

Aberdeen University Students' Association

**Report and financial statements for the
year ended 31 July 2017**

Charity Number: SC037971

Aberdeen University Students' Association

Contents

	Page
Reference and administrative details	1 - 2
Report of the Board of Trustees	3 – 8
Statement of Trustees' responsibilities	9
Independent auditor's report	10 - 12
Statement of Financial Activities	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statement	16 – 29

Aberdeen University Students' Association

Reference and administrative details

Principle address Aberdeen University Students Association
The Hub
University of Aberdeen
Elphinstone Road
Aberdeen
AB24 3TU

Auditors Henderson Loggie
45 Queen Road
Aberdeen
AB15 4ZN

Bankers Bank of Scotland Plc
38 St Andrews Square
Edinburgh
EH2 2YR

Charity number SC037971

Chief Executive Officer Margaret Paterson

Aberdeen University Students' Association

Reference and administrative details

The Aberdeen University Students' Association (AUSA) is a registered charity (Scottish Charity No SC037971).

The Trustees of the Aberdeen University Students' Association at the date of this report are as follows:

Student President	Lawson Ogubie
Welfare Officer	Kendall Ann Smith
Sports Officer	Emma Lister
Communities Officer	Lewis MacLeod
Education Officer	Donna Connelly
Student Trustee	Lyn Ajanaku
Student Trustee	Ondrej Toloch
Student Trustee	Alex Govier
Student Trustee	<i>Vacant</i>
External Trustee (UOA appointment)	Mike Greaves
External Trustee	Sandy Mckinnon
External Trustee	Andrew Williamson
External Trustee	<i>Vacant</i>

The following were Trustees at the start of the financial year but resigned during the year, when their term of office ended on 30 June 2017.

Chubbe Anucha (resigned 3 May 2017)

Jenny Killin

Liam Fuller

Alice McClellan

In addition to the above, Cameron Herbert, a student Trustee resigned on 4 July 2017.

Aberdeen University Students' Association

Report of the Board of Trustees

The Board of Trustees presents its report and the audited financial statements for the year ended 31 July 2017. This report is prepared in accordance with the accounting policies set out in note 1 to the financial statements. They also comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing the financial statements in accordance with FRS 102 applicable in the UK and Republic of Ireland published on 16 July 2014.

Structure, Governance and Management

The Association is governed by a constitution and managed by the Student Association Council, consisting of matriculated students of the University of Aberdeen who have not opted out of membership under the terms of the Education Act 1994.

The Board consists of not more than 5 Sabbatical Trustees, 4 Student Trustees, 1 University appointed Trustee and 3 external Trustees. At present there are two vacancies which the Board is hoping to fill in the near future.

The Board is responsible for ratifying Association policy passed by Student Council.

Standing Committees meet as required, their remit being to deal with the business affecting their Standing Committee and to make decisions and policy regarding their business. Standing Committees report their activities to the Executive Committee.

The Executive Committee is made up of Sabbatical Trustees, chairs of standing committees and convenors of liberation forums and is responsible for the implementation of all association policies and decisions and is accountable to the Board.

The Sabbatical Trustees of the Association who also act as remunerated full-time Student Officers of the Association are elected annually by cross-campus ballot; the other Student Trustee and External Trustee positions are appointed under the terms and conditions laid out within the Association's Constitution.

The Sabbatical Officers receive a hand over prior to their start date and a two week induction and training programme once in post. Training covers all aspects of running the Association and includes the opportunity to attend specific National Union of Students training courses. The non-sabbatical Trustees receive role of trustee training and finance training.

Operational issues are delegated to staff. Trustees are involved in developing strategic plans and action plans.

Full details of the constitutional arrangements are set out in the Constitution of the Association. This is available on the Association's web page.

Key Management Personnel

The Board consider the Chief Executive Officer and the Finance Officer to be the key management personnel of the charity, in charge of directing and controlling the charity and running and operating the charity on a day to day basis. The pay of the Chief Executive Officer is reviewed annually and is in line with the average earnings of student association chief executives.

Aberdeen University Students' Association

Report of the Board of Trustees (continued)

Related Parties

The Association is financially and materially supported by the University of Aberdeen receiving £805,000 (2016 - £805,000) in the year ended 31 July 2017 from the Disbursement Fund. In addition, the Association occupies University premises at The Union, Elphinstone Road on a rent free basis.

The Association works closely with the University of Aberdeen in the furtherance of its purposes.

