

**Liverpool Guild of Students  
Trustees Report and Financial Statements  
for the year ended 31 July 2011**



**Liverpool Guild of Students  
Report and Financial Statement  
Index**

|  |       |
|--|-------|
| TRUSTEE BOARD AND GUILD INFORMATION .....    | 3     |
| REGISTERED OFFICE AND ADVISORS .....         | 4     |
| TRUSTEES REPORT .....                        | 5     |
| STATEMENT OF TRUSTEES' RESPONSIBILITIES..... | 18    |
| INDEPENDENT AUDITOR'S REPORT .....           | 19    |
| STATEMENT OF FINANCIAL ACTIVITIES .....      | 20    |
| BALANCE SHEET .....                          | 21    |
| NOTES TO THE FINANCIAL STATEMENTS.....       | 22-35 |



**Liverpool Guild of Students  
Trustee Board and Guild Information  
Year Ended 31 July 2011**

**Trustee Board 2010/11**

Joshua Wright  
Patrick Stern  
Samuel Johnson  
Klaus Dudas  
Kathleen Lennon  
Padraig McNamara  
Rebecca Jones  
Gary Walker  
Berkley Greenwood  
Neil Hall

**Trustee Board 2011/12**

Maev McDaid  
Joshua Wright  
Ruth Brewer  
Bob Sutton  
Charlotte Nicholls  
Alexander Parmar-Yee  
Sam Van Geffen  
Gary Walker  
Berkley Greenwood  
Neil Hall

**Chief Executive Officer**

Patricia O'Neill

**Main Address**

Liverpool Guild of Students  
160 Mount Pleasant  
Liverpool  
L3 5TR



**Liverpool Guild of Students  
Registered Office and Advisors  
Year Ended 31 July 2011**

|                                |  |
|--------------------------------|--|
| Registered Office:             | 160 Mount Pleasant<br>Liverpool<br>L3 5TR  |
| Auditors:                      | PKF (UK) LLP<br>5 Temple Square<br>Temple Street<br>Liverpool<br>L2 5RH  |
| Bankers:                       | Santander Corporate Banking<br>Bootle<br>Merseyside<br>GIR 0AA   |
| Insurance Brokers:             | Endsleigh Business Insurance Services<br>Hadley House<br>Shurdington Road<br>Cheltenham Spa<br>Gloucestershire<br>GL51 4UE   |
| Solicitors:                    | <i>Governance, charity and corporate law</i><br>Bates, Wells and Braithwaite London LLP<br>2-6 Cannon Street<br>London<br>EC4M 6YH<br><br><i>Employment and commercial law</i><br>Weightmans LLP<br>India Buildings<br>Water Street<br>Liverpool<br>L2 0GA |
| Finance and business advisors: | Counterculture Partners Limited<br>Institute of Contemporary Arts<br>The Mall<br>London<br>SW1Y 5AH  |



# Liverpool Guild of Students Trustees Report Year Ended 31 July 2011

## Structure, Governance and Management

### Nature of governing document and how charity is constituted

Liverpool Guild of Students (the "Guild" or "LGoS") is a students' union within the meaning of the Education Act 1994. The Guild is devoted to the educational interests and welfare of its Members. It is the independent representative body of students at the University of Liverpool, is an unincorporated association and an exempt charity.

Liverpool Guild of Students Articles of Governance states that:

"Liverpool Guild of Students is devoted to the educational interests and welfare of its Members. These Articles of Governance have been structured to give the Trustees reasonable authority to manage the affairs of the Guild in a business like manner to ensure that the Guild complies with charity law and other legal requirements. Members enjoy the right to elect the majority of the Trustees and to dismiss all the Trustees."

### Governance

The Guild is democratically controlled by its members through the annual election of a team of student representatives who form the Guild's Trustee Board. The membership of the Trustee Board is as follows:

- Four Sabbatical Trustees ( President, Deputy President and Two Vice Presidents)
- Four Student Trustees
- Four Non Student Trustees (appointed by the sabbatical and student trustees)

The Trustees determine policy for all areas of Guild activity. The Sabbatical Trustees are full time officers of the organisation and work for the Guild for a year either during or at the end of their degree course in order to represent students on a full time basis. The Trustee Board's remit can be summarised as:

- Formulating, implementing and monitoring strategic plans.
- Providing effective financial management and oversight, including the formation of budgets.
- Monitoring and evaluating the performance of staff, services and activities.
- Supporting the Chief Executive and reviewing her performance.
- Providing effective Risk Management Systems.
- Ensuring comprehensive ongoing member consultation.
- Promoting the active involvement of members.
- Ensuring effective election/selection, induction and appraisal of Trustee Board members.
- Considering Committee Reports.
- Any other duties required by charity law, the Education Act 1994 and other applicable legislation.



# Liverpool Guild of Students Trustees Report Year Ended 31 July 2011

The Sabbatical Trustees work alongside the permanent Guild staff to implement and carry out the strategy and policies set by the Trustee Board. The permanent staff team is managed by the Chief Executive, who is directly accountable to the Trustee Board for the Guild's performance.

## The Students' Guild

The Guild is involved in a very wide range of activities. Its core purpose is to represent students and provide activities for them to enhance the student experience. To that end the Guild organises campaigns on issues of concern to the generality of students, administers the work of approx 150 different student activity groups, provides volunteering opportunities, trains and develops approx 250 student course representatives and provides an academic advice service.

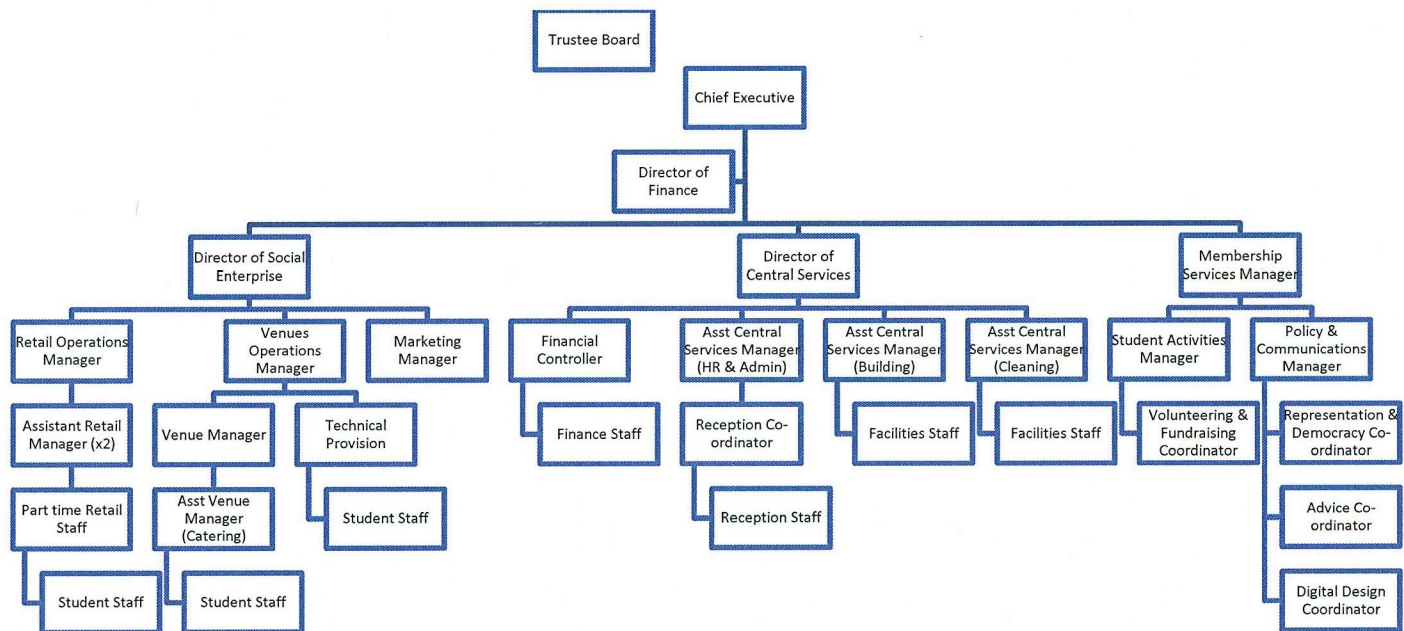
The Guild receives an annual grant from the University to fund its activities, and has an annual turnover from its commercial operations. The grant and the surpluses generated from the commercial operations enables the Guild to spend over £900,000 on the direct provision of student representation, recreation and development activities. LGoS employs around 40 permanent full time equivalent staff and over 100 student staff members are employed on a seasonal basis. The Guild has approximately 20,000 student members. The Guild's offices are located on the main University campus.

