

**UNIVERSITY OF STRATHCLYDE
STUDENTS' ASSOCIATION**

REPORT AND FINANCIAL STATEMENTS

For the Year ended 31 July 2003

**BAKER TILLY
Chartered Accountants
Glasgow**

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

REPORT AND FINANCIAL STATEMENTS

For the Year ended 31 July 2003

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UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Executive Committee and Association Information

University of Strathclyde Students' Association is constituted under the charter of Strathclyde University. The activities of the Association are governed by its constitution and bye-laws.

Executive (1st July 2003 – 30th June 2004)

Ian Roberston : President
Phyl Meyer : Deputy President
Neil Gray : President – Sports Union
John McLean : V.P. Advice & Support
Eleanor McKinnon : V.P. Finance & Commercial Services
Lynsey Orr : V.P. Student Development
Rebecca Robinson : Academic Affairs Officer
Grant Walker : Equal Opportunities Officer
Stuart Wilson : Convenor of Clubs & Societies
Katy McCloskey : Convenor of Communications & Marketing

Executive (1st July 2002 – 30th June 2003)

Michael Strachan : President
Jill Collins : Deputy President
Ross Hopkins : President – Sports Union
Christine Reilly : V.P. Advice & Support
Anthony Gallagher : V.P. Finance & Commercial Services
Ian Bruce : V.P. Student Development
John McLean : Academic Affairs Officer
Donna McDowell : Equal Opportunities Officer
Susan Faris : Convenor of Clubs & Societies
Katy McCloskey : Convenor of Communications & Marketing

Auditors

Baker Tilly
Breckenridge House
274 Sauchiehall Street

Glasgow
G2 3EH

Bankers

National Westminster Bank
14 Blythswood Square
Glasgow
G2

Principal Address

90 John Street
Glasgow
G1 1JH

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Vice-President – Finance & Commercial Services' commentary on the financial statements for the year ended 31 July 2003

Those elected by ordinary members to the Student Representative Council, subject to the Constitution and Schedules of the Association shall represent the Association in all matters affecting its interest and shall administer the finances of the Association.

The policies as laid down in section 4 of the Association's constitution are to achieve the following objectives:

1. The promotion of the general interests of the students and to provide suitable services and amenities for that student body.
2. The running of facilities as club premises for the members of the Association.
3. The provision of a recognised channel of communication between the body of students and the University, other universities, colleges and the public.
4. To represent and advance publicly the views and aspirations of its members towards society in general, whether independently, or in association with organisations with similar views.

Financially, the year 2002-2003 has raised many issues which the Association needs to address. Income within the commercial services sector of the association saw a further decline of £241K (8%) compared to the previous year. The main areas affected include the bar, retail and games operations. This is the second year running where sales have declined, this decline now totals £487K when compared to 2001. In addition to the reduction in commercial income the Association General department was also £9K down as a result of the collapse of the ITM contract meanwhile Membership services income increased by £7K which was primarily due to advertising.

The Association recognises the need to review its current operating strategy to enable it to position itself for the future. However, in the short term it will be investigating areas to generate new forms of income to help offset the decline in the commercial sector.

While overall departmental expenditure costs were reduced by £199K (5%) on the previous year there was a £219K saving within commercial services. The commercial services savings, however, related to a £124K reduction in cost of sales due to the downturn in turnover and an £83K reduction in depreciation costs which results in commercial operating costs being reduced by £12K. The remaining non commercial departments total expenditure increased by £20K (1.3%) compared to last year. Significant to this was the £14K increase in the Association's insurance costs.

It is the Association's intention to deliver excellent quality service to the students at Strathclyde and to ensure they have both a socially and academically rewarding experience. The executive now look forward to the beginning of the new term and welcoming the freshers to the University.

Eleanor McKinnon
V.P. Finance & Commercial Services

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Executive Responsibilities

Year ended 31 July 2003

The Executive Committee are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit for that year.

In preparing the financial statements the Executive Committee is required to select suitable accounting policies, as described on pages 10 and 11, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Executive Committee must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue to operate.