Risk Management

The Association has endeavoured to minimise risk through appropriate training for Trustees and staff, implementation of appropriate policies for example Health and Safety Policies and Financial Procedures. The Board of Trustees has produced a risk register which has been included in summarised form as follows:

Risk	Probability	Impact	Mitigating actions
Governance: <ul style="list-style-type: none"> • Inability to recruit suitable Trustees; • Lack of appropriate skills on the Board; • Insufficient/inappropriate reporting to Trustees; • Failure to ensure good organisational governance • Deterioration of relationship with the University 	Medium	High	<ul style="list-style-type: none"> • Robust Trustee recruitment and training policies in place; • Finance Reporting systems replaced August 2016; • Constitution reviewed and passed July 2016; • Byelaws submitted to AGM March 2017. • Adherence to Education Act.
Financial sustainability: <ul style="list-style-type: none"> • Reduction to disbursement from the University; • Fraud or error causing financial loss; • Insufficient funds; • Insufficient financial information 	Medium/high	High	<ul style="list-style-type: none"> • Clear business planning and budgeting process; • Robust Whistleblowing Policy in place; • Appropriate monitoring of management accounts; • Annual review of Insurance Policies.
Compliance: <ul style="list-style-type: none"> • Failure to comply with relevant legislation; • Serious accident/death during a student activity 	Medium	High	<ul style="list-style-type: none"> • Induction and training for staff and sabbaticals; • Advice from external professionals, including University HR, sought as required; • Health and safety policies regularly reviewed.

Aberdeen University Students' Association

Report of the Board of Trustees (continued)

Risk Management (continued)

Risk	Probability	Impact	Mitigating actions
Operational: <ul style="list-style-type: none"> Staffing issues including high turnover, poor morale; Poor service provided to members. 	Medium	High	<ul style="list-style-type: none"> Appropriate training and induction; Staff engagement survey; Robust recruitment processes.
Member engagement: <ul style="list-style-type: none"> Level of student engagement decreasing; Low turnout at elections; Student activities moved to external venues; Damage to reputation. 	Medium/high	High	<ul style="list-style-type: none"> Improved digital engagement; Development of an Elections Strategy; Facilities available within the SU building, Hillhead and Kings Pavilion. Training provided to societies and sports clubs. Risk assessment process in place for high risk activities or activities which pose a risk to reputation.

Objectives and Activities

The purposes of the Aberdeen University's Students' Association as set out in its Constitution are:

- the prevention and relief of poverty of students;
- the advancement of citizenship and community development;
- the advancement of education;
- the advancement of the arts, heritage, culture and science;
- the advancement of health among students;
- the organisation of recreational activities for students who have need of them by reason of financial hardship or other disadvantage;
- the promotion of religious and racial harmony;
- the promotion of equality and diversity;
- the promotion of charitable fundraising activities.

In pursuance of its objects, but not to further any other purpose, the Association may:

- provide services and facilities for members;
- establish, support, promote and operate a network of student activities for Members;
- support any Raising and Giving (RAG) or similar fundraising activities carried out by its Members for charitable causes, including the provision of administrative support, banking facilities and acting as a holding trustee of any fund raised;
- alone or with other organisations carry out campaigning activities, seek to influence public opinion and make representations to and seek to influence governmental and other bodies and institutions;

Aberdeen University Students' Association

Report of the Board of Trustees (continued)

Objectives and Activities (continued)

- write, make, commission, print, publish or distribute materials or information or assist in these activities;
- promote, initiate, develop or carry out education and training and arrange, provide or assist with exhibitions, lectures, meetings, seminars, displays or classes;
- promote, encourage, carry out or commission research, surveys, studies or other works and publish useful results;
- provide or appoint others to provide advice, guidance, representation and advocacy;
- co-operate with other charities and bodies and exchange information and advice with them;
- become a member of, affiliate or associate with other charities and bodies;
- raise funds and invite and receive contributions provided that the Association shall not carry out any taxable trading activities in raising funds
- set aside funds for special purposes or as reserves against future expenditure;
- invest and deal with the Association's money not immediately required for its objects in or upon any investment, securities or property;
- delegate the management of investments to an appropriately experienced and qualified financial expert provided stated terms are adhered to;
- open and operate banking accounts and other facilities for banking and draw, accept, endorse, negotiate, discount, issue or execute negotiable instruments such as promissory notes or bills of exchange;
- trade in the course of carrying out its objects;
- establish or acquire subsidiary companies to carry out taxable trade;
- subject to Clause 5 of the Constitution, employ and pay employees and professionals or other advisors;
- grant pensions and retirement benefits to employees of the Association and to their dependants and to subscribe to funds and schemes for providing pensions and retirement benefits;
- pay out of the funds of the Association the cost of any premium in respect of any indemnity insurance to cover the liability of Trustees which by virtue of any rule of law would otherwise attach to them in respect of negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Association, with the exceptions stated in the Constitution;
- do all such lawful things as shall further the Association's objects.