## Staff Structure

Guild staff members are usually allocated to one of the following departments:

- Central Services
- Social Enterprise
- Membership Services

Each department has a manager who reports directly to the Chief Executive. The Chief Executive in turn is responsible to the Trustee Board for all matters relating to staff.



# Liverpool Guild of Students Trustees Report Year Ended 31 July 2011

## Membership Support Services

The Membership Support Services department brings together the Guild's Advice, Design, Representation & Democracy, Policy and Communications and Student Activities functions:

The department is managed by the Membership Services Manager.

Advice-The Guild's Advice Coordinator specialises in providing academic advice to University of Liverpool students. Where students require assistance with non-academic related issues, the co-ordinator is able to make appropriate referrals to external agencies such as the University, local Citizens Advice Bureau and solicitors. Students can book appointments or make contact by phone or email.

Representation & Democracy- The Representation & Democracy Coordinator works closely with the institution to develop and support the work of Course Representatives, ensuring they have a strong voice and are able to effectively represent their course-mates. The Coordinator also facilitates the work of Scrutiny Panels and Student Council, and supports the running of elections.

Policy and Communications- The Policy and Communications Manager is responsible for coordinating the development of policy, ensuring it reflects the needs of, and is understood by, the membership. This provides the Guild with sound positions on which to base lobbying and campaigning.

Student Activities- The Guild's Activities Team is staffed by two posts: the Student Engagement Manager, and the Volunteer and Fundraising Coordinator. The team are responsible for supporting and enabling student activity groups and Guild volunteering opportunities, such as the Roof Garden Project. The team also manage Volunteering Liverpool, a volunteering website offering a wide range of volunteering opportunities in the local community. This team also works closely with Liverpool Student's Union on the Community Reps Project.

## Central Services

Central Services brings together LGoS' finance department, facilities team, and HR and administration functions.

The department is managed by the Director of Central Services.

HR and Admin- the Admin team coordinate The Reception, dealing with enquires from The University, students, visitors, contractors and other visitors.

The Asst Central Services Manager (HR & Admin)- is responsible for the HR function within the organisation, including coordinating inductions, planning student staff recruitment and maintaining employments records.

Building and Cleaning- these teams ensure that the building is run in a safe, sustainable and environmentally friendly way.

Finance- the Finance Department is a shared function with Liverpool Students' Union. Finance Staff ensure that appropriate financial procedures are in place, and implemented across the two organisations.

Strategic financial management is outsourced to an organisation called Counterculture Partners Limited who are contracted to provide support, analysis and guidance for the Guild on its financial development. The key tasks are the business aspects of strategic planning, advising on financial decision making, production of regular management accounts, the production of year end accounts, managing the audit process, providing support for budgeting, and ensuring that the Guild complies with all legal and statutory accounting requirements.



# Liverpool Guild of Students Trustees Report Year Ended 31 July 2011

## **Social Enterprise**

Social Enterprise brings together the retail, venues and licensed trade activities of the Guild.

The department is managed by the Director of Social Enterprise.

Venues- LGoS' venues provide students with a place to meet, a range of food outlets and bar space. Space is available for Student Activity Groups to book for events and this is a growing area of the work within venues and one of the key areas we now support. Venues staff provide advice and support to groups wishing to book this space and the necessary technical support to deliver their events. In addition to increasing staffing, we have secured funding to provide additional equipment to support societies and their events. The venues department also supports all external functions within the Guild and the public concerts that we host.

Retail-The Guild currently operates three shops and a kiosk, selling a range of pasties, confectionary, sandwiches, hot and cold drinks, stationery, clothing and toiletries. One shop is located at LGoS' main building, which caters mainly for the lunchables trade, while the other two are situated in student accommodation. In addition LGoS runs an online shop selling a range of University crested clothing.

## **Marketing**

LGoS and Liverpool Students' Union (LSU) share a Marketing Team. A Marketing Manager works across both organisations, organising the marketing functions of both organisations. Part of the role of the Policy and Communications Manager is to coordinate membership communications, making the most of websites, social media and emails.

## **How new trustees are recruited and appointed**

### **Appointment of Trustees**

Liverpool Guild of Students' Constitution highlights that in terms of the appointment of trustees there shall be not more than 4 Sabbatical Officer Trustees, elected...; not more than 4 Student Trustees, elected ...; and not more than 4 Non-Student Trustees, appointed...'

### **Sabbatical Officer Trustees**

Four Sabbatical Trustees shall be elected by secret ballot by the Members of the Guild at an election held in accordance with the Bye Laws and shall remain in office for a term of usually twelve months, as specified in the Bye Laws. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end.

An Officer Trustee may be re-elected for a maximum further term of one year by the Members of the Guild but for the avoidance of doubt, an Officer Trustee's terms of office may be either consecutive or non-consecutive and the maximum total term that can be served as an Officer Trustee is twenty four months. Each Officer Trustee must be a Student or an Officer Trustee at the time of his or her election. An Officer Trustee becomes a Member of the Guild on commencement of his or her appointment or re-appointment as an Officer Trustee. Such membership ceases when they cease to be an Officer Trustee.





# Liverpool Guild of Students

## Trustees Report

### Year Ended 31 July 2011

#### **Student Trustees**

Four Student Trustees shall be elected by secret ballot by the Members of the Guild at an election to be held in accordance with the Bye Laws and shall remain in office for a term of usually twenty four months as specified in the Bye Laws. The term of office may be shorter or longer on a transitional basis to coincide with the alteration of the year-start or year-end.

Each Student Trustee must be a Student at the time of his or her election (and must continue to be a Student for the duration of his or her term as a Student Trustee). The maximum total term that a Student Trustee may serve is eight years. A Student Trustee shall cease to hold office automatically on ceasing to be a Student.

#### **External Trustees**

The Trustees are required to appoint by a simple majority vote such persons as they consider suitable to be Non-Student Trustees. The ratio of Elected Trustees to Non-Student Trustees, with the exception of any period which may not exceed four months, must be greater than or equal to two to one. Unless their appointment is terminated in accordance with the constitution, External Trustees remain in office for a term of up to four years. At the end of their first term of four years, Non-Student Trustees are eligible for re-appointment by a simple majority vote of the Trustees for a further term of up to four years but are not eligible for re-appointment thereafter if they have served a maximum total term of eight years.

#### **Details of related parties**

The University of Liverpool is the parent institution of Liverpool Guild of Students. The Guild received a revenue block grant in the year from the University of Liverpool of £947,303 (2010: £947,546).

LGoS' President is a member of The University Council and University Court, the highest decision making body in The University.

Before any academic issue can be considered by The University Court, it must be approved by The Senate. LGoS are well represented on this body, with three places reserved for undergraduate students, three for postgraduate taught and three for postgraduate research students. All four student representative officers are also members.

Further details of the related party transactions are found in Note 14 to the accounts.

#### ***Risk management statement***

Risk management is the responsibility of the Trustee Board. The senior managers of the Guild have delegated authority for identifying the risks facing the organisation and reporting these to the Trustees as they arise in relation to items of business at the Board. In addition, the senior managers provide the information to enable the Trustees to undertake an annual review.

