flows from investing activities</b>                               |      |       |                |         |                |
| Interest from investments   |      | 1,155 |                | 366     |                |
| Purchase of tangible fixed assets   |      | -     |                | (7,428) |                |
| <b>Net cash provided by/(used in) investing activities</b>                |      |       | <u>1,155</u>   |         | <u>(7,062)</u> |
| <b>Change in cash and cash equivalents in the reporting period</b>        |      |       | 148,307        |         | 67,245         |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |      |       | <u>390,347</u> |         | <u>323,102</u> |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |      |       | <u>538,654</u> |         | <u>390,347</u> |

## DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

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#### 1. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no critical accounting estimates and areas of judgement to note.

#### 2. Accounting policies

##### *Accounting convention*

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102), (Charities SORP (FRS102)) "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

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

##### *Going concern*

The charitable company has cash resources and no requirement for external funding, other than the annual block grant received from De Montfort University which has been confirmed for 2019/20. The impact of FRS102 has required the charitable company to recognise the net present value of future contributions required to eliminate the shortfall estimated in the 2016 triennial valuation of the scheme. Taking all of the above into account, the trustees have reasonable expectations that the charity has adequate resources to continue in operational existence for the foreseeable future. They continue to believe that the going concern basis of accounting is appropriate in preparing the annual financial statements.

There are no significant financial uncertainties which the trustees consider are a significant risk to the ability of the charitable company to trade as a going concern in the foreseeable future.

##### *Fund accounting*

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

## DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019 (continued)

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#### 2. Accounting policies (continued)

##### *Income*

All incoming resources are recognised once the trust has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

- Voluntary income, including donations, and grants are recognised where there is entitlement, probable of receipt and the amount can be measured reliably. The charitable company benefits from the provision of accommodation by the De Montfort University. The value of the gift of these facilities is based on the rental of similar facilities in similar locations.
- Investment income is recognised on a receivable basis.
- Income direct from charitable activities is recognised when the charitable company is legally entitled to income and the amount can be measured reliably, which includes income from bars, catering, shops, membership services and training.

##### *Expenditure and irrecoverable VAT*

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under charitable activity rather than the type of expense, in order to provide more useful information to users of the financial statements. Where costs cannot be directly attributed to particular heading they have been allocated to activities on a basis consistent with use of the resources.

Raising funds are those incurred in seeking voluntary contributions to enable the charitable company to carry out its charitable activities, these do not include the costs of disseminating information in support of the charitable activities.

Support and governance costs which cannot be directly attributable to a specific activity have been allocated to activities on a basis consistent with the use of the resources. Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

##### *Tangible fixed assets and depreciation*

Tangible fixed assets are initially recorded at costs and subsequently measured at cost net of depreciation and any impairment losses. Tangible fixed assets with a cost price in excess of £500 are capitalised and all other expenditure is charged to the statement of financial activities in the year incurred.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation of the asset less any residual value, except for land over its estimated useful economic life. It is calculated at the following annual rates:

|                     |   |                        |
|---------------------|---|------------------------|
| Fixtures & fittings | - | 20 - 33% Straight Line |
| Computer equipment  | - | 33% Straight Line      |

DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019 (continued)

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2. Accounting policies (continued)

*Impairment of fixed assets*

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the charitable company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment losses are recognised in statement of financial activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in statement of financial activities. On reversal of an impairment loss, the depreciation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

*Jointly controlled entity*

The charitable company has a long term interest and shares, controlled under contractual arrangements that is classified as a jointly controlled entity.

*Stocks*

Stock consisting of goods purchased for resale are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items.

At each reporting date, the charitable company assesses whether stocks are impaired or if any impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in statement of financial activities.

*Financial instruments*

The charitable company only has financial assets and liabilities of a kind that qualify as basic financial instruments and are not considered to be of financial nature. Such financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with exception.

*Debtors*

Trade debtors and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors and other debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

*Cash and cash equivalents*

Cash and cash equivalents includes cash and monies on short-term deposits at the bank, other short-term liquid investments with original maturities of three months or less.

*Creditors*

Creditors are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

## DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019 (continued)

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#### 2. Accounting policies (continued)

##### *Taxation*

No provision for corporation tax has been made as the charitable company is exempt from corporation tax on its income and gains to the extent that these are applied to its charitable activities.