The Association may exercise the following additional powers but only with the prior consent of the University of Aberdeen:

- purchase or acquire all or any property, assets, liabilities and engagements of any charity with objects similar to the Association's objects;
- purchase, lease, hire or receive property of any kind including land, buildings and equipment and maintain and equip it for use above the value of £15,000;
- sell, manage, lease, mortgage, dispose of or deal with all or any of its property;
- enter into a significant investment or create a partnership or other similar arrangement with any other entity.

Aberdeen University Students' Association

Report of the Board of Trustees (continued)

Achievements and Performance

2016/17 was a year of change and consolidation for the Association, with a significant amount of all resources spent on establishing a solid platform for future growth.

1. Finance & Governance

The 15/16 Financial Statement highlighted several features that caused the Association's main funder, the University of Aberdeen, to revise its confidence in the Association's ability to manage its finances. This led to the funding being restricted and the Association being put on "special measures" pending a further review and audit of accounts and accounting practices. This nine month period of scrutiny meant that the Association could not deliver on its developmental plans. It did, however, provide an opportunity to review and improve internal policy, procedure and practice thereby addressing many of the control concerns highlighted by auditors.

The budget setting and monthly management accounts have also been reviewed and improvements have been made to formats and processes resulting in a more transparent and streamlined financial function.

Because of the tight control on expenditure the year has ended with a surplus of £68,622 (2016 – deficit of £87,730). It is the intention of the Association to spend £42,500 of this surplus in 17/18 on the areas that were designated in 16/17, as detailed in note 15. It is important to ensure that the foundations for future growth and development are in place and that they are stable and sustainable.

The Board of Trustees started 2016/17 with four vacancies which threatened its ability to provide strong internal governance. Two student Trustees and one external trustee appointments were made by mid-year. Work continues to recruit an External Trustee with financial experience.

The Trustee Board actioned the start of the process to move to an Incorporated Association and it is envisioned that this could take up to two years to complete.

2. Accommodation Developments

The Association moved into the Union Building in July 2016. The accommodation was across two floors and offered limited facilities to students. Whilst the potential of the Butchart redevelopment is still a reality the Association has secured a decision to re-shape its presence in the Union Building so that it will occupy the whole of the ground floor. This will provide a more clearly identifiable AUSA presence and offer improved opportunities for student engagement with the Association. Phase 1 of this work was completed by the end of August 2017.

The Association secured the occupation of the old shop premises on the Hillhead campus. The University repainted and upgraded the property prior to AUSA starting to use it in September 2017. This provides the Association with the opportunity to engage with the students living in university accommodation more directly and provide bookable space for societies and clubs.

The Association also secured the use of space in the Kings Pavilion for societies and clubs. Access starts in September 2017.

Aberdeen University Students' Association

Report of the Board of Trustees (continued)

Financial Reserves

The Association's policy aims to ensure that sufficient reserves are in place to guarantee its long term sustainability and to provide funds for service and facility improvements. The minimum level of reserves required to ensure the Association can meet its commitments over a three month period should they get into financial difficulty currently stands at £150,000. At end July 2017 the level held is £173,037.

Prior period adjustment

In previous accounting periods, the Trustees were of the view that the income and expenditure arising from the Clubs and Societies, which are not controlled by AUSA, did form part of the income and cost that AUSA reported. During the year ended 31 July 2017, following a review of all financial matters, the decision was taken to specifically exclude these items from the AUSA Statement of Financial Activities. As a result, an adjustment has been applied to these accounts to recognise this change of policy.

Funds held as Custodian Trustee on behalf of Others

There are a number of Clubs and Societies that hold funds in an AUSA bank account. The income to and expenditure from these funds is not reported as AUSA income or cost.

At 31 July 2017, AUSA held funds amounting to £53,426 (2016 - £61,537) on behalf of these Clubs and Societies. See note 12.