The Trustee Board examines the major strategic, business and operational risks which the Guild faces on an annual basis. The Trustees confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.



# Liverpool Guild of Students Trustees Report Year Ended 31 July 2011

## *Reserves policy*

It is the Trustees' policy to have free unrestricted reserves (unrestricted funds less the net book value of unrestricted fixed assets) of over £100,000. At 31 July 2011 this figure was £106,011 (2010: £150,565).

The following designated reserves have been created by the Trustees as at 31 July 2011:

- 1) NUSSL Investment Fund - £5,460, being the value of shares held in NUSSL by the Guild;
- 2) Fixed assets fund - £483,040, being the net book value of fixed assets purchased with unrestricted funds; and
- 3) Pension Liability Fund - £200,000, being a reserve to contribute towards meeting the pension funds deficits referred to in note 15 to the financial statements which will be payable at a future date.
- 4) Transition Fund - £120,000, being a reserve to be utilised in the event of any significant organisational change or restructuring that may occur in the future.

There is a defined benefit pensions scheme liability that is not measurable for FRS17 purposes, however the Trustees acknowledge the need to develop further reserves to the operational minimum identified above over the medium to long term in order to meet this future liability.



# Liverpool Guild of Students Trustees Report Year Ended 31 July 2011

## Objectives and activities

### Summary of charity objectives and activities undertaken in relation to these objects

#### Our Mission

#### “Listen, Lobby, Lead”

The Guild's Strategic plan for 2009-2011 states that the Guild will achieve its mission by:

- Creating a strong Guild presence on the issues and affairs that matter to our students.
- Developing our organisational structure to ensure that we can make an outstanding contribution to our members' lives.
- Forging a dynamic partnership with the University that enhances the Liverpool experience.
- Creating an involvement culture where innovative, life changing opportunities are available to our members.

The Guild's constitution identifies its charitable objectives as:

*“the advancement of education of Students at the University of Liverpool for the public benefit by:-*

- providing opportunities for the expression of Student opinion and actively representing the interest of Students;
- acting as a channel of communication in dealing with the University of Liverpool and other external bodies;
- promoting the welfare of Students at the University of Liverpool;
- facilitating the social, recreational, political and educational interests of its Membership, through providing services and support for its Members; and
- working with other Students' Unions and affiliated bodies.

#### **Public Benefit statement**

The trustees have given due consideration to Charity Commission published guidance on the operation of the public benefit requirement and are satisfied that the charity meets these requirements.

#### **Our Values**

Liverpool Guild of Students is a student-led, student-focussed organisation with the principles of representation, democracy and informed campaigning at its very heart. Every student at The University of Liverpool is a member of The Guild.



# Liverpool Guild of Students Trustees Report Year Ended 31 July 2011

We value:

## **Responsible**

We will employ sustainable methods for achieving our mission and vision by providing services that are financially sound, improve our environmental impact and raise awareness and involvement in sustainability projects.

## **Partnership Driven**

We will strengthen and develop key collaborative partnerships that will enhance the ability of LGoS to fulfil our mission and offer greater value to our members.

## **Inclusive**

We will strive to provide a wide range of services, opportunities and products that meet the needs of our diverse membership and pro-actively encourage participation.

## **Innovative**

We will use information and data from our members to lead our decision making and development whilst benchmarking appropriately to ensure that we remain fit for purpose.

## **Involving**

We will continue to develop a culture where members can comment on what is good and what is not and influence how we can progress.

## ***Policies relating to grant making***

LGoS recognises the importance of student activity, and endeavours to provide adequate support to anyone involved in activities that will benefit the student or wider community.

Whilst the majority of Activity Group funding comes from membership subscription, fundraising activities and events or sponsorship, LGoS will consider supporting activities that are aligned with the organisations' aims, vision and values.

Activity Groups are invited to apply for funding on a 'project' basis. Projects may range from running one-off events, to the ongoing development of a Group. Activity Group convenors complete and submit the online form. The application is then reviewed and assessed by the Student Activities Manager. Where applications are not successful, applicants are advised of the reasons for the decision.

There is a funding procedure and guidelines provided for the Student Activity Groups completing this process.



# Liverpool Guild of Students Trustees Report Year Ended 31 July 2011

## Achievement and performance

### Summary of main achievements

The annual elections for the Student Representative Officers, student trustees and NUS delegates took place online for the third time this year. LGoS collaborated with Liverpool Student Union to run the March 2011 elections. This was a success for both organisations; at LGoS 5,200 members voted (3,372 members in 2009/10). This was 30% of the student population, and was one of the highest turnouts in the country. LSU and LGoS subsequently won NUS's Technology and Innovation Award for the elections.

Dannielle Grufferty, LGoS President 2008-10, was elected to the NUS (National Union of Students) as Vice President Society and Citizenship. Paddy Stern was also elected to the NUS National Executive Committee as the Union Development Committee Representative 2010-2011.

LGoS has secured £20,000 from the University to part fund two new, fixed term roles; in 2011/12, The Guild will appoint a Halls Student Committee Coordinator, and a Sustainability Coordinator.

### Social Enterprise

Venues- the Guild has participated in Best Bar None for several years. This is an award which recognises Unions for their exceptional work in promoting safe alcohol retailing and student safety within the late night industry. Best Bar None Awards aims to reward, promote and recognise the efforts that students' unions place on Corporate Social Responsibility. The Guild gained a Bronze Award in 2010-2011 for its Nightclub. A Bronze accreditation shows that outlets meet all the essential criteria set out in the assessment have demonstrated a complete understanding of their roles and responsibilities in effectively managing a licensed trade outlet. The Guild has continued its partnership with AMG, a promotions and entertainment company. This has led promoting wider use of the Stanley theatre and driving smaller shows.

Retail – In 2010/11, a kiosk was launched. Positioned on Guild walk, this outlet provides easy access to a range of products including hot drinks, snacks and baked goods.

### Central Services

HR/Admin- The Guild successfully achieved the Investors in People accreditation with the assessor noting the organisations strengths in effective management, training and development, communications and positive staff relations. In 2010/11 there were in excess of 17,000 visits to our reception area and over 13,475 tickets were sold for student activities and events.

Finance- During 2010/11 LGoS finance department has successfully joined forces with the LSU finance department in order to develop one finance team for both Unions. The combined department has also been involved in assisting the finance departments of both the University of Salford Students Union and the University of Strathclyde Students Association where, at both Unions, a similar accounting and management reporting system to LGoS and LSU has now been implemented.

Buildings- The Guild were proud to achieve the gold standard in the Green Impact Award scheme for our sustainability initiatives and the national Green Innovation award for our work on the Guild roof garden and children's' centre garden plot. Negotiations are progressing with the university on the redevelopment of the Guild building with a view to providing a building more suitable for purpose and ensuring that the finished building will maximise the opportunity for our organisation to further enhance the student experience.



# Liverpool Guild of Students Trustees Report Year Ended 31 July 2011

## Membership Services

Advice Centre – In 2010-11 LGoS' Advice Coordinator provided support and representation to clients at a wide range of University Committees. The wealth of information provided by these cases enabled the coordinator to provide weekly updates to the Student Officers.

Student Activities–In 2010/11 there were 175 Student Activity Groups. This is an increase from 148 groups in 2009/10. Activity Group Committee members organised a wide range of events, many held in the Guild. Additionally, the Guild has hosted a number of diverse events and activities ranging from welcome dinners, to awards ceremonies, to fundraising events, to interfaith dialogues, to collaborative socials and cultural showcases.

During the year, the Guild worked with societies' committee members to gather their views. This feedback has led to additional investment, and staffing.

Volunteering- In 2010/11 there were 1,400 registered volunteers on Volunteering Liverpool, up from 574 in 2009/10. The number of Volunteering Liverpool partners increased from 4 to 6, widening the reach of the project.

