

# Heriot-Watt University Students' Association

Report and financial statements

31 July 2014

Charity number SC011949

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## Association information

### Reference and administrative details of the charity, its trustees and advisors

Heriot-Watt University Students' Association SC011949  
Riccarton, Edinburgh EH14 4AS

#### Trustee Board

Dr Stefan G Kay  
Professor Brian Hay  
Susan Kirkman  
President (*ex officio*)  
Vice President (*ex officio*)  
Lara J Rivans (resigned 1 November 2014)  
Dr Olga Kozlova (resigned 24 May 2014)

Vicky Ingram  
Alan Konopka  
Sharon Baines (appointed 24 September 2014)  
Sabrina Fruchs (appointed 7 October 2014)  
Samantha Forsyth (appointed 11 March 2015)  
Stephanie Harper (appointed 11 March 2015)

#### The Senior Office-Bearers of the Association (Executive Committee)

<b>President</b>	Rebecca O'Hagan
<b>Vice President</b>	Rowan Berry
<b>Scottish Borders Campus President</b>	Johnathan Andrews
Executive	Fraser Drew Peter Gilchrist Kiah Manning Emily Stewart Hannah Wielbo

They all held office from 1 June 2013 to 31 May 2014

The following individuals held office from 1 June 2014:

<b>President</b>	Jessie Nelmes
<b>Vice-President</b>	Miranda Matoshi
<b>Scottish Borders Campus President</b>	Peter Gilchrist
Executive	Mina Kostova Luke McKeown Georgie Ottawany Iswarya Ravichandran Rahul Singh Hannah Wielbo
<b>Chief Executive Officer</b>	Gail Edwards
<b>Bankers</b>	Royal Bank of Scotland 540A Lanark Road Juniper Green Edinburgh EH14 5EL
<b>Auditors</b>	Henderson Loggie 34 Melville Street Edinburgh EH3 7HA
<b>Solicitors</b>	Turcan Connell Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE

## Trustees' report

Heriot-Watt University Students Association is constituted under the Charter of Heriot-Watt University. It is an unincorporated association. The Association is also a Charity Registered in Scotland with charity number SCO011949. In 2010 the organisation rebranded itself and has adopted the name Heriot-Watt University Student Union (the Union).

The activities of the Union are governed by its Constitution and Bye-Laws. The Union works closely with the University, which also provides the major source of income in the form of an annual grant. The Senior Office-Bearers are elected by students, in a cross-campus, secret ballot each year. Any vacancies are filled in a by-election, also held by secret ballot. Staff members are appointed by the Senior Office-Bearers.

The Union has a Trustee Board consisting of the President and Vice-Presidents of the Union; two ordinary members of the Union known as Student Trustees; four External Trustees, two of whom are alumni and one University appointed Trustee.

The Trustee Board under the Charity Regulations formally came into being on 17 November 2011. The Trustee Board appointed a facilitator to assist it to considered transition of its members last year. The Board is planning to begin a process of turnover of External Trustees from next year and has identified a list of skills the Charity would benefit from at Board level.

The Union is also directed by committees of elected students. The principal committee of the Union is The Executive Committee. The day to day work of the Union is run through The Executive Committee consisting of three Senior Office Bearer sabbatical positions and six part time voluntary posts. Decisions taken by the Union committees can be changed by members at a General Meeting provided a minimum quorum is reached. The General Meeting also has the power to remove any of the senior Office-Bearers from their position.

The Trustee Board delegates day to day management powers to the Chief Executive Officer who is required to report regularly to the Trustee Board and Executive Committee on the management, finances and strategy of the Union.

### Strategy

The Union Strategic Plan comes to an end in 2014. The Union commissioned the National Union of Students Strategic Support Unit to conduct a diagnostic of the Union to review the structure and effectiveness of the Union in order to inform the organisation's future strategic direction.