Future Plans

The future of the Association offers exciting opportunities for students:

Phase 2 of the Union Building redevelopment will provide a student designed social and retail space; the launch of the long awaited new website will provide improved information, communication and engagement channels; the refocus of student employment in AUSA will provide skill enhancing and enjoyable opportunities; the development of new and the improvement in existing partnerships and relationships will offer increased benefits to students and the development of AUSA Volunteering will increase the opportunities available to students to engage with AUSA.

All of these opportunities are actions approved in the delivery of the 2016 -2019 Strategic Plan.

Provision of Information to Auditor

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

Approved by the Board of Trustees and signed on their behalf by:



Lawson Ogbie
Student President – July 2017 – June 2018

14 DECEMBER2017

Aberdeen University Students' Association

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each year which give a true and fair view of the state of the affairs of the Association and of the incoming resources and application of resources of the Association 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association 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 Association and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. The Trustees are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Aberdeen University Students' Association

Independent auditor's report to the Trustees of Aberdeen University Students' Association

Opinion

We have audited the financial statements of Aberdeen University Students' Association for the year ended 31 July 2017 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Trustees, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the directors 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 its directors as a body for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2017 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 Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Aberdeen University Students' Association

Independent auditor's report to the Trustees of Aberdeen University Students' Association (continued)

Other information

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Charities Accounts (Scotland) Regulations 2006 (as amended)

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- proper 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
- we have not received all the information and explanations we require for our audit.

Aberdeen University Students' Association

Independent auditor's report to the Trustees of Aberdeen University Students' Association (continued)

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

On preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Henderson Loggie

Henderson Loggie

Chartered Accountants & Statutory Auditors

(Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006)

19 DEC2017

Aberdeen University Students' Association

Statement of financial activities for the year ended 31 July 2017

	Note	Unrestricted funds £	Restricted funds £	2017 Total £	2016 Total As restated £
Income					
Voluntary	2	805,015	160,000	965,015	965,000
Activities for raising funds	3	56,705	-	56,705	87,936
Investment income	4	278	-	278	610
Income from charitable activities	5	182,197	87,600	269,797	337,979
Total income		1,044,195	247,600	1,291,795	1,391,525
Expenditure					
Fundraising trading	6	38,848	-	38,848	71,357
Charitable activities	7	957,804	226,521	1,184,325	1,407,898
Total expenditure		996,652	226,521	1,223,173	1,479,255
Net income/(expenditure) before transfers		47,543	21,079	68,622	(87,730)
Transfers		(5,364)	5,364	-	-
Net movement in funds		42,179	26,443	68,622	(87,730)
Total funds at 31 July 2016		131,918	20,370	152,288	240,018
Total funds at 31 July 2017	14	174,097	46,813	220,910	152,288
		=====	=====	=====	=====

All of the above activities relate to continuing operations.

The notes on pages 16 to 29 form part of these financial statements.

Aberdeen University Students' Association

Balance sheet for the year ended 31 July 2017

	Note	£	2017 £	£	2016 As restated £
Fixed assets					
Tangible assets	10		9,464		11,471
Current assets					
Debtors	11	30,134		66,188	
Bank and cash		290,436		345,477	
			<u>320,570</u>	<u>411,665</u>	
Creditors					
Amount falling due within one year	12	(109,124)		(270,848)	
			<u>211,446</u>	<u>140,817</u>	
Total current assets					
			<u>220,910</u>	<u>152,288</u>	
Total assets less current liabilities			<u>220,910</u>	<u>152,288</u>	
Funds					
General funds	15		174,097		131,918
Restricted funds	15		46,813		20,370
			<u>220,910</u>	<u>152,288</u>	

These financial statements were approved by the Board of Trustees and signed on their behalf by:



Lawson Ogbie
Student President (2017/18)

14 DECEMBER 2017

The notes on pages 16 to 29 form part of these financial statements.

Aberdeen University Students' Association

Statement of cash flows for the year ended 31 July 2017

	2017	2016
	£	£
Cash (used in)/provided by operating activities (note 20)	(49,166)	5,110
Cash flows from investing activities		
Interest received	278	610
Payments to acquire tangible fixed assets	<u>(6,153)</u>	<u>(1,319)</u>
Cash used in investing activities	<u>(5,875)</u>	<u>(709)</u>
(Decrease)/increase in cash and cash equivalents in the year	(55,041)	4,401
Cash and cash equivalents at the beginning of the year	<u>345,477</u>	<u>341,076</u>
Total cash and cash equivalents at the end of the year	290,436 =====	345,477 =====

Aberdeen University Students' Association

Notes to the financial statements

1 Principal accounting policies

Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Aberdeen University Students' Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling, which is the functional currency of the association. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

These accounts have been prepared on the going concern basis as the Trustees are satisfied that the financial needs of the Association will be met from within its existing facilities and agreements. If the Association was unable to continue in operation, adjustments would have to be made to reduce the value of the assets to their recoverable amount, to provide for any further liabilities that might arise and to reclassify fixed assets as current assets.

