

**UNIVERSITY OF STRATHCLYDE
STUDENTS' ASSOCIATION**

REPORT AND FINANCIAL STATEMENTS

For the Year ended 31 July 2005

Charity Number SCO05914

**BAKER TILLY
Chartered Accountants
Glasgow**

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

REPORT AND FINANCIAL STATEMENTS

For the Year ended 31 July 2005

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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 2005 – 30th June 2006)

Katy McCloskey : President
Claire Hill : Deputy President
Matt Bruce : President – Sports Union
Sarah Billingsley : V.P. Advice & Support
Sareta Puri : V.P. Finance & Commercial Services
Kate McKie : V.P. Student Development
Gurjit Singh : Academic Affairs Officer
Thomasena O'Byrne : Equal Opportunities Officer
Lorraine Govan : Convenor of Clubs & Societies
Iain Delworth : Convenor of Communications & Marketing

Executive (1st July 2004 – 30th June 2005)

Jamie Davidson : President
Rebecca Robinson : Deputy President
Scott Rae : President – Sports Union
Rosie Steele : V.P. Advice & Support
Ronan Evers-Norton : V.P. Finance & Commercial Services
Susan Faris : V.P. Student Development
Sareta Puri : Academic Affairs Officer
Avril Honan : Equal Opportunities Officer
Kylee Brown : Convenor of Clubs & Societies
Iain Delworth : Convenor of Communications & Marketing

Auditors

Baker Tilly
Breckenridge House
274 Sauchiehall Street
Glasgow
G2 3EH

Bankers

National Westminster Bank
14 Blythswood Square
Glasgow
G2 4AQ

Principal Address

90 John Street
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G1 1JH

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Vice-President – Finance & Commercial Services' commentary on the financial statements for the year ended 31 July 2005

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 Association was faced with a very difficult year for 2004/05. It commenced with a fall in commercial performance over Freshers Week a trend which continued through Term 1. The main factors affecting commercial performance included later socialising hours for students combined with the impact of the new licensing law which significantly affected the business strategy for commercial services.

A revision of the business strategy adopted by commercial services started to have a positive impact from the start of term 2 which continued through to the year end. A further review of commercial services activities resulted in the Association's decision to outsource its two shop units to a third party in order to allow the Association to focus on its core functions.

Much of the Association's success can be attributed to the high quality of student volunteers involved within the organisation. This year saw the introduction of the STAR awards which formally recognises the commitment of our student volunteers.

Other achievements throughout the year include the re-establishment of the Student Radio station SUR which broadcasts via the internet every weekday, a successful campaign permitting students to take bottled water into the University library and a significant increase in membership to clubs and societies. The Sports Union continues to offer a fantastic range of sporting opportunities with over 30 clubs for students to choose from while the Association Book trader service continues to provide an invaluable facility to students wishing to purchase second hand books with the number of books sold more than double its combined turnover over the last 3 years.

For the year ahead, the Association is optimistic about its commercial performance as it continues to increase the level of entertainment provided via commercial services. The Association will also focus on emerging issues such as the new Charities Bill and the National Smoking Ban and is committed to raising student awareness via campaigns which will include topics such as Student Safe Drinking, One World Week and Year of the Volunteer.

Sareta Puri
V.P. Finance & Commercial Services

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Executive Responsibilities

Year ended 31 July 2005

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 to 12, 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.

Katy McCloskey
President

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Auditors' Report to the members

Year ended 31 July 2005

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

We have audited the financial statements on pages 7 to 23 of the University of Strathclyde Students' Association for the year ended 31 July 2005. 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 have 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 2005

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 2005 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 2005