The diagnostic provided 13 recommendations including delaying the creation of the new Strategic Plan to enable the Union to conduct market research that will inform the plan. The Trustee Board accepted all the diagnostic recommendations and has stated it will publish a new strategic plan in 2015. In the meantime the current strategy will continue to guide the Union.

### Help make my course great

This year the Union had a full team of School Officers, 23 in total covering each academic department. The School Officers worked with the Union on issues such as Exam Timetabling, to find ways in which the exam timetables could be released sooner to students. The School Officers also worked extensively with the Library, to feedback concerns to the library staff and to put forward ideas to improve the library service and facilities for students.

The Union has re-established the Postgraduate Research Rep (PGR) system, ensuring that PGR students have a voice. This group of reps have worked on PGR induction and hot-desking.

## **Trustees' report** *(continued)*

### **Help make my course great** *(continued)*

The Union continued to support the Class Rep and School Officer system on the Dubai campus, with staff and officer visits to Dubai, and additionally the President Scottish Borders Campus visited the Malaysia campus to establish a Class Rep network.

### **Listen to what I want**

Our online presence has taken huge leaps forward this year, culminating towards the end of the year with a complete overhaul of our website to bring a new layout, new design and new content. Our students can now find information much quicker, and our site has been mobile enabled, to allow for viewing on a variety of devices. Once again, we are seeing major growth in engagement by students through our social media. Our number of likes on Facebook has increased by two thirds to 4643, and our Twitter account has hit over 2000 followers. We have started to expand our reach, through the introduction of video content including video hustings events for our elections, which we publish online via YouTube.

Opening communications channels is becoming increasingly important, ensuring we maintain consistency across all our channels. To help develop this, we employed a Heriot-Watt marketing student on a paid internship programme, to begin creating a marketing and communications strategy which we will continue to develop next year alongside our Strategic Plan.

### **Help me develop new skills**

The Union supported the development of 10 new societies, which brings the total number of societies to 61, covering all areas from the Signing Society (British Sign Language) to the Omani student society. We are pleased to be able to expand the number and diversity of societies and to support the students involved in running these.

The Volunteer Awards were held in March, and received 125 nominations from students about other students, and student groups. These awards showcased the excellent volunteers that there are at Heriot-Watt and the extent to which students go above and beyond to give back to the Heriot-Watt, the local, and the global communities they are part of.

Charities Week took place in January, with a range of events including a tombola, bake sale and a poker night. For the first time, the Union worked with the Sports Union to jointly organise the week, and a total of £3,095 was raised for the Edinburgh Women's Rape and Sexual Abuse Centre.

### **Be there when I need you 2013-14**

The Advice Hub offers an independent advice service to students – this is most commonly while they are attending Heriot Watt, but also includes pre-attendance or post-attendance enquiries. We run a range of campaigns for students which tackle typical issues such as Exam Stress, Finance & Budgeting, Sleep Advice and Wellbeing. During these campaigns we have provided over 4,500 packs of information, each of which also contained at least one item to enhance wellbeing and/or education. In addition we have engaged with approximately 1,050 students and staff during Meet and Greet events, dispensing advice and information while providing free tea, coffee and biscuits. We have had excellent feedback from these events – including that it cheered up those students having a bad day! As part of our commitment to overall student health, through the NHS C:Card service, we dispensed approximately 10,500 condoms. We have had 204 academic appeal enquiries, of which 47% occurred during the summer break/first week of Semester 1. 72 students were issued with emergency hardship loans, an additional 91 students asked for advice on finance and funding and 6 food bank boxes were issued to students unable to afford food.

## **Trustees' report** *(continued)*

### **Help me change something for the better**

This year the Student Union focused campaigning on accessibility for disabled students and use of offensive language on campus. For the accessibility campaign we asked able bodied students to adopt a disability for a day, whether it be spending the day in a wheelchair or having their sight limited. The students who participated produced a report on the challenges they faced as a result of their disability and we presented this at the University Equality and Diversity Committee. As a result of this work several changes were made to the campus to improve access.