LGoS, working in conjunction with Liverpool Student Union, secured £8,000 from Liverpool City Council to fund Leave Liverpool Tidy. This project aimed to collect and redistribute items and belongings that students would usually throw away at the end of the academic year. It is estimated that around 3 tonnes was diverted from landfill.

Student Representation – there are a total of around 600 student representatives across the institution in 2010-2011. LGoS successfully secured contact details for around 500 of these representatives, facilitating regular communication. A number of training sessions were run, training around 200 representatives, to help give representatives the skills they needed to be effective in their role.

In 2011, LGoS worked with Liverpool Student Union to run a joint postgraduate event. This gave students an opportunity to share best practice and network.

In 2010/11, LGoS's democratic structures were reviewed. Changes, approved by Student Council and the Board of Trustees, will introduce four open forums in 2011/12; Liverpool Life, University Life, Guild Life and Society Life

## Wider comments and relationships with stakeholders

### The University

In recent years the Guild has prioritised developing its relationship with the University. Student Representative Officers and staff have a high level of access to staff within the University, on both a formal and informal basis. The President meets regularly with the Vice Chancellor, and the VC's Executive Assistant.

In 2011, the Guild was asked by the University to carry out student consultation on the institutions strategic plan.

SROs sit on key University Committees and recent work has improved pre-meeting briefings.



# **Liverpool Guild of Students Trustees Report Year Ended 31 July 2011**

## **Students**

The Guild is committed to understanding the needs and beliefs of its membership. It carries out weekly Face 2 Face sessions, surveying students on their views of the Guild and the University, undertakes regular research and surveys and a question in the NSS assesses the impact of the Guild on students' lives. In 2010/11, around 800 students were spoken to using this method.

In February 2011, The Guild carried out a consultation with students, as part of the University's review of its Strategic Plan. Focus groups and interactive stalls in the Guild gave students the opportunity to feed into the review. During this period, students were also consulted on the development of Guild policy.

In June/July 2011, an all-student survey, The Big Student Survey, was carried out by LGoS. 1,899 students took part, answering questions on their views of the University and Guild.

Student Council scrutinises the work of SROs, regularly receiving updates on Work Plan progress and having the opportunity to question officers on these.

## **Other Unions**

Both sabbatical officers and staff members meet with counterparts in other Unions to share good practice and discuss the Higher Education landscape.

During 2010-11 the Chief Executive attended regular Regional Meetings. Staff members are encouraged to take part in NUS Specialist Groups, including attendance at events and participation in mail bases.

The Guild is working collaboratively with Liverpool Students' Union in a number of areas, and will be carrying out work to assess the feasibility of working together in other areas.

## **NUS**

LGoS is a member of, and plays an active part in, the National Union of Students. Delegates are elected annually to attend NUS Annual Conference, and delegates are also selected to attend NUS's Liberation and specialist conferences.

## **Local Council**

Guild staff and SROs have regularly participated in local community meetings which have included attendance by the local council, police and local residents. This includes membership of the Student Safety Forum, a citywide initiative that brings together key stakeholders, to address matters of student safety.

The sabbatical officers discuss key student issues with local MPs.



# Liverpool Guild of Students Trustees Report Year Ended 31 July 2011

## Financial Review

The Guild made a surplus of £122,126 in the financial year (2010: £79,194) – with an unrestricted fund surplus of £161,602 (2010: £118,671) - as it continued to prudently manage its resources and develop reserves to manage the risk of potential future pension and other liabilities. The Guild's balance sheet remains strong. A surplus in excess of £50k is forecast for 2011/12.

## Plans for future periods

### Strategic Plan 2010-2015

#### Vision

To become the most active, successful and innovative lobbying organisation in the North West.

#### 1. Build a better understanding of our members and their needs

The diversity of our membership presents both benefits and challenges hence understanding the collective needs of our members is essential.

- i. Utilise market research to build organisational knowledge of our members
- ii. Continually strengthen a culture of listening to our membership base and canvassing opinion to ensure we deliver services that meet their diverse needs
- iii. Improve communication in order to establish an ongoing conversation about the student experience
- iv. Harness the work undertaken by student groups to inform policy development and support member activity in key areas where gaps are identified
- v. Target development and support for members who demonstrate ability and commitment

#### 2. Develop the understanding of LGoS as a lobbying organization

We will communicate to all stakeholders our role in bringing about positive change for students by providing the University with evidence based feedback and working with it to develop policy.

- i. Improve our engagement with the University in order to increase our scrutiny and lobbying roles
- ii. Continue to deal with issues affecting large groups of members, applying our expertise to ensure a fair University system
- iii. Develop governance systems that promote increased student involvement
- iv. Implement and constantly review the progress of a flexible governance system that is focused on policy development
- v. Communicate our impact and celebrate success





# Liverpool Guild of Students Trustees Report Year Ended 31 July 2011

## **3. Champion the role of students in wider society**

We will be the voice of students at the University of Liverpool, promoting their rights and celebrating the positive contributions of students in shaping civil society

- i. Better support more student groups and their events, placing this activity at the heart of our programme
- ii. Facilitate opportunities that support the local community, aiding integration, and breaking down barriers that may exist
- iii. Educating students in their role as active citizens and equipping them to make a positive contribution
- iv. Work in partnership with the University to offer an international experience to members
- v. Drive change that creates an environment for the next generation of leaders to emerge

## **4. Realise student potential by developing people, processes and practices**

We will support members with their informal learning by providing them opportunities to take responsibility, engage in enterprise and demonstrate leadership.

- i. Recognise that elected representatives, staff and students often act as volunteers and invest in and reward them with training and development opportunities
- ii. Develop a flexible and committed workforce that focuses on delivering positive outputs and outcomes
- iii. Employ students as staff where possible to provide a direct financial benefit to students and contribute to their holistic University experience.
- iv. Foster a staffing culture that develops the ability of our participating members
- v. Critically evaluate processes and practises to ensure they promote involvement and enterprise

## **5. Ensure that the organisation remains fit for purpose and committed to wider social responsibility**

In order for us to remain legitimate, responsible and sustainable, we must balance our social responsibilities whilst retaining the efficient use of resources.

- i. Diversify income and operate efficiently to remain financially secure
- ii. Develop the estate to provide safe social spaces that support informal learning, peer support and community cohesion
- iii. Continually improve our practices in terms of environmental sustainability
- iv. Engage with the corporate social responsibility agenda undertaking activity responsibly, trading to our values and promoting student led events
- v. Act as an agent of change and encourage members to do likewise



## **Liverpool Guild of Students Statement of Trustees' Responsibilities Year Ended 31 July 2011**

The Trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

The Constitution requires the Trustees to prepare a trustees' report and financial statements for each financial year which give a true and fair view of the state of affairs of the Guild and of its incoming resources and application of resources for the year. In preparing these financial statements, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Guild will continue in business.

