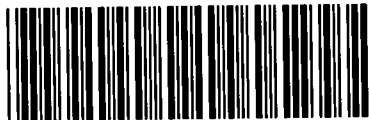


REGISTERED COMPANY NUMBER: 07623621 (England and Wales)
REGISTERED CHARITY NUMBER: 1149397

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 JULY 2016
FOR
CHESTER STUDENTS' UNION

TUESDAY



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COMPANIES HOUSE

CHESTER STUDENTS' UNION

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CHESTER STUDENTS' UNION

REPORT OF THE TRUSTEES for the Year Ended 31 July 2016

The trustees (who are also the directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Chester Students' Union for the year ended 31 July 2016. The trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the Charity governing document and the provisions of 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) (Charities SORP (FRS102)).

Charitable Status

Chester Students' Union is an incorporated charitable company limited by guarantee established under the Education Act 1994 and is registered with the Charity Commission (No 1149397) and Companies House (No 7623621).

OBJECTIVES AND ACTIVITIES

Chester Students' Union's mission is "to enhance the student experience".

Our charitable objects are detailed below.

The advancement of education of the students of University of Chester for the public benefit by:

- promoting the interests and wellbeing of students at University of Chester during their course of study and representing, supporting and advising students;
- being the recognised representative channel between students and University of Chester and any other external bodies;
- providing social, cultural, sporting and recreational activities and forums for discussion and debate for the personal development of its students.

In pursuit of these aims we represent 19,000 students at the University, the local community and nationally via the National Union of Students. Representation to the University is through attendance at all University committee meetings, and the President is also a University Student Governor. We also represent individual students on issues such as academic appeals, academic malpractice, disciplinaries and professional suitability panel hearings.

In addition to the sabbatical officers, the Union have a Student Council which is made up of interested students. This provides a monthly platform to listen and share ideas to get a broad spectrum of opinion from the broad student demographic.

The Union runs a professional and confidential Advice Service on a drop in basis and cover any issue raised, either in house, or through referral to an appropriate external organisation. We provide an independent housing advice service, offering advice and representation in all aspects of housing. We offer information and advice on student finances including loans, fees and funding. We provide information, advice and representation on all aspects of University procedures, including appeals, plagiarism and resits. We also provide general advice in many other areas.

Campaigns are run on a regular basis, both proactively on common themes such as sexual health and accommodation, national campaigns including Out in Sport, and This BUCS Girls Can and reactive campaigns on any issues particularly affecting students at that time.

CHESTER STUDENTS' UNION

REPORT OF THE TRUSTEES for the Year Ended 31 July 2016

OBJECTIVES AND ACTIVITIES

We proudly fund and facilitate over 100 active sports and societies in which over 4,000 students participate on an annual basis. These range from traditional sports such as football and hockey that compete in regional University leagues (BUCS), to Faith and Cultural Groups, General Interest Groups, Performance Groups, Political and Campaigning Groups. The Union caters for beginners to elite performers.

We run a student bar which provides students with a safe space to socialise and relax, alongside two convenience stores and a coffee shop. This also provides employment for about 50 students each year.

When reviewing our objectives and planning our activities, we have given due consideration to the Charity Commission's general and relevant supplementary guidance on public benefit.

ACHIEVEMENT AND PERFORMANCE

This year we were proud to receive a student satisfaction rating of 77% which places us in the top quartile across the country, and second in the North West region (source National Student Survey 2013-2016). We were also shortlisted in the top 10 Students' Union of the year by WhatUni Awards.

Representation

We continued to represent students on an individual basis, with ever increasing caseloads due to new University regulations and increased advertising of our services. We now have a bespoke online case management system to manage case work.

The Student Academic Representative (StAR) system increased in numbers and there was a significant improvement in the level of training and support provided to students.

There were some key successes following University lobbying including the installation of a common room in Warrington and refurbished astro turf for the teams.

We were also delighted to work with the University on the introduction of the free books for all first years, replacing a previous system that was not beneficial to the students who were most in need. The scheme also expanded into allowing students to use bursaries for a variety of key activities on campus such as printing and sports and society membership.

Campaigns

The Above and Beyond Awards continues to be a great success in their fourth year, and are particularly well received by University managers as well as the recipients.

We received accreditation for our Want Not? Waste Not! recycling campaign which saw over 100 large bags of unwanted items collected from student homes when they moved out in June, and redistributed to local charities, incoming students and simply recycled where possible. This project was an excellent example of cross collaboration with the council and University Sustainability team, and co-ordinated by volunteer students.