##### *Pensions*

The charitable company participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the charitable company. Therefore the pension charge shown in the financial statements represents the contributions payable in the year, as under current accounting standards the contributions are accounted for as if the scheme were a defined contributions scheme.

The charitable company also contributes to the NUS Aegon Pension Scheme and the government approved NEST scheme. The annual contributions payable are charged to the statement of financial activities.

##### *Employee benefits*

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 3. Legal status of the charitable company

De Montfort University Students Union Limited is a private incorporated charitable company (company number 06634464) and is also registered at the Charity Commission in England and Wales (charity number 1138587). The charitable company is limited by guarantee and as such has no issued share capital.

The address of the charitable company's registered office and principal place of business is First Floor, Campus Centre Building, Mill Lane, Leicester, LE2 7DR.

The main aims of De Montfort University Students Union Limited are to advance the education of the students of De Montfort University for the public benefit.

**DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019 (continued)**

**4. Income from**

|   | <b>Restricted<br/>funds<br/>£</b> | <b>Unrestricted<br/>funds<br/>£</b> | <b>Total funds<br/>2019<br/>£</b> | <i>Total funds<br/>2018<br/>£</i> |
|---|-----------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|
| <b>Donations and legacies</b>           |                                   |                                     |                                   |                                   |
| Grant income                            | -                                 | 1,046,865                           | 1,046,865                         | 1,046,868                         |
| Grant of serviced<br>accommodation      | -                                 | 150,000                             | 150,000                           | 150,000                           |
| Grant of CEO Support                    | -                                 | 65,000                              | 65,000                            | -                                 |
| Sub total                               | -                                 | 1,261,865                           | 1,261,865                         | 1,196,868                         |
| <b>Charitable activities</b>            |                                   |                                     |                                   |                                   |
| Bars and catering                       | -                                 | 461,955                             | 461,955                           | 366,748                           |
| Shops                                   | -                                 | 134,789                             | 134,789                           | 151,730                           |
| Membership services                     | 193,678                           | 17,129                              | 210,807                           | 187,156                           |
| Training                                | -                                 | -                                   | -                                 | 14,812                            |
| Sub total                               | 193,678                           | 613,873                             | 807,551                           | 720,416                           |
| <b>Other trading activities</b>         |                                   |                                     |                                   |                                   |
| Commercial<br>marketing and sponsorship | -                                 | 109,385                             | 109,385                           | 112,778                           |
| Sub total                               | -                                 | 109,385                             | 109,385                           | 112,778                           |
| <b>Investment income</b>                | -                                 | 1,155                               | 1,155                             | 366                               |
| <b>Total</b>                            | 193,678                           | 1,986,278                           | 2,179,956                         | 2,030,458                         |

**5. Other incoming resources**

|              | <b>Restricted<br/>funds<br/>£</b> | <b>Unrestricted<br/>funds<br/>£</b> | <b>Total funds<br/>2019<br/>£</b> | <i>Total funds<br/>2018<br/>£</i> |
|--------------|-----------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|
| Other income | -                                 | 101,433                             | 101,433                           | 57,202                            |

**DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019 (continued)**

**6. Analysis of expenditure**

|   | Direct<br>supplies<br>£ | Direct<br>staff<br>costs<br>£ | Other<br>direct<br>costs<br>£ | Support<br>costs<br>£ | 2019<br>£               | 2018<br>£               |
|---|-------------------------|-------------------------------|-------------------------------|-----------------------|-------------------------|-------------------------|
| <b>Raising funds</b>                    |                         |                               |                               |                       |                         |                         |
| Commercial marketing<br>and sponsorship | 22,475                  | 27,897                        | 10,033                        | 52,469                | 112,874                 | 126,483                 |
| Sub total                               | <u>22,475</u>           | <u>27,897</u>                 | <u>10,033</u>                 | <u>52,469</u>         | <u>112,874</u>          | <u>126,483</u>          |
| <b>Charitable activities</b>            |                         |                               |                               |                       |                         |                         |
| Welfare, advice and<br>representation   | 77,419                  | 266,856                       | 38,488                        | 140,379               | 523,142                 | 550,850                 |
| Bars and catering                       | 240,683                 | 238,343                       | 42,405                        | 206,657               | 728,088                 | 509,859                 |
| Shops                                   | 63,782                  | 40,898                        | 6,890                         | 56,719                | 168,289                 | 181,543                 |
| Membership<br>services                  | 245,022                 | 286,141                       | 680                           | 132,878               | 664,721                 | 629,108                 |
| Training                                | -                       | -                             | 11                            | -                     | 11                      | 7,368                   |
| Sub total                               | <u>626,906</u>          | <u>832,238</u>                | <u>88,474</u>                 | <u>536,633</u>        | <u>2,084,251</u>        | <u>1,878,728</u>        |
| <b>Total</b>                            | <u><u>649,381</u></u>   | <u><u>860,135</u></u>         | <u><u>98,507</u></u>          | <u><u>589,102</u></u> | <u><u>2,197,125</u></u> | <u><u>2,005,211</u></u> |