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the Guild's transactions and disclose with reasonable accuracy at any time the financial position of the Guild and enable them to ensure that the financial statements comply with applicable law and the constitution. They are also responsible for safeguarding the assets of the Guild and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# Liverpool Guild of Students Independent Auditor's Report Year Ended 31 July 2011

## Independent auditor's report to the Trustees of the Liverpool Guild of Students

We have audited the financial statements of Liverpool Guild of Students for the year ended 31 July 2011 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 Trustees, as a body in accordance with the terms of our engagement. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Guild and the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective responsibilities of Trustees and Auditor

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements, which give a true and fair view. We have been appointed as auditor under the Constitution. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Guild's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Guild's affairs as at 31 July 2011 and of its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

*PKF (UK) LLP*

PKF (UK) LLP

Liverpool, UK

Date: *9 December 2011*



**Liverpool Guild of Students  
Statement of Financial Activities  
Year Ended 31 July 2011**

**(INCORPORATING an Income and Expenditure Account)**

|  | Note | <u>Unrestricted<br/>Funds</u><br>£ | <u>Restricted<br/>Funds</u><br>£ | <u>2011<br/>Total</u><br>£ | <u>2010<br/>Total</u><br>£ |
|--|------|------------------------------------|----------------------------------|----------------------------|----------------------------|
| <b>INCOMING RESOURCES</b>                        |      |                                    |                                  |                            |                            |
| Voluntary income                                 | 2(a) | 994,277                            | 0                                | 994,277                    | 994,796                    |
| Activities for generating funds                  | 2(b) | 1,841,757                          | 0                                | 1,841,757                  | 1,882,880                  |
| Charitable activities                            | 2(c) | 5,224                              | 0                                | 5,224                      | 6,716                      |
|  |      | <u>2,841,258</u>                   | <u>0</u>                         | <u>2,841,258</u>           | <u>2,884,392</u>           |
| <b><u>RESOURCES EXPENDED</u></b>                 |      |                                    |                                  |                            |                            |
| <b>Cost of generating funds</b>                  |      |                                    |                                  |                            |                            |
| Commercial activities                            | 3(a) | 1,883,217                          | 0                                | 1,883,217                  | 1,946,294                  |
| Charitable Activities                            | 3(b) | 719,288                            | 39,476                           | 758,764                    | 779,414                    |
| Governance cost                                  | 3(c) | 77,151                             | 0                                | 77,151                     | 79,490                     |
| <b>TOTAL RESOURCES EXPENDED</b>                  |      | <u>2,679,656</u>                   | <u>39,476</u>                    | <u>2,719,132</u>           | <u>2,805,198</u>           |
| <b>NET INCOMING/(OUTGOING) RESOURCES</b>         |      | <u>161,602</u>                     | <u>(39,476)</u>                  | <u>122,126</u>             | <u>79,194</u>              |
| <b>NET MOVEMENT IN FUNDS</b>                     |      | <u>161,602</u>                     | <u>(39,476)</u>                  | <u>122,126</u>             | <u>79,194</u>              |
| <b>Funds brought forward as at 1 August 2010</b> |      | <u>752,909</u>                     | <u>174,068</u>                   | <u>926,977</u>             | <u>847,783</u>             |
| <b>Funds carried forward at 31st July 2011</b>   |      | <u>914,511</u>                     | <u>134,592</u>                   | <u>1,049,103</u>           | <u>926,977</u>             |

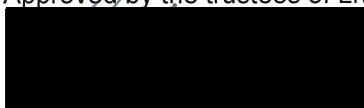
All amounts relate to continuing operations. All gains and losses recognised in the year are included above.




**Liverpool Guild of Students  
Balance Sheet  
As At 31 July 2011**

|  | Notes | As at<br>31-Jul-11<br>£ | As at<br>31-Jul-10<br>£ |
|--|-------|-------------------------|-------------------------|
| <b><u>TANGIBLE FIXED ASSETS</u></b>                              |       |                         |                         |
| Tangible fixed assets  | 5     | 617,633                 | 776,412                 |
| Investments  | 6     | 5,460                   | 5,460                   |
|  |       | 623,093                 | 781,872                 |
| <b><u>CURRENT ASSETS</u></b>                                     |       |                         |                         |
| Stock  | 7     | 118,524                 | 106,062                 |
| Debtor and Prepayments   | 8     | 265,520                 | 160,318                 |
| Cash at Bank and in Hand   |       | 692,057                 | 617,287                 |
|  |       | 1,076,101               | 883,667                 |
| <b><u>CREDITORS: Amounts falling due<br/>within one year</u></b> | 9     | (480,639)               | (452,172)               |
|  |       | 595,462                 | 431,495                 |
| <b><u>NET CURRENT ASSETS</u></b>                                 |       |                         |                         |
| <b>TOTAL ASSETS LESS CURRENT<br/>LIABILITIES</b>                 |       | 1,218,555               | 1,213,367               |
| <b><u>CREDITORS: Amounts falling due<br/>within one year</u></b> | 10    | (169,452)               | (286,390)               |
|  |       | 1,049,103               | 926,977                 |
| <b><u>Financed by:</u></b>                                       |       |                         |                         |
| <b><u>Restricted Fund</u></b>                                    | 12    | 134,592                 | 174,068                 |
| <b><u>Unrestricted Funds:</u></b>                                |       |                         |                         |
| General fund   | 12    | 106,011                 | 752,909                 |
| <b>Designated funds:</b>   |       |                         |                         |
| NUSSL Investment Fund  |       | 5,460                   |                         |
| Fixed Assets Fund  |       | 483,040                 |                         |
| Pension Liability Fund   |       | 200,000                 |                         |
| Transition Fund  |       | 120,000                 |                         |
|  |       | 1,049,103               | 926,977                 |

Approved by the trustees of Liverpool Guild of Students on 8 December 2011 by:

  
Gary Walker, Trustee

  
Joshua Wright, Trustee



# Liverpool Guild of Students

## Notes to the Financial Statements

### Year Ended 31 July 2011

#### **Note 1**

#### **Accounting policies**

a) **Basis of accounting**

The financial statements have been prepared in accordance with the Charities Accounts & Report Regulations 2005, the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and with applicable accounting standards issued by the UK Accountancy bodies.

They are prepared under the historical cost convention.

b) **Incoming resources**

Incoming resources are included in the Statement of Financial Activities on the basis of amounts receivable for the year. Income from commercial activities is included in the period that the relevant services are provided or goods supplied. Income from charitable activities is recognised when the entity has certainty of receipt, becomes legally entitled to them and they can be measured in financial terms with sufficient reliability.

Grants receivable are included in the Statement of Financial Activities as soon as the conditions attaching to the grant are satisfied.

c) **Resources expended**

Resources expended are included in the Statement of Financial Activities on the accruals basis. These are based on the amounts payable for work done or services provided in the year.

i) **Costs of generating funds**

Costs of generating funds comprises all costs relating to attracting commercial income.

ii) **Charitable activities expenditure**

Charitable activities expenditure includes the costs identified as wholly or mainly attributable to achieving the charitable objectives of the entity, including direct staff costs, other direct costs, and apportioned support costs.

iii) **Governance costs**

Governance costs are those costs related to the governance of the entity, to allow it to operate, and to generate information for public accountability. Direct costs will include audit and accountancy, legal advice to trustees and costs of trustees meetings.

iv) **Support costs**

All support costs borne have been apportioned to costs of generating funds, charitable activities and governance costs. The basis of the apportionment is on a staff FTE basis. Buildings and operations expenditure is not apportioned to governance costs as they are not a significant driver.

d) **Recognition of liabilities**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the entity to pay out resources.



**Liverpool Guild of Students**  
**Notes to the Financial Statements**  
**Year Ended 31 July 2011**

e) **Fund accounting**

The entity has the following funds which are shown separately in the accounts:

i) **Restricted funds**

Restricted funds are funds that are used in accordance with specific restrictions imposed by donors or that have been raised by the entity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. Details of the restricted funds held are given in note 12 to the financial statements.

ii) **Unrestricted funds**

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the objects of the entity and which have not been designated for other purposes.

iii) **Designated funds**

Designated funds are unrestricted funds that are allocated for specific purposes as set out in note 12 to the financial statements.

f) **Cash Flow Statement**

The Trustees have taken advantage of the exemption in Financial Reporting Standard No. 1 from including a cash flow statement in the financial statements.

g) **Fixed assets and depreciation**

Fixed assets are stated at cost less accumulated depreciation. Assets are not capitalised below £500 cost per item/set.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value over the useful economic life of that asset as follows :

Property Improvements: 5% straight line per annum

Office Equipment and Fixtures & Fittings: 10% - 33.3% straight line per annum

Specialist Equipment: 20% - 33.3% straight line per annum

IT equipment: 20% -33.33% straight line per annum

h) **Stocks**

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

i) **Pension Costs**

The Guild participates in two pension schemes covering the majority of contracted permanent and fixed term staff. These schemes are of defined benefit type and pensions are based on pensionable salary.