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2005 £	Total 2004 £
Income					
Grant from University		1,102,800	-	1,102,800	1,070,400
Commercial services' trading income	3	2,392,832	-	2,392,832	2,571,631
Conferences	5	-	-	-	-
Association general	5	82,601	-	82,601	114,735
Ask 4	5	-	-	-	1,559
Personnel	5	-	-	-	5
Membership Services	5	1,157	-	1,157	29,925
Marketing	5	52,514	-	52,514	6,224
Sports Union	6	-	88,148	88,148	82,427
Clubs & Societies	6	-	13,319	13,319	17,047
		<u>3,631,904</u>	<u>101,467</u>	<u>3,733,371</u>	<u>3,893,953</u>
Expenditure					
Direct charitable expenditure:					
Commercial services' trading costs	4	2,183,662	-	2,183,662	2,426,845
Sabbaticals	5	87,200	-	87,200	90,979
Membership services expenditure	5	68,399	-	68,399	122,062
Ask 4	5	59,262	-	59,262	66,821
Democratic Services	5	29,328	-	29,328	20,611
SRC departments	7	26,750	-	26,750	25,457
Conference	5	-	-	-	-
Sports union	6	-	204,883	204,883	196,094
Clubs & societies	6	-	25,976	25,976	24,387
Other expenditure:					
Association general	5	244,634	-	244,634	316,541
Finance	5	185,189	-	185,189	179,867
Information technology	5	90,705	-	90,705	86,265
Personnel	5	92,284	-	92,284	102,454
Facilities Management	5	328,738	-	328,738	334,081
Marketing	5	92,295	-	92,295	72,977
Total resources expended		<u>3,488,446</u>	<u>230,859</u>	<u>3,719,305</u>	<u>4,065,441</u>
(Deficit)/Surplus on activities		143,458	(129,392)	14,066	(171,488)
Staff Restructure Costs		(45,361)	-	(45,361)	(146,827)
Interest received		32,529	-	32,529	24,881
Net (outgoing)/incoming resources before transfers		<u>130,626</u>	<u>(129,392)</u>	<u>1,234</u>	<u>(293,434)</u>
Transfer between restricted funds		-	6,400	6,400	(14,620)
Transfer to restricted funds	17	(142,100)	142,100	-	-
Net incoming resources		<u>(11,474)</u>	<u>19,108</u>	<u>7,634</u>	<u>(308,054)</u>
Fund balance brought forward at 1 August 2004		622,738	72,810	695,548	1,003,602
Fund balance carried forward at 31 July 2005		<u>611,264</u>	<u>91,918</u>	<u>703,182</u>	<u>695,548</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 2005

	Note	2005 £	2004 £
Fixed assets			
Tangible assets	12	243,953	438,590
Investments (at cost)	13	5,828	5,828
		249,781	444,418
Current assets			
Stock	14	48,452	54,366
Debtors	15	110,924	194,689
Deposit		9,026	9,026
Cash at bank and in hand		652,039	301,036
		820,441	559,117
Creditors: amounts falling due within one year	16	367,040	307,987
Net current assets		453,401	251,130
Net assets		703,182	695,548
Funds			
Unrestricted funds	17	611,264	622,738
Restricted funds	18	91,918	72,810
Total funds		703,182	695,548

The financial statements were signed on _____ on behalf of the Association by:

Katy McCloskey
President

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Cash flow statements for the year ended 31 July 2005

	Note	2005	2004
		£	£
Net cash inflow from operating activities	19	392,304	(5,059)
Returns on investment and servicing of finance		32,529	24,881
Capital expenditure		(73,830)	(247,199)
(Decrease) in cash for the year	20	<u>351,003</u>	<u>(227,377)</u>
 Reconciliation of net cash flow to movement in net debt			
	Note	2005	2004
		£	£
(Decrease) in cash for the year	20	<u>351,003</u>	<u>(227,377)</u>
Movement in net funds in the period		351,003	(227,377)
Net funds at 1 August 2004		310,062	537,439
Net funds at 31 July 2005	20	<u>661,065</u>	<u>310,062</u>

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2005

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.

Turnover

The turnover shown in the income and expenditure account represents amounts invoiced and cash sales during the period.

Stocks

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

Investments

Investments are included at cost price.

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 2005

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 offers three defined pension schemes for certain employees. The main scheme is the local government scheme and the others being the Students Union Superannuation Scheme and the University Superannuation Scheme. The local government scheme and the University Superannuation Scheme are administered by the University of Strathclyde and these are referred to in their financial statements.

