

ST GEORGE'S STUDENTS' UNION
GROUP COMBINED STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDING 31 JULY 2018

	Note	—Unrestricted Funds—		Total 2017/18 £	Total 2016/17 £
		General £	Designated £		
Income:					
Donations and legacies	2	330,700	-	330,700	229,200
Income from Charitable Activities	2	171,603	-	171,603	192,245
Income from Investment Activities	2	80	113	193	152
Income from Trading Activities	3	-	1,039,754	1,039,754	1,100,729
Total Income		502,383	1,039,867	1,542,250	1,522,326
Expenditure:					
Costs of raising funds	3	-	622,234	622,234	677,745
Charitable activities	5	565,212	390,922	956,134	1,006,762
Total Expenditure		565,212	1,013,156	1,578,368	1,684,507
Transfers between funds		18,037	-	18,037	-
Tax on activities		-	-	3,938	-
Net income/(expenditure) for the year		- 44,792	4,736	- 40,056	- 162,181
Total funds brought forward	14	681,992	73,829	755,821	918,002
Total funds carried forward		637,200	78,565	715,765	755,821

ST GEORGE'S STUDENTS' UNION
CONSOLIDATED BALANCE SHEET AS AT 31 JULY 2018

	Note	Group		Charity	
		2018 £	2017 £	2018 £	2017 £
Fixed Assets:					
Tangible Assets	6	266,922	382,417	246,194	370,362
Investments	7	-	-	2	2
		<u>266,922</u>	<u>382,417</u>	<u>246,196</u>	<u>370,364</u>
Current Assets:					
Stock	8	47,075	60,491	-	-
Debtors	9	47,029	4,087	182,848	73,850
Cash at bank and in hand		508,986	423,976	221,502	286,220
Total Current Assets		<u>603,090</u>	<u>488,554</u>	<u>404,350</u>	<u>360,070</u>
Liabilities:					
Creditors - Amounts falling due within one year	10	- 150,309	- 115,150	- 50,882	- 85,978
Net current assets		<u>452,781</u>	<u>373,404</u>	<u>353,468</u>	<u>274,092</u>
Provision for liabilities - deferred tax		- 3,938	-	-	-
Net Assets		<u>715,765</u>	<u>755,821</u>	<u>599,664</u>	<u>644,456</u>
Unrestricted income funds:					
General reserve	14	637,200	681,992	599,664	644,456
Designated funds	14	78,565	73,829	-	-
		<u>715,765</u>	<u>755,821</u>	<u>599,664</u>	<u>644,456</u>

Approved by resolution of the Trustees on 18 March 2019 and signed on their behalf by



Aileen O'Brien

TRUSTEE



Muhammad Omar Hijazi

STUDENTS' UNION PRESIDENT 2018/19

ST GEORGE'S STUDENTS' UNION
GROUP CASH FLOW STATEMENT FOR THE YEAR ENDING 31 JULY 2018

	Note	Group	
		2018 £	2017 £
Cash used in operating activities	12	<u>100,229</u>	<u>110,922</u>
Cash flows from investing activities			
Purchase of tangible fixed assets	-	15,219	- 37,728
Proceeds from disposal of tangible fixed assets		-	74,802
Cash used in investing activities		<u>- 15,219</u>	<u>37,074</u>
Increase/(Decrease) in cash and cash equivalents in the year		85,010	147,996
Cash and cash equivalents at the start of the year		423,976	275,980
Cash and cash equivalents at the end of the year		<u>508,985</u>	<u>423,976</u>

ST GEORGE'S STUDENTS' UNION

NOTES TO THE ACCOUNTS

1. Accounting Policies

a) Accounting Convention

The financial statements have been prepared in accordance with applicable law, and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

St George's Students' Union constitutes a public benefit entity as defined by FRS 102.

b) Preparation of accounts on a going concern basis

The financial statements have been prepared on a going concern basis. The Trustees are of the opinion that the Students' Union is financially secure for the next 12-18 months and that on this basis the Charity is a going concern.

c) Group financial statements

The financial statements have been prepared as group financial statements and consolidate the results and net assets of the Charity and its wholly owned subsidiary St George's Students' Union Trading Ltd (SGSU Trading Ltd). Uniform accounting policies are applied across the group with the elimination of profits/losses on intra group transactions. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Students' Union has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. SGSU Trading Ltd is incorporated in the United Kingdom. The Charity holds two ordinary shares of £1 in SGSU Trading Ltd.

d) Income recognition

Financial assistance in the form of grants from St George's University of London (SGUL) is accounted for in the year to which it relates.

Donations are accounted for in the Statement of Financial Activities when the Charity becomes entitled to receive them. Those set aside by the Trustees for specific purposes are classified as Designated whereas those subject to donor imposed restrictions as to use are classified as Restricted. Donated services supplied by SGUL are not valued in the Financial Statements.