**Other direct costs comprised**

|                      | 2019<br>£            | 2018<br>£            |
|----------------------|----------------------|----------------------|
| Depreciation         | 35,668               | 33,102               |
| Repairs and renewals | 45,981               | 25,520               |
| Other                | 16,858               | 35,540               |
| Total                | <u><u>98,507</u></u> | <u><u>94,162</u></u> |

**DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019 (continued)**

**7. Analysis of the support costs**

|                                      | Staff<br>costs<br>£   | Rent<br>£             | Other<br>costs<br>£   | 2019<br>£             | 2018<br>£             |
|--------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Raising funds</b>                 |                       |                       |                       |                       |                       |
| Commercial marketing and sponsorship | 20,474                | 7,500                 | 24,495                | 52,469                | 48,946                |
| Sub total                            | <u>20,474</u>         | <u>7,500</u>          | <u>24,495</u>         | <u>52,469</u>         | <u>48,946</u>         |
| <b>Charitable activities</b>         |                       |                       |                       |                       |                       |
| Welfare, advice and representation   | 51,184                | 30,000                | 59,195                | 140,379               | 128,125               |
| Bars and catering                    | 61,421                | 75,000                | 70,236                | 206,657               | 199,338               |
| Shops                                | 20,474                | 15,000                | 21,245                | 56,719                | 56,447                |
| Membership services                  | 51,184                | 22,500                | 59,194                | 132,878               | 120,625               |
| Sub total                            | <u>184,263</u>        | <u>142,500</u>        | <u>209,870</u>        | <u>536,633</u>        | <u>504,535</u>        |
| <b>Total</b>                         | <u><u>204,737</u></u> | <u><u>150,000</u></u> | <u><u>234,365</u></u> | <u><u>589,102</u></u> | <u><u>553,481</u></u> |

**Other costs comprised**

|                            | 2019<br>£             | 2018<br>£             |
|----------------------------|-----------------------|-----------------------|
| Depreciation               | 13,172                | 13,284                |
| Repairs and renewals       | 136                   | 2,163                 |
| Insurances                 | 22,618                | 19,749                |
| Sundry supplies            | 119,549               | 68,265                |
| Audit and accountancy fees | 13,890                | 16,996                |
| Recharge of CEO Support    | 65,000                | -                     |
| <b>Total</b>               | <u><u>234,365</u></u> | <u><u>120,457</u></u> |

**8. Governance costs**

|                                   | 2019<br>£     | 2018<br>£     |
|-----------------------------------|---------------|---------------|
| Audit, accountancy and legal fees | <u>52,299</u> | <u>23,543</u> |



**DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019 (continued)**

**9. Analysis of staff costs and numbers**

|  | 2019      | 2018      |
|--|-----------|-----------|
|  | £         | £         |
| Total staff emoluments for the year were as follows: |           |           |
| Wages and salaries costs                             | 901,720   | 921,465   |
| Social security costs                                | 66,700    | 73,834    |
| Pension contributions                                | 96,452    | 51,183    |
|  | 1,064,872 | 1,046,482 |

During the year the charitable company made redundancy payments and payments in lieu of notice amounting to £Nil (2018: £45,319).

The pension costs are allocated to activities in proportion to related staffing costs incurred.