# **Liverpool Guild of Students**

## **Notes to the Financial Statements**

### **Year Ended 31 July 2011**

The Guild participates in the Student Union Superannuation Scheme and the University of Liverpool Pension Fund. Both schemes are defined benefit schemes which are externally funded and contracted out of the State Second Pension Scheme. The funds are valued at least every three years by a professionally qualified independent actuary with the rates of contributions payable being determined by the trustees on the advice of the actuary. In the intervening years, the actuary reviews the progress of the scheme. The schemes operate as pooled arrangements, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Guild. Under the terms of FRS17, in these circumstances contributions are accounted for as if the scheme were a defined contribution scheme based on actual contributions paid through the year.

The SUSS scheme has closed to future accrual with effect from 30<sup>th</sup> September 2011. Future service contributions have stopped being payable to the Scheme from this date and only deficit contributions will continue to be paid to the Scheme. The Guild has set up access to a replacement scheme, the National Union of Students Pension Scheme (NUSPS), with effect from 1<sup>st</sup> October 2011.

#### **j) Investments**

Investments are stated at cost less any provision for diminution in value.





**Liverpool Guild of Students**  
**Notes to the Financial Statements**  
**Year Ended 31<sup>st</sup> July 2011**

|   | <u>Unrestricted</u> | <u>Restricted</u> | <u>2011</u><br><u>Total</u> | <u>2010</u><br><u>Total</u> |
|---|---------------------|-------------------|-----------------------------|-----------------------------|
|   | £                   | £                 | £                           | £                           |
| <b>INCOMING RESOURCES:</b>                    |                     |                   |                             |                             |
| <b><u>Note 2(a)</u></b>                       |                     |                   |                             |                             |
| <b><u>Voluntary income</u></b>                |                     |                   |                             |                             |
| University Block Grant                        | 947,303             | 0                 | 947,303                     | 947,546                     |
| Other voluntary income                        | 46,974              | 0                 | 46,974                      | 47,250                      |
|   | <b>994,277</b>      | <b>0</b>          | <b>994,277</b>              | <b>994,796</b>              |
| <br>  |                     |                   |                             |                             |
| <b><u>Note 2(b)</u></b>                       |                     |                   |                             |                             |
| <b><u>Activities for Generating Funds</u></b> |                     |                   |                             |                             |
| Retail  | 942,750             | 0                 | 942,750                     | 954,973                     |
| Bars  | 326,795             | 0                 | 326,795                     | 393,106                     |
| Catering                                      | 176,074             | 0                 | 176,074                     | 189,712                     |
| Events  | 247,346             | 0                 | 247,346                     | 206,900                     |
| Marketing                                     | 128,292             | 0                 | 128,292                     | 117,690                     |
| Rental income                                 | 20,500              | 0                 | 20,500                      | 20,499                      |
|   | <b>1,841,757</b>    | <b>0</b>          | <b>1,841,757</b>            | <b>1,882,880</b>            |
| <br>  |                     |                   |                             |                             |
| <b><u>Note 2(c)</u></b>                       |                     |                   |                             |                             |
| <b><u>Charitable activities</u></b>           |                     |                   |                             |                             |
| Life Memberships                              | 0                   | 0                 | 0                           | 75                          |
| Interest receivable                           | 4,676               | 0                 | 4,676                       | 3,520                       |
| Guild Awards                                  | 548                 | 0                 | 548                         | 0                           |
| Sundry income                                 | 0                   | 0                 | 0                           | 3,121                       |
|   | <b>5,224</b>        | <b>0</b>          | <b>5,224</b>                | <b>6,716</b>                |



**Liverpool Guild of Students**  
**Notes to the Financial Statements**  
**Year Ended 31 July 2011**

|  | <u>Unrestricted</u><br>£ | <u>Restricted</u><br>£ | <u>2011</u><br><u>Total</u><br>£ | <u>2010</u><br><u>Total</u><br>£ |
|--|--------------------------|------------------------|----------------------------------|----------------------------------|
| <b><u>RESOURCES EXPENDED:</u></b>                            |                          |                        |                                  |                                  |
| <b><u>Note 3a</u></b>  |                          |                        |                                  |                                  |
| <b><u>Cost of generating funds - commercial activity</u></b> |                          |                        |                                  |                                  |
| Retail   | 947,959                  | 0                      | 947,959                          | 987,864                          |
| Bars   | 365,086                  | 0                      | 365,086                          | 434,109                          |
| Catering   | 188,039                  | 0                      | 188,039                          | 203,930                          |
| Events   | 334,557                  | 0                      | 334,557                          | 256,794                          |
| Marketing  | 47,576                   | 0                      | 47,576                           | 63,597                           |
|  | <b>1,883,217</b>         | <b>0</b>               | <b>1,883,217</b>                 | <b>1,946,294</b>                 |



**Liverpool Guild of Students**  
**Notes to the Financial Statements**  
**Year Ended 31 July 2011**

|  | <u>Unrestricted</u><br>£ | <u>Restricted</u><br>£ | <u>2011</u><br><u>Total</u><br>£ | <u>2010</u><br><u>Total</u><br>£ |
|--|--------------------------|------------------------|----------------------------------|----------------------------------|
| <b>Note 3 (b)</b>                            |                          |                        |                                  |                                  |
| <b><u>Charitable Activities</u></b>          |                          |                        |                                  |                                  |
| Permanent Staff Costs                        | 482,403                  | 0                      | 482,403                          | 503,159                          |
| Suss Lump Sum Payments                       | 31,779                   | 0                      | 31,779                           | 32,536                           |
| Casual/Temporary Staff Costs                 | 11,472                   | 0                      | 11,472                           | 13,601                           |
| Staff Recruitment                            | 1,599                    | 0                      | 1,599                            | 1,968                            |
| Staff Training and Welfare                   | 5,592                    | 0                      | 5,592                            | 5,423                            |
| Cleaning Costs                               | 2,895                    | 0                      | 2,895                            | 4,158                            |
| Security                                     | 5,665                    | 0                      | 5,665                            | 4,033                            |
| Equipment Hire                               | 8,737                    | 0                      | 8,737                            | 5,963                            |
| Building Upkeep                              | 637                      | 0                      | 637                              | 3,528                            |
| Service & Maintenance of Equipment           | 2,137                    | 0                      | 2,137                            | 2,547                            |
| Computer Maintenance                         | 1,058                    | 0                      | 1,058                            | 405                              |
| Refuse Collection                            | 8,271                    | 0                      | 8,271                            | 8,760                            |
| Horticultural Projects                       | 3,776                    | 0                      | 3,776                            | 0                                |
| Conferences                                  | 5,926                    | 0                      | 5,926                            | 4,592                            |
| Travel, subsistence and refreshments         | 4,075                    | 0                      | 4,075                            | 5,569                            |
| Taxis  | 312                      | 0                      | 312                              | 1,529                            |
| Printing, Postage & Stationery (Incl Copier) | 2,824                    | 0                      | 2,824                            | 2,395                            |
| Telephone & Fax                              | 1,572                    | 0                      | 1,572                            | 1,793                            |
| Insurance                                    | 20,695                   | 0                      | 20,695                           | 18,610                           |
| Subscriptions & Journals                     | 509                      | 0                      | 509                              | 874                              |
| Health & Safety                              | 2,326                    | 0                      | 2,326                            | 2,617                            |
| Legal & Professional Fees                    | 6,575                    | 0                      | 6,575                            | 6,923                            |
| Consultancy Charges                          | 20,135                   | 0                      | 20,135                           | 25,031                           |
| Advice Costs                                 | 0                        | 0                      | 0                                | 6,000                            |
| Society Grants Awarded                       | 10,423                   | 0                      | 10,423                           | 7,780                            |
| Guild Awards                                 | 0                        | 0                      | 0                                | 1,234                            |
| Campaigns                                    | 4,029                    | 0                      | 4,029                            | 574                              |
| NUS Affiliation Fees                         | 27,303                   | 0                      | 27,303                           | 25,085                           |
| Depreciation                                 | 45,682                   | 39,476                 | 85,158                           | 81,676                           |
| Irrecoverable VAT                            | 881                      | 0                      | 881                              | 1,051                            |
|  | <u>719,288</u>           | <u>39,476</u>          | <u>758,764</u>                   | <u>779,414</u>                   |



