

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 JULY 2018
FOR
SAUWS**

Milne Craig
Chartered accountants
Statutory auditor
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

SAUWS

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FOR THE YEAR ENDED 31 JULY 2018

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SAUWS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2018

The trustees present their annual trustees' report together with the financial statements of the charity for the year ending 31 July 2018.

Overall

The Association had a difficult time in the 2017/18 financial year, losing its Chief Executive part-way through the year and facing financial challenges requiring the Board to make some hard business decisions. The most difficult of these was the decision to close the Students' Union building at the Hamilton Campus in December 2017 with the loss of the bar and catering operations.

In January 2018, the Board of trustees agreed to appoint an Interim Chief Executive on a part-time consultancy basis to help support the staff and officer teams as well as the Board of trustees.

The Association also had to contend with the loss of sport from its portfolio in the year and the associated reduction in block grant funding (£113,000) that had previously supported this activity. The University also provided additional grants to the Association of £10,213 in the year.

Despite these difficulties and challenges, the Association was able to work closely with the University to secure new, high-quality facilities at the New Lanarkshire campus which opened on 3rd September 2018. The move from Hamilton campus means a significant enhancement of student facilities although the previous shop operation which was provided by the Association at Hamilton has not been replaced at the new campus.

The 2017/18 financial year also saw a reduction in the overall staff complement, primarily in commercial management. This was to address the continued fall in commercial revenue seen across all areas of the estate.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Vision for SAUWS as defined in the strategic planning framework is;

'To be an organisation that UWS students identify with which engages, enables and empowers them; by helping to provide great opportunities to enhance their student experience'

The Mission is 'To ensure the continuous improvement of our student experience'

And the values of the association are to be: Welcoming, Inclusive, Supportive and Engaging

A new strategic framework was established during the 2016/17 financial year, built around four key pillars; Communication, Engagement, Opportunities for students and Partnerships. Each of these pillars has specific objectives which identify projects and workstreams to help achieve the overall vision. Work continues to turn these objectives into a full operational plan with published performance indicators and targets.

SAUWS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2018

OBJECTIVES AND ACTIVITIES

Achievements

The Association worked closely with the University throughout the year to plan the new Students' Union space at the New Lanarkshire campus as well as working closely with the project team as a whole to ensure other services for the campus were high-quality and as cost-effective as possible.

The Association ran successful campaigns throughout the year in areas including housing, exam stress, mental health and financial awareness.

The Advice Workers supported 364 individual students in the year. The majority of cases were academic-related including extenuating circumstances, appeals, plagiarism and fitness to practice. The Advice Service also gave out hardship payments totalling £10,000 to 115 students in real need, ensuring they could continue in their studies. The fund has been increased to £12,000 for the 2018/19 year.

The number of societies, as well as the total number of students in membership of societies both increased from the 2016/17 levels.

The environmental project begun in 2016 continued throughout the year, funded by the Climate Challenge fund and saw sustainability hubs running on both the Paisley and Ayr campuses.

The Association continued to increase its online presence through social media and the SAUWS website, ensuring greater accessibility for all students, wherever they are studying.

The Association continued to work to improve the training and support provided for academic representatives on all campuses of the University including online and in-person training.

The Association began an internship programme with a research project for the University that saw three students working on a funded project. The success of this first project has led to the Association planning a much wider-remit Internship Programme for the 2018/19 academic year.

FINANCIAL REVIEW

Financial position

The accounts of the Association show a surplus of £20,482 for the 2017/18 year. This represents a substantial improvement over the 2016/17 year but does not provide a significant move towards the achievement of the required reserves level (3-months' operating costs for the Association). Cash reserves, however have been improved in the year, due in part to VAT repayments to the Association for previous years' following a review of the partial exemption methodology in the 2017/18 year.

The Association continues to recognise that its balance sheet position may restrict its freedom to make appropriate decisions in the future and work continues to attempt to build reserves to reduce this risk.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The financial statements have been prepared on a going concern basis as the Association's main provider of grant income, the University of the West of Scotland has agreed to provide financial support to the Association to allow it to meet its liabilities as they fall due. On this basis the trustees are of the view that the charity is a going concern for a period of at least 12 months from the date of signing these financial statements.