CHESTER STUDENTS' UNION
REPORT OF THE TRUSTEES
for the Year Ended 31 July 2016

ACHIEVEMENT AND PERFORMANCE

Sports and Societies

Over 4,000 students participated throughout the year which is another huge increase, and can be attributed to an increase in diversity of our sports teams, but most specifically to our societies as we meet the need of our international students and academic societies. We have also introduced a training pass for the Warrington campus to allow students to more easily participate in multiple activities. It was also a very successful year in terms of trophies, as we won 9 BUCS Leagues, 1 BUCS Final and saw the Cheerleading team crowned as Grand National Champions.

Communication

Since the introduction of a dedicated member of staff we have seen a significant improvement in the quality of our marketing which has directly contributed to a positive commercial year in the bar, and attendance at one off events throughout the year.

Commercial Activity

We continue to run successful commercial services that provide social and recreational facilities for students, whilst also subsidising our income to spend towards our above activities. Whilst some areas have not performed as hoped financially, most notably Chester retail, these have been evened out by over achieving areas, and are closely monitored. Unfortunately the planned bar extension was not able to be funded by the University.

University Centre Shrewsbury

SU Shrewsbury has been very successful in its first fall year welcoming the new students. As the availability of other support staff is limited due to numbers, the SU plays a really vital role in all aspects of the student's experience outside of the classroom.

Strategic Plan

We launched our new strategic plan in January 2015, following extensive consultations with stakeholders. The key strategic themes identified are; Student Voice, Communication, Student Engagement, Individual Representation, Collaboration and Partnership, Business Sustainability. These will underpin our future plans and we have had a staffing restructure to better meet the needs of the organisation.

Future Plans

There are a number of government changes currently being reviewed in parliament that are likely to have a significant effect on our student membership, most notably the introduction of the Teaching Excellence Framework, possibly increase in undergraduate fees, and removal of nursing bursaries. The Union will be preparing for the effect of these changes to support the students moving forward.

The retail area has had a complete overhaul to try and buck the national trend of declining sales in this area. This is being closely monitored to ensure all efficiencies and sales opportunities are maximised.

FINANCIAL REVIEW

Chester Students' Union's gross income from all sources this year totalled £1,455,329 (2015 - £1,458,260). Total expenditure of £1,484,340 (2015 - £1,496,542) on the wide ranging student benefits we provide within a broadly balanced budget, as well as on the revenue generating activities we undertake, left a deficit for the year of £29,011 (2015 - £38,282). This was considered spend of our free reserves and came in £10,000 under the budget which was predominately due to the bar extension cancellation meaning that the bar did not stop trading at any point. It is also important to note that the figure includes a significant circa £18k provision for bad debt. This debt has not been written off and is being legally pursued.

CHESTER STUDENTS' UNION
REPORT OF THE TRUSTEES
for the Year Ended 31 July 2016

FINANCIAL REVIEW

We have reviewed Chester Students' Union's reserves requirements. Free reserves stood at £269,623 (2015 - £298,634) at the year end. This amount has been accumulated over a number of years when the Block Grant from the University was not fixed for more than 12 months at a time. A new 3 year agreement was made with the University effective from 2015/16 which has allowed the trustees to make a commitment to more actively use a portion of these reserves to further benefit the student experience and services offered.

Chester Students' Union is currently affiliated to the National Union of Students at a cost of £14,756 per year, NUS Services Ltd at a cost of £300 per year, and British Universities and Colleges Sports at a cost of circa £6,000 a year.

Future Funding

The Board of Trustees confirms that Chester Students' Union has sufficient funds to meet all its obligations. The Block Grant from the University for 2015-16 has been confirmed at £350,000 and the commercial activities are expected to generate significant funds. A further £50,000 has been confirmed for the Students' union activities at Shrewsbury.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Chester Students' Union is constituted under the Education Act 1994 as an incorporated charity with internal regulations approved by the governing body of the University of Chester (the University).

The Union is bound by its Articles. The Board of Trustees is in overall control of the Students' Union subject only to a vote of the membership at an Annual General Meeting or in a referendum.

The Sabbatical Trustees are elected annually by a cross-campus ballot of all student members. Sabbatical Trustees are full time officers with a term of office of one year. The Student Trustees are elected from the Student Council. The External Trustees are recruited by the existing Trustees with the support of the CEO.

The Sabbatical Team of four elected officers, together with the CEO have the responsibility for implementing the policies and strategies of the Union, approved by the Trustee Board.