Bar, cafe rental income, and retail income are recognised on a receivable basis.

e) Tangible fixed assets

Individual fixed assets costing £500 or more that are considered to have a useful life of at least 1 year are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Building improvements: 15 years

Fixtures and Fittings: 10-15 years

Equipment: 7-10 years

A full year of depreciation is accounted for in the year of acquisition. No depreciation is accounted for in the year of disposal.

f) Investments

Investments, other than the shares held in SGSU Trading Ltd are valued at Market Value. The shares in SGSU Trading Ltd are disclosed at cost.

g) Stock

Stock is valued at the lower of cost and net realisable value on a weighted average basis.

h) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

i) Cash at bank and in hand

Cash at bank and in hand includes physical cash held securely on site at the Students' Union, along with deposit balances within the commercial Barclays accounts.

j) Creditors and provisions

Creditors and provisions are recognised where the charity 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 and provisions are recognised at their settlement amount after allowing for any trade discounts due.

k) Financial Instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

l) Pensions

Permanent staff working for the Charity or SGSU Trading Ltd are employed by SGUL which participates in 2 defined benefit pension schemes: the Superannuation Arrangement of the University of London and the Universities Superannuation Scheme. Both are multi-employer schemes where the share of assets and liabilities attributable to each employer are not defined.

SGUL also participates in the National Health Service Superannuation Scheme. This is an unfunded scheme with statutory backing.

m) Fund accounting

The General Fund relates to Charity income and expenditure, whilst the Designated Fund relates to the Trading entity profit and loss.

n) Governance costs

Governance costs comprise of strategic planning, management and organisational costs, including audit fees and legal advice.

2. Income - Incoming resources from generated funds

Grant funding of £329,200 (2017 - £229,200) was received by the charity from SGUL during the period. A donation of £1,500 (2017 - £nil) was also received.

School club income of £171,603 (2017 - £192,245) represents income from student events and advertising activity

Investment income of £193 (2017 - £152) represents bank interest earned during the period

3. Designated funds: Trading activities

	2018			2017		
	Income £	Expenditure £	Total £	Income £	Expenditure £	Total £
School Bar	280,198	103,268	176,931	244,807	95,131	149,677
School Shop	739,826	518,902	220,924	806,066	582,514	223,551
Rental Income	-	-	-	35,821	-	35,821
Trading - Other	19,729	64	19,665	14,035	100	13,935
	1,039,754	622,234	417,520	1,100,729	677,745	422,984
Investment income	113	-	113	45	-	45
Support costs	-	390,922	390,922	-	339,275	339,275
	1,039,867	1,013,156	26,711	1,100,774	1,017,020	83,754

4. Staff Information

The average number of substantive staff during the year was 11 (2017 - 10). No member of staff earned in excess of £60,000 in the period (2017 - same).

Permanent staff (both full time and part time) are employees of SGUL and are recharged at cost to the Charity or to SGSU Trading Ltd. as appropriate.

Trustee emoluments

Trustees are not remunerated for their services to the Charity. No Trustees were reimbursed expenses during the year (2017 - £nil)

Key management personnel for the group, consisting of the trustees of the Charity and the directors of SGSU Trading Ltd., were paid total consideration of £35,011 (2017 - £14,386) in the year.

5. Charitable Activities

	General Fund		Designated	
	2018 £	2017 £	2018 £	2017 £
Staff wages	144,790	140,711	323,499	293,222
Equipment Purchases	35,353	17,294	4,864	769
Charitable Donations	16,788	40,212	-	-
Insurance	7,997	9,212	3,173	2,919
Premises Costs	9,983	7,538	-	668
Printing & Stationery	7,593	12,000	396	-
Depreciation & Loss on Disposal	127,936	231,629	2,778	1,802
Office running costs	31,433	24,095	19,000	21,805
Event related fees	170,937	164,161	32,817	13,191
Affiliation Fees	8,182	14,336	165	-
Audit Fees	4,220	6,300	4,230	4,900
	565,212	667,487	390,922	339,275

6. Tangible fixed assets - Group

	Work In Progress £	Building		Equipment £	Total £
		Improvements £	Fixtures & Fittings £		
Cost					
As at 1 August 2017	-	475,447	227,970	104,567	807,984
Additions	-	-	15,219	-	15,219
Disposals	-	-	99,523	-	99,523
As at 31 July 2018	-	475,447	143,666	104,567	723,680
Accumulated Depreciation					
As at 1 August 2017	-	285,268	89,217	51,082	425,567
Charge for the year	-	47,545	12,485	10,732	70,761
Disposals	-	-	39,570	-	39,570
As at 31 July 2018	-	332,813	62,132	61,814	456,758
Net Book Value as at 31 July 2018	-	142,634	81,535	42,753	266,922
Net Book Value as at 1 August 2017	-	190,179	138,753	53,485	382,417

Of the above Net Book Value at 31 July 2018, £246,194 relates to assets owned by the Charity (2017 - £370,362), and £20,728 relates to assets owned by the SGSU Trading Ltd (2017 - £12,055)

7. Investments

The investment represents equity held in St. George's Students' Union Trading Limited, a wholly-owned subsidiary. Investments are stated at cost less, where appropriate, provisions for impairment.