Income recognition

All income is accounted for on an accruals basis. Income is recognised when the Association is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary income including donation, grants and gifts that provide core funding are of general nature and are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Interest on bank deposits is credited in the year in which they are received.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure, it is probable that a settlement will be required and the amount of the obligation can be measured reliably.

- Charitable activities include expenditure associated with the provision of the Association's facilities
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with the constitutional and statutory requirements.
- Support costs include central functions and have been allocated on a basis with the use of resources.

Aberdeen University Students' Association

Notes to the financial statements (continued)

1 Principle accounting policies (continued)

Expenditure (continued)

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on an appropriate basis.

Funds

In the Statement of Financial Activities, funds are classified as either restricted funds or unrestricted funds, defined as follows:

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds that have been set aside by the Trustees for particular purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Transfers are made between unrestricted and restricted funds of the surplus/deficit remaining on completion of a project.

Irrecoverable VAT

Irrecoverable VAT is included under the cost heading to which it relates.

The Association has been granted charitable status by HMRC and is therefore not liable to taxation.

Donations in kind

Donated facilities and services are consumed immediately and are recognised as income, with an equivalent amount recognised as an expense under the appropriate heading in the statement of financial activities (SoFA). They are measured on the basis of the value of the gift. The University of Aberdeen provides facilities and utilities to the Association that enables them to carry out their charitable activities.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible assets at rates calculated to write off the cost of each asset on a straight line basis over its useful life as follows:

Plant & Equipment	3 – 10 years
-------------------	--------------

Aberdeen University Students' Association

Notes to the financial statements (continued)

1 Principle accounting policies (continued)

Debtors

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

Cash at bank

Cash at bank includes cash held in a deposit or similar account.

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.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pensions

A defined benefit scheme is operated by the University of Aberdeen on behalf of the Association for the benefit of some of its employees. The scheme is a multiemployer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Association. In accordance with FRS102 therefore, the scheme is accounted for as a defined contribution scheme. Contributions payable are charged to the Statement of Financial Activities in the period they are payable.

Operating leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Aberdeen University Students' Association

Notes to the financial statements (continued)

2 Voluntary income

	Unrestricted funds £	Restricted funds £	2017 £	2016 As restated £
Disbursement from University of Aberdeen	805,015	160,000	965,015	965,000
	=====	=====	=====	=====

3 Activities for raising funds

Graduation Ball	4,517	-	4,517	13,080
Sports Ball	18,651	-	18,651	26,054
Societies Ball	11,345	-	11,345	13,561
Marketing & Commercial Service	22,192	-	22,192	35,241
	-----	-----	-----	-----
	56,705	-	56,705	87,936
	=====	=====	=====	=====

4 Investment income

Interest on cash deposit	278	-	278	610
	=====	=====	=====	=====

5 Income from charitable activities

General	5,457	-	5,457	15,531
Sports	49,875	-	49,875	87,591
Freshers Week and Fayre	68,356	-	68,356	85,038
Campaigns	1,019	-	1,019	11,211
Transport / vehicles	45,932	-	45,932	41,506
Societies	10,513	-	10,513	19,852
AUSA super teams	1,045	-	1,045	-
Student experience fund	-	28,000	28,000	17,650
Donations in kind	-	59,600	59,600	59,600
	-----	-----	-----	-----
	182,197	87,600	269,797	337,979
	=====	=====	=====	=====

Donations in kind were received from the University of Aberdeen for rent and utility costs.