The Board of Trustee's responsibilities are set out in the Students' Union's Articles which have been approved by University of Chester's Board of Governors. The Students' Union's Board of Trustees is responsible for determining the mission, vision and values of the Students' Union; the effective and efficient use of resources, the solvency of the organisation; approving annual estimates of income and expenditure; setting and monitoring organisational strategies, policies and regulations; putting in place effective systems of control and accountability; appointing the CEO; and appointing the external auditors.

The Sabbatical Trustees attend a number of training events designed to ensure that they understood their role as Trustees. All external trustees and student trustees are also given an induction session before they join the Board which includes the role and responsibilities of trustees generally and in relation to Chester Students' Union; conflicts of interest; and the principles of good governance.

The Board met five times in the year ended 31st July 2016, and considered, amongst other things, the strategy of the Students' Union, key performance indicators, budget overview, capital investment, staff resources and the updating and enforcing of policies and procedures.

CHESTER STUDENTS' UNION

REPORT OF THE TRUSTEES for the Year Ended 31 July 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

Relationship with University of Chester

The relationship between University of Chester and Chester Students' Union is established in the Regulations of the University and detailed in Chester Students' Union's Articles approved by both organisations.

Chester Students' Union receives a Block Grant from the University and rents a building in Chester, plus part of a building at the Warrington campus. Although the Union continues to generate a surplus for its various trading activities, it will always be dependent on the University's support.

There is no reason to believe that this or equivalent support from the University will not continue for the foreseeable future, as the Education Act 1994 imposes a duty on the University to ensure the financial viability of its student representative body.

Risk Management

The Trustee Board of the Students' Union has examined the major strategic, business and operational risks faced by Chester Students' Union. A risk register has been established and will be updated at least annually. Where appropriate, systems or procedures will be established to mitigate the risks the Students' Union faces. Budgetary and internal control risks have been minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety for staff, volunteers and participants on all activities organised by the Union. These procedures are periodically reviewed to ensure that they can continue to meet the needs of the Students' Union.

REFERENCE AND ADMINISTRATIVE DETAILS

Principal address and registered office

Chester Students' Union, Parkgate Road, Chester CH1 4BJ

Charity Trustees / Directors

Full Time Student Officer Trustees (elected by cross campus ballot)

President	Cherelle Mitchell (01/07/16 to date) Jonathan Harper (01/08/14 to 01/07/16)
Vice President Activities	James Brown (01/07/15 to date) Ethan Wade (01/07/15 to date)
Vice President Education	Alessandro Salemme (01/07/16 to date) Thomas Little (01/08/14 to 01/07/16)

Student Trustees (elected by Student Council)

Darta Kaleja (18/11/14 to date)
Karen Elliott (01/11/15 to date)

External Trustees (selected by Nominations Committee)

Dr Gavin Eyres (01/06/14 to date)
Jamie Christon (17/11/15 to date)
Paul Heath (17/10/11 to 01/05/16)

CHESTER STUDENTS' UNION

REPORT OF THE TRUSTEES for the Year Ended 31 July 2016

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

McIntocks Partnership Limited
2 Hilliards Court
Chester Business Park
Chester
CH4 9PX

Bankers

Barclays Bank plc

Chester Students' Union employs a Chief Executive Officer to work closely with the Student Officers and the Board of Trustees to ensure effective management of the Students' Union:

Chief Executive Officer (and Company Secretary) - Laura Greenwood-Pearsons

The Board of Trustees present their Annual Report for the year ended 31st July 2016, which includes the administrative information set out above, together with the audited accounts for that year.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Societies Funds

Chester Students' Union acts as custodian for funds raised by the student sports and societies themselves, amounting to £23,029 (2015 - £18,710) at the year-end, in addition to the grant-support funds it disburses to them as shown in the accounts.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustee' 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, which 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 a year. 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(FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statement 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply 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.

CHESTER STUDENTS' UNION

REPORT OF THE TRUSTEES for the Year Ended 31 July 2016

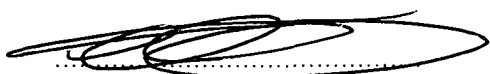
STATEMENT OF TRUSTEES RESPONSIBILITIES

So far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware and we have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, McLintocks Partnership Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 10 October 2016 and signed on its behalf by:



Trustee - Cherelle Mitchell

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHESTER STUDENTS' UNION

We have audited the financial statements of Chester Students' Union for the year ended 31 July 2016 on pages nine to twenty four. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page six, 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 charitable 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 Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

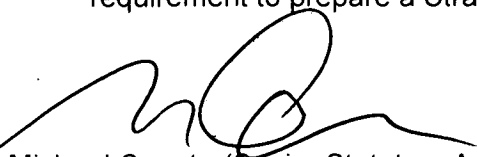
In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHESTER STUDENTS' UNION

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 from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.



