



TRUSTEE'S REPORT YEAR ENDED 31 JULY 2013



De Montfort University
Students' Union Limited

The Trustees (who are also director's of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of De Montfort University Students' Union Limited (the company) for the year ended 31 July 2013. The Trustees confirm that the Annual 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 March 2005.

Reference and Administrative Details

Charitable Status

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

Principal Address & Registered Office

First Floor, Campus Centre Building,
Mill Lane, Leicester, LE2 7DR
www.demontfortstudents.com



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TRUSTEES

The following Trustees are also directors of the company

FULL-TIME (SABBATICAL) OFFICERS

The sabbatical officers are elected into office by the student population to hold office from 1st July 2013 to 30 June 2014 and are known also as the Executive Committee. The sabbatical officers who held office during the year are:

President	Ian Warrington (appointed 1/7/13)
Deputy President Education	Caitlin Bloom (appointed 1/7/13)
Vice President Welfare	Sarah Lister (appointed 1/7/13)
Vice President Student Activities	Chris Mutton (appointed 1/7/13)
Vice President Media and Communications	Alice Wilson (appointed 1/7/13)
President	Lynette Williams (resigned 30/6/13)
Vice President Welfare	Sheri Paige (resigned 30/6/13)
Vice President Media and Communications	Tom Williams (resigned 30/6/13)
Vice President Student Activities	Ian Warrington (resigned 30/6/13)

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:

Philip Smith

Arvind Michael Kapur

(Appointed 16/10/12)

Gary Love

(Resigned 4/6/13)

STUDENT TRUSTEES

The student trustees who were in office during the year are:-

Student Trustee

Chisha Chitambala (appointed 16/5/13)

Student Trustee

Aiden Keast (Appointed 12/7/13)

Student Trustee

Olumbunmi Obisesan (Appointed 12/7/13)

Chair of Student Council

Dean Okereke (resigned 30/6/13)

Open Place Student Trustee

Damilare Akintade (resigned 30/6/13)

Academic Board Representative

Thomas Moulard (resigned 30/6/13)

Auditors

Crowe Clark Whitehill

Chartered Accountants

Black Country House

Rounds Green Road

Oldbury West Midlands B69 2DG

Bankers

Royal Bank of Scotland

5 Market Street

Leicester

LE1 6DN

OUR VALUES

Community



Fun



Quality



Democracy



Growth



DSU STAFF

DSU employs a Chief Executive Officer to work closely with the Sabbatical Officers and as head of the senior management team ensures effective management and administration of the organisation. The Senior Management Team is made up of the following:-

CEO

Max McLoughlin

Membership Services Manager

Victoria Hossack

People and Organisational Development

Lisa Brown

Accountant and Company Secretary

Paula Heneghan

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure and Decision Making

DSU became a company limited by guarantee on 1st August 2009 and registered as a charity on 26 October 2010. The governance structure includes the appointment of 4 external Trustees onto the Trustee Board. The experiences and expertise held by these external trustees ensure DSU can maintain a sense of continuity and long-term strategic planning whilst meeting the needs and manifesto pledges of the annually elected students officers.

Appointments to the Trustee Board are made by an appointment committee. The five posts of President, Deputy President Education, Vice President Welfare, Vice President Student Activities and Vice President Media and Communications are full time sabbatical posts who 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 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 full-time staff who are accountable to the Senior Staff member for the performance of their duties

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

DSU is affiliated to the NUS and receives information, advice and guidance.

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 on a quarterly basis and the Trustee Board are updated on the strategic risks on a bi-annual basis.

