



Trustees' Report and Financial Statements

for the year ended 31 July 2013

Registered Charity Number 1136115
Registered Company Number 03934555

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

INDEX

	Page
Reference and administrative details	1
Trustees' report	2
Independent auditors' report	8
Statement of financial activities	9
Balance sheet	10
Accounting policies	11
Notes to the financial statements	13

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees (and Directors)

Full-time (Sabbatical) Officer Trustees

President (to 30 th June 2013)	Godfrey Atuahene Junior (resigned 30 th June 2013)
VP Activities	Grant Clarke (appointed 1 st July 2012, resigned 30 th June 2013)
VP Activities	Roxy Negru (appointed 1 st July 2013)
VP Welfare & Community	Perry Taylor (appointed 1 st July 2012, resigned 30 th June 2013)
VP Welfare & Community	Mario Oliveros Manrique (appointed 1 st July 2013)
VP Sports	Catherine Redding (appointed 1 st July 2012, President from 1 st July 2013)
VP Sports	Rich Glover (appointed 1 st July 2013)
VP Education & Democracy	Enzo Rossi (appointed 1 st July 2012, resigned 30 th June 2013)
VP Education & Democracy	Zulfa Kaseruuzi (appointed 1 st July 2013)

Student Trustees

Non-Portfolio	Alexander Armstrong (appointed 1 st July 2012, resigned 30 th June 2013)
Non-Portfolio	Richard Anderson (appointed 1 st July 2012)
Non-Portfolio	Edward Gordon (appointed 30 th August 2012)

University Nominated Trustee

Non-Portfolio	David Franklin
---------------	----------------

External Trustees

Non-Portfolio	Christina Munslow
Non-Portfolio	Fraser Whyte (resigned 16 th November 2012)
Non-Portfolio	Ian Piper
Non-Portfolio	Caroline Collings-Wood (from 18 th March 2013)

Company Secretary

	Godfrey Atuahene Junior (to 30 th June 2013)
	Catherine Redding (from 1 st July 2013)

Chief Executive

	Daniel Palmer (to 31 st May 2013)
	Anna Clodfelter (from 1 st August 2013)

Registered Office

Student Centre
Cambridge Road
Portsmouth
Hants
PO1 2EF

Registered Company Number

03934555

Registered Charity Number

1136115

Auditors

Blue Spire South LLP
Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

Bankers

Barclays Bank Plc
Leicester
LE87 2BB

Charity Bank Limited
194 High Street
Tonbridge
Kent TN9 1BE

Santander UK Plc
Abbey National House
2 Triton Square
Regents Place
London NW1 3AN

Unity Trust Bank Plc
Nine Brindleyplace
Birmingham B1 2HB

Lloyds TSB Bank Plc
25 Gresham Street
London EC2V 7HN

Solicitors

Blake Lapthorn
Harbour Court
North Harbour
Portsmouth
Hants PO6 4ST

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

TRUSTEES' REPORT

The Trustees, who are directors for the purposes of company law, have pleasure in presenting their annual report for the purposes of Charities Act 2011 and Companies Act 2006, together with the accounts for the year ended 31st July 2013.

The Trustees have complied with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005, in preparing the financial statements of the University of Portsmouth Students' Union (the Union).

STRUCTURE GOVERNANCE AND MANAGEMENT

The Union is a registered charity (Charity No: 1136115) linked to the University of Portsmouth (the University).

The Union is also a company limited by guarantee registered in England and Wales (Company No: 3934555).

The Union is constituted by its Memorandum and Articles of Association and is controlled by a Board of Trustees, who act as Directors for the purposes of company law and Trustees for the purposes of charity law. Decisions are made by simple majority vote.

The Union is a students' union, as defined in the Education Act 1994, with internal regulations and rules approved by its Board of Trustees and by the Board of Governors of the University of Portsmouth.

The Union has twelve Trustees and are made up of the following persons:

- i. Five Officer Trustees, elected annually in accordance with the Union's Memorandum and Articles of Association and elections rules
- ii. Three Student Trustees, appointed in accordance with the Union's Memorandum and Articles of Association
- iii. One University Nominated Trustee, appointed in accordance with the Union's Memorandum and Articles of Association
- iv. Three External Trustees, appointed in accordance with the Union's Memorandum and Articles of Association.

The Union's Board of Trustees meets at least quarterly and is responsible for maintaining legal, financial and reputational stewardship. The Board of Trustees is also responsible for setting the organisation's strategy, in line with student member priorities. The Board approves general policies and approving the annual budgets and accounts.

All Trustees are provided with the Charity Commission's Guidance to Trustees and are given an introduction to the activities of the Union by the existing Board and the Chief Executive. Trustees are provided with training as and when required, based on individual and collective needs.

Two sub committees, The Finance & Audit Committee and the Appointments & Remuneration Committee, support the Board of Trustees.

The Finance & Audit Committee members are: the President, two Officer or Student Trustees and two External Trustees. The committee meets on a quarterly basis and is responsible for monitoring financial management and organisational risk.

The Appointments & Remuneration Committee members are: one External Trustee and the University Nominated Trustee. The committee meets on an annual basis and is responsible for appointments to the Board and remuneration of the Chief Executive and the Officer Trustees.