Michael Caputo (Senior Statutory Auditor)
for and on behalf of McLintocks Partnership Limited
Chartered Accountants
Statutory Auditors
2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9PX

Date: 10 October 2016

CHESTER STUDENTS' UNION**STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 July 2016**

	Notes	2016 Unrestricted funds £	2015 Total funds £
INCOME			
Donations	2	445,172	396,465
Charitable activities	3	41,006	51,711
Other trading activities	4	967,439	1,007,079
Investment income	5	<u>1,712</u>	<u>3,005</u>
Total Income		<u>1,455,329</u>	<u>1,458,260</u>
EXPENDITURE			
Raising funds	6	853,256	862,624
Charitable activities	7	413,305	417,176
Other costs	8	<u>217,779</u>	<u>216,742</u>
Total Expenditure		<u>1,484,340</u>	<u>1,496,542</u>
NET (EXPENDITURE)		(29,011)	(38,282)
RECONCILIATION OF FUNDS			
Total funds brought forward		298,634	336,916
TOTAL FUNDS CARRIED FORWARD		<u>269,623</u>	<u>298,634</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of the financial statements

CHESTER STUDENTS' UNION

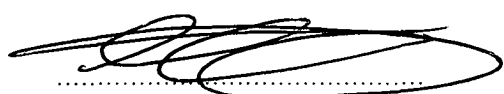
BALANCE SHEET

At 31 July 2016

	Notes	2016 Unrestricted funds £	2015 Total funds £
FIXED ASSETS			
Tangible assets	13	<u>88,318</u>	<u>97,508</u>
CURRENT ASSETS			
Stocks		56,757	41,590
Debtors	14	85,677	77,427
Cash at bank and in hand		<u>155,226</u>	<u>254,950</u>
		297,660	373,967
CREDITORS			
Amounts falling due within one year	15	(116,355)	(172,841)
NET CURRENT ASSETS		<u>181,305</u>	<u>201,126</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>269,623</u>	<u>298,634</u>
NET ASSETS		<u>269,623</u>	<u>298,634</u>
FUNDS	18		
Unrestricted funds		<u>269,623</u>	<u>298,634</u>
TOTAL FUNDS		<u>269,623</u>	<u>298,634</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 10 October 2016 and were signed on its behalf by:



Trustee - Cherelle Mitchell

The notes form part of the financial statements

CHESTER STUDENTS' UNION

CASH FLOW STATEMENT
for the Year Ended 31 July 2016

	Notes	2016 £	2015 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>(30,972)</u>	<u>(106,763)</u>
Net cash (used in) operating activities		<u>(30,972)</u>	<u>(106,763)</u>
 Cash flows from investing activities:			
Purchase of tangible fixed assets		(44,647)	(67,178)
Sale of tangible fixed assets		243	-
Interest received		<u>1,712</u>	<u>3,005</u>
Net cash (used in) investing activities		<u>(42,692)</u>	<u>(64,173)</u>
 Change in cash and cash equivalents in the reporting period		(73,664)	(170,936)
Cash and cash equivalents at the beginning of the reporting period	2	<u>228,889</u>	<u>399,826</u>
 Cash and cash equivalents at the end of the reporting period	2	<u>155,225</u>	<u>(228,890)</u>

The notes form part of the financial statements

CHESTER STUDENTS' UNION

**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 July 2016**

1. RECONCILIATION OF NET (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net (expenditure) for the reporting period (as per the statement of financial activities)	(29,011)	(38,282)
Adjustments for:		
Depreciation	53,593	38,779
Interest received	(1,712)	(3,005)
Increase in stocks	(15,167)	(2,389)
Increase in debtors	(8,250)	(24,310)
Decrease in creditors	<u>(30,425)</u>	<u>(77,556)</u>
Net cash (used in) operating activities	<u>(30,972)</u>	<u>(106,763)</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	19,274	17,981
Notice deposits (less than 3 months)	135,952	236,969
Overdrafts included in bank loans and overdrafts falling due within one year	<u>-</u>	<u>(26,061)</u>
Total cash and cash equivalents	<u>155,226</u>	<u>228,889</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include head office costs, finance, personnel, payroll and governance costs.