Our "Don't Use that Language" campaign tackled the use of offensive words that are regularly used in language but carry negative connotations such as "that's so gay". The campaign posters received much attention and encouraged discussion between students about the use of certain words.

### **Help me to have fun**

The Union provides commercial services for students such as a shop, bar and catering facilities. Income generated from these activities funds the costs of student support functions on the charitable side of the business.

Freshers Week continues to grow and 2013 was our most successful in recent years. We coordinated the programmes of a number of university services such as the Sports Union and International Office. This meant the programme was much more diverse and appealing to all types of student.

The Union runs a number of events during the year and facilitates student societies to run their own events. Events such as the Beer Festival by the Brewing Society and Battle of the Bands hosted by the Rock Society continue to be very popular.

### **Make my Union even better**

The Union implemented a new finance system last year and this is now fully operational. Along with the new system the Union restructured its cost centre coding which has improved management account information and budgeting.

The Union continues to facilitate the elections of the Sports union and this is proving to be a useful project. This made the process much more accessible for all students and increased our election turnout.

The Union reviewed its Officer Induction processes this year and has implemented a completely new training programme for new and returning Officers. Trustee Board induction has also been developed and rolled out to existing Trustees and new Officer and Student Trustees.

### **Financial review**

The surplus for the year amounted to £101,803 (2013: deficit of £25,564)

The Student Union Block Grant from the University was £483,837 this year.

### **Reserves policy**

The Association aims to hold sufficient reserves to fund its student support activities for a period of at least six months. Funds of £447,036 were held at 31 July 2014, including £89,689 represented by the fixed assets and investments of the Association. The Trustee Board have agreed a five year financial plan that will enable the Union to build cash reserves each year to cover operating costs for 6 months.

## Trustees' report *(continued)*

### Disclosures Required by the 1994 Education Act

#### Affiliations

The Student Union affiliated to the following organisations in 2012/13:

<u>Organisation</u>	<u>Affiliation Fee</u>
UK Council for International Student Affairs (UKCISA) - provides advice and information to international students studying in the UK and to staff who work with them	£109
National Union of Students (NUS) - provides national representation, information, advice, Office-Bearer training and other services	£24,706

#### Donations

No donations were made to any external organisations.

#### Risk Management

The Trustees have assessed the major risks to which the Union is exposed, in particular those related to the operations and finances of the Union, and are satisfied that systems are in place to mitigate our exposure to risk. The Trustees meet regularly and review all aspects of the operations and finances, with reference to financial reports and future forecasts.

#### Statement as to disclosure of information to Auditors

The Trustee Board Members who were in office on the date of approval of these Financial Statements have confirmed, as far as they are aware, that there is no relevant information of which the Auditors are unaware. Each of the Trustees have confirmed that they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that it has been communicated to the Auditors.



Stefan Kay  
Chair of Trustee Board

Date 28 APRIL 2015

## Trustees' responsibilities

The Trustee Board is 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 Trustee Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements the Trustee Board is 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 charity will continue in business.

The Trustee Board is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's Constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.





# HENDERSON LOGGIE

Chartered Accountants

34 Melville Street  
Edinburgh  
EH3 7HA  
United Kingdom

## **Independent auditors' report to the members of Heriot-Watt University Students' Association**

We have audited the financial statements of Heriot-Watt University Students' Association for the year ended 31 July 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustees 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 charity's trustees those matters that 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 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 set out on page 6, the trustees 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 auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act. 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 charitable company's circumstances and have been consistently applied and adequate disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we need all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

# **Independent auditors' report to the members of Heriot-Watt University Students' Association**

*(continued)*

## **Opinion on the financial statements**

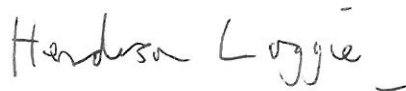
In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2014 and of its incoming resources and application of resources, 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).

## **Matters on which we are required to report by exception**

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:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; 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.