The Executive Committee is responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Association and to ensure that the financial statements comply with the Law Reform (Miscellaneous Provisions) Scotland Act 1990 and the Charities Accounts (Scotland) Regulations 1992. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

President

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Auditors' Report to the members

Year ended 31 July 2003

Independent auditors' report to the members of University of Strathclyde Students' Association

We have audited the financial statements on pages 7 to 22 of the University of Strathclyde Students' Association for the year ended 31 July 2003. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the association's members, as a body, in accordance with the Charities Accounts (Scotland) Regulations 1992. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of committee members and auditors

The committee member's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Executive's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the constitution of the Association. We also report to you if, in our opinion, the Vice President's Report is not consistent with the financial statements, if the Association has not kept proper accounting records, if we have not received all the information and explanations we require for our audit.

We read the Vice President's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Association in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Auditors' Report to the members

Year ended 31 July 2003

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 2003 and of its surplus for the year then ended, and have been properly prepared in accordance with the Charities Accounts (Scotland) Regulations 1992.

Breckenridge House
274 Sauchiehall Street
Glasgow
G2 3EH

BAKER TILLY
Chartered Accountants
& Registered Auditors

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Income and expenditure account for the year ended 31 July 2003

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2003 £	Total 2002 £
Income					
Grant from University		962,360		962,360	962,360
Commercial services' trading income	3	2,911,857		2,911,857	3,153,067
Conferences	5	-		-	68,572
Association general	5	109,993		109,993	119,144
Information Technology	5	357		357	-
Administration	5	16		16	1,719
Playgroup	5	437		437	374
Welfare	5	1,621		1,621	269
Personnel	5	162		162	-
Sabbaticals	5	-		-	-
Membership Services	5	21,607		21,607	14,212
Sub Aqua Fund	6				10,000
Sports Union	6		67,309	67,309	38,224
Clubs & Societies	6		29,501	29,501	28,288
		<u>4,008,410</u>	<u>96,810</u>	<u>4,105,220</u>	<u>4,396,229</u>
Expenditure					
Direct charitable expenditure:					
Commercial services' trading costs	4	2,602,534		2,602,534	2,821,619
Sabbaticals	5	86,213		86,213	92,959
Membership services expenditure	5	117,840		117,840	92,890
Playgroup	5	47,015		47,015	25,894
Welfare	5	64,089		64,089	53,591
SRC departments	7	26,938		26,938	39,522
Conference	5	2,742		2,742	35,975
Other expenditure:					
Association general	5	240,138		240,138	227,469
Finance	5	174,485		174,485	168,486
Information technology	5	73,931		73,931	84,892
Administration	5	28,950		28,950	48,484
Personnel	5	93,682		93,682	94,421
Building services expenditure	5	338,172		338,172	316,504
Marketing	5	46,669		46,669	50,033
Sports union	6		183,052	183,052	145,929
Clubs & societies	6		29,980	29,980	56,411
Total resources expended		<u>3,943,398</u>	<u>213,032</u>	<u>4,156,430</u>	<u>4,355,079</u>
Surplus/(Deficit) on activities		65,012	(116,222)	(51,210)	41,150
Interest received		30,896		30,896	32,629
Net incoming/(outgoing) resources before transfers		<u>95,908</u>	<u>(116,222)</u>	<u>(20,314)</u>	<u>73,779</u>
Transfer between restricted funds		-	(33,762)	(33,762)	(5,298)
Transfer to restricted funds	16	(144,200)	144,200	-	-
Net incoming resources		<u>(48,292)</u>	<u>5,784</u>	<u>(54,076)</u>	<u>68,481</u>
Fund balance brought forward at 1 August 2002		989,957	67,721	1,057,678	989,197
Fund balance carried forward at 31 July 2003		<u>941,665</u>	<u>61,937</u>	<u>1,003,602</u>	<u>1,057,678</u>

The Association has no recognised gains and losses other than the surplus above and therefore no separate statement of total recognised gains and losses has been presented. There is no difference between each surplus for the year stated above and their historical cost equivalents. All activities relate to continuing operations.