The political and campaigning policies of the Union are set by the Student Council and executed by the Officer Trustees and other elected student officers. The Board of Trustees maintains an oversight of these policies in accordance with the Board's duties to maintain legal, financial and reputational stewardship.

The Union's Student Council membership comprises the Officer Trustees together with representatives of the Union's Clubs, Societies, Volunteering, Media, RAG, Student Officers and Academic Course Representatives.

The Board of Trustees delegates the day-to-day running of the Union to a Chief Executive. 2012/13 saw a change of Chief Executive with Anna Clodfelter being appointed in May 2013, commencing duties from 1st August 2013. The new Chief executive joins with Charity Sector and Students' Union experience.

To ensure effective management the Chief Executive leads a Senior Management Team, with responsibility for operational management of the Union's activities and services.

During 2012/13 they were:

- i. Chief Executive - Daniel Palmer (until 31st May 2013)
- ii. Chief Executive – Anna Clodfelter (appointed 17th May 2013 – in post 1st August 2013)
- iii. Representation & Volunteering Manager - Lorna Reavley (Acting CEO from 3rd June – 31st July 2013)
- iv. Student Activities Manager - Joanne Hodgson (until 10th May 2013)
- v. Business & Marketing Manager - Tom Worman
- vi. Acting Representation and Volunteering Manager - Fern Lewis (3rd June – 31st July 2013)

The five Officer Trustees and the Senior Management Team are members of the Union's Leadership Team.

The role of the Leadership Team is to review the operational performance of the organisation, approve operational policies and coordinate ongoing activities in accordance with the Union's strategy and actions of the Board of Trustees. The full terms of reference for the Leadership Team can be seen within the Union's byelaws.

The Union employs approximately 26 permanent staff and a further 40 occasional staff for the sake of continuity in the management of its activities. All staff are accountable to the Chief Executive for the performance of their duties, via a line-management structure of delegated authority.

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

TRUSTEES' REPORT

RELATIONSHIP WITH RELATED PARTIES

The relationship between the University and the Union is established in a Memorandum of Understanding and the Union receives a Block Grant from the University, based on a central allocation percentage. The Union also part-occupies buildings owned by the University and enjoys a positive and supportive relationship with the institution; this nonmonetary support is intrinsic to the relationship between the University and the Union and the associated benefits to the student body.

Although the Union continues to generate supplementary funding from various mutual-trading activities, it is dependent on the University's financial support. There is no reason to believe that this or equivalent support from the University will not continue for the foreseeable future.

The 1994 Education Act imposes a duty on the University to ensure that the Union operates in a fair and democratic manner and is accountable for its finances.

The Union's trading company; Portsmouth Students' Union Trading Company Ltd (PSUT) is a wholly owned trading subsidiary company of the Union, which generates commercial income to support the Union's charitable objectives. In 2013 PSUT generated an operating profit of £92,188 from its activities, of which £92,048 was gifted to the Union.

The Union is affiliated to the following organisations, as ratified by the Annual Members Meeting on 6th December 2012:

- i. British Universities and Colleges Sport (BUCS)
- ii. the National Student Television Association (NaSTA) and;
- iii. the Student Radio Association (SRA).

In addition, the Union held a referendum on affiliation to the National Union of Students (NUS) in March 2013 that ratified continued affiliation.

All affiliation resolutions in 2012/13 were conducted in accordance with the provisions stated within the 1994 Education Act.

RISK MANAGEMENT

The Trustees examine the major strategic, business and operational risks faced by the Union.

The Union maintains a risk register that is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks faced by the Union.

These procedures are periodically reviewed to ensure that they continue to meet the needs of the Union.

Budgetary and internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. In addition, stringent procedures are in place to ensure the health and safety of staff, volunteers and participants on all activities organised by the Union.

All other types of risk have specific mitigation activities that are delegated to senior managers of the Union.

OBJECTIVES AND ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Trustees have identified the Union's Vision as:

'A positive impact with every Portsmouth student'.

The Union is committed to the following Constitutional objects:

"The advancement of education of students at the University of Portsmouth for the public benefit by:

- i. Promoting the interests and welfare of students at the University of Portsmouth during their course of study and representing, supporting and advising students;
- ii. Being the recognised representative channel between students and the University of Portsmouth and any other external bodies; and
- iii. Providing social, cultural, sporting and recreational activities and forums for discussion and debate for the personal development of its students."

The Union's charitable objects for the public benefit are the advancement of education of Students at the University of Portsmouth for the public benefit by:

- i. promoting the interests and welfare of Students at the University of Portsmouth during their course of study and representing, supporting and advising Students;
- ii. being the recognised representative channel between Students and the University of Portsmouth and any other external bodies; and
- iii. providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its Students.

These are supplemented by the further object of;

'helping members to develop their own charitable activities as active participants in civil society'

These objects are wholly consistent with the Union's Constitutional objects.

In pursuit of these aims for the public benefit, the Union has established departments and services for use by its members and works with the University and other organisations on behalf of students.