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 2005

Funds

Unrestricted funds comprise donations and other incoming resources received or generated for charitable purposes. They are available for use at the discretion of the Executive Committee in furtherance of the charity's general charitable objectives.

The general fund represents the free reserves of the charity, which are not designated for particular purposes.

The Sports Union Fund; the Clubs Fund and the Sub Aqua Fund have all been designated for specific purposes identified at the time of receipt.

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2005

2. Summary statement of financial activities for the year ended 31 July 2005

	Restricted Funds			Sub Aqua Fund	2005 Total	2004 Total
	Total Unrestricted Funds	Sports Union Fund	Clubs & Societies Fund			
	£	£	£	£	£	£
Incoming Resources	3,664,433	119,310	13,685	-	3,797,428	3,918,834
Resources Expended						
Direct charitable expenditure	2,454,601	204,883	25,976	-	2,685,460	2,973,256
Management and administration	986,911	-	-	-	986,911	1,166,035
Marketing	92,295	-	-	-	92,295	72,977
Resources Expended	3,533,807	204,883	25,976	-	3,764,666	4,212,268
	130,626	(85,573)	(12,291)	-	32,762	(293,434)
Fund transfers	(142,100)	99,738	17,234	-	(25,128)	(14,620)
Net (outgoing)/incoming resources	(11,474)	14,165	4,943	-	7,634	(308,054)
Fund balance brought forward at 1 August 2004	622,738	38,272	33,960	578	695,548	1,003,602
Fund balance brought forward at 31 July 2005	611,264	52,437	38,903	578	703,182	695,548

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2005

3. Commercial Services' Turnover

	2005	2004
	£	£
Bar	1,287,383	1,302,537
Food	351,947	379,370
Games	237,949	279,018
Entertainment	72,607	35,750
Retail	363,405	452,843
Other	79,541	122,113
	<u>2,392,832</u>	<u>2,571,631</u>

4. Commercial Services' Trading Costs

	2005	2004
	£	£
Cost of sales	819,614	920,516
Staff related costs	801,132	929,050
General Admin & building costs	315,455	364,146
Commercial related costs	207,462	185,255
Student related cost	39,999	27,878
	<u>2,183,662</u>	<u>2,426,845</u>

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2005

5. Unrestricted Income & Expenditure

	2005						2004	
	Income £	Staff Related Costs £	General Admin & Building Costs £	Student Related Costs £	Commercial Related Costs £	Total Costs £	Net Surplus/ (Deficit) £	Net Surplus/ (Deficit) £
Conferences	-	-	-	-	-	-	-	-
Association General	82,601	122,515	117,325	-	4,794	244,634	(162,033)	(201,806)
Finance	-	134,022	51,237	-	(70)	185,189	(185,189)	(179,867)
IT	-	55,335	35,370	-	-	90,705	(90,705)	(86,265)
Democratic Services	-	25,431	3,662	235	-	29,328	(29,328)	(20,611)
Ask 4	-	43,668	14,645	949	-	59,262	(59,262)	(65,262)
Personnel	-	84,634	7,550	-	100	92,284	(92,284)	(102,449)
Facilities Management	-	120,659	208,079	-	-	328,738	(328,738)	(334,081)
Sabbaticals	-	82,941	4,259	-	-	87,200	(87,200)	(90,979)
Membership Services	1,157	63,544	3,954	901	-	68,399	(67,242)	(92,137)
Marketing	52,514	46,606	30,061	15,628	-	92,295	(39,781)	(66,753)
Total	136,272	779,355	476,142	17,713	4,824	1,278,034	(1,141,762)	(1,240,210)

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2005

6. Restricted income & expenditure

	2005						2004		
	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	-	-	-	-	-	-	-	-	-
Sports union	88,148	71,171	67,027	-	225	66,460	204,883	(116,735)	(113,667)
Clubs	13,319	1,549	11,681	1,010	10,459	1,277	25,976	(12,657)	(7,340)
Total	101,467	72,720	78,708	1,010	10,684	67,737	230,859	(129,392)	(121,007)