SAUWS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2018

FUTURE PLANS

The Association has begun the process of Incorporation, which will see it become a Company Limited by Guarantee with the Trustees as Company members. This change will be completed within the year and provide a more appropriate level of governance and regulatory oversight for the Association. A new governing document has been approved by the membership as well as by the Board of trustees and, as required under the Education Act 1994, The University Court. New bye-laws to govern the day-to-day governance of the Association will be put in place to work alongside this document.

The Association will also introduce a new Student Council model to modernise the participation and engagement in the democratic structures of the Association. This sees Student Representatives put at the heart of the Students' Association democratic structures.

The Association plans to continue to strengthen the engagement with Student Representatives in all areas, including employing in-house trainers as well as the involvement in the governance structure.

The Association has raised money through the University for a part-funded internship program, which will see up to fourteen students undertaking a range of projects from research and support to website design and digital media.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Students' Association of the University of the West of Scotland is governed by a Constitution formally approved by the Court of the University of the West of Scotland under its rules of governance; the Students' Association is an unincorporated association for the benefit of its members. The constitution was approved by the Court of the University of the West of Scotland in June 2016. As indicated above, this structure will be changing in the year ahead.

Organisational structure

The Trustee Board of the Students' Association are the executive governing body of the Association, subject to the constitution, and are ultimately responsible for the administration and management of all Association revenue, assets and activities.

The Executive Committee of SAUWS provides the political leadership of the organisation. The Executive Committee implement the democratically decided politics of Student Voice.

Induction and training of new trustees

Trustees are given full induction and training at the assumption of office encompassing their duties as Trustees in terms of relevant legislation and the operations of the Students' Association. Full training for the Board took place during the year.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. A new Audit and Risk Committee for the Association has been established for the 2018/19 financial year.

The Charity has a robust set of HR Policies and Procedures, which have been compiled following employment law recommendations.

Risk Assessments are undertaken annually.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

SC005410

Principal address

The Student Union
Storie Street
Paisley
Renfrewshire
PA1 2HB

SAUWS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Emma Shotter	President 2018/19 (Vice President of Education 2017/18)	- appointed 1/7/2018
Franklin Jacob Babu	Vice President of Societies & Citizenship 2018/19	- appointed 1/7/2018
Merle Hill	President of Sport and Wellbeing 2018/19	- appointed 1/7/2018
Margot MacMillan	Vice President of Education 2018/19	- appointed 1/7/2018
Stuart Aitken	Student Trustee	
Saiful Alam Bhuiyan, Acim	Student Trustee	
Ethan Wilson	Student Trustee	
Mark McRitchie	External Trustee	
Roddy Williamson	Interim External Trustee	
Jennifer Ghandhi	External Trustee	- appointed 12/4/2018
Heather Armstrong	President 2017/18	- resigned 1/7/2018
Matthew Cameron	Vice President of Societies & Citizenship 2017/18	- resigned 1/7/2018
Johnathan Cranstoun	President of Sport and Wellbeing 2017/18	- resigned 1/7/2018
Monica Reid	Student trustee	- resigned 1/7/2018
Antony Blackshaw	Interim Chief Executive	

Independent auditors

Milne Craig
Chartered accountants
Statutory auditor
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

Solicitors

BTO Solicitors
48 St Vincent Street
Glasgow
G2 5HS

Bankers

Bank of Scotland
The Cross
Paisley
PA1 1DB

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2018**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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, the Charities and Trustee Investment (Scotland) Act 2005, Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution 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 and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee 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.

Approved by order of the board of trustees on 20 December 2018 and signed on its behalf by: *Emma Shorter*



Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF SAUWS

Opinion

We have audited the financial statements of SAUWS (the 'charity') for the year ended 31 July 2018 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2018 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.

Basis for 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 Auditors 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees 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.