## **Henderson Loggie**

Statutory Auditors

(eligible to act as an auditor in terms of section 1212 of the Companies Act 2006)

28 April 2015

**Statement of financial activities (incorporating income and expenditure account)**  
*for the year ended 31 July 2014*

	Note	Unrestricted Funds	Restricted Funds	2014 Total	2013 Total
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	489,981	6,027	496,008	467,560
Activities for generating funds	3	20,254	-	20,254	10,542
Investment income	4	193	-	193	124
<i>Incoming resources from charitable activities</i>					
Social space and ancillary trading	5	1,741,484	-	1,741,484	1,719,520
Other charitable activities	5	46,419	8,500	54,919	36,296
<b>Total incoming resources</b>		<b>2,298,331</b>	<b>14,527</b>	<b>2,312,858</b>	<b>2,234,042</b>
<b>Resources expended</b>					
<i>Cost of generating funds</i>					
<i>Charitable activities</i>					
Social space and ancillary trading	5	1,833,150	22,486	1,855,636	1,881,085
Other charitable activities	5	331,304	8,527	339,831	360,345
<i>Governance</i>	6	2,164,454	31,013	2,195,467	2,241,430
		15,588	-	15,588	18,176
<b>Total resources expended</b>		<b>2,180,042</b>	<b>31,013</b>	<b>2,211,055</b>	<b>2,259,606</b>
<b>Net incoming/(outgoing) resources before transfers</b>					
Transfers	15	118,289	(16,486)	101,803	(25,564)
		-	-	-	-
<b>Net incoming/(outgoing) resources after transfers</b>					
Fund balance brought forward at 1 August 2013	15	118,289	(16,486)	101,803	(25,564)
		239,049	106,184	345,233	370,798
<b>Fund balance carried forward at 31 July 2014</b>	15	<b>357,338</b>	<b>89,698</b>	<b>447,036</b>	<b>345,234</b>

All activities relate to continuing operations.

**Balance sheet**  
**as at 31 July 2014**

	Note	2014 £	2014 £	2013 £	2013 £
<b>Fixed assets</b>					
Tangible assets	9		423,663		472,805
Investments	10		-		5,460
			<hr/>		<hr/>
			423,663		478,265
<b>Current assets</b>					
Stock	11	42,471		59,372	
Debtors	12	31,729		28,693	
Cash at bank and in hand		92,980		8,193	
		<hr/>		<hr/>	
		167,180		96,258	
<b>Creditors:</b> amounts falling due within one year	13	(128,948)		(214,000)	
		<hr/>		<hr/>	
<b>Net current assets/(liabilities)</b>			38,232		(117,742)
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			461,895		360,523
<b>Creditors:</b> amounts falling due after more than one year	14		(14,859)		(15,289)
			<hr/>		<hr/>
<b>Net assets</b>			447,036		345,234
			<hr/> <hr/>		<hr/> <hr/>
<b>Funds</b>					
Restricted funds	15		89,698		106,184
Unrestricted general funds	15		357,338		239,050
			<hr/>		<hr/>
<b>Total funds</b>			447,036		345,234
			<hr/> <hr/>		<hr/> <hr/>

The financial statements were approved by the Trustee Board on 28 April 2015 and are authorised for issue and signed on behalf of the Association by:



**Stefan Kay**  
**Chairman**

## Notes to the financial statements

### 1 Accounting policies

#### Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards and in accordance with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities 2005.

#### Going concern

During the year to 31 July 2014, the Association has improved its financial position from net current liabilities of £117,742 to net current assets of £38,232. In view of this improvement and the confirmation received from Heriot-Watt University that the Association will continue to receive financial support by way of Block Grant for the 12 month period following completion of these financial statements, the Trustees are satisfied that it is appropriate to prepare these financial statements on the going concern basis.

#### Incoming resources

Incoming resources represent the fair value of services provided and cash takings during the period.