Aberdeen University Students' Association

Notes to the financial statements (continued)

6 Fundraising activities

	Unrestricted funds £	Restricted funds £	2017 £	2016 £
Graduation Ball	4,334	-	4,334	11,802
Sports Ball	16,880	-	16,880	26,406
Societies Ball	10,711	-	10,711	16,559
Marketing & Commercial Service	6,923	-	6,923	16,590
	<u>38,848</u>	<u>-</u>	<u>38,848</u>	<u>71,357</u>
	=====	=====	=====	=====

7 Cost of charitable activities

	Unrestricted funds £	Restricted funds £	2017 £	2016 As restated £
Student Representation	411,751	10,217	421,968	431,166
Sports	61,636	123,040	184,676	275,624
Volunteering	973	-	973	1,645
Elections	622	-	622	1,722
Education	-	1,621	1,621	1,849
Freshers Week	36,465	-	36,465	76,168
Training	16,552	-	16,552	15,534
NUS and Other Subscriptions	75,451	-	75,451	41,797
Insurances	19,437	-	19,437	18,905
Support Costs				
Professional services	52,415	-	52,415	37,576
Recruitment fees	460	-	460	16,741
Staffing	175,763	-	175,763	225,049
Transport/vehicles	54,878	-	54,878	84,474
AUSA super teams	4,271	-	4,271	-
Student Advice Centre	-	-	-	6,060
Societies	12,582	-	12,582	34,997
Student experience fund	-	26,679	26,679	17,650
Campaigns	7,575	-	7,575	13,091
Provision for Doubtful Debt	12,177	-	12,177	2,691
Governance Costs (note 9)	12,000	-	12,000	11,862
Rent & utility costs (note 5)	-	59,600	59,600	59,600
Depreciation	2,796	5,364	8,160	20,915
Gaudie	-	-	-	12,642
Student Radio	-	-	-	140
	<u>957,804</u>	<u>226,521</u>	<u>1,184,325</u>	<u>1,407,898</u>
	=====	=====	=====	=====

Aberdeen University Students' Association

Notes to the financial statements (continued)

8 Total staffing costs	Unrestricted funds £	Restricted funds £	2017 £	2016 £
Wages and Salaries	486,432	-	486,432	555,368
National Insurance Costs	37,276	-	37,276	38,196
Pension Contributions	31,084	-	31,084	29,911
	<u>554,792</u> =====	<u>-</u> =====	<u>554,792</u> =====	<u>623,475</u> =====
Number of employees			2017	2016
Head count			31 ===	28 ===

There are no employees whose salary for the year exceeds £60,000.

Wages and Salaries includes settlement agreement costs and payments in lieu of notice, amounting to £4,299.

Salaries paid to trustees in their capacity as Sabbatical Officers or Student Assistants totalled £94,581 (2016 - £109,236) and no expenses were paid to 11 trustees (2016 - 12). No remuneration was paid to any individual in their capacity as Trustee.

A defined benefit scheme is operated by the Association for the benefit of some of its employees. Contributions payable are charged to the Statement of Financial Activities in the period they are payable. There were no outstanding pension contributions at the either year end.

The remuneration of those considered to be key management personnel in the year was £158,213 (2016 - £120,908).

Aberdeen University Students' Association

Notes to the financial statements (continued)

9	Governance costs			
			2017	2016
			£	£
	Audit Fee		12,000	11,862
			=====	=====
10	Tangible assets			
			Plant & equipment	
		Unrestricted	Restricted	Total
		funds	funds	
		£	£	£
	Cost			
	At 1 August 2016	114,218	197,210	311,428
	Additions	6,153	-	6,153
	Disposals	(2,291)	-	(2,291)
		-----	-----	-----
	At 31 July 2017	118,080	197,210	315,290
		-----	-----	-----
	Depreciation			
	At 1 August 2016	110,711	189,246	299,957
	Charge for year	2,796	5,364	8,160
	Disposals	(2,291)	-	(2,291)
		-----	-----	-----
	At 31 July 2017	111,216	194,610	305,826
		-----	-----	-----
	Net book value			
	At 31 July 2017	6,864	2,600	9,464
		=====	=====	=====
	At 1 August 2016	3,507	7,964	11,471
		=====	=====	=====
11	Debtors			
			2017	2016
			£	£
	Trade Debtors		25,060	46,789
	Sundry Debtors and Prepayments		5,074	19,399
			-----	-----
			30,134	66,188
			=====	=====

Aberdeen University Students' Association

Notes to the financial statements (continued)

12 Creditors amount falling due within one year

	2017 £	2016 As restated £
Trade Creditors	4,773	26,774
Due to University	2,831	113,184
Balances held on behalf of others	53,426	61,537
Sundry Creditors and Accruals	29,042	29,297
Deferred Income	14,680	27,590
VAT Liability	4,372	12,466
	<u>109,124</u> =====	<u>270,848</u> =====
Deferred income		
Opening balance	27,950	18,450
Released in year	(27,950)	(18,450)
Deferred in year	14,680	27,590
	<u>14,680</u> =====	<u>27,590</u> =====

Balances held on behalf of others represents amounts held for the Clubs and Societies, RAG, Bookends, Debater and Nightline.