8. Stocks

Bar stocks held in the trading subsidiary are subject to an independent stock count and stock valuation at the balance sheet date by Venners Ltd (School Bar) and Yorke & Co Stocktakers (School Shop).

9. Debtors

	Group		Charity	
	2018 £	2017 £	2018 £	2017 £
St George's University of London	10,108	-	-	-
St George's Students' Union Trading Ltd	-	-	180,324	70,463
Other debtors and prepayments	36,921	4,087	2,524	3,387
	<u>47,029</u>	<u>4,087</u>	<u>182,848</u>	<u>73,850</u>

10. Creditors - amounts due within one year

	Group		Charity	
	2018 £	2017 £	2018 £	2017 £
Trade creditors	21,015	29,086	2,148	6,105
St George's University of London	-	15,736	-	7,990
Tax Creditor	3,999	2,997	-	-
Accruals and deferred income	115,683	63,549	46,854	15,825
Other creditors	9,611	3,782	1,880	1,803
St George's Students' Union Trading Ltd	-	-	-	54,255
	<u>150,309</u>	<u>115,150</u>	<u>50,882</u>	<u>85,978</u>

11. Financial Instruments

	Group		Charity	
	2018 £	2017 £	2018 £	2017 £
Financial assets measured at fair value	508,986	423,976	221,502	286,220
Financial assets measured at amortised cost	11,690	699	180,324	70,463
	<u>520,676</u>	<u>424,675</u>	<u>401,826</u>	<u>356,682</u>
Financial liabilities measured at amortised cost	<u>126,767</u>	<u>107,611</u>	<u>46,338</u>	<u>81,435</u>

Financial assets measured at fair value through income and expenditure comprise of cash at bank and in hand.

Financial assets measured at amortised cost comprise of all debtors other than tax and prepayments.

Financial liabilities measured at amortised cost comprise all creditors other than tax.

12. Reconciliation of net movement in funds to net cash flow from operating activities

	Group	
	2018 £	2017 £
Net movement in funds	- 40,056	- 162,181
Add back Depreciation	70,761	143,471
Decrease/(Increase) in stock	13,416	- 14,775
Decrease/(Increase) in debtors	- 42,942	18,035
(Decrease)/Increase in creditors	35,159	36,412
Movements in deferred taxation	3,938	-
Loss on disposal of TFA	59,953	89,960
Net cash used in operating activities	<u>100,229</u>	<u>110,922</u>

13. Operating Lease Commitments

As at 31 July 2018 the Charity's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
Within 1 year	4,241	4,241
Within 2-5 years	7,422	11,663
Total commitment	11,663	15,904

14. Reserves

	At 1 August 2017 £	Income £	Expenditure £	Transfers £	At 31 July 2018 £
Consolidated					
Designated					
Student Activity Groups	-	-	-	-	-
Retail Activity	73,829	1,039,867	1,017,094	18,037	78,565
Total Designated	73,829	1,039,867	1,017,094	18,037	78,565
General Reserve					
Retail Activity	37,536	-	-	-	37,536
Student Activity	644,456	502,383	565,212	18,037	599,664
Total General Reserve	681,992	502,383	565,212	18,037	637,200
TOTAL RESERVES	755,821	1,542,250	1,582,306	-	715,765
Charity					
Designated					
Student Activity Groups	-	-	-	-	-
Total Designated	-	-	-	-	-
General Reserve					
Student Activity	644,456	502,383	565,212	18,037	599,664
Total General Reserve	644,456	502,383	565,212	18,037	599,664
TOTAL RESERVES	644,456	502,383	565,212	18,037	599,664

15. Analysis of net assets between funds

	General 2018 £	Designated 2018 £	Total Funds 2018 £	Total Funds 2017 £
Tangible fixed assets	246,194	20,728	266,922	382,417
Investments	-	-	-	-
Current Assets	404,350	198,740	603,090	488,554
Creditors due within one year	50,882	99,427	150,309	115,150
Provisions for liabilities	-	3,938	3,938	-
	599,662	116,102	715,765	755,821

16. Related Party transactions and balances

As at the balance sheet date, the Trading Company, SGSU Trading Ltd. owed £162,287 to its parent Charity, St George's Students' Union (2017 - the Charity owed SGSU Trading Ltd. £54,255).

In accordance with section 25 of the Finance Act 1990, subsequent finance action and sections 413-430 of the Income Tax Act 2007, £18,037 (2017 - £70,463) is also receivable under a Deed of Covenant from SGSU Trading Ltd as at the balance sheet date. This is shown as a transfer of funds above in note 14.

St George's University of London (SGUL), an exempt charity under the Exempt Charities Order 1962, is also a related party and provides space, an annual subvention grant of £329,200 (2017 - £229,200) and certain professional and administrative services to the Charity, including but not limited to HR and Payroll services. As at the balance sheet date, SGUL owed £10,108 to the Group (2017 - the Group owed SGUL £15,736).