#### Resources expended

All expenditure of the Association, once incurred, is considered either a charitable activity cost or a governance cost. Support costs are allocated to either charitable activities or governance costs according to the amount of staff time spent on these activities or by reference to floor space. Charitable activities are those resources applied in the delivery of services to meet the Association's charitable objectives, and include management and accommodation costs and staff costs. Governance costs are those associated with the general running of the Association including activities which provide the Association's governance infrastructure.

#### Stocks

Stocks are stated at the lower of cost and net realisable value. Provision is made for any slow-moving or obsolete stock.

#### Investments

Investments are included at cost.

#### Fixed assets

All expenditure of a capital nature where the expenditure exceeds £750 is capitalised under one of the above categories.

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

Office equipment	3 to 5 years
Furniture and fittings	3 to 10 years
Plant and machinery	3 to 5 years
Building additions/improvements	30 to 50 years
Motor vehicles	5 years

A full year's depreciation is charged in the year of acquisition and none in the year of disposal. Impairment reviews are carried out at least annually as part of the annual reporting exercise and when significant changes in the Association's activities occur, or in other situations where circumstances indicate a review is necessary.

## Notes to the financial statements *(continued)*

### 1 Accounting policies *(continued)*

#### Grants

Grants are credited to the income and expenditure account when all related conditions have been met and satisfied.

#### Pension costs

The Association offers a defined pension scheme for certain employees: the Lothian Pension Fund (LPF – Local Government Scheme).

The Association's share of the underlying assets and liabilities of the scheme cannot be directly attributed to the Association and therefore, in line with FRS 17, the LPF is accounted for as if the schemes were defined contribution schemes based on actual contributions paid through the year. Further details can be found at note 8.

#### Taxation

The Association has been granted charitable status by HM Revenue and Customs and is a registered charity. The Association is not subject to corporation tax on any surpluses that have been derived in pursuing activities designed to carry out the main objects of its charitable status.

#### Funds

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

Restricted funds comprise donations and other incoming resources for which the purpose and use of those funds has been specified prior to their transfer to the charity, and which can only be applied for those specified purposes. In 2013/14:

- £6,000 was received from TOMRA to support a campus wide recycling scheme and contribute towards HWUSA participating in the scheme;
- £6,027 was received from SCVO to support an individual needing help to get into the workforce;
- £2,500 was received from the Heriot-Watt Alumni Fund and was granted to First Aid Africa.

### 2 Voluntary income

	Unrestricted £	Restricted £	2014 £	2013 £
Allocation from University	483,837	-	483,837	460,882
Donations	5,714	6,027	11,741	6,232
Membership fees	-	-	-	16
Release from deferred income	430	-	430	430
	<u>489,981</u>	<u>6,027</u>	<u>496,008</u>	<u>467,560</u>

**Notes to the financial statements** (continued)

**3 Activities from generating funds**

	2014 £	2013 £
Commission on sales	5,785	5,196
Income from let of premises	4,318	4,102
Poster site income	1,151	1,244
Sponsorship income	9,000	-
	<u>20,254</u>	<u>10,542</u>

**4 Investment income**

	2014 £	2013 £
Interest receivable	193	124
	<u>193</u>	<u>124</u>

**5 Charitable activities**

	Social space and ancillary trading £	Other charitable activities £	2014 Total £	2013 Total £
Income from normal operations	1,741,484	46,419	1,787,903	1,753,816
Specific project grants	6,000	2,500	8,500	2,000
	<u>1,747,484</u>	<u>48,919</u>	<u>1,796,403</u>	<u>1,755,816</u>
<b>Expenditure</b>				
Staff costs	522,570	187,698	710,268	753,382
Sabbaticals	18,827	75,309	94,136	84,080
Property costs	150,315	6,173	156,488	175,784
Support costs	24,030	10,677	34,707	23,945
Welfare costs	-	46,093	46,093	43,188
Commercial cost of sales	1,122,763	-	1,122,763	1,131,001
Specific project costs	6,000	25,012	31,012	30,050
	<u>1,844,505</u>	<u>350,962</u>	<u>2,185,467</u>	<u>2,241,430</u>
Deficit	<u>(97,021)</u>	<u>(302,043)</u>	<u>(399,064)</u>	<u>(485,614)</u>