13 Movement in resources

	Funds at 01.08.16 As restated £	Movement in resources			Funds at 31.07.17 £
		Incoming £	Outgoing £	Transfers £	
Restricted Funds	20,370	247,600	(226,521)	5,364	46,813
Unrestricted Funds	131,918	1,044,195	(996,652)	(5,364)	174,097
	<u>152,288</u> =====	<u>1,291,795</u> =====	<u>(1,223,173)</u> =====	<u>-</u> =====	<u>220,910</u> =====

14 Analysis of funds

	Tangible Fixed assets £	Net current assets £	Funds at 31.07.17 £
Restricted Funds	2,600	44,213	46,813
Unrestricted Funds	6,864	167,233	174,097
	<u>9,464</u> =====	<u>211,446</u> =====	<u>220,910</u> =====

Aberdeen University Students' Association

Notes to the financial statements (continued)

15 Analysis of funds	Funds at 01.08.16 As restated £	Movement in resources		Transfers £	Funds at 31.07.17 £
		Incoming £	Outgoing £		
Restricted funds					
University of Aberdeen Grants					
Aberdeen Sports Village Usage	-	160,000	(123,040)	-	36,960
Donations in kind	-	59,600	(59,600)	-	-
Climate Change – Operating Costs	-	-	(1,448)	1,448	-
AUSA TV Grant	-	-	(639)	639	-
Aberdeen Future Grants (previously Alumni Annual Fund)					
Sports - Equipment	17,947	-	(10,217)	-	7,730
Education - Academic Societies	2,423	-	(1,621)	-	802
Veg Bag - Cargo Tricycle	-	-	(2,447)	2,447	-
Other					
Student Experience Fund (University of Aberdeen Development Trust)	-	28,000	(26,679)	-	1,321
AUSA Charities – Fundraising for local Charities	-	-	(674)	674	-
Bookends	-	-	(156)	156	-
	20,370	247,600	(226,521)	5,364	46,813
General funds					
Unrestricted funds	131,918	1,044,195	(996,652)	(47,864)	131,597
Designated funds	-	-	-	42,500	42,500
	131,918	1,044,195	(996,652)	5,364	174,097
Total funds	152,288	1,291,795	(1,223,173)	-	220,910

Aberdeen University Students' Association

Notes to the financial statements (continued)

15 Analysis of funds (continued)

The nature of the main restricted funds at 31 July 2017 are as follows:

University of Aberdeen, Aberdeen Sports Village Usage relates to the funding of the Association's use of the Aberdeen Sports Village facilities during 2016/17.

University of Aberdeen Donations in kind relates to rent and utilities paid for by the University on behalf of the Association.

University of Aberdeen Climate Change Salary relates to funding received specifically to contribute to the project operating costs.

University of Aberdeen AUSA TV Project relates to funding received towards the AUSA TV Project.

Aberdeen Future Grant Sports relates to funding received to fund grants made to Sports Clubs to purchase equipment.

Aberdeen Future Fund Grant Education Academic Societies relates to funding received to support departmental society activities.

Aberdeen Future Fund Grant Veg Bag - Cargo Tricycle relates to funding received towards a purchase of a Cargo Tricycle. It will fund future depreciation against this capital purchase.

Designated funds have been set aside by the Board of Trustees for the following purposes, for which income was received during 2016/17:

	£
Student staff project	20,000
MSL website costs	7,500
AUSA re-branding project	5,000
Contribution to legal fees	10,000
Designated funds	<u>42,500</u> =====

16 Capital commitments

At 31 July 2017 the Association had no capital commitments.

Aberdeen University Students' Association

Notes to the financial statements (continued)

17 Related parties

University of Aberdeen

The Association is a semi-autonomous organisation within the University of Aberdeen. The property of the Association shall be vested in the University Court.

The Association is financially and materially supported by the University of Aberdeen, receiving a total of £805,015 in the year to 31 July 2017 (2016 - £805,015) from the Disbursement Fund and £160,000 from Aberdeen Sports Village (2016 - £160,000).

In addition the Association occupies premises at the Union Building and Balgownie Playing Fields on a rent-free basis from the University of Aberdeen. The Association has estimated that the value of this donation in kind amounts to £50,000 for rent and £9,600 for utilities (2016 - £59,600).