Responsibilities of trustees

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
SAUWS**

Responsibilities of trustees

In 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's 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. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



S.B Malcolm – BAcc CA
Milne Craig
Chartered accountants
Statutory auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

20 December 2018

SAUWS

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2018

	Notes	Unrestricted fund £	Restricted funds £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	614,213	-	614,213	707,000
Other trading activities	3	188,314	-	188,314	218,024
Investment income	4	5	-	5	-
Total		<u>802,532</u>	<u>-</u>	<u>802,532</u>	<u>925,024</u>
EXPENDITURE ON					
Raising funds	5	108,201	-	108,201	133,312
Charitable activities	6				
Operation of the Association		662,079	-	662,079	754,466
Affiliated Clubs and Societies		-	-	-	63,911
Representation, Election and Welfare		866	-	866	10,001
Other		10,904	-	10,904	11,784
Total		<u>782,050</u>	<u>-</u>	<u>782,050</u>	<u>973,474</u>
NET INCOME/(EXPENDITURE)		<u>20,482</u>	<u>-</u>	<u>20,482</u>	<u>(48,450)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>72,942</u>	<u>-</u>	<u>72,942</u>	<u>121,392</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>93,424</u></u>	<u><u>-</u></u>	<u><u>93,424</u></u>	<u><u>72,942</u></u>

The notes form part of these financial statements

SAUWS

**BALANCE SHEET
AT 31 JULY 2018**

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	11	40,182	47,919
CURRENT ASSETS			
Stocks	12	13,013	25,174
Debtors	13	56,164	33,741
Cash at bank and in hand		28,708	19,821
		<u>97,885</u>	<u>78,736</u>
CREDITORS			
Amounts falling due within one year	14	(44,643)	(53,713)
		<u>53,242</u>	<u>25,023</u>
NET CURRENT ASSETS			
		<u>93,424</u>	<u>72,942</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>93,424</u>	<u>72,942</u>
NET ASSETS		<u>93,424</u>	<u>72,942</u>
FUNDS	17		
Unrestricted funds		<u>93,424</u>	<u>72,942</u>
TOTAL FUNDS		<u>93,424</u>	<u>72,942</u>

The financial statements were approved by the Board of Trustees on 20 December 2018 and were signed on its behalf
by: Emma Stott



Trustee

SAUWS

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2018**

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>15,818</u>	<u>(59,271)</u>
Net cash provided by (used in) operating activities		<u>15,818</u>	<u>(59,271)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(6,936)	(17,928)
Interest received		<u>5</u>	<u>-</u>
Net cash provided by (used in) investing activities		<u>(6,931)</u>	<u>(17,928)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		8,887	(77,199)
Cash and cash equivalents at the beginning of the reporting period		<u>19,821</u>	<u>97,020</u>
Cash and cash equivalents at the end of the reporting period		<u><u>28,708</u></u>	<u><u>19,821</u></u>

The notes form part of these financial statements

SAUWS

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2018

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

	2018 £	2017 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	20,482	(48,450)
Adjustments for:		
Depreciation charges	14,673	15,406
Interest received	(5)	-
Decrease/(increase) in stocks	12,161	(6,515)
Increase in debtors	(22,423)	(13,465)
Decrease in creditors	(9,070)	(6,247)
	<u>15,818</u>	<u>(59,271)</u>
Net cash provided by (used in) operating activities	<u>15,818</u>	<u>(59,271)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

SAUWS 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 note(s).

Preparation of accounts on a going concern basis

The trustees consider that there are no material uncertainties about the Association's ability to continue as a going concern. The financial statements have been prepared on a going concern basis as the Association's main provider of grant income, the University of the West of Scotland, has agreed to provide financial support to the Association to allow it to meet its liabilities as they fall due. On this basis the trustees are of the view that the charity is a going concern for a period of at least 12 months from the date of signing these financial statements.

Accounting judgements & sources of estimation uncertainty

In preparing these financial statements, the trustees have made the following judgements:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Assets are considered for indications of impairment. If required an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Bad debts are provided for where objective evidence of the need for a provision exists.

Inventories are assessed for evidence of obsolescence and a provision is made against any inventory unlikely to be sold, or where stock is sold post year end at a loss.

Income

All income is recognised in the Statement of Financial Activities once the Association has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

Other income represents those items not falling into any other heading.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2018**

1. ACCOUNTING POLICIES - continued

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs incurred in generating fundraising income.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost based on the percentage of non-business activities.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated to expenditure on charitable activities.

Tangible fixed assets

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

Improvements to property	- 10% on cost
Plant and machinery	- 25% on cost and 20% on cost
Fixtures and fittings	- 33% on cost, 25% on cost and 20% on cost

Stocks

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Restricted funds movements in the year relates to surplus funds that have been received by the charity and will be paid to Affiliated Clubs and Societies.