## Notes to the financial statements *(continued)*

### 5 Charitable activities *(continued)*

Support costs include the following

	2014 £	2013 £
Bank charges	18,515	11,199
Computer expenses	7,373	2,347
Office expenses	8,819	10,399
	<u>34,707</u>	<u>23,945</u>

Support costs are allocated between charitable activities according to the amount of staff time spent on these activities or by reference to floor space.

### 6 Governance

	2014 £	2013 £
Office-bearer's training costs	5,456	4,382
Election costs	2,021	1,026
Consultant's costs	-	5,043
Remuneration of auditors	6,900	6,900
Trustee Costs	1,211	825
	<u>15,588</u>	<u>18,176</u>

### 7 Staff costs and numbers

	2014 £	2013 £
Wages and salaries	646,605	650,542
Social security costs	31,563	33,825
Pension costs	97,635	111,062
	<u>775,803</u>	<u>795,429</u>
Average number of employees (full time equivalents) during the year	<u>37</u>	<u>40</u>

No member of staff earns emoluments over £60,000. The President and Vice-Presidents are required by the constitution of the Association to be Sabbatical members of the Executive Committee and Trustees ex-officio and as such as remunerated for their work. Remuneration and pension contributions of £49,190 were paid to such 7 trustees in the year. No remuneration was paid to any trustee in their capacity as trustee. 6 trustees received reimbursement of expenses amounting to £1,121 in the year.



## Notes to the financial statements *(continued)*

### 8 Pension contributions

The Association participates in the Lothian Pension Fund and the Universities Superannuation Scheme.

#### Lothian Pension Fund (LPF)

Heriot-Watt University Students' Association participates in the Lothian Pension Fund (LPF) which is part of the Local Government Pension Scheme (LGPS) (Scotland), a multi-employer scheme. The LGPS is a defined benefit scheme based on final pensionable salary.

Under the Lothian Pension Fund, the contribution rate required for Heriot-Watt University Association is set on a grouped basis, combining the experience of the employer with other employers also participating in the Fund. 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 Heriot-Watt University Students' Association is unable to identify its relevant share of the underlying assets and liabilities in the Fund. These financial statements have therefore been drawn up in accordance with Financial Reporting Standard 17 on the basis that the pension cost is accounted for as a defined contribution scheme.

Information about the overall funding position of the Lothian Pension Fund has been obtained from the actuarial valuation of the Scheme as at 31 March 2014. The valuation showed that the overall funding of the Scheme as a whole was 91%, the deficit being £417 million. The contributions payable by the employers are based on the position of the Fund as a whole, which is reassessed at each triennial valuation, in line with the Administering Authority's Funding Strategy Statement. The pension cost for the year ended 31 July 2014 was £97,635 (2013: £111,062) and employer contributions for the year from 1 April 2014 have been set at 23.1% of pensionable pay plus a monetary amount of £20,600 per annum.

The next actuarial valuation of the Lothian Pension Fund is being carried out with an effective date of 31 March 2014, with revised contribution rates being effective from 1 April 2015.