The Union ensures diversity of its membership is recognised by monitoring its participation from all sections of the student community and by electing and supporting students as champions of liberation campaigns.

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

TRUSTEES' REPORT

The Union holds Investors in Diversity (IID) status at level one and is actively pursuing level 2 status.

The Union represents students of the University on relevant local, national and international issues by maintaining a high proportion of student representatives. Student representatives are present on all policy and strategy making bodies.

When reviewing the Union's objectives and planning the Union's activities, the Union gives due consideration to the Charity Commission's general and relevant supplementary guidance on public benefit.

The Union's strategic plan, "A Positive Impact with Every Portsmouth Student 2011-14" informs the top operational targets on an annual basis, articulated in the organisational balanced scorecard. The strategic plan can be viewed at www.upsu.net/union/strategy. The Union's top 20 targets in 2012/13 are listed below alongside the actual performance against those targets:

Objective	Outcome
1. Produce an interim report on the progress made against the strategic plan 2011-14, by 30 th September 2012.	Achieved -This report was produced and approved by the Board of Trustees in August 2012 and November 2012.
2. Develop an interactive, online Union-wide annual report by 31 st October 2012.	Achieved -The report was produced and uploaded to upsu.net with its own page under the Governance section in October 2012.
3. Achieve year-on-year improvement in overall ratings in the staff and stakeholder satisfaction surveys by 30 th June 2013.	Achieved -Due to the high turnover of Senior Management in this year the annual student survey took place as normal but staff and other stakeholder surveys were put on hold.
4. Develop the Union's democratic structures, evidenced by: a minimum of 100 attendees at the Union's AMM;	Achieved - as all Student Officer posts were filled; a voter turnout in excess of 5,000 votes with an average of 4.5 sabbatical candidates for each post in the annual elections by 31 st March 2013. Achieved except that the AMM had just 56 members in attendance.
5. To develop a comprehensive Associate College Students and Post Graduate Students strategy by 31 st May 2013.	Partially Achieved - The research is completed to inform a strategy that will be incorporated into the Union's strategic plan in 2014.
6. To successfully complete at least one Greener Impact Students' Unions project and to achieve the Community Transport Association Quality Mark by 31 st July 2013.	Partially Achieved - The Union completed the Greener Union project and continues to hold the Gold standard NUS 'Green Impact' Award. but did not apply for the Community Transport Association Quality mark as a transport review is underway for 2013/14.
7. To appoint a mentor and produce a SUEI (Students Union Evaluation Initiative) action plan with the aim of achieving at least the silver award before May 2014.	Achieved - NUS removed the SUEI programme in 2013 replacing it with a new NUS Quality Mark assessment programme. The Union will partake in the NUSQM as soon as it is available.
8. To develop an in-house, accredited staff training programme, focused on developing customer service and to successfully deliver the programme by 31 st July 2013.	Postponed - HR strategy development has been rolled over to 2013/14 due to the departure of the SMT.
9. To develop and agree a Trustees training needs assessment, identifying the skills sought from new Trustees, by 31 st January 2013.	Achieved - training needs assessment and skills gap analysis of the Board was presented to and approved by the Board of Trustees in August 2012.
10. To plan and oversee the building of the 'Welcome Centre' and ensure that the project comes in on budget and is due to be opened no later than 20 th September 2013.	Achieved - with the Welcome Centre delivered on time and to budget, fully operational on 10 th September 2013.
11. Achieve the overall budgeted surplus for the Union for 2012/2013.	Achieved - as detailed in the annual accounts.
12. Achieve the overall budgeted surplus for PSUT for 2012/2013.	Partially Achieved - Profits within the trading company are slightly below budget as detailed in the annual accounts
13. Achieve the overall budgeted cash reserves target for 2012/13.	Achieved - as detailed in the annual accounts.
14. Produce a glossy annual report, including a full breakdown of student engagement statistics by 30th September 2011.	Achieved - and published in January 2013
15. Achieve at least 2,000 responses in the biannual Student Satisfaction Survey with over 73% satisfaction by 31st December 2012.	Achieved - In total, 2,375 student filled out the survey in November / December 2012 with 76% satisfaction in the Union's performance.

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

TRUSTEES' REPORT

16. Develop mutually beneficial partnership agreements with the University's department of Employability and the Sport & Recreation department by 28th February 2013.	Partially Achieved - A partnership agreement with the department of employability now exists, whilst a one-year rolling service level agreement with the Sport & Recreation department continues. The Union has not developed a full relationship agreement with the department of Sport & Recreation, but it is aimed that this will be achieved early in 2013/14.
17. Maintain Investors in Volunteers status and successfully put 20 students through the ASDAN certificate in Community volunteering by 31st July 2013.	Partially Achieved - The iV accreditation process succeeded, but despite almost 50 students signing up to ASDAN, only 8 submissions were received, with 6 achieving the full certificate. Alternative volunteer accreditation mechanisms will be explored in 2013/14.
18. Maintain the NUS Good Governance self-assessment overall standard of level 2 by 31st January 2013.	Achieved
19. Develop and maintain comprehensive Governance section of UPSU.net.	Achieved - in Sept 2012, population of the site is to be a priority for 13/14

VOLUNTEER CONTRIBUTION

In achieving the objectives above there has been a significant contribution from The Union's student volunteers. The Union has approximately 1,200 volunteers that are supported to facilitate and participate in the majority of sports, societies, student media and community volunteering projects.

