

# NATIONAL CONFERENCE n u s 2012

## Accounts & Estimates

Circulate to officers, student councils and throughout your representation structures such as Course Representatives, Community and Welfare Reps and student activity federations.

If you need this document in another format contact NUS on 0845 5210 262 or email [events@nus.org.uk](mailto:events@nus.org.uk)

# CD6

## Key information

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### Purpose of this document

This document reports back on the expenditure and income of NUS over 2010/11 and the proposed areas of expenditure in 2012/13. The estimates is a financial policy document that guides spending throughout the year. It outlines how much money can be spent on each political area of NUS.

### What you need to do

You should read through this document and, if you have questions, contact the person noted on each report via [motions@nus.org.uk](mailto:motions@nus.org.uk)

For the estimates you can challenge the allocation of finances that is outlined on page 35

423 Such a motion will only be in order if it is composed of two parts:

- a) The positive reference back of a specified heading within a budgetary head or heads, indicating that each specified heading should have the sum allocated to it increased by an amount specified for that heading;
- b) The negative reference back of a specific heading within a budgetary head or heads, indicating that each specified heading should have the sum allocated to it reduced by an amount specified for that heading; the total of the amounts specified in (i) being the same as the total of the amounts specified in (ii).

So you would need to explain

- which heading you want more money to go to
- which heading you want this money to come from
- And the amount of money that you believe should be reallocated.

Challenges to the Estimates must be emailed to [motions@nus.org.uk](mailto:motions@nus.org.uk), (faxes or post cannot be accepted) by 5.00pm Wednesday 30th March 2012

**At National Conference:** Delegates will be asked to vote on each challenge received following a short debate. These challenges will amend the estimates. Then, conference will be invited to approve the estimates by voting on it. If you do not agree with what is in the report you should vote against.

### Accounts Checklist

I have read through the Audited Accounts and note NUS' financial position

### Estimates Checklist

I have read the Estimates and considered where NUS will spend its money in 2012/13

Someone has been tasked with submitting amendments to the Estimates before 30<sup>th</sup> March

I know I must use the submission pro-forma on [www.nusconnect.org.uk/conference/info](http://www.nusconnect.org.uk/conference/info)

I know that if I wish to challenge the Estimates I must specify which area(s) must be increased and which area(s) must be decreased

### Read through the document and need more help?

If you require additional information please contact one of the following people:

- For issues about delegate entitlement, zone committees, reports and policy, amendments to zone policy proposals & Cross Campus Ballots contact [democracy@nus.org.uk](mailto:democracy@nus.org.uk)

All the above can be contacted at:

- NUS, 4<sup>th</sup> Floor, 184-192 Drummond Street, London, NW1 3HP  
Telephone: 0845 521 0262

**THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM**

**TRUSTEE BOARD REPORT**

**YEAR ENDED 30 JUNE 2011**

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**THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM**

**TRUSTEE BOARD REPORT**

**YEAR ENDED 30 JUNE 2011**

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**Principal Address**

4<sup>th</sup> Floor  
184-192 Drummond Street  
London  
NW1 3HP

**Auditors**

RSM Tenon Audit Limited  
Sumner House  
St Thomas's Road  
Chorley  
Lancashire  
PR7 1HP

**Accountants**

RSM Tenon Limited  
Sumner House  
St Thomas's Road  
Chorley  
Lancashire  
PR7 1HP

**Bankers**

Co-operative Bank  
Balloon Street  
Manchester  
M60 4EP

**THE NATIONAL UNION OF STUDENTS OF  
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**TRUSTEE BOARD REPORT**

**YEAR ENDED 30 JUNE 2011**

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**ACTIVITIES**

The National Union of Students ("the Union or "NUS") is a confederal association of students' unions, guilds, junior common rooms and representative councils of students involved in post-sixteen education and training in the United Kingdom.

The primary aims and objects of the National Union are to:

- represent Students of the United Kingdom locally, nationally and internationally;
- promote and maintain the educational, social, cultural and general interests of Students;
- arrange services, goods, facilities and other benefits for Members of the National Union, for persons and organisations associated with the National Union, and for other Students and their organisations;
- promote the views of Students on problems in the educational system as a whole;
- promote the interests of Students in economic, social, youth and mature issues which have a direct effect on education or upon the status and welfare of Students within society;
- promote the views of Students upon those issues which have a direct bearing on the education or social rights of students of any country;
- maintain and promote co-operation with students and student organisations of other countries;
- discuss, comment and act upon current affairs which are of interest or importance to Students;
- Support causes which, in the opinion of the National Conference, merit the support of Students in general;
- Supporting prospective, current and past Students in seeking gainful employment; and
- Acting as a channel of communication between Members and external bodies

Highlights of the primary aims achieved during the year are included in our Impact Report.