The average number of individuals employed by the charitable company during the year was as follows:

|                       | 2019 | 2018 |
|-----------------------|------|------|
|                       | No.  | No.  |
| Commercial activities | 45   | 35   |
| Charitable activities | 18   | 17   |
| Admin and management  | 8    | 8    |
| Total staff           | 71   | 60   |

There were no members of staff who received emoluments, including benefits in kind, within the range of £60,001 - £70,000 (2018: Nil)

**10. Trustees' remuneration and expenses and cost of key management personnel**

**Trustees' remuneration**

Each of the Executive Committee's sabbatical officers received remuneration as authorised in the Union's governing document for the representation, campaigning and support work they undertake as distinct from their trustee responsibilities. Their remuneration amounted to £56,316 (2018: £93,272) in aggregate. The split as detailed below:

|           |           |                 |             |           |                 |
|-----------|-----------|-----------------|-------------|-----------|-----------------|
| M Footitt | - £20,479 | (2018: £19,354) | D Mensah    | - £20,479 | (2018: £19,354) |
| J Okwuonu | - £7,138  | (2018: £19,354) | K Askew     | - £1,644  | (2018: £Nil)    |
| L Flowers | - £1,644  | (2018: £Nil)    | K Hobbs     | - £1,644  | (2018: £Nil)    |
| A Ismail  | - £1,644  | (2018: £Nil)    | D Rattanpal | - £1,644  | (2018: £Nil)    |

During the year end 31 July 2018, remuneration was paid to A Mahmood amounting to £17,605, and M Clarke amounting to £17,605, these trustees resigned on 30 June 2018.

During the year pension payments were made to the NEST scheme as follows:

|           |      |              |
|-----------|------|--------------|
| M Footitt | £919 | (2018: £98)  |
| D Mensah  | £919 | (2018: £194) |
| J Okwuonu | £143 | (2018: £194) |

During the year end 31 July 2018, pension payments were made to NEST for M Clarke amounting to £176 and A Mahmood amounting to £176, these trustees resigned on 30 June 2018.

**DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019 (continued)**

**10. Trustees' remuneration and expenses and cost of key management personnel (continued)**

**Trustees' remuneration (continued)**

During the year, four (2018: two) trustees' received travelling expenses totalling £1,822 (2018: £302)

**Key management remuneration**

The key management personnel of the charitable company comprise the trustees and members of the DSU staff management committee that are responsible for the day to day running of the charity. The total employee benefits for key management personnel of the charitable company were £209,455 (2018: £294,984).

**11. Net income**

This is arrived at after charging:

|                              | <b>2019</b> | <i>2018</i> |
|------------------------------|-------------|-------------|
|                              | <b>£</b>    | <i>£</i>    |
| Depreciation of owned assets | 48,840      | 46,386      |
|                              | 48,840      | 46,386      |

During the year the charitable company incurred termination costs consisting of severance payments £Nil (2018: £45,319), employee claim of £Nil (2018: £6,930) and legal costs relating to these terminations of £Nil (2018: £2,690).

Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows;

|  | <b>2019</b> | <i>2018</i> |
|--|-------------|-------------|
|  | <b>£</b>    | <i>£</i>    |
| Audit services – statutory audit of the charitable company | 11,675      | 11,750      |
| Other services:  |             |             |
| Tax compliance   | 1,250       | -           |
| Other non-audit services                                   | 3,250       | 5,246       |
|  | 16,175      | 16,996      |

**DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019 (continued)**

|   |                                      |                                 |                    |
|---|--------------------------------------|---------------------------------|--------------------|
| <b>12. Tangible fixed assets</b>                              | <b>Fixtures &amp; fittings<br/>£</b> | <b>Computer equipment<br/>£</b> | <b>Total<br/>£</b> |
| <b>Cost</b>   |                                      |                                 |                    |
| At 1 August 2018 and 31 July 2019                             | 286,780                              | 39,856                          | 326,636            |
| <b>Depreciation</b>   |                                      |                                 |                    |
| At 1 August 2018  | 186,496                              | 14,811                          | 201,307            |
| Charge for the year   | 35,668                               | 13,172                          | 48,840             |
| At 31 July 2019   | 222,164                              | 27,983                          | 250,147            |
| <b>Net book value</b>   |                                      |                                 |                    |
| At 31 July 2019   | 64,616                               | 11,873                          | 76,489             |
| At 31 July 2018   | 100,284                              | 25,045                          | 125,329            |
| <b>13. Stocks</b>   |                                      | <b>2019<br/>£</b>               | <b>2018<br/>£</b>  |
| Finished goods and goods for resale                           |                                      | 35,538                          | 40,996             |
| <b>14. Debtors</b>  |                                      | <b>2019<br/>£</b>               | <b>2018<br/>£</b>  |
| Trade debtors   |                                      | 33,792                          | 43,719             |
| Other debtors   |                                      | 18,030                          | 16,291             |
| Prepayments and accrued income                                |                                      | 24,896                          | 22,667             |
|   |                                      | 76,718                          | 82,677             |
| <b>15. Creditors:<br/>Amounts falling due within one year</b> |                                      | <b>2019<br/>£</b>               | <b>2018<br/>£</b>  |
| Trade creditors   |                                      | 27,524                          | 19,114             |
| Other taxation and social security                            |                                      | 21,651                          | 26,826             |
| Other creditors   |                                      | 20,330                          | 7,629              |
| Accruals and deferred income                                  |                                      | 115,250                         | 129,375            |
|   |                                      | 184,755                         | 182,944            |
| <b>Deferred Income</b>  |                                      |                                 | <b>£</b>           |
| Deferred income at 1 August 2018                              |                                      |                                 | 30,815             |
| Resources deferred in the year                                |                                      |                                 | 47,438             |
| Amounts released from previous year                           |                                      |                                 | (30,815)           |
| Deferred income at 31 July 2019                               |                                      |                                 | 47,438             |