OBJECTIVES AND ACTIVITIES

Policies And Objectives

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

The main aims of De Montfort Students' Union Limited (DSU) as set out in its governing documents are:

To advance the education of the students of De Montfort University for the public benefit by:

- Providing representation, advice and assistance to students on matters affecting their welfare and interests as students;
- Providing sporting, social, cultural and recreational opportunities and facilities for students so as to further the educational purposes of De Montfort University;
- Promoting and encouraging contact and co-operation between students;
- Advancing the welfare and physical and mental wellbeing of students; and
- 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 DE MONTFORT UNIVERSITY

DSU received a Block Grant from De Montfort University (DMU) of £902,584 (£724,584 2011/12). The increase included both the recognition of the recurrent nature of the Volunteering element of £62,000 but also a real increase of £116,000. This increase enabled DSU to create a new website, add additional staff resource within Welfare, Sports and Societies and also introduce the societies development funding. DSU is extremely grateful for the university's continuing support reflected in the grant received from the institution and the continued use of space within their estate. As importantly, 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 2013/14.

Following the block grant submission for 2013/14 DMU have awarded DSU a £1,000,000 block grant. This will allow DSU to continue to deliver the best service to DMU students but also recognises the increased expectations of DMU students following increased tuition fees. DSU have already recruited a number of student-facing staff in areas such as Sports, Societies and Communications to ensure we are sufficiently staffed to provide the required service.



FINANCIAL REVIEW

Reserves Policy

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

1. To provide financial stability to enable DSU to continue to achieve its objectives during challenging trading periods.
2. To enable DSU to make investment decisions in accordance with the investment policy and enable DSU to consider opportunistic investments which may not be within the strategic plan.
3. To allow DSU to take advantage of strategic development opportunities and plan for growth.

DSU has identified 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 current level of unrestricted funds should be set as:

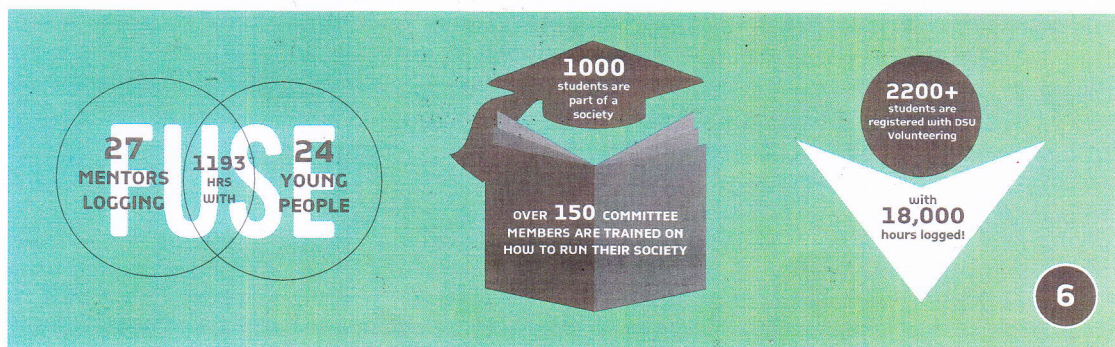
Minimum Level

Three months operating costs + an additional fund to cover redundancy costs for all staff (general reserve) + a designated fund for investment.

Target Level

Six months operating costs + an additional fund to cover redundancy costs for all staff (general reserve) + a designated fund for investment.

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.



FINANCIAL REVIEW

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 accounts for the first time. This has been valued at £35,000 based on market prices within Leicester.

DSU gross income from all sources this year totalled £2,105,369. Total expenditure of £2,188,556 on the wide ranging student benefits we provide left a deficit of £83,187 reducing total reserves to £315,000.

DSU Venue and Catering

DSU Venue & Catering revenue decreased to £501k (2011/12 £567k). Changing social habits have impacted negatively on our evening entertainments; less students attend key DSU events, students arrive later and an increasingly competitive external environment have all exasperated the financial pressures of £9,000 fees the first year members

Profits fell to £33K (£45K 2011/12 Year end). During the 2013-14 budget setting process and as a result of poor performance commercially the decision was made to restructure the commercial department. The Senior Manager position of Commercial Operations Manager was made redundant and a new position of Venue Manager created. This has created savings in Commercial for the forth coming budget and resulted in restructuring costs of £26k for the 2012-13 year.

DSU remains committed to responsible alcohol retailing. At the 2013 Leicester City 'Best Bar None' awards, DSU retained the 'Best Independent Club' status achieved in 2010, 2011 and 2012.