FINANCIAL REVIEW

The group's gross income from all sources totalled £1,854,233 (2012: £1,686,680) Total expenditure was £1,733,803 (2012: £1,611,242) and was broadly within the stated budget.

The Union's strong income revenues generated a positive surplus for the year of £120,430 (2012: £75,438) increasing the Union's total reserves from £443,039 to £563,469.

The Union has continued to benefit from the recognition and support of the University, and for 2011/12 the Union received £934,701.

The Union reviewed its reserves requirements during 2011/12. The Union's free reserves, being unrestricted funds not represented by fixed assets, stood at £398,712 (2012: £320,662) at the year-end. This level now meets the Union's minimum requirement of 3 months activity costs from unrestricted funds (approximately £350,000) to cope with any unexpected downturn in funding or additional calls on our resources. The Trustees will now develop a capital investment plan in line with the new Strategy in 2013/14.

The Union acts as trustee for restricted funds raised by the students' many Clubs and Societies amounting to income of £177,776 (2012: £144,847) and expenditure of £156,561 (2012: £132,635) in addition to the grant-supported funds disbursed to them as shown in the accounts.

The Union, through student volunteer RAG (Raise and Give) activity, was custodian of money for 43 charities totalling £25,143, this money was held for distribution to charities on July 31st 2013 unless a formal request was made prior to this date.

The five largest beneficiaries of the Unions custodian money were; Practical Action (£6,014.76), Meningitis Research Foundation (£1,972.39), Help for Heroes (£1,424.75), Prostate Cancer UK (£973.81) and The Air Ambulance Service/Unicef UK (£898.53 each).

Students and Staff at the Union raised an additional £117,153 (making a grand total of £142,296 raised vs £77,196 2012) for various local and national charities. The majority of this fundraising was direct to charity, online, through websites such as JustGiving and MyRaising.

The Union did not make any grants to other organisations during this or the preceding year, apart from the administration of RAG (Raise and Give) funds.

The Trustees confirm that the Union has sufficient funds to meet all its obligations. The Block Grant for 2013/14 has been confirmed at £953,800 and the commercial activities, through PSUT, are expected to generate profit of approximately £114,000.

FUTURE PLANS

The Union remains committed to furthering its charitable objectives through setting stretching targets in delivering excellent activities, services and representation to University of Portsmouth students.

The external environment for higher education continues to remain uncertain. Uncertainty about reductions in student numbers at the University may affect the level of funding the Union receives from the University in future years as a result.

The University welcomes a new Vice Chancellor (Graham Galbraith) in September 2013 and whilst the Union are very positive that the historical support provided for the union will be maintained it is probable that there may be changes. The Union will see the appointment as an opportunity to continue to develop and grow the work of the organisation to further benefit the student body and the University as a whole.

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

TRUSTEES' REPORT

In addition the Union has appointed a new Chief Executive (Anna Clodfelter) who commences in post on 1st August 2013. Trustees have indicated that a new staff structure will be implemented under the new Chief Executive, merging all student co-curricular activity into one department that focuses on membership services.

During 2011/12 the Union began implementing its strategic plan which is entitled; 'A Positive Impact with Every Portsmouth Student - 2011-2014'. As the current plan is at the end of its life, the Union will commence the process of creating the new 2014-2018 plan in October 2013.

To complete the current plan's targets the Union will focus on the following organisational objectives for 2013/14:

1. To produce a final report of progress made against the Union's strategic plan 2011-14, by 31st January 2014.
2. To consult students, student volunteers, staff and stakeholders in developing a new strategic plan for 2014-17 to the Board of Trustees, by 31st July 2014
3. To achieve year-on-year improvement in overall ratings in the staff and stakeholder satisfaction surveys by 30th June 2014
4. To achieve an increase of at least 3% on the Union's 2013 National Student Survey (NSS) question 23 score compared to 2013, by 31st July 2014.
5. To continue developing the Union's democratic structures, evidenced by: a minimum of 100 attendees at the Union's AMM; all Student Officer posts being filled; a voter turnout in excess of 6,500 votes with an average of 6.5 sabbatical candidates for each post in the annual elections by 31st March 2014
6. To increase both the number of student sports clubs and societies and the number of members of those groups, compared to 2012/13, by 30th June 2014
7. To agree a development plan for the Union building with the University, including the Union's plans for the vacated 'Student IT Help' outlet, 31st January 2014
8. To re-appraise the Union's business plan for management of the Waterhole Bar and make recommendations to the Board of Trustees by 31st March 2014
9. To ensure the continued growth of the Union's student support provision, evidenced by training a minimum of 385 course reps and dealing with at least 375 student advice cases
10. To achieve the overall budgeted surplus for the Union for 2013/2014
11. To achieve the overall budgeted surplus for PSUT for 2013/2014
12. To achieve the overall budgeted cash reserves target for 2013/14
13. To successfully launch the Union's in-house AU leisurewear offer, evidenced meeting the budgeted sales target of £40,150, by 31st July 2013
14. To successfully integrate the Trips and Tours programme within the Business & Marketing department, evidenced by meeting the budgeted sales target of £113,953, by 31st July 2013
15. To develop and agree a capital development plan, covering at least 5 years, by 31st March 2014
16. To develop and agree a new HR strategy, by 30th November 2013
17. To review the financial procedures, including the procedures for student groups, by 31st March 2014
18. To review the financial procedures, including the procedures for student groups, by 31st March 2014
19. To agree and sign an updated lease agreement for the Union building with the University, by 31st March 2014
20. To agree a long term plan of the future usage of fleet vehicles, by 30th September 2013