The University of Aberdeen charged the Association for the cost of processing the payroll and also pay the wages and salary costs on behalf of the Association, and are then reimbursed for the cost. The charge raised by the University of Aberdeen for processing the payroll throughout the year amounted to £7,549 (2016 - £8,940). The amount payable to the University of Aberdeen, at 31 July 2017 amounted to £2,831 (2016 - £113,184). In June 2017, the payroll was taken in-house by AUSA.

Loans to Trustees

During the year, the Association loaned £Nil to Trustees (2016 - £1,710 to 3 Trustees). No interest is charged on these loans and the amount remains outstanding at the end of the financial year.

Balances held on behalf of others

There are a number of Clubs and Societies, including RAG, Debater, Nightline and Bookends which have funds held within an AUSA bank account. AUSA does not have control over these organisations.

At 31 July 2017, AUSA held £53,426 (2016 - £61,537) of funds on behalf of these organisations. These funds are made available to the individual organisation as required.

Aberdeen University Students' Association

Notes to the financial statements (continued)

18 Prior year adjustment

During the year there was a change in accounting policy in the way that the Association accounted for monies received and spent on behalf of the Clubs and Societies which are operated outwith the Association.

The previous period's financial statements incorporated income and expenditure in relation to all these Clubs and Societies, including Bookends, RAG, Debater and Nightline.

During the current financial period, the Trustees reassessed the way in which this income and expenditure was accounted for and considered that it should not be recorded as income and expenditure for the Association. Instead, these amounts should be accounted for as owing to or owed by the Clubs and Societies. At the year end, if there was a net surplus or deficit arising on these balances, this would be accounted for as a balance held on behalf of others (note 17).

The net impact of these adjustments decreases restricted funds by £45,397 and the general funds by £3,676 in addition to decreasing the deficit for the year ended 31 July 2016 by £5,211 from £92,941 to £87,730.

	As previously reported £	Adjustments £	As restated £
Fixed assets	11,471	-	11,471
Debtors	66,188	-	66,188
Cash at bank and in hand	345,477	-	345,477
Creditors amounts falling due within one year	(221,775)	(49,073)	(270,848)
	<u>201,361</u> =====	<u>(49,073)</u> =====	<u>152,288</u> =====
General funds	135,594	(3,676)	131,918
Restricted funds	65,767	(45,397)	20,370
	<u>201,361</u> =====	<u>(49,073)</u> =====	<u>152,288</u> =====

Aberdeen University Students' Association

Notes to the financial statements (continued)

19 Pension

University of Aberdeen Superannuation and Life Assurance Pension Scheme

Aberdeen University Students' Association participates in the University of Aberdeen Superannuation and Life Assurance Pension Scheme (UASLAS) which is a funded defined benefit scheme which is open to new members and accruals. There are 7 people participating in the scheme at 31 July 2017.

Under the UASLAS pension fund the contribution rate required for Aberdeen University Students' Association is set on a group basis, combining the experience of the employer with other employers within the same group also participating in the Fund. Within this group assets and liabilities of the Fund are not separately identified between the various employers participating as part of the triennial actuarial valuations. As a result Aberdeen University Students' Association is unable to identify its relevant share of the underlying assets and liabilities in the Fund. These accounts have therefore been drawn up in accordance with FRS102 on the basis that the pension cost is accounted for as for a defined contribution scheme.

Information about the overall funding position of the UASLAS was provided by the actuary in his report dated 31 July 2014. The contributions payable by the employers are based on the position of the Fund as a whole, which is reassessed at each triennial valuation.

During the year, contributions to this scheme amounted to £28,141 (2016 - £29,911).

NEST

The Association also operated a defined contribution scheme. The assets of the scheme are held separately from those of the Association in independently administered funds. The pension cost charge represents contributions payable by the Association to the funds and amounted to £2,943 (2016 - £nil). There were no outstanding or prepaid amounts at either year end.

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

	2017	As restated 2016
	£	£
(Deficit)/Surplus for the year	68,622	(87,730)
Adjustments for:		
Investment income	(278)	(610)
Depreciation	8,160	20,915
Decrease in debtors	36,054	61,933
(Decrease)/Increase in creditors	(161,724)	10,602
Net cash (used in) / provided by operating activities	(49,166)	5,110

21 Post balance sheet events

There are no post balance sheet events to report.

Aberdeen University Students' Association

Notes to the financial statements (continued)

22 Control

The charity is controlled by the Trustees on behalf of the members.

23 Preparation of the Financial Statements

In common with many other entities of our size and nature we use our auditors to assist with the preparation of the financial statements.