Fixed asset investments

Chester Students' Union investments are valued at cost.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Equipment	- 20% on cost

Assets are not capitalised below £500 cost per item/set.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 July 2016

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally on notification of the interest paid or payable by the bank.

Debtors

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

Cash at bank

Cash at bank and cash in hand includes cash and short term deposits.

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 normally recognised at their settlement amount after allowing for any trade discounts due.

Transition to FRS102

There have been no restatements of opening balances required in making the transition to FRS 102. The transition date was 1 August 2014.

2. DONATIONS AND LEGACIES

	2016	2015
	£	£
University recurrent grant	401,500	354,035
Subscriptions	<u>43,672</u>	<u>42,430</u>
	<u>445,172</u>	<u>396,465</u>

CHESTER STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 July 2016

3. INCOME FROM CHARITABLE ACTIVITIES

		2016	2015
	Activity	£	£
Kit sales	Clubs and Societies	38	70
Presentation evening	Clubs and Societies	14,956	13,939
Sundry income	Clubs and Societies	4,242	22,110
Minibus recharges	Elections and campaigns	9,171	11,110
Sundry income	Student welfare	<u>12,599</u>	<u>4,482</u>
		<u>41,006</u>	<u>51,711</u>

4. OTHER TRADING ACTIVITIES

	2016	2015
	£	£
Fundraising events	81,486	69,164
Shop income	255,257	293,369
Sponsorship and advertising	22,617	20,025
Bar income	514,177	523,869
Commission received	1,789	4,195
Machine income	10,997	11,940
Sundry income	<u>81,116</u>	<u>84,517</u>
	<u>967,439</u>	<u>1,007,079</u>

5. INVESTMENT INCOME

	2016	2015
	£	£
Deposit account interest	<u>1,712</u>	<u>3,005</u>

CHESTER STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 July 2016

6. RAISING FUNDS

Other trading activities

	2016	2015
	£	£
Purchases	427,047	461,346
Staff costs	237,649	244,822
Hire of equipment	11,732	12,899
Legal fees and licenses	4,632	6,334
Bad debts	19,446	-
Event costs	54,790	45,144
Cleaning and consumables	(19,742)	(14,149)
Repairs and minor equipment	13,057	14,430
Promotions and marketing	4,268	7,290
Rent	13,000	13,000
Security costs	17,509	23,240
Sky & TV rental	9,019	8,243
Staff training	2,741	537
Stocktaker fees	2,410	2,360
Telephone	259	241
Uniforms	1,296	2,662
Travel and subsistence	313	761
Subscriptions	237	205
Mystery shopper	-	764
Depreciation	53,593	32,495
	<u>853,256</u>	<u>862,624</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Fresher's fayre & summer ball	49,238	-	49,238
Clubs and Societies	158,566	-	158,566
Elections and campaigns	136,932	-	136,932
Student welfare	67,126	1,443	68,569
	<u>411,862</u>	<u>1,443</u>	<u>413,305</u>

CHESTER STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 July 2016

8. OTHER COSTS

	Management £	Governance costs £	Totals £
Support costs	214,046	3,733	217,779
Student welfare	<u>1,443</u>	<u>-</u>	<u>1,443</u>
	<u>215,489</u>	<u>3,733</u>	<u>219,222</u>

Support costs, included in the above, are as follows:

Management

			2016	2015
	Other resources expended £	Student welfare £	Total activities £	Total activities £
Wages	150,537	-	150,537	145,571
Social security	13,062	-	13,062	10,802
Pensions	4,786	-	4,786	1,443
Building rent	2,000	-	2,000	2,000
Insurance	12,568	1,416	13,984	13,903
Postage and stationery	4,080	-	4,080	5,632
Sundries	(426)	-	(426)	13
Staff training	2,470	-	2,470	6,707
Computer costs	6,582	-	6,582	18,317
Minor equipment	321	27	348	1,259
Repairs and maintenance	1,452	-	1,452	518
Travel and subsistence	1,844	-	1,844	2,327
Security costs	658	-	658	388
Securicor charges	2,425	-	2,425	2,557
Bank charges	368	-	368	283
Consultancy charges	9,154	-	9,154	428
Subscriptions	35	-	35	35
Marketing and advertising	<u>2,130</u>	<u>-</u>	<u>2,130</u>	<u>-</u>
	<u>214,046</u>	<u>1,443</u>	<u>215,489</u>	<u>212,183</u>

Governance costs

	2016 Other resources expended £	2015 Total activities £
Auditors' remuneration	<u>3,733</u>	<u>6,098</u>

CHESTER STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 July 2016

9. NET INCOME/(EXPENDITURE)

Net (expenditure) is stated after charging:

	2016	2015
	£	£
Auditors' remuneration	3,733	6,098
Depreciation - owned assets	53,594	38,779
Hire of plant and machinery	<u>11,732</u>	<u>12,899</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

The total salary, NI and pension costs for the sabbatical officers amounted to £76,703 (2015 - £49,741). There were no other trustee benefits for the year.