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2005

7. SRC

	2005	2004
	£	£
Rag	2,038	1,657
Debates	4,838	4,800
Cactus	2,345	1,396
Overseas students	1	15
Lesbian, gay, bisexual	1,569	740
Postgraduates	605	-
Mature students	978	735
Campaigns	2,138	1,415
Training Team	1,375	361
Women's group	465	258
Telegraph	4,068	7,782
Fusion FM	3,375	544
Nightline	(1,453)	1,500
Student Development	68	267
Marketing Team	1,190	(13)
Halls	1,829	4,000
Film & Doc Society	1,321	-
Net Cost	<u>26,750</u>	<u>25,457</u>

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2005

8. Trading surplus is stated after charging:

	2005	2004
	£	£
Auditor's remuneration	<u>8,772</u>	<u>7,200</u>

9. Emoluments

Wages and salaries	1,247,520	1,380,625
Social security costs	83,791	93,238
Pension costs	<u>85,179</u>	<u>88,837</u>
Total emoluments amounted to	<u>1,416,490</u>	<u>1,562,700</u>
Average number of employees during the year	<u>130</u>	<u>145</u>

One member of staff earns emoluments in the range of £50,001 to £55,000. (2004: £50,001 to £55,000)

10. Staff Restructure Costs

A total payment of £45,361 was made in respect of staff restructure costs.

11. Pension Contributions

The Union participates in the Students Union Superannuation Scheme, 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 of 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.

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2005

11. Pension Contributions (c'tnd)

In view of the funding position of the Scheme, the Trustees have decided to amend the Scheme Rules with effect from 1 October 2004. This will change the Scheme from a final salary basis to a Career Average Revalued Earnings basis (CARE). The combined rate payable from 1 October 2004 will be 22.5% of pensionable earnings with high rates payable in certain circumstances.

The contribution rate for the year ended 31 July 2004 applicable to this Union for the majority of members is 3% of Earnings for members and 19.5% of Earnings for the Union, (22.5% in aggregate).

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 2005 when the above rates will be reviewed.

The contributions paid into the scheme in respect of eligible employees for the year ended 31 July 2005 amounted to £20,944 (2004: £22,905).

12. Fixed assets

	Equipment	Building	Furniture & Fittings	Total
	£	£	£	£
Cost				
At 1 August 2004	1,216,024	2,423,588	289,909	3,929,521
Additions	48,825	14,492	10,513	73,830
Disposals	-	-	-	-
Transfers	-	-	-	-
At 31 July 2005	1,264,849	2,438,080	300,422	4,003,351
Depreciation				
At 1 August 2004	1,148,837	2,063,742	278,351	3,490,930
Disposals	-	-	-	-
Provided during the year	70,929	185,980	11,559	268,468
At 31 July 2005	1,219,766	2,249,722	289,910	3,759,398
Net book value				
At 31 July 2005	45,083	188,358	10,512	243,953
At 31 July 2004	67,187	359,846	11,557	438,590

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2005

13. Investments

	£
Cost at 1 August 2004 and 31 July 2005	<u>5,828</u>
Net Book Value	
At 31 July 2005	<u>5,828</u>
At 31 July 2004	<u>5,828</u>

At 31 July 2005 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

14. Stock

	2005 £	2004 £
Bar	30,203	21,888
Shop	15,000	20,621
Catering	<u>3,249</u>	<u>11,857</u>
	<u>48,452</u>	<u>54,366</u>

15. Debtors

	2005 £	2004 £
Trade debtors	32,149	53,723
Other debtors and prepayments	64,093	127,373
University of Strathclyde	<u>14,682</u>	<u>13,593</u>
	<u>110,924</u>	<u>194,689</u>

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2005

16. Creditors – Amounts falling due within one year

	2005	2004
	£	£
Trade creditors	144,029	86,922
Accruals and deferred income	209,866	210,284
Club Savings	2,156	1,617
Prepayment Cards	-	127
Malawi Fund	72	-
Welfare Book Fund	1,568	167
VAT	9,349	8,870
	<u>367,040</u>	<u>307,987</u>