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Balance sheet as at 31 July 2003

	Note	2003 £	2002 £
Fixed assets			
Tangible assets	11	514,191	473,102
Investments (at cost)	12	5,828	5,828
		520,019	478,930
Current assets			
Stock	13	62,905	74,528
Debtors	14	186,780	139,562
Deposit		9,026	9,026
Cash at bank and in hand		528,413	727,354
		787,124	950,470
Creditors: amounts falling due within one year	15	303,537	371,722
Net current assets		483,587	578,748
Net assets		1,003,606	1,057,678
Funds			
Unrestricted funds	16	941,665	989,957
Restricted funds	17	61,938	67,721
Total funds		1,003,603	1,057,678

The financial statements were signed

on behalf of the Association by:

President

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Cash flow statements for the year ended 31 July 2003

	Note	2003	2002
		£	£
Net cash inflow from operating activities	18	64,596	413,156
Returns on investment and servicing of finance		30,896	32,629
Capital expenditure		<u>(294,437)</u>	<u>(398,647)</u>
Increase/(Decrease) in cash for the year	19	<u><u>(198,945)</u></u>	<u><u>47,138</u></u>
Reconciliation of net cash flow to movement in net debt			
	Note	2003	2002
		£	£
Increase/(Decrease) in cash for the year	19	<u>(198,945)</u>	<u>47,138</u>
Movement in net funds in the period		<u>(198,945)</u>	<u>47,138</u>
Net funds at 1 August 2002		<u>736,380</u>	<u>689,242</u>
Net funds at 31 July 2003	19	<u><u>537,435</u></u>	<u><u>736,380</u></u>

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2003

1. Accounting policies

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice for Accounting by Charities.

Stocks

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

Fixed assets

Fixed assets are categorised under three main headings as follows:

Equipment
Furniture and fittings
Building additions/improvements

All expenditure of a capital nature is capitalised under one of the above categories, with the exception of assets purchased by the Sports Union which are written off in the year of acquisition.

Depreciation

Depreciation is provided on all of the above categories of fixed assets on straight line basis over the following periods:

Equipment	3 years
Furniture and fittings	3 years
Building additions/improvements	4 years

A full year's depreciation is charged in the year of acquisition with the exception of capital work in progress, which is not depreciated until the asset comes into use.

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2003

Leased assets

Where assets are financed by leasing agreements, which give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Depreciation on assets acquired under finance leases is charged to the income and expenditure account to write the assets off over their expected useful lives.

Lease payments are treated as consisting of capital and interest elements and the interest is charged to the profit and loss account using the straight line method.

Grants

Grants which relate to specific capital expenditure are treated as deferred income which is then credited to the income and expenditure account over the related asset's useful life. Other grants are credited to the income and expenditure account when received.

Pension costs

The Association operates two defined pension schemes for certain employees. The main scheme is the local government scheme and the other being the Students Union Superannuation Scheme.

The Student Union Superannuation Scheme is a defined benefit scheme which is externally funded and contracted out of the State Earnings Related Pension Scheme. 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. In the intervening years, the actuary reviews the progress of the scheme. 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.

Taxation

No provision is made in these accounts for corporation tax, as the Association is exempt from such taxes as its activities are recognised as charitable.

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2003

2. Summary statement of financial activities for the year ended 31 July 2003

	Restricted Funds				2003 Total £	2002 Total £
	Total Unrestricted Funds £	Sports Union Fund £	Clubs & Societies Fund £	Sub Aqua Fund £		
Incoming Resources	4,039,306	67,309	29,501	-	4,136,116	4,428,858
Resources Expended						
Direct charitable expenditure	2,947,371	183,052	29,980	-	3,160,403	3,364,790
Management and administration	949,358	-	-	-	949,358	940,256
Marketing	46,669	-	-	-	46,669	50,033
Resources Expended	3,943,398	183,052	29,980	-	4,156,430	4,355,079
	95,908	(115,743)	(479)	-		73,779
Fund transfers	(144,200)	112,737	7,123	(9,422)	(33,962)	(5,298)
Net incoming resources	(48,292)	(3,006)	6,644			68,481
Fund balance brought forward at 1 August 2002	989,957	41,089	16,632	10,000	1,057,678	989,197
Fund balance brought forward at 31 July 2003	941,665	38,083	23,276	578	1,003,602	1,057,678