**VISION, MISSION AND VALUES**

**Vision**

Our vision is of NUS as a pioneering, innovative and powerful campaigning organisation: the definitive national voice of students. We will fight barriers to education, empower students to shape both a quality learning experience and the world around them, supporting influential, democratic and well resourced students' unions.

**NUS Mission**

To make this vision a reality, NUS will:

- Promote, defend and extend the rights of students
- Develop and champion strong students' unions

**NUS Values**

To achieve our vision and mission we believe three core values are crucial:

- Equality  
We believe there should be equality of opportunity for everyone to participate fully in a society that celebrates diversity.
- Democracy  
Our policies and priorities must be student-led and students' union-focused through building open, transparent and accessible democratic structures that increase performance and strengthen accountability.
- Collectivism  
Students and students' unions are more effective when they organise together locally, nationally and internationally: unity is our strength.

**THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM**

**TRUSTEE BOARD REPORT**

**YEAR ENDED 30 JUNE 2011**

**FINANCIAL PROGRESS**

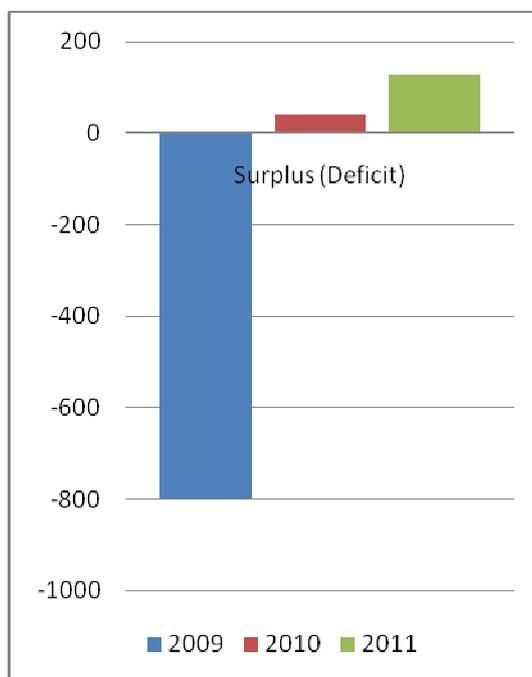
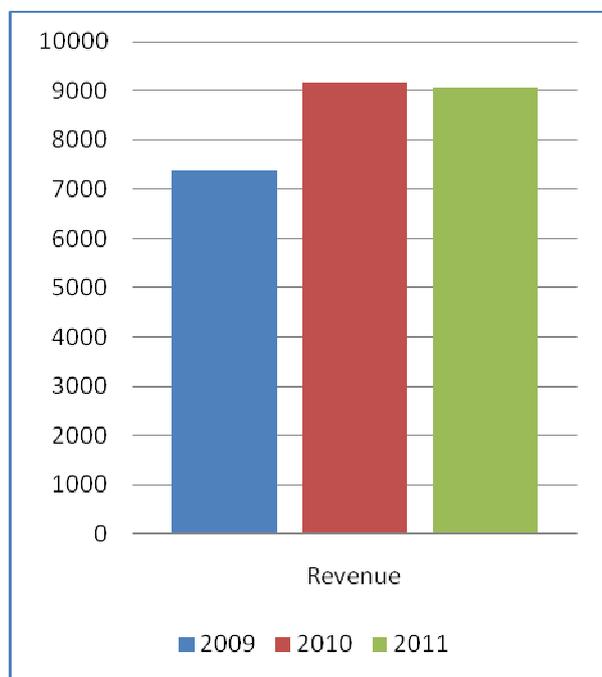
**The year saw good progress on three core themes of our financial strategy:**

- Strengthening our financial performance
- Diversifying our revenue streams
- Reducing the proportion of our revenue from affiliation fees

**Strengthening our financial performance**

To provide greater benefits to our members we have worked hard to increase the stability and sustainability of the organisation. In the last three years we have increased our revenues and streamlined our operation in order to start to redress the deficit situation of prior years. The charts below illustrate a solid revenue performance in 2010-11 and reasonable progress in generating modest surpluses, enabling us to invest in key areas to provide greater value to students' unions.