Pension costs and other post-retirement benefits

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2018**

1. ACCOUNTING POLICIES - continued

Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 ' Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transactions costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Debtors

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2018

2. DONATIONS AND LEGACIES

	2018 £	2017 £
Grants	<u>614,213</u>	<u>707,000</u>
	2018 £	2017 £
UWS - Core grant	604,000	707,000
UWS - Additional funding	<u>10,213</u>	<u>-</u>
	<u>614,213</u>	<u>707,000</u>

3. OTHER TRADING ACTIVITIES

	2018 £	2017 £
Shop income	43,597	47,513
Sponsorships	11,633	-
Bar sales	66,223	121,190
Coffee shop sales	60,776	26,631
Refectory	-	18,761
Entertainments	2,570	1,543
General income	<u>3,515</u>	<u>2,386</u>
	<u>188,314</u>	<u>218,024</u>

4. INVESTMENT INCOME

	2018 £	2017 £
Deposit account interest	<u>5</u>	<u>-</u>

5. RAISING FUNDS

Other trading activities

	2018 £	2017 £
Purchases	<u>108,201</u>	<u>133,312</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Support costs (See note 7) £	Totals £
Operation of the Association	585,083	76,996	662,079
Representation, Election and Welfare	<u>866</u>	<u>-</u>	<u>866</u>
	<u>585,949</u>	<u>76,996</u>	<u>662,945</u>

SAUWS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2018

7. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Operation of the Association	62	76,934	76,996
	<u>62</u>	<u>76,934</u>	<u>76,996</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

In accordance with the Constitution of the Association some trustee positions are designated as "sabbatical". Such positions shall comprise less than half of the trustee posts and the payment of honorarium to each post shall be as stipulated in the Bye laws along with the requisite service agreement for any sabbatical posts. No person shall be entitled to hold sabbatical office for more than two whole terms of office or to stand in any election which could have such a consequence.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2018 nor for the year ended 31 July 2017.

9. STAFF COSTS

	2018 £	2017 £
Wages and salaries	407,008	535,983
Other pension costs	5,522	6,134
	<u>412,530</u>	<u>542,117</u>

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

	2018	2017
Staff	30	41
	<u>30</u>	<u>41</u>

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

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	707,000	-	707,000
Other trading activities	218,024	-	218,024
Total	<u>925,024</u>	-	<u>925,024</u>
EXPENDITURE ON			
Raising funds	133,312	-	133,312
Charitable activities			
Operation of the Association	754,466	-	754,466
Affiliated Clubs and Societies	63,911	-	63,911
Representation, Election and Welfare	10,001	-	10,001
Other	11,784	-	11,784
Total	<u>973,474</u>	-	<u>973,474</u>

SAUWS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2018

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued	Unrestricted fund £	Restricted fund £	Total funds £
NET INCOME/(EXPENDITURE)	(48,450)	-	(48,450)
RECONCILIATION OF FUNDS			
Total funds brought forward	121,392	-	121,392
TOTAL FUNDS CARRIED FORWARD	<u>72,942</u>	<u>-</u>	<u>72,942</u>

11. TANGIBLE FIXED ASSETS	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 August 2017	18,639	87,787	50,631	157,057
Additions	-	6,936	-	6,936
At 31 July 2018	<u>18,639</u>	<u>94,723</u>	<u>50,631</u>	<u>163,993</u>
DEPRECIATION				
At 1 August 2017	13,780	61,845	33,513	109,138
Charge for year	1,950	9,927	2,796	14,673
At 31 July 2018	<u>15,730</u>	<u>71,772</u>	<u>36,309</u>	<u>123,811</u>
NET BOOK VALUE				
At 31 July 2018	<u>2,909</u>	<u>22,951</u>	<u>14,322</u>	<u>40,182</u>
At 31 July 2017	<u>4,859</u>	<u>25,942</u>	<u>17,118</u>	<u>47,919</u>

12. STOCKS	2018 £	2017 £
Bar stocks	3,614	16,897
Coffee Shop stock	2,058	4,139
Shop stock	7,341	4,138
	<u>13,013</u>	<u>25,174</u>