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2003

3. Commercial Services' Turnover

	2003	2002
	£	£
Bar	1,486,613	1,665,190
Food	337,219	345,385
Games	252,644	306,276
Entertainment	42,199	47,245
Retail	637,937	717,963
Other	155,245	71,008
	<u>2,911,857</u>	<u>3,153,067</u>

4. Commercial Services' Trading Costs

	2003	2002
	£	£
Cost of sales	1,092,805	1,211,006
Staff related costs	967,309	928,947
General Admin & building costs	338,320	441,009
Commercial related costs	203,935	239,347
Student related cost	165	1,310
	<u>2,602,534</u>	<u>2,821,619</u>

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2003

5. Unrestricted Income & Expenditure

	2003						2002	
	Income	Staff Related Costs	General Admin & Building Costs	Student Related Costs	Commercial Related Costs	Total Costs	Net Surplus/ (Deficit)	Net Surplus/ (Deficit)
	£	£	£	£	£	£	£	£
Conferences	-		2,742	-	-	2,742	(2,742)	32,597
Association General	109,993	135,197	100,197	300	4,442	240,138	(130,145)	(108,325)
Finance	-	122,594	52,343	-	(452)	174,485	(174,485)	(168,486)
IT	357	42,567	31,364	-	-	73,931	(73,574)	(84,892)
Administration	16	22,492	6,458	-	-	28,950	(28,934)	(46,765)
Playgroup	437	46,163	763	89	-	47,015	(46,578)	(25,520)
Welfare	1,621	46,166	17,619	304	-	64,089	(62,468)	(53,322)
Personnel	162	84,017	9,665	-	-	93,682	(93,520)	(94,421)
Building Services	-	154,420	183,571	-	-	338,172	(338,172)	(316,504)
Sabbaticals	-	80,958	5,226	29	-	86,213	(86,213)	(92,959)
Membership Services	21,607	91,925	5,374	20,541	-	117,840	(96,233)	(78,678)
Marketing	-	16,870	29,753	46	-	46,669	(46,669)	(50,033)
Total	134,193	843,369	445,075	21,309	3,990	1,313,743	(1,179,550)	(1,087,308)

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2003

6. Restricted income & expenditure

	2003						2002		
	Income	Staff Related Costs	General Admin & Building Costs	Student Related Costs	Commercial Related Costs	Society Costs	Total Costs	Net Surplus/ (Deficit)	Net Surplus/ (Deficit)
	£	£	£	£	£	£	£	£	£
Sub Aqua Fund									10,000
Sports union	67,309	61,216	64,813	1,872	175	54,976	183,052	(115,743)	(107,705)
Clubs and Societies	29,501	5,786	15,266	601	6,265	2,062	29,980	(479)	(28,123)
Total	96,810	67,002	80,079	2,473	6,440	57,038	213,032	(116,222)	(125,828)

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2003

7. SRC

	2003	2002
	£	£
Rag	2,964	3,150
Debates	4,532	6,498
Cactus	2,135	1,911
Overseas students	-	139
Lesbian, gay, bisexual	1,569	906
Postgraduates	-	359
Mature students	3,758	2,789
Campaigns	1,422	3,580
Training Team	(67)	-
Women's group	249	162
Chaplaincy	-	312
Education	11	17
Telegraph	4,694	10,767
Fusion FM	995	4,784
Nightline	1,416	1,500
Student Development	3,260	2,648
Social Convenor	-	-
Net Cost	<u>26,938</u>	<u>39,522</u>

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2003

8. Trading surplus is stated after charging:

	2003	2002
	£	£
Auditor's remuneration	<u>7,050</u>	<u>6,840</u>

9. Emoluments

Total emoluments amounted to	<u>1,545,311</u>	<u>1,479,682</u>
Average number of employees during the year	<u>150</u>	<u>150</u>

10. Pension Contributions

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. 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 most recent valuation of the scheme was carried out as at 1 October 2001 and showed that the market value of the scheme's assets was £22,530,000 with these assets representing 46% of the benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing basis amounted to £26,525,000.