**Liverpool Guild of Students**  
**Notes to the Financial Statements**  
**Year Ended 31 July 2011**

|                                       | <u>Unrestricted</u> | <u>Restricted</u> | <u>2011</u><br><u>Total</u> | <u>2010</u><br><u>Total</u> |
|---------------------------------------|---------------------|-------------------|-----------------------------|-----------------------------|
|                                       | £                   | £                 | £                           | £                           |
| <b>Note 3(c)</b>                      |                     |                   |                             |                             |
| <b><u>Governance costs</u></b>        |                     |                   |                             |                             |
| Permanent Staff Costs                 | 45,124              | 0                 | 45,124                      | 50,985                      |
| SUSS Pension Lump Sum Payments        | 0                   | 0                 | 0                           | 1,957                       |
| Staff Training and Welfare            | 523                 | 0                 | 523                         | 550                         |
| Conferences, Travel and Subscriptions | 6,687               | 0                 | 6,687                       | 5,830                       |
| NUS Affiliation                       | 2,552               | 0                 | 2,552                       | 2,542                       |
| Election Costs                        | 3,484               | 0                 | 3,484                       | 650                         |
| Legal and Professional Fees           | 12,435              | 0                 | 12,435                      | 10,266                      |
| Audit                                 | 6,000               | 0                 | 6,000                       | 6,000                       |
| Printing, Postage and Stationery      | 198                 | 0                 | 198                         | 529                         |
| Telephone and Fax                     | 148                 | 0                 | 148                         | 181                         |
|                                       | <b>77,151</b>       | <b>0</b>          | <b>77,151</b>               | <b>79,490</b>               |

|                                 | <u>2011</u>      | <u>2010</u>      |
|---------------------------------|------------------|------------------|
|                                 | £                | £                |
| <b>Note 4</b>                   |                  |                  |
| <b><u>(a) Staff Costs</u></b>   |                  |                  |
| Wages and Salaries              | 970,753          | 1,075,219        |
| Pension Costs                   | 103,889          | 116,598          |
| <b>Total Emoluments</b>         | <b>1,074,642</b> | <b>1,191,817</b> |
| Social Security Costs           | 65,340           | 70,804           |
| Other Staff Costs               | 21,281           | 28,209           |
| <b><u>Total Expenditure</u></b> | <b>1,161,263</b> | <b>1,290,830</b> |



**Liverpool Guild of Students  
Notes to the Financial Statements  
Year Ended 31 July 2011**

**Note 4 (continued)**

| <b>(b) Trustees remuneration and expenses</b>  | <b>2011<br/>£</b>   | <b>2010<br/>£</b> |
|--|---------------------|-------------------|
| Trustees' remuneration and employer's NI costs | <b>70,587</b>       | 76,716            |
| Trustees' expenses                             | <b>9,642</b>        | 7,705             |
| Employment of Trustees as workers              | <b>4,911</b>        | 9,258             |
|  | <hr/> <b>85,140</b> | <hr/> 93,679      |

Trustees' remuneration and employer's NI costs comprise the cost of employing the 4 sabbatical representation officers (2010: 4).

Trustees' expenses comprise travel, conferences and other costs incurred by trustees in the course of their duties.

Employment of Trustees as workers refers to student trustees employed in unrelated capacities by Liverpool Guild of Students, principally in delivery of commercial services.

No employee emoluments exceeded £60,000.



**Liverpool Guild of Students**  
**Notes to the Financial Statements**  
**Year Ended 31 July 2011**

**Note 4 (continued)**

**(c) Average weekly employees**

The average weekly number of employees during the year was made up as follows:

|                            | <u>2011</u>             | <u>2010</u>             |
|----------------------------|-------------------------|-------------------------|
|                            | Number                  | Number                  |
| Commercial activities      | 7.6                     | 9.2                     |
| Charitable activities      | 10.7                    | 10.7                    |
| Governance                 | 1.0                     | 1.1                     |
| Building and operations    | 11.6                    | 11.6                    |
| Finance and administration | 5.9                     | 6.3                     |
| Marketing                  | 0.3                     | 1.0                     |
|                            | <hr/> <b>37.1</b> <hr/> | <hr/> <b>39.9</b> <hr/> |

**Note 5**

**TANGIBLE FIXED ASSETS**

|                           | Property<br>Improvements | Office<br>Equipment<br>and<br>Fixtures &<br>Fittings | Specialist<br>Equipment | Computer<br>Equipment | Total            |
|---------------------------|--------------------------|--|-------------------------|-----------------------|------------------|
|                           | £                        | £  | £                       | £                     | £                |
| <b>Cost</b>               |                          |  |                         |                       |                  |
| At 1 August 2010          | 2,257,538                | 796,798  | 120,280                 | 142,067               | 3,316,683        |
| Additions during the year | 0                        | 38,921   | 7,937                   | 2,930                 | 49,788           |
| Disposal during the year  | 0                        | 0  | 0                       | (2,000)               | (2,000)          |
| At 31 July 2011           | <b>2,257,538</b>         | <b>835,719</b>                                       | <b>128,217</b>          | <b>142,997</b>        | <b>3,364,471</b> |
| <b>Depreciation</b>       |                          |  |                         |                       |                  |
| At 1 August 2010          | 1,922,144                | 436,124  | 92,100                  | 89,903                | 2,540,271        |
| Charge during the year    | 76,079                   | 92,138   | 16,178                  | 23,005                | 207,400          |
| Eliminated on disposal    | 0                        | 0  | 0                       | (833)                 | (833)            |
| At 31 July 2011           | <b>1,998,223</b>         | <b>528,262</b>                                       | <b>108,278</b>          | <b>112,075</b>        | <b>2,746,838</b> |
| <b>Net Book Value</b>     |                          |  |                         |                       |                  |
| At 31 July 2011           | <b>259,315</b>           | <b>307,457</b>                                       | <b>19,939</b>           | <b>30,922</b>         | <b>617,633</b>   |
| At 31 July 2010           | <b>335,394</b>           | <b>360,674</b>                                       | <b>28,180</b>           | <b>52,164</b>         | <b>776,412</b>   |

**Liverpool Guild of Students  
Notes to the Financial Statements  
Year Ended 31 July 2011**

**Note 6**

**INVESTMENTS**

|                          |              |
|--------------------------|--------------|
|                          | £            |
| <b>Cost</b>              |              |
| At 31st July 2011        | 5,460        |
| <b>Net Book Value</b>    |              |
| <b>At 31st July 2011</b> | <b>5,460</b> |
| At 31st July 2010        | 5,460        |

At 31st July 2011 the Guild held investments in the following companies which are incorporated in the United Kingdom

| <u>Name of Company</u>   | <u>Main Trading Activity</u> |
|--|------------------------------|
| NUS Services Limited<br>270 B Shares of £20<br>60 A Shares of £1 | Purchasing<br>Services       |



**Liverpool Guild of Students**  
**Notes to the Financial Statements**  
**Year Ended 31 July 2011**

**Note 7**  
**STOCK**

|              | <u>2011</u>    | <u>2010</u>    |
|--------------|----------------|----------------|
|              | £              | £              |
| Bars         | 12,518         | 15,690         |
| Catering     | 2,750          | 4,176          |
| Shops        | 103,256        | 86,196         |
| Total Stocks | <u>118,524</u> | <u>106,062</u> |