The deferred income at 31 July 2019, relates to training, sponsorship and events for the next year.

**DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019 (continued)**

**16. Financial instruments**

|   | <b>2019</b>    | <i>2018</i>           |
|---|----------------|-----------------------|
|   | <b>£</b>       | <i>£</i>              |
| <b>Carrying amount of financial assets</b>      |                |                       |
| Debt instruments measured at amortised cost     | 51,822         | <i>60,010</i>         |
|   | <u>51,822</u>  | <u><i>60,010</i></u>  |
| <b>Carrying amount of financial liabilities</b> |                |                       |
| Measured at amortised cost                      | 115,666        | <i>125,303</i>        |
|   | <u>115,666</u> | <u><i>125,303</i></u> |

**17. Statement of funds**

|                              | <b>At 1</b>        | <b>Incoming</b>  | <b>Resources</b>   | <b>Transfer</b> | <b>At 31</b>     |
|------------------------------|--------------------|------------------|--------------------|-----------------|------------------|
| <b>Current year:</b>         | <b>August 2018</b> | <b>resources</b> | <b>expended</b>    | <b>£</b>        | <b>July 2019</b> |
|                              | <b>£</b>           | <b>£</b>         | <b>£</b>           | <b>£</b>        | <b>£</b>         |
| <b>Restricted funds</b>      |                    |                  |                    |                 |                  |
| Clubs and societies          | 89,668             | 193,678          | (159,014)          | -               | 124,332          |
|                              | <u>89,668</u>      | <u>193,678</u>   | <u>(159,014)</u>   | <u>-</u>        | <u>124,332</u>   |
| <b>Unrestricted funds</b>    |                    |                  |                    |                 |                  |
| General fund                 | 265,788            | 2,087,711        | (2,000,605)        | -               | 352,891          |
| Facility development reserve | 100,949            | -                | (35,531)           | -               | 65,418           |
|                              | <u>366,737</u>     | <u>2,087,711</u> | <u>(2,036,136)</u> | <u>-</u>        | <u>418,312</u>   |
| Total unrestricted funds     | <u>366,737</u>     | <u>2,087,711</u> | <u>(2,036,136)</u> | <u>-</u>        | <u>418,312</u>   |
| Pension reserve              | (909,241)          | -                | (1,975)            | -               | (911,216)        |
|                              | <u>(909,241)</u>   | <u>-</u>         | <u>(1,975)</u>     | <u>-</u>        | <u>(911,216)</u> |
| Total funds                  | <u>(452,836)</u>   | <u>2,281,389</u> | <u>(2,197,125)</u> | <u>-</u>        | <u>(368,572)</u> |
|                              | <u>(452,836)</u>   | <u>2,281,389</u> | <u>(2,197,125)</u> | <u>-</u>        | <u>(368,572)</u> |
| <b>Previous year:</b>        | <b>At 1</b>        | <b>Incoming</b>  | <b>Resources</b>   | <b>Transfer</b> | <b>At 31</b>     |
|                              | <b>August 2017</b> | <b>resources</b> | <b>expended</b>    | <b>£</b>        | <b>July 2018</b> |
|                              | <b>£</b>           | <b>£</b>         | <b>£</b>           | <b>£</b>        | <b>£</b>         |
| <b>Restricted funds</b>      |                    |                  |                    |                 |                  |
| Clubs and societies          | 90,966             | 158,293          | (159,591)          | -               | 89,668           |
|                              | <u>90,966</u>      | <u>158,293</u>   | <u>(159,591)</u>   | <u>-</u>        | <u>89,668</u>    |
| <b>Unrestricted funds</b>    |                    |                  |                    |                 |                  |
| General fund                 | 170,962            | 1,929,367        | (1,834,541)        | -               | 265,788          |
| Facility development reserve | 135,575            | -                | (34,626)           | -               | 100,949          |
|                              | <u>306,537</u>     | <u>1,929,367</u> | <u>(1,869,167)</u> | <u>-</u>        | <u>366,737</u>   |
| Total unrestricted funds     | <u>306,537</u>     | <u>1,929,367</u> | <u>(1,869,167)</u> | <u>-</u>        | <u>366,737</u>   |
| Pension reserve              | (932,788)          | -                | 23,547             | -               | (909,241)        |
|                              | <u>(932,788)</u>   | <u>-</u>         | <u>23,547</u>      | <u>-</u>        | <u>(909,241)</u> |
| Total funds                  | <u>(535,285)</u>   | <u>2,087,660</u> | <u>(2,005,211)</u> | <u>-</u>        | <u>(452,836)</u> |
|                              | <u>(535,285)</u>   | <u>2,087,660</u> | <u>(2,005,211)</u> | <u>-</u>        | <u>(452,836)</u> |

**DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019 (continued)**

**17. Statement of funds (continued)**

**Clubs and societies**

Restricted funds represent funds raised and administered by the Union for the specific benefit of clubs and societies and as such are ring fenced for the future benefit of that specific club or society.

**Facility development reserve**

The designated fund for investment will cover the refurbishment of our commercial areas and administrative space. This will allow DSU to take advantage of future opportunities and risks. As such the designated funds are excluded from reserves as per the Charities Commission definition.

**18. Analysis of net assets between funds**

**Current year:**

|                               | <b>Restricted<br/>funds<br/>£</b> | <b>General<br/>funds<br/>£</b> | <b>Facility<br/>development<br/>reserve<br/>£</b> | <b>Pension<br/>reserve<br/>£</b> | <b>Total<br/>funds<br/>£</b> |
|-------------------------------|-----------------------------------|--------------------------------|---|----------------------------------|------------------------------|
| Tangible fixed assets         | -                                 | 11,713                         | 64,776  | -                                | 76,489                       |
| Current assets                | 124,332                           | 525,936                        | 642   | -                                | 650,910                      |
| Creditors due within one year | -                                 | (184,755)                      | -   | -                                | (184,755)                    |
| Pension liability             | -                                 | -                              | -   | (911,216)                        | (911,216)                    |
|                               | <u>124,332</u>                    | <u>352,894</u>                 | <u>65,418</u>                                     | <u>(911,216)</u>                 | <u>(368,572)</u>             |

**Previous year:**

|                               | <b>Restricted<br/>funds<br/>£</b> | <b>Facility<br/>General<br/>funds<br/>£</b> | <b>development<br/>reserve<br/>£</b> | <b>Pension<br/>reserve<br/>£</b> | <b>Total<br/>funds<br/>£</b> |
|-------------------------------|-----------------------------------|---|--------------------------------------|----------------------------------|------------------------------|
| Tangible fixed assets         | -                                 | 25,033                                      | 100,296                              | -                                | 125,329                      |
| Current assets                | 89,668                            | 423,699                                     | 653                                  | -                                | 514,020                      |
| Creditors due within one year | -                                 | (182,944)                                   | -                                    | -                                | (182,944)                    |
| Pension liability             | -                                 | -   | -                                    | (909,241)                        | (909,241)                    |
|                               | <u>89,668</u>                     | <u>265,788</u>                              | <u>100,949</u>                       | <u>(909,241)</u>                 | <u>(452,836)</u>             |

**19. Reconciliation of net income to net cash flow from operating activities**

|  | <b>2019<br/>£</b> | <b>2018<br/>£</b> |
|--|-------------------|-------------------|
| <b>Net income for the reporting period</b>       | 84,264            | 82,449            |
| <b>Adjustments for:</b>                          |                   |                   |
| Depreciation charges                             | 48,840            | 46,386            |
| Interest on investments                          | (1,155)           | (366)             |
| Decrease/(increase) in stocks                    | 5,458             | (14,669)          |
| Decrease/(increase) in debtors                   | 5,959             | (17,620)          |
| Increase in creditors                            | 1,811             | 6,674             |
| Movement on defined pension scheme liability     | 1,975             | (23,547)          |
| Movement on provision                            | -                 | (5,000)           |
| <b>Net cash provided by operating activities</b> | <u>147,152</u>    | <u>74,307</u>     |

## DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019 (continued)

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#### 20. Pension costs

The charitable company participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The Scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the charitable company. Under the accounting standard FRS102 and Charity SORP (FRS102), in these circumstances contributions are accounted for as if the Scheme were a defined contribution scheme based on actual contributions paid through the year.

The charitable company participates in the Students' Union Superannuation Scheme, which is a defined benefit scheme whose membership consists of employees of students' unions and related bodies throughout the country. Benefits in respect of service up to 30 September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1 October 2003 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30 September 2011 the Scheme closed to future accrual.

The most recent Valuation of the Scheme was carried out as at 30 June 2016 and showed that the market value of the Scheme's assets was £101.3m with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £119.7m. The assumptions which have the most significant effect upon the results of the Valuation are those relating to the sustained low yield on government bonds.

The following assumptions applied at 30 June 2016:

- Pre-retirement discount rate – 4.3% pa
- Post retirement discount rate – 2.3% pa
- Retail price inflation (RPI) – 3.2% pa
- Consumer Price inflation (CPI) – 2.2% pa
- Pension increase in payment for services, post 1997 (RPI min 3% and max 5%) – 3.6% pa and post 2000 (RPI max 5%) – 3.1% pa

The 2016 Valuation recommended a monthly contribution requirement by each Participating Employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 17 years and therefore contribution will increase by 20% from 1 October 2017 and by a further 5% each year subsequent year. These rates applied with effect from 1 October 2017 and contributions due from October 2020 onwards will be reviewed following the next actuarial valuation.

Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, The Union also pays its share of the Scheme's levy to the Pension Protection Fund. FRS102 and Charities SORP (FRS102), require that the charitable company share of past service shortfall is reflected in the financial statements. Based on the most recent valuation, the charitable company contribution to eliminating the shortfall was £52,455 for the year ended 31 July 2019 (2018: £48,450) and increasing by 5% each year at October until June 2033.

Therefore, at 31 July 2019, the balance sheet of charitable company includes a liability of £911,216 (2018: £909,241), which represents the net present value of all future contributions towards eliminating this shortfall. The discount rate used is 2.25% (2018: 2.72%) which is comparable to that for a 15 year AA-rated corporate bond. The estimated liability is based on the 2016 triennial valuation of the scheme, and will necessarily require revision after subsequent revaluations. The balance is made up as follows:

## DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019 (continued)

#### 20. Pension costs (continued)

|   | 2019<br>£      | 2018<br>£      |
|---|----------------|----------------|
| Balance brought forward                     | 909,241        | 932,788        |
| Contributions made in the year              | (52,455)       | (48,450)       |
| Charge to statement of financial activities | 54,430         | 24,903         |
|   | <u>911,216</u> | <u>909,241</u> |

Total contributions paid by the charitable company with respect to the pension schemes for the year amounted to £96,452 (2018: £51,183).

At the year end an amount of £3,459 (2018: £nil) was due with respect to pension contributions.

During the prior year the Student Union were made aware of a claim against the Students' Union Superannuation Scheme. As a participating student union a potential liability exists as a result of this claim although its quantum cannot be reliably measured at the date of signing the accounts and therefore no provision has been made in these financial statements.

#### 21. Related party transactions

The De Montfort University Students' Union Limited is in receipt of a recurrent grant from its parent institution, De Montfort University of £1,046,865 (2018: £1,046,864).

In addition, the De Montfort University Students' Union Limited occupies its building and receives certain people related services on a free of charge basis. This is under an informal license subject to the De Montfort University Students' Union Limited maintaining the building in a good state of repair. As a result, an estimated value to De Montfort University Students' Union Limited for the free serviced accommodation has been included in the accounts. This has been valued at £150,000 (2018: £150,000) based on market prices within Leicester. This income can be seen in note 4 of the financial statements under accommodation costs.