DSU Shop

The DSU Shop revenue and profit was in line with prior years resulting in a profit of £25k. Over the summer months the shop has reviewed its product lines and the shop layout and aims to provide more higher margin products and improve the retail experience, leading to improved sales and net profit results.

DSU Tech

DSU Tech offers a valuable service to student members. Computers can be fixed or lost work recovered allowing students assignments to be submitted on time. In addition the service is delivered at extremely competitive prices compared to competitors in the market. DSU Tech gave a year end profit of £10k in line with the previous financial year

Marketing

Marketing achieved a net profit figure of £36k, an increase on the previous year of £3k. Marketing income is generated via an external 3rd party provider 'BAM'. Marketing sales are supplemented by sales of the NUS extra card for which DSU receives commission payments. Sales of NUS cards strengthen during the year and this is an area where further growth is expected going forward.

Student Union Lettings Limited (trading as Sulets)

On 1st 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 owned by DSU and The University of Leicester Students Union (ULSU).

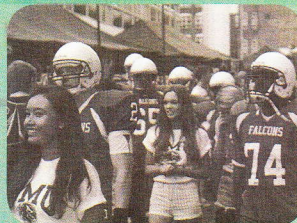
This collaboration with ULSU offers many commercial advantages within student lettings including a lucrative contract with an external Halls Provider; Megaclose.

DSU is not required to prepare group accounts and as such DSUs share of the profits of Sulets and the assets are not included in these annual accounts. However at the year end (30th June 2013) Sulets had profits of £200,187 and net assets of £200,187

Freshfest12

One of the biggest events in the student calendar got bigger. With a massive range of events that ran across 2 weeks, there was plenty to get stuck in with.

Thousands of students descended upon the fair which was held outside for the first time.



Varsity 2013



Varsity this year went from being a Varsity 'Day' to an event that ran across 10 days! This meant that more of you got to go along and support the DMU teams.

This year gave us the best result we've seen, with 6 more victories gained compared

National Student Radio Conference

The SRACon was the biggest event in Demon Media's recent history. We saw 454 student media fans from all over the UK descend upon DMU for three days to have an informative, fun-filled time. Special guests included Greg James, Ben Cooper and Steve Parkinson.



Course Rep Conference



This was one of the most successful conferences for Course Reps that we've held. With an array of presentations from various departments in both the SU and the University, the conference meant that new course reps could meet and chat with other Reps and University staff too, and find out about new developments on campus. 80 Reps attended!

Toys on the Table

DSU became Santa! We broke our record for number of Toys donated for Toys on the Table by receiving over 350 toys from students and staff. We followed up the campaign with The Big Wrap where volunteers helped to wrap the presents and they were then distributed to children in the local area.



National Student Money Week



DSU's Welfare and Education Centre gave students the opportunity to share various money-saving tips via Facebook and Twitter with fellow students. The best tips received a fresh fruit basket! We then held a "Jaffa cake challenge" and a food shopping comparison event at the Students' Union and distributed advice and information. 100 of you took part!

PLANS FOR THE FUTURE

The Future and Strategic Planning

The DSU Trustee Board has worked hard to take a more strategic view of planning to provide a greater degree of stability for the future. The changing nature of DMU's student profile, competition from the high street and the changing way in which higher education and students are funded, represent challenges and opportunities for DSU. DSU undertook its most rigorous strategic review to-date, consulting with more members and other stakeholders than previous years to ensure the final plan is both relevant and achievable over the next three years. DSU long term ambitions are:

AMPLIFIED STUDENT VOICE

Our Student Voice will be clear and effective and make positive change for students.

ACTIVITIES YOU LOVE

We want students to try new things, pursue hobbies, play sport and get involved in the local community

ADVICE AND SUPPORT

To provide advice and support to our members whenever they need it.

YOUR SOCIAL SPACE

Offer our members a great environment and value for money when they are shopping, eating, drinking and dancing.