The assumptions which have the most significant effect upon the results of those valuations are those relating to the rate of return on investments and the rates on increase in salaries and pensions.

The following assumptions applied:

- The investment return would be 6.5% per annum before retirement and 5.5% per annum after retirement
- Salaries would increase at 4.5% per annum, equivalent to 2% per annum above inflation
- Present and future pensions would increase at rates specified by scheme rules with appropriate assumptions where these are dependent on inflation.

A short term contribution rate of 20.5% of Earnings with effect from 1 September 2002 was agreed, inclusive of members' contributions (which vary between different participating Unions, with a higher rate payable in certain circumstances). In the longer term additional contributions will be required with a view to clearing the deficit, unless changes to the Scheme are agreed in the meantime.

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2003

10. Pension Contributions (c'tnd)

The contribution rate for the year ended 31 July 2003 applicable to this Union for the majority of members is 6% of Earnings for members and 13.1% of Earnings for the Union.

Surpluses or deficits which arise at future valuations may impact on the Union's future contribution commitment. The next formal valuation is due as at 1 October 2004 when the above rates will be reviewed.

The contributions paid into the scheme in respect of eligible employees amounted to £82,058 (2002: £68,629).

11. Fixed assets

	Equipment	Building	Furniture & Fittings	Assets under construct ion	Total
	£	£	£	£	£
Cost					
At 1 August 2002	1,096,744	1,983,379	265,755	68,007	3,413,885
Additions	<u>69,263</u>	<u>190,461</u>	<u>13,634</u>	<u>21,079</u>	<u>294,437</u>
At 31 July 2003	<u>1,166,007</u>	<u>2,173,840</u>	<u>279,389</u>	<u>89,086</u>	<u>3,708,322</u>
Depreciation					
At 1 August 2002	1,019,454	1,662,671	258,658	-	2,940,783
Provided during the year	<u>57,949</u>	<u>183,768</u>	<u>11,631</u>	<u>-</u>	<u>253,348</u>
At 31 July 2003	<u>1,077,403</u>	<u>1,846,439</u>	<u>270,289</u>	<u>-</u>	<u>3,194,131</u>
Net book value	88,604	327,401	9,100	89,086	514,191
At 31 July 2003	<u><u>77,290</u></u>	<u><u>320,708</u></u>	<u><u>7,097</u></u>	<u><u>68,007</u></u>	<u><u>473,102</u></u>
At 31 July 2002	<u><u>77,290</u></u>	<u><u>320,708</u></u>	<u><u>7,097</u></u>	<u><u>68,007</u></u>	<u><u>473,102</u></u>

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2003

12. Investments

	£
Cost at 1 August 2002 and 31 July 2003	<u>5,828</u>
Net Book Value	
At 31 July 2003	<u>5,828</u>
At 31 July 2002	<u>5,828</u>

At 31 July 2003 the Association held investments in the following companies which are incorporated in the United Kingdom:

Name of Company	Main Trading Activity	Equity Held
NUS Services Limited	Purchasing Services	"A" Shares – 0.35% "B" Shares

13. Stock

	2003	2002
	£	£
Bar	23,397	27,220
Shop	22,835	33,791
Catering	11,953	6,608
Lord Todd Shop	4,720	6,909
	<u>62,905</u>	<u>74,528</u>

14. Debtors

Amounts falling due within one year	2003	2002
	£	£
Trade debtors	40,214	64,125
Other debtors and prepayments	103,220	75,437
University of Strathclyde	26,754	
Vat	16,592	-

186,780139,562**UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION****Notes to the financial statements****For the year ended 31 July 2003****15. Creditors – Amounts falling due within on year**