SAUWS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2018

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	21,098	3,589
Other debtors	18,188	13,859
VAT recoverable	14,402	12,527
Prepayments and accrued income	2,476	3,766
	<u>56,164</u>	<u>33,741</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	8,384	16,440
Social security and other taxes	4,306	7,861
Other creditors	7,900	2,775
Accruals and deferred income	24,053	26,637
	<u>44,643</u>	<u>53,713</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018	2017
	£	£
Within one year	5,614	5,614
Between one and five years	12,632	18,246
	<u>18,246</u>	<u>23,860</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	2018 Total funds	2017 Total funds
	£	£	£	£
Fixed assets	40,182	-	40,182	47,919
Current assets	93,534	4,351	97,885	78,736
Current liabilities	(40,292)	(4,351)	(44,643)	(53,713)
	<u>93,424</u>	<u>-</u>	<u>93,424</u>	<u>72,942</u>

17. MOVEMENT IN FUNDS

	At 1/8/17	Net movement in funds	At 31/7/18
	£	£	£
Unrestricted funds			
General fund	72,942	20,482	93,424
	<u>72,942</u>	<u>20,482</u>	<u>93,424</u>
TOTAL FUNDS	<u>72,942</u>	<u>20,482</u>	<u>93,424</u>

SAUWS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2018

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	802,532	(782,050)	20,482
TOTAL FUNDS	<u>802,532</u>	<u>(782,050)</u>	<u>20,482</u>

Comparatives for movement in funds

	At 1/8/16 £	Net movement in funds £	At 31/7/17 £
Unrestricted Funds			
General fund	121,392	(48,450)	72,942
TOTAL FUNDS	<u>121,392</u>	<u>(48,450)</u>	<u>72,942</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	925,024	(973,474)	(48,450)
TOTAL FUNDS	<u>925,024</u>	<u>(973,474)</u>	<u>(48,450)</u>

18. RELATED PARTY DISCLOSURES

The Association is in receipt of a recurrent grant from the University of West of Scotland of £616,901 (2017 - £707,000).

In addition, the Association premises are included in the pricing arrangement for utilities negotiated by the University. The Trustees of the Association are the members of the Board of Trustees. The sabbatical members of the Board receive remuneration for their services as provided for within the Constitution, as detailed in Note 8, and these transactions have been carried out at arms length.

SAUWS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2018**

	2018 £	2017 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	614,213	707,000
Other trading activities		
Shop income	43,597	47,513
Sponsorships	11,633	-
Bar sales	66,223	121,190
Coffee shop sales	60,776	26,631
Refectory	-	18,761
Entertainments	2,570	1,543
General income	3,515	2,386
	<hr/>	<hr/>
	188,314	218,024
Investment income		
Deposit account interest	5	-
	<hr/>	<hr/>
Total incoming resources	802,532	925,024
 EXPENDITURE		
Other trading activities		
Purchases	89,143	111,126
Direct costs	19,058	22,186
	<hr/>	<hr/>
	108,201	133,312
Charitable activities		
Wages and national insurance	407,008	535,983
Pensions	5,522	6,134
Rates and water	5,000	5,000
Insurance	15,985	13,493
Light and heat	27,866	37,785
Postage and stationery	875	2,445
Bad Debts	13,373	2,698
Sundries	28,383	33,774
Staff development and conference	4,625	14,176
Security	1,606	828
Building maintenance and equip	8,962	16,120
Cleaning	1,859	2,097
Representation, Election and Welfare	8,684	10,001
Affiliated Clubs and Societies	28,320	63,911
Publicity	-	2,359
Staff expenses	13,208	7,233
Depreciation	14,673	15,406
	<hr/>	<hr/>
	585,949	769,443

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SAUWS

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2018

	2018 £	2017 £
Other		
Unrecoverable VAT	10,904	11,784
Support costs		
Finance		
Bank charges	62	208
Governance costs		
Auditors' remuneration	3,612	4,038
Accountancy and legal fees	73,322	54,689
	<u>76,934</u>	<u>58,727</u>
Total resources expended	782,050	973,474
	<u> </u>	<u> </u>
Net income/(expenditure)	<u>20,482</u>	<u>(48,450)</u>

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