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also directors of University of Portsmouth Students' Union for the purposes of company law) are responsible for preparing the Trustees' 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 charity & group and of the incoming resources and application of resources, including the income and expenditure, of the charity & group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
 - observe the methods and principles in the Charities SORP;
-

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

TRUSTEES' REPORT

- 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 statements on the going concern basis unless it is inappropriate to presume that the charity & group will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity & group 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 charity & group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

APPOINTMENT OF AUDITORS

The charity's auditors, Blue Spire South LLP, were reappointed by approval of the Board of Trustees in 2012. Blue Spire South LLP have expressed their willingness to remain as auditors to the charity and a proposal to reappoint them will be put forward at the AGM.

This report has been prepared having taken advantage of the small companies' exemption in the Companies Act 2006 and was approved by the Board and signed on its behalf.

Catherine Redding
President, Company Secretary and Chair of the Board of Trustees

Date

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

INDEPENDENT AUDITORS REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

We have audited the financial statements of University of Portsmouth Students' Union for the year ended 31 July 2013 which comprise the Group Statement of Financial Activities, the Group and the Parent Charity Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charity 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.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. 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 (APB'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 group's and the parent charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 July 2013, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

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

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 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Geoffrey Frost BSc(Hons) FCA, Senior Statutory Auditor
For on behalf of Blue Spire South LLP, Statutory Auditor

Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

Date

Blue Spire South LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted Funds £	2013 Total Funds £	2012 Total Funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary Income	2	1,007,201	-	1,007,201	1,012,660
Activities for generating funds	3	157,041	-	157,041	194,110
Investment income	4	480	-	480	375
Incoming resources from charitable activities	5	511,735	177,776	689,511	479,535
Total incoming resources		<u>1,676,457</u>	<u>177,776</u>	<u>1,854,233</u>	<u>1,686,680</u>
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading	3	53,549	-	53,549	48,912
Charitable activities	6	1,397,173	156,561	1,553,734	1,444,380
Governance costs	7	126,520	-	126,520	117,950
Total resources expended		<u>1,577,242</u>	<u>156,561</u>	<u>1,733,803</u>	<u>1,611,242</u>
Net Income/(expenditure)		99,215	21,215	120,430	75,438
TRANSFERS					
Gross transfers between funds	17	3,034	(3,034)	-	-
Net movement in funds		102,249	18,181	120,430	75,438
RECONCILIATION OF FUNDS					
Total funds brought forward	17	387,174	55,865	443,039	367,601
Total funds carried forward	17	<u>489,423</u>	<u>74,046</u>	<u>563,469</u>	<u>443,039</u>

None of the charity's other activities were acquired or discontinued during the above two financial years.

The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

GROUP AND CHARITY BALANCE SHEETS AS AT 31 JULY 2013

	Note	Group		Charity	
		2013 £	2012 £	2013 £	2012 £
FIXED ASSETS					
Tangible assets	12	90,711	66,512	90,711	66,512
Investments	13	-	-	1	1
		<u>90,711</u>	<u>66,512</u>	<u>90,712</u>	<u>66,513</u>
CURRENT ASSETS					
Stock - clothing and memorabilia		55,911	11,212	-	-
Debtors	14	79,388	42,828	337,119	132,817
Cash at hand and in bank		<u>472,934</u>	<u>434,834</u>	<u>248,598</u>	<u>346,690</u>
Total current assets		<u>608,233</u>	<u>488,874</u>	<u>585,717</u>	<u>479,507</u>
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	15	(135,475)	(112,347)	(112,960)	(102,981)
Net current assets/(liabilities)		<u>472,758</u>	<u>376,527</u>	<u>472,757</u>	<u>376,526</u>
Net assets/(liabilities)		<u>563,469</u>	<u>443,039</u>	<u>563,469</u>	<u>443,039</u>
THE FUNDS OF THE CHARITY					
Restricted funds	17	74,046	55,865	74,046	55,865
Unrestricted funds	17	489,423	387,174	489,423	387,174
Total charity funds		<u>563,469</u>	<u>443,039</u>	<u>563,469</u>	<u>443,039</u>

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

Approved by the trustees and signed on their behalf.

Catherine Redding
Trustee/director
President, Company Secretary and Chair of the Board of Trustees

Date

The notes on pages 13 to 19 form part of these financial statements.