The De Montfort University Students' Union Limited has also received CEO support from De Montfort University on a free of charge basis. As a result, an estimated value to De Montfort University Students' Union Limited for this free support has been included in the accounts. This has been valued at £65,000 (2018: £nil) based on an estimation of the time spent on duties for De Montfort University Students' Union Limited and market rate of pay for such duties. This income can be seen in note 4 of the financial statements under CEO support.

Income of £103,893 (2018: £10,020) was collected and purchases of £92,940 (2018: £79,537) were made on behalf of De Montfort University during the year. These transactions were reimbursed and recharged respectively to De Montfort University with a balance owing from De Montfort University Student Union Limited to De Montfort University of £8,838 (2018: £18,955 owing from De Montfort University) at the year-end date. In addition, De Montfort University made payments of £30,000 (2018: £20,000) to De Montfort University Student Union Limited, representing a contribution to the improvement of facilities in the building occupied.

#### Student Union Lettings Limited (trading as Sulets)

On 1 August 2012, the trade and assets of the lettings operation (previously known as DSU Lettings) were transferred to a new limited company Student Union Lettings Limited (trading as Sulets). Sulets is a registered charity and company limited by guarantee which is jointly controlled by DSU and The University of Leicester Students Union (ULSU). ULSC controls 50% of Sulets through the 50% membership held by their subsidiary company, University of Leicester Students' Union Trading Limited. This collaboration with ULSU offers many commercial advantages within student lettings including contracts with external Halls Providers.

**DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019 (continued)**

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**21. Related party transactions (continued)**

A summary of the trading results of Sulets are shown below:

|  | <b>2019</b>      | <i>2018</i>    |
|--|------------------|----------------|
|  | <b>£</b>         | <b>£</b>       |
| Income                                       | 1,513,298        | 1,215,032      |
| Expenditure                                  | (1,300,489)      | (1,077,084)    |
| Net movements in funds                       | <u>212,809</u>   | <u>137,948</u> |
|  | <b>2019</b>      | <i>2018</i>    |
|  | <b>£</b>         | <b>£</b>       |
| <b>Balance sheet</b>                         |                  |                |
| Fixed assets                                 | 17,412           | 29,376         |
| Current assets                               | 1,254,826        | 969,137        |
| Creditors: amounts falling due within 1 year | (141,822)        | (80,906)       |
| Total funds                                  | <u>1,130,416</u> | <u>917,607</u> |

The charitable company constitutes 50% of the membership, therefore the charitable company's share of income is £756,649 (2018: £607,516) and share of expenditure £650,245 (2018: £538,542). The charitable company's share of the total funds at 31 July 2019 is £565,208 (2018: £458,804).

During the year the charitable company received £10,000 (2018: £16,500) from Sulets for sponsorship of Club and Society events. In addition, Sulets paid £28,319 (2018: £43,143) for finance, HR support and rent. At the yearend Sulets owed the charitable company £20 (2018: £68).

All funds generated by Sulets are restricted for use by Sulets in line with the objects of that charity.

**22. Controlling party**

The trustees consider that the ultimate control of DSU rests with its membership.



**DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019 (continued)**

**23. Statement of financial activities incorporating income and expenditure accounts for the year ended 31 July 2018**

|                              | <b>Restricted<br/>funds<br/>£</b> | <b>Unrestricted<br/>funds<br/>£</b> | <b>Total<br/>funds<br/>£</b> |
|------------------------------|-----------------------------------|-------------------------------------|------------------------------|
| <b>Income from:</b>          |                                   |                                     |                              |
| Donations and legacies       | -                                 | 1,196,868                           | 1,196,868                    |
| Charitable activities        | 158,293                           | 562,153                             | 720,446                      |
| Other trading activities     | -                                 | 112,778                             | 112,778                      |
| Investment income            | -                                 | 366                                 | 366                          |
| Other income                 | -                                 | 57,202                              | 57,202                       |
| <b>Total</b>                 | <b>158,293</b>                    | <b>1,929,367</b>                    | <b>2,087,660</b>             |
| <b>Expenditure on:</b>       |                                   |                                     |                              |
| Raising funds                | -                                 | 126,483                             | 126,483                      |
| Charitable activities        | 136,044                           | 1,742,684                           | 1,878,728                    |
| <b>Total</b>                 | <b>136,044</b>                    | <b>1,869,167</b>                    | <b>2,005,211</b>             |
| <b>Net movement in funds</b> | <b>22,249</b>                     | <b>60,200</b>                       | <b>82,449</b>                |