Trustees' expenses

The total trustees' expenses paid for the year end 31 July 2016 were £1,883 (2015 - £1,763).

11. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	572,112	587,478
Social security costs	33,377	33,810
Other pension costs	<u>11,458</u>	<u>4,038</u>
	<u>616,947</u>	<u>625,326</u>

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

	2016	2015
General management	2	2
Finance & administration	4	3
Bar	2	3
Retail	5	5
Sabbaticals	4	4
Sports & societies	4	4
Advice & representation	5	5
Students	<u>45</u>	<u>39</u>
	<u>71</u>	<u>65</u>

No employee received emoluments in excess of £60,000.

Key management personnel of the charity comprises the CEO and the Finance Manager. Their combined benefits for the year end 31 July 2016 were £85,391 (2015 - £82,894).

CHESTER STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 July 2016

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Equipment £	Totals £
COST			
At 1 August 2015	536,169	61,142	597,311
Additions	44,647	-	44,647
Disposals	<u>(361,304)</u>	<u>(33,913)</u>	<u>(395,217)</u>
At 31 July 2016	<u>219,512</u>	<u>27,229</u>	<u>246,741</u>
DEPRECIATION			
At 1 August 2015	446,157	53,646	499,803
Charge for year	47,916	5,678	53,594
Eliminated on disposal	<u>(347,345)</u>	<u>(47,629)</u>	<u>(394,974)</u>
At 31 July 2016	<u>146,728</u>	<u>11,695</u>	<u>158,423</u>
NET BOOK VALUE			
At 31 July 2016	<u>72,784</u>	<u>15,534</u>	<u>88,318</u>
At 31 July 2015	<u>90,012</u>	<u>7,496</u>	<u>97,508</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	60,085	28,459
Prepayments and accrued income	<u>25,592</u>	<u>48,968</u>
	<u>85,677</u>	<u>77,427</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank loans and overdrafts (see note 16)	-	26,061
Trade creditors	59,689	61,115
Social security and other taxes	7,714	9,783
VAT	14,366	5,996
Other creditors	24,825	21,484
Accruals and deferred income	<u>9,761</u>	<u>48,402</u>
	<u>116,355</u>	<u>172,841</u>

Other creditors include amounts due to various student clubs and societies of £23,029 (2015 - £18,710).

CHESTER STUDENTS' UNION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 July 2016

15. LOANS

An analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year on demand:		
Bank overdraft	<u>-</u>	<u>26,061</u>

16. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Other operating leases	
	2016 £	2015 £
Expiring:		
Within one year	<u>15,000</u>	<u>15,000</u>

17. MOVEMENT IN FUNDS

	At 1.8.15 £	Net movement in funds £	At 31.7.16 £
Unrestricted funds			
General fund	298,634	(29,011)	269,623

Net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Movement in funds £
Unrestricted funds			
General fund	1,455,329	(1,484,340)	(29,011)
TOTAL FUNDS	<u>1,455,329</u>	<u>(1,484,340)</u>	<u>(29,011)</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 July 2016

18. RELATED PARTY DISCLOSURES

The company's governing parent body is The University of Chester.
During the year the company received of a recurrent grant of £401,500 (2015 - £354,035).

During the year the company paid rent to The University of Chester of £2,000 (2015 - £2,000) for the main building, £10,000 (2015 - £10,000) for the bar and £3,000 (2015 - £3,000) for the shop. It also paid The University of Chester £3,891 (2015 - £3523) for cleaning and service charge fees.

As at 31 July 2016 the balance owed from The University of Chester was £30,384 (2015 - £4,551) and the balance owed to The University of Chester was £10,188 (2015 - £12,121).

19. ULTIMATE CONTROLLING PARTY

The University of Chester is the ultimate controlling party by virtue of its status as the governing parent body of Chester Students' Union.