The University of Portsmouth Students Union
Registered Company Number: 03934555
Registered Charity Number: 1136115

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

ACCOUNTING POLICIES

Scope and basis of the financial statements

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

Consolidation

These group financial statements include the results of the charity's wholly-owned subsidiary company which have been consolidated on a line by line basis.

Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt once the amount can be measured with reasonable certainty. Income is deferred only where the donor has imposed restrictions on the resources which amount to pre-conditions for use e.g. the receipt in advance of a grant for expenditure in a future accounting period.

Resources expended

Resources expended are included in the Statement of Financial Activities (SoFA) on an accruals basis and are recognised at the point when a legal or constructive obligation arises.

The majority of costs are directly attributable to specific activities but certain shared costs are apportioned to activities in furtherance of the charity's objects. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. In the opinion of the trustees, the use of resources suggests that such costs, with the exception of certain financial administration costs, should be allocated equally between the charity's two main charitable activities. Financial administration costs are apportioned one third to each of the two main charitable activities and governance costs. The costs of Officer Trustees' salaries are allocated to activities according to their roles within the organisation as set out in note 8 to these accounts. During the course of the year a review of the allocation of staff costs to activities was undertaken resulting in a reallocation of these costs within charitable activities.

Governance costs

Governance costs comprise the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity.

Donated services and facilities

The University of Portsmouth provides the charity with office space and sports facilities at no charge. As required by SORP 2005, the donation of these facilities is included as an incoming resource and a matching outgoing resource within the statement of financial activities at the trustees' estimate of their value to the charity.

Pensions

The University of Portsmouth Students' Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the University of Portsmouth Students' 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.

During the year under review the scheme was closed to future accrual. Payments to the Students' Union Superannuation Scheme continued after the closure of the scheme to future accrual in the form of deficit funding and levies.

The union operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity in respect of the year. Any differences between the contributions payable and actually paid are shown as either accruals or prepayments.

Cash flow statement

The financial statements do not include a cash flow statement as the charity has taken advantage of the exemption from preparing such a statement that are available to smaller entities.

Fixed assets

Fixed assets are stated at cost and depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life as follows:

Motor vehicles	25% straight line
Fixtures & Fittings	10%-20% straight line
AU equipment	33¼% straight line

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

ACCOUNTING POLICIES

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or raised by the charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements.

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

NOTES TO THE FINANCIAL STATEMENTS

1. Results of the charity

	Unrestricted Funds £	Restricted Funds £	2013 Total Funds £	2012 Total Funds £
Total incoming resources	1,495,732	177,776	1,673,508	1,583,279
Total resources expended	(1,396,517)	(156,561)	(1,553,078)	(1,507,841)
Net incoming resources of the charity	99,215	21,215	120,430	75,438
Transfers between funds	3,034	(3,034)	-	-
Net movement in funds	102,249	18,181	120,430	75,438
Reserves brought forward	387,174	55,865	443,039	367,601
Reserves carried forward	489,423	74,046	563,469	443,039

2. Voluntary income

	Unrestricted Funds £	Restricted Funds £	2013 Total Funds £	2012 Total Funds £
Block grant received	934,701	-	934,701	937,600
Other grants received	-	-	-	2,560
Donated facilities	72,500	-	72,500	72,500
	1,007,201	-	1,007,201	1,012,660

3. Activities for generating funds and costs of fundraising trading - Unrestricted

Portsmouth Students' Union Trading Company Limited

UPSU owns 100% of the issued share capital

	Events & Dinners £	Other Activities £	2013 Total Funds £	2012 Total Funds £
Turnover	181,024	157,041	338,065	269,122
Cost of sales	(127,176)	(53,498)	(180,674)	(103,401)
Gross profit	53,848	103,543	157,391	165,721
Administrative expenses	-	(65,203)	(65,203)	(62,255)
Operating profit	53,848	38,340	92,188	103,466
Loan interest payable to UPSU	-	(140)	(140)	(140)
Gift aid payment to UPSU	(53,848)	(38,200)	(92,048)	(103,326)
<i>Profit for the year</i>	-	-	-	-
<i>Reserves</i>				
Brought forward	-	-	-	-
Profit for the year	-	-	-	-
Carried forward	-	-	-	-

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

NOTES TO THE FINANCIAL STATEMENTS

4. Investment income

	Unrestricted Funds £	Restricted Funds £	2013 Total Funds £	2012 Total Funds £
Bank interest receivable	480	-	480	375
	<u>480</u>	<u>-</u>	<u>480</u>	<u>375</u>

5. Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	2013 Total Funds £	2012 Total Funds £
Balls and dinners (including those in note 3)	187,282	-	187,282	84,155
Membership, Match fees and training income	251,892	-	251,892	248,741
Sports and society income				
Social kit	-	21,710	21,710	16,748
Tours	71,197	16,399	87,596	32,390
Other sports and society income	-	139,667	139,667	95,709
Other income from charitable activities	1,364	-	1,364	1,792
	<u>511,735</u>	<u>177,776</u>	<u>689,511</u>	<u>479,535</u>