STUDENT-LED MEDIA

We will create industry standard opportunities through student-led media

SHAPE YOUR FUTURE

To ensure our members and staff achieve their potential

CLEAR AT COMMUNICATING

Our communications will be clear and our members heard.

TRUST YOUR UNION

The Union will be well-run, representative and financially secure

HEART OF CAMPUS

The Union and its facilities will world class

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROVISION OF INFORMATION TO AUDITOR

The Trustees at the time when this Trustee's report is approved has confirmed that:

- so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustees have taken all the steps that ought to have been taken as Trustees in order to be aware of any information needed by the charitable company's auditor in connection with preparing its report 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 section 415A of the Companies Act 2006

This report was approved by the Trustees on 29th October 2013 and signed on their behalf, by:

I Warrington -



DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

We have audited the financial statements of De Montfort University Students Union Limited for the year ended 31 July 2013 set out on pages 13 to 25. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

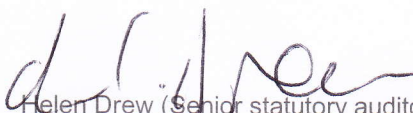
DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DE MONTFORT UNIVERSITY STUDENTS
UNION LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' report.



Helen Drew (Senior statutory auditor)
for and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 29 October 2013

DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2013**

	Note	Designated funds 2013 £	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
INCOMING RESOURCES						
Voluntary income	2	-	109,765	886,312	996,077	896,340
Activities for generating funds	2	-	-	51,180	51,180	42,009
Charitable activities for students	2	-	175,579	857,043	1,032,622	1,117,808
Other incoming resources	3	-	-	25,490	25,490	25,804
TOTAL INCOMING RESOURCES		-	285,344	1,820,025	2,105,369	2,081,961
RESOURCES EXPENDED						
Costs of generating funds:						
Fundraising expenses and other costs	4	-	-	52,542	52,542	24,649
Charitable activities	4	-	266,501	1,852,316	2,118,817	2,007,981
Governance costs	4,6	-	-	17,197	17,197	16,218
TOTAL RESOURCES EXPENDED	4	-	266,501	1,922,055	2,188,556	2,048,848
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME/(EXPENDITURE) FOR THE YEAR						
		-	18,843	(102,030)	(83,187)	33,113
<i>Total funds at 1 August 2012</i>		159,919	35,555	202,713	398,187	365,074
TOTAL FUNDS AT 31 JULY 2013		159,919	54,398	100,683	315,000	398,187

The notes on pages 15 to 25 form part of these financial statements.

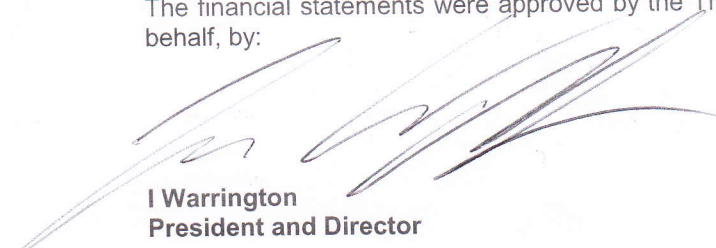
DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED
REGISTERED NUMBER: 06634464

BALANCE SHEET
AS AT 31 JULY 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	9		99,429		131,698
Investments	10		5,460		5,460
			<u>104,889</u>		<u>137,158</u>
CURRENT ASSETS					
Stocks	11	33,124		32,752	
Debtors	12	64,494		78,319	
Cash at bank		249,872		612,093	
		<u>347,490</u>		<u>723,164</u>	
CREDITORS: amounts falling due within one year	13	(95,226)		(397,135)	
NET CURRENT ASSETS			<u>252,264</u>		<u>326,029</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>357,153</u>		<u>463,187</u>
PROVISIONS FOR LIABILITIES					
Other provisions	14		(42,153)		(65,000)
NET ASSETS			<u><u>315,000</u></u>		<u><u>398,187</u></u>
CHARITY FUNDS					
Facilities development reserve	15		159,919		159,919
Restricted funds	15		54,398		35,555
Unrestricted funds	15		100,683		202,713
TOTAL FUNDS			<u><u>315,000</u></u>		<u><u>398,187</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees on *29 October 2013* and signed on their behalf, by:


I Warrington
President and Director

The notes on pages 15 to 25 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

1. ACCOUNTING POLICIES

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 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 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 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.