	2003	2002
	£	£
Trade creditors	139,029	181,660
University of Strathclyde	-	1,003
Accruals and deferred income	164,508	187,883
Welfare Book Fund	-	179
VAT	-	997
	<u>303,537</u>	<u>371,722</u>

16. Unrestricted funds

	Association General Fund £	Information Technology Fund £	Commercial Reserve £	Non- Commercial Reserve £	Total £
Balance brought forward at 1 August 2002	348,858	-	553,689	87,410	989,957
Transfers:					
From IT Fund	-	-	-	-	-
Commercial reserve	(30,932)	-	30,932	-	-
To Non-commercial reserve	(9,624)	-	-	9,624	-
To Sports union fund	(121,000)	-	-	-	(121,000)
To Clubs & Societies fund	(23,200)	-	-	-	(23,200)
Surplus for the year	95,908	-	-	-	95,908
Balance carried forward At 31 July 2003	<u>260,010</u>	<u>-</u>	<u>584,621</u>	<u>97,034</u>	<u>941,665</u>

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2003

17. Restricted funds

	Sports Union Fund	Clubs & Societies Fund	Sub Aqua Fund	Total
	£	£	£	£
Balance brought forward at 1 August 2002	41,089	16,632	10,000	67,721
Transfers to Income & Expenditure Account	(8,263)	(16,077)	(9,422)	(33,762)
Transfers	121,000	23,200	-	144,200
(Deficit)/Surplus for the year	<u>(115,741)</u>	<u>(480)</u>	-	<u>(116,221)</u>
Balance carried forward at 31 July 2003	<u>38,085</u>	<u>23,275</u>	<u>578</u>	<u>61,938</u>

18. Reconciliation of operating profit to net cash flow from operating activities

	2003	2002
	£	£
Continuing operations		
Surplus/(Deficit) on activities	(84,972)	35,852
Depreciation of tangible fixed assets	253,348	312,518
Decrease in stocks	11,623	4,330
(Increase)/Decrease in debtors	(47,218)	131,363
Increase/(Decrease) in creditors	<u>(68,185)</u>	<u>(70,907)</u>
	<u>64,596</u>	<u>413,156</u>

19. Analysis of changes in debt

	At 1 August 2002	Cashflow	At 31 July 2003
	£	£	£
Net cash			
Cash in hand, at bank	727,354	(198,941)	528,413
Cash held on deposit	<u>9,026</u>	<u>-</u>	<u>9,026</u>
	<u>736,380</u>	<u>(198,941)</u>	<u>537,439</u>

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2003

20. Capital commitments

At July 2003, the Association had capital commitments of £326,000 (2002: £269,000).

21. Related party transactions

The Association is an exempt charity for the purposes of the Charities Accounts (Scotland) Regulations 1992. The Association is in receipt of a recurrent grant from Strathclyde University of £962,360 (2002 - £962,360).

In addition the Association occupies its building on a rent free basis.

The Trustees of the Association are the members of the Executive Committee. The sabbatical members of the Executive Committee receive remuneration for their services as provided for within the Constitution. The aggregate amount payable under such contracts in the year was £70,067 (2002 - £67,987)

22. Controlling Party

The Association is controlled by the Executive Committee which is subject to democratic election by the voting membership of the Association. The ultimate control of the Association is vested under the constitution in the membership in General meeting. As such no single person or entity controls the Association as defined by Financial Reporting Standard 8.

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Year ended 31 July 2003

Schedule of subscriptions

	£
NUS	
BUSA	
INDUSTRIAL SOCIETY	
AMSU	
SCVO	
UKCOSA	
CAB	
IPD	
ACUI	
VOLUNTEER DEVELOPMENT SCOTLAND	
SKILL	
SUAF	
THE WORK FOUNDATION	
INDICATOR	
INT. STUDENTS HOUSE	
AUA	
INFORMATION COMMISSIONER	
LABOUR RESEARCH DEPT	
CPAG	
LEGAL SERVICES AGENCY	
TIMES HIGHER EDUCATION	
SPPA	
HCIMA (CATERING)	_____
Total	=====

This schedule does not form part of the audited financial statements.