### 9 Fixed assets

	Building improvements £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>					
At 1 August 2013	545,263	22,098	441,875	79,494	1,088,730
Additions	575	1,063	4,495	1,950	8,083
	-----	-----	-----	-----	-----
At 31 July 2014	545,838	23,161	446,370	81,444	1,096,813
	-----	-----	-----	-----	-----
<b>Depreciation</b>					
At 1 August 2013	(139,218)	(18,321)	(406,036)	(52,350)	(615,925)
Charge for year	(11,734)	(2,202)	(35,853)	(7,436)	(57,225)
	-----	-----	-----	-----	-----
At 31 July 2014	150,952	20,523	441,889	59,786	673,150
	-----	-----	-----	-----	-----
<b>Net book value</b>					
At 31 July 2014	<b>394,886</b>	<b>2,638</b>	<b>4,481</b>	<b>21,658</b>	<b>423,663</b>
	=====	=====	=====	=====	=====
At 31 July 2013	406,045	3,777	35,839	27,144	472,805
	=====	=====	=====	=====	=====

## Notes to the financial statements *(continued)*

### 10 Investments

	£
Cost at 1 August 2013	5,460
Disposals	(5,460)
	<hr/>
Cost at 31 July 2014	-
	<hr/> <hr/>
<b>Net book value</b>	
At 1 August 2013	5,460
	<hr/> <hr/>
At 31 July 2014	-
	<hr/> <hr/>

Until 31 December 2014 the Association held investments in the following companies which are incorporated in the United Kingdom.

<i>Name of company</i>	<i>Main trading activity</i>	<i>Equity held</i>
NUS Services Limited	Purchasing services	60 "A" Shares
NUS Services Limited	Purchasing services	270 "B" Shares

### 11 Stock

	2014 £	2013 £
Bar	3,830	3,676
Shop	36,445	53,949
Catering	2,196	1,526
Stationery	-	221
	<hr/>	<hr/>
	42,471	59,372
	<hr/> <hr/>	<hr/> <hr/>

### 12 Debtors

	2014 £	2013 £
Trade debtors	13,586	5,096
Other debtors and prepayments	13,161	18,876
Heriot-Watt University	4,982	4,721
	<hr/>	<hr/>
	31,729	28,693
	<hr/> <hr/>	<hr/> <hr/>

## Notes to the financial statements (continued)

### 13 Creditors: Amounts falling due within one year

	2014 £	2013 £
Trade creditors	43,113	56,217
Heriot-Watt University	1,856	14,617
Bank Overdraft	-	97,364
Other tax and social security	16,082	17,760
Other creditors	24,557	15,916
Accruals and deferred income	43,340	12,126
	<u>128,948</u>	<u>214,000</u>

### 14 Creditors: Amounts falling due after more than one year

	2014 £	2013 £
Deferred grant income	14,859	15,289

### 15 Funds

	Unrestricted funds £	Restricted funds £	Total £	
Balance brought forward at 1 August 2013	239,049	106,184	345,233	
Surplus/(deficit) for the year	118,289	(16,486)	101,803	
	<u>357,338</u>	<u>89,698</u>	<u>447,036</u>	
Balance carried forward at 31 July 2014	357,338	89,698	447,036	
Represented by:				
	Unrestricted funds £	Restricted funds £	2014 Total £	2013 Total £
Fixed assets and investments	333,965	89,698	423,663	478,265
Current assets	166,872	-	166,872	96,258
Creditors due within one year	(128,640)	-	(128,640)	(214,000)
Creditors due after one year	(14,859)	-	(14,859)	(15,289)
	<u>357,338</u>	<u>89,698</u>	<u>447,036</u>	<u>345,234</u>

### 16 Related party transactions

During the year, Heriot-Watt University allocated to the Students Association £438,837 (2013: £437,382) in the form of block grant funding. Other grant funding from Heriot-Watt University amounted to £2,500 (2013: £23,500).

During the course of the Association's activities for the year, transactions with Heriot-Watt University took place. The total amount invoiced by the Association to the University for goods and services was £39,992 and the total amount invoiced by the University to the Association for goods and services was £60,392. At 31 July 2014 the University owed the Association a balance of £4,982 (2013: £4,721). Amounts owed by the Association to Heriot-Watt University amounted to £1,856 (2013: £14,617). £22,500 of deferred income was also in creditors at the year end.

### 17 Ultimate controlling party

The charity is constituted under the Charter of Heriot-Watt University and is governed by its appointed Trustees.