17. Unrestricted funds

	Association General Fund £	Commercial Reserve £	Non- Commercial Reserve £	Total £
Balance brought forward at 1 August 2004	(84,117)	599,121	107,734	622,738
Transfers:				
Commercial reserve	(20,900)	20,900	-	-
To Non-commercial reserve	(11,000)	-	11,000	-
To Sports union fund	(124,500)	-	-	(124,500)
To Clubs & Societies fund	(17,600)	-	-	(17,600)
Surplus for the year	130,626	-	-	130,626
Balance carried forward At 31 July 2005	<u>(127,491)</u>	<u>620,021</u>	<u>118,734</u>	<u>611,264</u>

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2005

18. Restricted funds

	Sports Union Fund	Clubs & Societies Fund	Sub Aqua Fund	Total
	£	£	£	£
Balance brought forward at 1 August 2004	38,272	33,960	578	72,810
Transfers to Income & Expenditure Account	(31,162)	(366)	-	(31,528)
Transfer to Sailing Club Fund	6,400	-	-	6,400
Transfers	124,500	17,600	-	142,100
(Deficit) for the year	<u>(85,573)</u>	<u>(12,291)</u>	<u>-</u>	<u>(97,864)</u>
Balance carried forward at 31 July 2005	<u>52,437</u>	<u>38,903</u>	<u>578</u>	<u>91,918</u>

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

	2005	2004
	£	£
Continuing operations		
Surplus/(Deficit) on activities	233	(318,315)
Transfer from Funds	(25,128)	(14,620)
Depreciation of tangible fixed assets	268,468	322,799
Decrease in stocks	5,914	8,536
(Increase)/Decrease in debtors	83,765	(7,909)
Increase/(Decrease) in creditors	<u>59,051</u>	<u>4,450</u>
	<u>392,304</u>	<u>(5,059)</u>

20. Analysis of changes in debt

	At 31 July 2004	Cashflow	At 31 July 2005
	£	£	£
Net cash			
Cash in hand, at bank	301,036	351,003	652,039
Cash held on deposit	9,026	-	9,026
	<u>310,062</u>	<u>351,003</u>	<u>661,065</u>

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Notes to the financial statements

For the year ended 31 July 2005

21. Capital commitments

At July 2005, the Association had capital commitments of £100,000 (2004: £50,000).

22. 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 £1,102,800 (2004 - £1,070,400).

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 £88,113 (2004 - £81,282)

23. 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.

24. Commitment Under Operating Leases

At 31 July 2005 the Association had annual commitments under non-cancellable operating leases as set out below.

	2005	2004
	Assets Other Than Land and Buildings	Assets Other Than Land and Buildings
	£	£
Operating leases which expire:		
Within 1 year	-	1,936
Within 2 to 5 years	<u>3,720</u>	<u>2,352</u>
	<u>3,720</u>	<u>4,288</u>

UNIVERSITY OF STRATHCLYDE STUDENTS' ASSOCIATION

Schedule of subscriptions

For the year ended 31 July 2005

	£
NUS	51,740
SCVO	350
UKCOSA	267
CAB	72
CIPD	191
SKILL	68
IPD	104
AUA	70
LABOUR RESEARCH DEPT	166
CPAG	55
CRONER	3,096
LEGAL SERVICES AGENCY	50
FENMAN	137
SUSF	3,500
NATIONAL UNION OF JOURNALISTS	50
TLC LEARNING COMPANY	800
HOLYROOD COMMUNICATIONS	70
IIRSM	55
ILM MEMBERSHIP	155
CIM	105
VOLUNTEER DEVELOPMENT SCOTLAND	80
NASMA	100
NATIONAL NIGHTLINE	47
WOLTERS KLUWER (UK)	971
STUDENT RADIO ASSOCIATION	90
LOCKSLEY PRESS	130
Total	<u>62,603</u>

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