6. Resources expended on charitable activities

	Activities directly undertaken £	Support costs £	2013 Total Funds £	2012 Total Funds £
Student support activities	314,204	216,326	530,530	490,018
	<u>314,204</u>	<u>216,326</u>	<u>530,530</u>	<u>490,018</u>
Recreational activities				
Sports and societies expenditure	505,866	57,500	563,366	542,286
Balls and dinners expenditure (including those in note 3)	132,771	-	132,771	63,434
Other recreational costs	32,055	201,696	233,751	270,103
	<u>670,692</u>	<u>259,196</u>	<u>929,888</u>	<u>875,823</u>
Other charitable activities	93,314	-	93,314	78,539
	<u>1,078,210</u>	<u>475,522</u>	<u>1,553,732</u>	<u>1,444,380</u>
Unrestricted funds	921,650	475,523	1,397,173	1,311,477
Restricted funds	156,561	-	156,561	132,903
	<u>1,078,211</u>	<u>475,523</u>	<u>1,553,734</u>	<u>1,444,380</u>

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

NOTES TO THE FINANCIAL STATEMENTS

7. Governance costs

	Unrestricted Funds £	Restricted Funds £	2013 Total Funds £	2012 Total Funds £
Sabbaticals remuneration	19,853	-	19,853	18,057
NUS affiliation	46,006	-	46,006	48,095
Trustee expenses	3,153	-	3,153	4,630
Legal & professional	-	-	-	-
Administration	57,508	-	57,508	47,168
	<u>126,520</u>	<u>-</u>	<u>126,520</u>	<u>117,950</u>

8. Net income is stated after charging - Group

	Unrestricted Funds £	Restricted Funds £	2013 Total Funds £	2012 Total Funds £
Auditors' remuneration - current year	7,400	-	7,400	7,380
Auditors' remuneration - previous year	-	-	-	-
Auditors' remuneration - other services	22,284	-	22,284	20,583
Depreciation	12,712	-	12,712	13,530
	<u>12,712</u>	<u>-</u>	<u>12,712</u>	<u>13,530</u>

9. Wages and salary cost

	2013 Total Funds £	2012 Total Funds £
Gross wages	612,688	590,942
Employer's national insurance costs	52,450	50,566
Employer's pension contributions	6,207	6,113
	<u>671,345</u>	<u>647,621</u>

The average number of employees, calculated on a full-time equivalent basis, was:

	2013	2012
Full time	22	22
Part time	5	5
	<u>27</u>	<u>27</u>

There were no employees with emoluments (excluding employer pension costs) above £60,000 in this or the preceding year

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

NOTES TO THE FINANCIAL STATEMENTS

10. Related party transactions

A total of £840 (2012: £1,316) was paid as reimbursement of travel and subsistence expenses to 8 (2012: 9) trustees.

During the year under review the sabbatical officers were provided with free tickets to the graduation ball. In total eleven tickets priced at £40 were distributed to the sabbatical officers.

As authorised under section 6 of the Articles of Association, a total of £94,800 (2012: £93,645) was paid in remuneration to 9 (2012: 9) sabbatical officer trustees as follows:

	£
G Atuahene Junior	16,832
P Taylor	16,832
G Clarke	16,832
E Rossi	16,832
C Redding	18,362
M Oliveros Manrique	2,295
R Negru	2,295
R Glover	2,295
Z Kaseruuzi	2,225
	<u>94,800</u>

The University of Portsmouth students' Union operates a trading subsidiary, Portsmouth Students' Union Trading Company Limited (PSUT). PSUT is wholly owned by The University of Portsmouth Students Union, and was established to handle the sales of clothing, memorabilia, advertising and exhibition space on behalf of the students' union. A monthly management charge is made by the students' union in respect of the operation and administration of this company.

Shortly after its incorporation, The University of Portsmouth Student's Union made a loan to PSUT in order to provide it with essential working capital. The loan arrangement is documented in writing and is secured against the subsidiary company's assets. The balance outstanding as at 31 July 2013 was £7,000. Interest is charged on the balance outstanding at 1.5% over base. The charge for the year was £140 (2011: £140).

The University of Portsmouth is, by virtue of the provisions of section 22 of the Education Act 1994, required to take all practical steps to ensure that the charity operates fairly and democratically and accounts for its finances. During the year under review, the charity received grants totalling £934,701 (2012: £937,600) from the University of Portsmouth.

Costs of £3,781 (2012: £3,743) were accrued at the year end in respect of amounts charged or estimated to be charged by the University of Portsmouth in respect of utilities, vehicles and other supplies of goods and services.

11. Tax status

University of Portsmouth Students' Union is a registered charity and all of its activities fall within the exemptions afforded to charities under

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

NOTES TO THE FINANCIAL STATEMENTS

12. Fixed assets - Charity and group

	AU Equipment £	Fixtures & Fittings £	Motor Vehicles £	TOTAL £
<i>Cost</i>				
Brought forward	18,066	68,366	43,000	129,432
Additions	-	36,911	-	36,911
Disposals	-	-	-	-
Carried forward	<u>18,066</u>	<u>105,277</u>	<u>43,000</u>	<u>166,343</u>
<i>Depreciation</i>				
Brought forward	4,266	15,654	43,000	62,920
Charge for the year	4,422	8,290	-	12,712
On disposals	-	-	-	-
Carried forward	<u>8,688</u>	<u>23,944</u>	<u>43,000</u>	<u>75,632</u>
Net book value carried forward	<u>9,378</u>	<u>81,333</u>	<u>-</u>	<u>90,711</u>
Net book value brought forward	<u>13,800</u>	<u>52,712</u>	<u>-</u>	<u>66,512</u>

13. Investments

The University of Portsmouth Students' Union owns 1 ordinary share of £1, which represents 100% of the issued share capital of Portsmouth Students' Union Trading Company Limited.