Investment income, gains and losses are allocated to the appropriate fund.

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

1.4 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

1.5 Going concern

The charitable company has cash resources and no requirement for external funding. 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.

DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	-	33% Straight Line
Fixtures & fittings	-	20 - 33% Straight Line
Computer equipment	-	33% Straight Line

1.7 Investments

Fixed asset investments are valued at cost, as these assets are not readily saleable and a reliable market value is not readily ascertainable.

1.8 Leased assets

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.9 Stocks

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

1.10 Pensions

The Union 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 Union. Under the terms of FRS17, 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 union also contributes to the NUS Aegon Pension Scheme. The annual contributions payable are charged to the income and expenditure account.

1.11 Recognition of liabilities

Liabilities are recognised when either a constructive or legal obligation exists.

DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

2. INCOMING RESOURCES

	Designated Funds £	Restricted Funds £	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Voluntary Income					
Grant income	-	109,765	851,312	961,077	861,340
Grant of serviced accommodation	-	-	35,000	35,000	35,000
Sub total	-	109,765	886,312	996,077	896,340
Activities to generate funds					
Commercial marketing/sponsorship	-	-	47,409	47,409	38,314
Investment income	-	-	3,771	3,771	3,695
Sub total	-	-	51,180	51,180	42,008
Charitable activities for students					
Bars and catering	-	-	501,038	501,038	566,882
Shops	-	-	233,233	233,233	236,221
Societies and clubs	-	266,501	12,365	278,866	141,909
Letting's agency	-	-	-	-	162,795
Training	-	-	19,485	19,485	10,001
Sub total	-	266,501	766,121	1,032,622	1,117,808
Total	-	376,266	1,703,613	2,079,879	2,056,157

3. OTHER INCOMING RESOURCES

	Designated funds 2013 £	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Other Income	-	-	25,490	25,490	25,804

DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

4. CHARITABLE AND OTHER ACTIVITY COSTS

	Supplies £	Staff Costs £	Other £	2013 £	2012 £
Charitable Activities for Students					
Welfare, advice/ representation	123,683	378,705	14,648	517,036	527,307
Bars and catering	322,166	231,317	49,564	603,047	648,921
Shops	138,620	84,263	17,362	240,245	242,322
Societies and clubs	450,771	285,187	15,724	751,682	439,473
Letting's agency	-	-	-	-	142,937
Training	6,807	-	-	6,807	7,021
Sub total	1,042,047	979,472	97,298	2,118,817	2,007,981
Activities for Generating Funds					
Commercial marketing/ sponsorship	24,129	24,558	3,855	52,542	24,649
Sub total	24,129	24,558	3,855	52,542	24,649
Governance					
Governance costs	17,197	-	-	17,197	16,218
Sub total	17,197	-	-	17,197	16,218
Total	1,083,373	1,004,030	101,153	2,188,556	2,048,848

Included in the above governance costs is the annual audit fee of £9,900 (2012: £9,700).

Other costs comprised

	2013 £	2012 £
Depreciation	47,866	49,191
Repairs and renewals	27,362	22,716
Insurance	4,776	-
Other	21,149	-
Total	101,153	71,907

DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

5. CENTRAL OVERHEADS COSTS INCLUDED IN NOTE 4

	Staff Costs £	Rent £	Other £	2013 £	2012 £
Charitable Activities for Students					
Welfare, advice and representation	58,388	7,000	31,572	96,960	84,798
Bars and catering	72,399	17,500	41,141	131,040	122,272
Shops	24,133	3,500	13,714	41,347	38,424
Societies and clubs	58,388	5,250	31,572	95,210	81,298
Letting's agency	-	-	-	-	19,212
Sub total	213,308	33,250	117,999	364,557	346,004
Activities for Generating Funds					
Marketing/sponsorship	24,133	1,750	13,714	39,597	19,212
Sub total	24,133	1,750	13,714	39,597	19,212
Governance					
Governance costs	-	-	11,640	11,640	11,006
Sub total	-	-	11,640	11,640	11,006
Total	237,441	35,000	143,353	415,794	376,222