**Note 8**  
**DEBTORS**

|                              | <u>2011</u>    | <u>2010</u>    |
|------------------------------|----------------|----------------|
|                              | £              | £              |
| Trade Debtors                | 185,232        | 96,176         |
| Other Debtors                | 8,028          | 10,397         |
| Prepayments & Accrued Income | 72,260         | 53,745         |
| Total Debtors and Prepayment | <u>265,520</u> | <u>160,318</u> |

**Note 9**  
**CREDITORS**

|   | <u>2011</u>    | <u>2010</u>    |
|---|----------------|----------------|
|   | £              | £              |
| <b>Amount falling due within one year:</b>          |                |                |
| Trade Creditors                                     | 103,635        | 151,582        |
| Taxes and Social Security Costs and other creditors | 118,016        | 120,201        |
| University Creditor                                 | 120,000        | 120,000        |
| Accruals  | 127,515        | 40,699         |
| Deferred Income                                     | 11,473         | 19,690         |
| Net current Liabilities                             | <u>480,639</u> | <u>452,172</u> |

**Note 10**  
**CREDITORS**

|   | <u>2011</u>    | <u>2010</u>    |
|---|----------------|----------------|
|   | £              | £              |
| <b>Amount falling due after more than one year:</b> |                |                |
| University Creditor                                 | 169,452        | 286,390        |
|   | <u>169,452</u> | <u>286,390</u> |



**Liverpool Guild of Students**  
**Notes to the Financial Statements**  
**Year Ended 31 July 2011**

**Note 11**

**CAPITAL COMMITMENTS**

There are no capital commitments as at 31 July 2011 (2010: None)

**Note 12**

**MOVEMENT ON FUNDS**

|                        | Balance<br>1 August<br>2010 | Movement in Funds |                    | Transfer<br>between<br>Funds | Balance<br>31 July<br>2011 |
|------------------------|-----------------------------|-------------------|--------------------|------------------------------|----------------------------|
|                        | £                           | Income            | Expenditure        | £                            | £                          |
| Unrestricted funds:    |                             |                   |                    |                              |                            |
| General Fund           | 752,909                     | 2,841,258         | (2,679,656)        | (808,500)                    | 106,011                    |
| Designated funds:      |                             |                   |                    |                              |                            |
| NUSSL Investment Fund  | 0                           | 0                 | 0                  | 5,460                        | 5,460                      |
| Fixed Assets Fund      | 0                           | 0                 | 0                  | 483,040                      | 483,040                    |
| Pension Liability Fund | 0                           | 0                 | 0                  | 200,000                      | 200,000                    |
| Transition Fund        | 0                           | 0                 | 0                  | 120,000                      | 120,000                    |
| Restricted Fund        | 174,068                     | 0                 | (39,476)           | 0                            | 134,592                    |
| <b>TOTAL FUNDS</b>     | <b>926,977</b>              | <b>2,841,258</b>  | <b>(2,719,132)</b> | <b>0</b>                     | <b>1,049,103</b>           |

**Restricted Funds**

The restricted funds are equal to the net book value of leasehold improvements funded by a capital grant of £1.2m received from the University of Liverpool in 1995.

**Designated Funds**

The designated funds are unrestricted funds that are created by the trustees for specific purposes. The NUSSL Investment Fund represents the value of shares held by the Guild in NUSSL. The Fixed Assets Fund is the net book value of fixed assets purchased with unrestricted funds. The Pension Liability Fund is a reserve to meet pension deficits payable in the future. The Transition Fund is a reserve to be utilised in the event of any significant organisational change or restructuring that may occur in the future.

**Note 13**

**ANALYSIS OF NET ASSETS  
BETWEEN FUNDS**

|  | Unrestricted<br>Fund | Restricted<br>Funds | Total            |
|--|----------------------|---------------------|------------------|
|  | £                    | £                   | £                |
| Tangible Fixed Assets                  | 483,041              | 134,592             | 617,633          |
| Investments                            | 5,460                | 0                   | 5,460            |
| Cash                                   | 692,057              | 0                   | 692,057          |
| Other net current (liabilities)/assets | (96,595)             | 0                   | (96,595)         |
| Long term liabilities                  | (169,452)            | 0                   | (169,452)        |
|  | <b>914,511</b>       | <b>134,592</b>      | <b>1,049,103</b> |

**Liverpool Guild of Students**  
**Notes to the Financial Statements**  
**Year Ended 31 July 2011**

**Note 14**

**RELATED PARTY TRANSACTIONS**

The following have been identified as related party transactions per the requirements of FRS 8:

- i) University of Liverpool: In 2010/11 Liverpool Guild of Students received a grant of £948k (2009/10 £948k) from the University of Liverpool, there was £1,292k of purchase recharges (including payroll and building repairs) and £57k of sales recharges (including room hires and catering). Liverpool Guild of Students' year-end creditor with the University of Liverpool was £289k as at 31 July 2011.
- ii) Trustees of Liverpool Guild of Students: see Note 4 (b) - Trustees remuneration and expenses.
- iii) National Union of Students Services Ltd (NUSSL): Liverpool Guild of Students owns shares in NUSSL, see Note 6 - Investments. NUSSL operates a purchasing consortium which transacts with Liverpool Guild of Students.

**Note 15**

**PENSIONS**

The Guild participates in two pension schemes: the Students' Union Superannuation Scheme (SUSS) and the University of Liverpool Pension Fund (ULPF)

**SUSS**

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

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

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

The following assumptions applied at 1 October 2010:-

- The investment return would be 6.6% per annum before retirement and 4.6% per annum after retirement.
- Salaries would increase at 3.2% per annum, equivalent to 0.5% per annum above Consumer Price Index inflation (or 0.3% above Retail Price Index inflation). Pensions accruing on the pre-CARE basis would revalue at 2.7% per annum. Other increases in deferment and in payment will remain at 3.2% other than those that are subject to a fixed increase.



## Liverpool Guild of Students Notes to the Financial Statements Year Ended 31 July 2011

- Present and future pensions would increase at rates specified by scheme rules with appropriate assumptions where these are dependent on inflation.

The 2010 valuation recommended a contribution requirement expressed in monetary terms intended to clear the ongoing funding deficit over an extended period of 20 (previously 15) years starting from 1<sup>st</sup> October 2011 and increasing each year by 3.2%. Deficit contributions have been apportioned between participating Unions on the basis of accrued liabilities assuming that all of these liabilities relate to the current or last known employer. Surpluses or deficits which arise at future valuations will also impact on the Union's future contribution commitment. In addition to the above contributions, the Union also pays its share of the scheme's levy to the Pension Protection Fund.

The contribution rate (excluding deficit contributions) for the period from 1 August 2010 to 31 July 2011 applicable to this Union for the majority of members is 7.1% of Earnings for members and 10.45% of Earnings for the Union (17.55% in aggregate).

### ULPF

Prior to the introduction of the SUSS in 1990, certain employees were eligible to join the ULPF, operated by the University of Liverpool. Currently there are 4 members of staff in the ULPF. The most recent valuation of the Scheme was carried out as at 31st July 2010 and showed that the market value of the scheme assets was £210,403,000 with those assets representing 97.8% of the benefits that had accrued to members after allowing for expected future increases in earnings.

The major assumptions and other data that have the most significant effect on the determination of the contribution rates are as follows:

|  |       |
|--|-------|
| Rate of increase in salaries             | 4.15% |
| Rate of increase in pensions in payment  | 3.15% |
| Revaluation rate for deferred pensioners | 3.15% |
| Rate of inflation                        | 3.15% |

The total pension contributions paid into the two schemes, in respect of eligible employees for the year ended 31 July 2011 amounted to £162,499 (2010: £142,201), including funding deficit contributions.