14. Debtors

	Group		Charity	
	2013 £	2012 £	2013 £	2012 £
Trade debtors	30,766	36,268	9,733	8,615
VAT recoverable	45,548	960	45,548	960
Prepayments and accrued income	3,074	5,600	1,758	4,850
Intercompany	-	-	280,080	118,392
	<u>79,388</u>	<u>42,828</u>	<u>337,119</u>	<u>132,817</u>

15. Creditors

	Group		Charity	
	2013 £	2012 £	2013 £	2012 £
Trade creditors	8,439	8,695	8,021	6,141
Wages and social security	14,192	14,903	14,192	14,903
Accruals	109,112	85,876	88,597	80,481
Other creditors	2,150	1,456	2,150	1,456
VAT Payable	1,582	1,417	-	-
	<u>135,475</u>	<u>112,347</u>	<u>112,960</u>	<u>102,981</u>

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

NOTES TO THE FINANCIAL STATEMENTS

16. Analysis of net assets between funds, group

	Unrestricted Funds £	Restricted Funds £	2013 Total Funds £	2012 Total Funds £
Fixed assets	90,711	-	90,711	66,512
Net current assets	398,712	74,046	472,758	376,527
	<u>489,423</u>	<u>74,046</u>	<u>563,469</u>	<u>443,039</u>

17. Analysis of net movement in funds

	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Total funds carried forward £
<i>Restricted funds</i>					
Sports and societies	53,573	177,776	(156,561)	(3,034)	71,754
Ring fenced funds	2,292	-	-	-	2,292
	<u>55,865</u>	<u>177,776</u>	<u>(156,561)</u>	<u>(3,034)</u>	<u>74,046</u>
<i>Unrestricted funds</i>					
General funds					
Charity	387,174	1,495,732	(1,396,517)	3,034	489,423
Portsmouth Students' Union Trading Company	-	338,065	(338,065)	-	-
Total unrestricted funds	<u>387,174</u>	<u>1,833,797</u>	<u>(1,734,582)</u>	<u>3,034</u>	<u>489,423</u>
Total funds	<u>443,039</u>	<u>2,011,573</u>	<u>(1,891,143)</u>	<u>-</u>	<u>563,469</u>

Included within the unrestricted income of the charity is income received from Portsmouth Students' Union Trading Company Limited (PSUT) totalling £157,340. This is eliminated on consolidation and comprises £65,152 of management charges, £140 for interest on a loan to PSUT and £92,048 in respect of a gift aid payment to the charity.

18. Control

The charity was controlled throughout the year by its trustees.

THE UNIVERSITY OF PORTSMOUTH STUDENTS' UNION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2013

NOTES TO THE FINANCIAL STATEMENTS

19. Pensions

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

The most recent valuation of the scheme was carried out as at 1 October 2010 and showed that the market value of the scheme's assets was £67,141,000 with these assets representing 58% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £47,869,000.

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

The following assumptions applied at 1 October 2010:-

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

The 2010 valuation recommended a monthly contribution requirement by each Union expressed in monetary terms intended to clear the ongoing funding deficit over a period of 20 years and will increase by at least 3.2% each year. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme. These rates applied with effect from 1 October 2011 and will be formally reviewed following completion of the next valuation due with an effective date of 1 October 2013. Surpluses or deficits which arise at future valuations will also impact on the University of Portsmouth Students' Union's future contribution commitment. In addition to the above contributions, the University of Portsmouth Students' Union also pays its share of the scheme's levy to the Pension Protection Fund.

The contribution rate (excluding deficit contributions) for the period to 30 September 2011 applicable to University of Portsmouth Students' Union for the majority of members was 8.25% of Earnings for members and 9.3% of Earnings for the University of Portsmouth Students' Union (17.3%/17.55% in aggregate).

The total contributions paid into the scheme by the University of Portsmouth Students' Union in respect of eligible employees for the year ended 31 July 2013 amounted to £43,046, including deficit contributions. (2012: £38,961).

At the balance sheet date the charity had unprovided commitments to pay £43,980 per annum until 30 September 2031 to fund the scheme deficit in addition to the charity's share of the Pension Protection Fund levy.

Defined Contribution Pension Scheme

The charity operates a defined contribution pension scheme. The total contributions paid into the scheme by the Union in respect of eligible employees for the year under review was £6,207 (2012: £6,113).

20. Commitments

	2013 Total Funds £	2012 Total Funds £
UPSU has operating lease commitments for computer equipment expiring:		
Within one year	2,772	-
One to two years	10,311	4,812
Two to five years	2,356	12,667
	<u>2,356</u>	<u>12,667</u>