Other costs comprised

	2013 £	2012 £
Depreciation	6,385	4,227
Repairs and renewals	5,208	1,892
Insurances	22,658	24,896
Sundry supplies	109,102	99,828
Total	143,353	130,843

DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

6. GOVERNANCE COSTS

	Designated funds 2013 £	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Audit and legal fees	-	-	17,197	17,197	16,218

7. STAFF COSTS

Staff costs were as follows:

	2013 £	2012 £
Wages and salaries	888,281	882,444
Social security costs	70,204	68,980
Other pension costs	45,545	41,703
	<u>1,004,030</u>	<u>993,127</u>

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

2013 No.	2012 No.
<u>63</u>	<u>64</u>

The emoluments of one member of staff, including benefits in kind, are within the range of £60,001 - £70,000 (2012: None).

During the year ended 31 July 2013, pension contributions for this staff member amounted to £1,921.

8. TRUSTEES' REMUNERATION AND EXPENSES

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 salary costs amounted to £84,602 (2012: £71,801) in aggregate. The split as detailed below:

L Williams - £15,162
C Bloom - £16,540
S Paige - £15,162
T Williams - £15,162
I Warrington - £16,540
S Lister - £2,012
A Wilson - £2,012
C Mutton - £2,012

During the year one external trustee received travelling expenses totalling £165 (2012: £305).

DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

9. TANGIBLE FIXED ASSETS

	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
Cost				
At 1 August 2012				
Additions	12,312	666,414	45,161	723,887
Disposals	-	13,349	11,158	24,507
	-	(4,851)	-	(4,851)
At 31 July 2013	12,312	674,912	56,319	743,543
Depreciation				
At 1 August 2012				
Charge for the year	7,182	547,497	37,510	592,189
	4,104	41,129	6,692	51,925
At 31 July 2013	11,286	588,626	44,202	644,114
Net book value				
At 31 July 2013	1,026	86,286	12,117	99,429
At 31 July 2012	5,130	118,917	7,651	131,698

Assets used for charitable activities
Commercial activities

Total

	2013 £	2012 £
Assets used for charitable activities	21,711	20,799
Commercial activities	77,718	110,899
Total	99,429	131,698

10. FIXED ASSET INVESTMENTS

At cost

At 1 August 2012 and 31 July 2013

£
5,460

DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013**

10. FIXED ASSET INVESTMENTS (continued)

In order to continue receiving retrospective discounts through the Central Billing System De Montfort University Students Union Limited has minority holdings of 60 "A" and 270 "B" voting shares in NUS Services Limited.

Student Union Lettings Limited (trading as Sulets)

On 1st 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 owned by DSU and The University of Leicester Students Union (ULSU). This collaboration with ULSU offers many commercial advantages within student lettings including a lucrative contract with an external Halls Provider; Megaclose. DSU is not required to prepare group accounts and as such DSUs share of the profits of Sulets and the assets are not included in these annual accounts. However at the year end (30th June 2013) Sulets had profits of £200,184 and net assets of £200,184.

11. STOCKS

	2013 £	2012 £
Finished goods and goods for resale	33,124	32,752

12. DEBTORS

	2013 £	2012 £
Trade debtors	32,241	45,321
Other debtors	5,894	6,245
Prepayments and accrued income	26,359	26,753
	<u>64,494</u>	<u>78,319</u>

13. CREDITORS:

Amounts falling due within one year

	2013 £	2012 £
Trade creditors	28,491	34,636
Other taxation and social security	21,475	45,513
Other creditors	16,126	278,170
Accruals and deferred income	29,134	38,816
	<u>95,226</u>	<u>397,135</u>

DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

14. PROVISIONS

At 1 August 2012
Amounts used

At 31 July 2013

Holiday Pay
Accrual
£

65,000
(22,847)

42,153

Holiday Pay Accrual

DSU are aware of a liability which has arisen due to the incorrect payment of holiday pay. This liability goes back several years and provision has been made of the best estimate of likely costs based on the known current year costs.

15. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Unrestricted funds				
General Fund	202,713	1,820,025	(1,922,055)	100,683
Facility Development Reserve				
Facility Development Reserve	159,919	-	-	159,919
Restricted funds				
Clubs and societies	35,555	175,579	(175,579)	35,555
FUSE	-	73,402	(54,559)	18,843
Sport England	-	36,363	(36,363)	-
Total of funds	<u>35,555</u>	<u>285,344</u>	<u>(266,501)</u>	<u>54,398</u>
	<u>398,187</u>	<u>2,105,369</u>	<u>(2,188,556)</u>	<u>315,000</u>

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
General funds	202,713	1,820,025	(1,922,055)	100,683
Facility Development Reserve	159,919	-	-	159,919
Restricted funds	35,555	285,344	(266,501)	54,398
	<u>398,187</u>	<u>2,105,369</u>	<u>(2,188,556)</u>	<u>315,000</u>

DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

15. STATEMENT OF FUNDS (continued)

Restricted funds represents funds raised and administered by the Union for the specific benefit of clubs and societies (including Sport England grants) and as such are ring fenced for the future benefit of that specific club or society. The FUSE contract provides mentoring in the local community and the funding is provided by Leicestershire County Council.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Designated funds 2013 £	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Tangible fixed assets	-	-	99,429	99,429	131,698
Fixed asset investments	-	-	5,460	5,460	5,460
Other current assets	159,919	54,398	133,173	347,490	723,164
Creditors due within one year	-	-	(95,226)	(95,226)	(397,135)
Provisions for liabilities and charges	-	-	(42,153)	(42,153)	(65,000)
	<u>159,919</u>	<u>54,398</u>	<u>100,683</u>	<u>315,000</u>	<u>398,187</u>

17. CAPITAL COMMITMENTS

At 31 July 2013 the company had capital commitments as follows:

	2013 £	2012 £
Contracted for but not provided in these financial statements	-	12,015

18. PENSION COSTS

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

The most recent valuation of the scheme was carried out as at 1 October 2010 and showed that the market value of the scheme's assets was £67,141,000 with these assets representing 58% 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 £47,869,000.

The assumptions which have the most significant effect upon the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. The following assumptions applied at 1 October 2010:-

- The investment return would be 6.6% per annum before retirement and 4.6% per annum after retirement
- Pensions accruing on the CARE basis would revalue at 3.2% per annum.
- Present and future pensions would increase at rates specified by scheme rules with appropriate

DE MONTFORT UNIVERSITY STUDENTS UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2013

18. PENSION COSTS (continued)

assumptions where these are dependent on inflation.

The 2010 valuation recommended a monthly contribution requirement by each Union expressed in monetary terms intended to clear the ongoing funding deficit over a period of 20 years and will increase by at least 3.2% each year. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme. These rates applied with effect from 1 October 2011 and will be formally reviewed following completion of the next valuation due with an effective date of 1 July 2013. 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.

The total contributions paid into the scheme by the Union in respect of eligible employees for the year ended 31 July 2013 amounted to £21,909, including deficit contributions (2012 - £26,952).

The total contributions paid into the NUS Pension Scheme for the year ended 31 July 2013 amounted to £23,636 (2012 - £14,694).

19. RELATED PARTY TRANSACTIONS

The Union is in receipt of a recurrent grant from its parent institution, De Montfort University of £851,312 (2012: £724,584).

In addition the Union occupies its building on a rent free basis under an informal license subject to the union maintaining the building in a good state of repair. As a result an estimated value to DSU for the free serviced accommodation has been included in the accounts for the first time. This has been valued at £35,000 (2012: £35,000) based on market prices within Leicester.

20. CONTROLLING PARTY

Ultimate control of DSU rests with its membership.