**Overall Performance**



Note: the surplus above excludes NUS Services which is 75% owned by students' unions and 25% by NUS. The deficit for 2009 included adjustments for irrecoverable debts and grant funding largely attributable to previous years.

**Diversifying our income streams**

We have made great strides over the last five years to diversify our revenue streams. From a zero start, the NUS extra card now accounts for over 30% of our revenues. Last year NUS extra generated over £1.3 million for students' unions, while over 400,000 students benefited from a vast range of exclusive discounts.

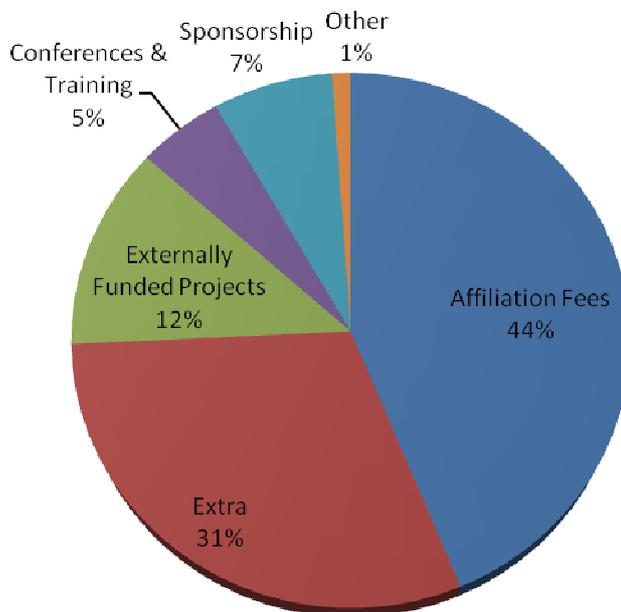
We have expanded the work of the organisation by securing external funds, generally grants, to deliver on projects that are focused on enhancing students lives; from improving the quality of education, greener living, safer campuses through to increasing volunteering.

**THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM**

**TRUSTEE BOARD REPORT**

**YEAR ENDED 30 JUNE 2011**

### 2010-11 Revenue Streams



Our sponsorship arrangements have continued to provide benefits both to the organisation and to students. They include an ongoing commitment to the movement by Endsleigh and the involvement of suitable partners at our events.

We charge nominal fees for our bespoke training and development programmes that equip student officers and staff with the tailored information and skills that they will need to fulfil their roles in the year ahead.

#### **Reducing the proportion of our revenue from affiliation fees**

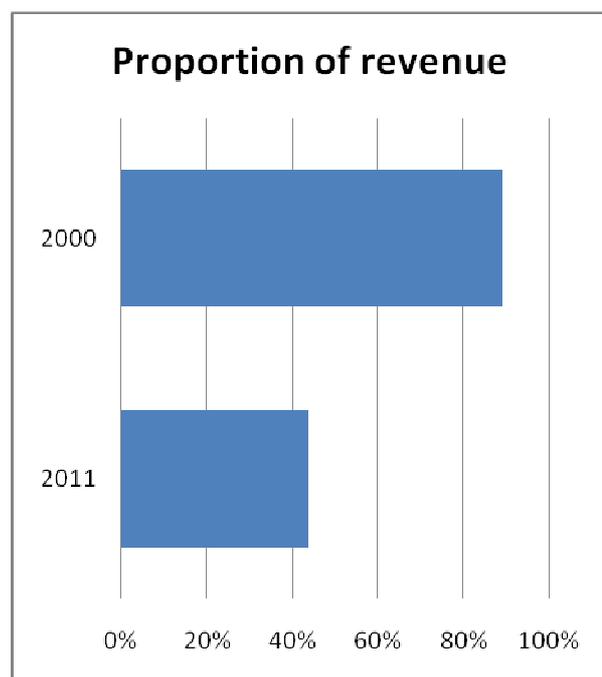
In the year 2000 affiliation fees represented 89% of our revenues, last year it was less than 45%.

In recognition of the changing landscape of education and the increasing financial pressures on many students unions we remain committed to reducing the proportion of our revenues from affiliation fees. Indeed in 2011 National Conference voted to freeze the affiliation fee for those unions whose block grant increased and reduce it for those whose block grant had fallen.

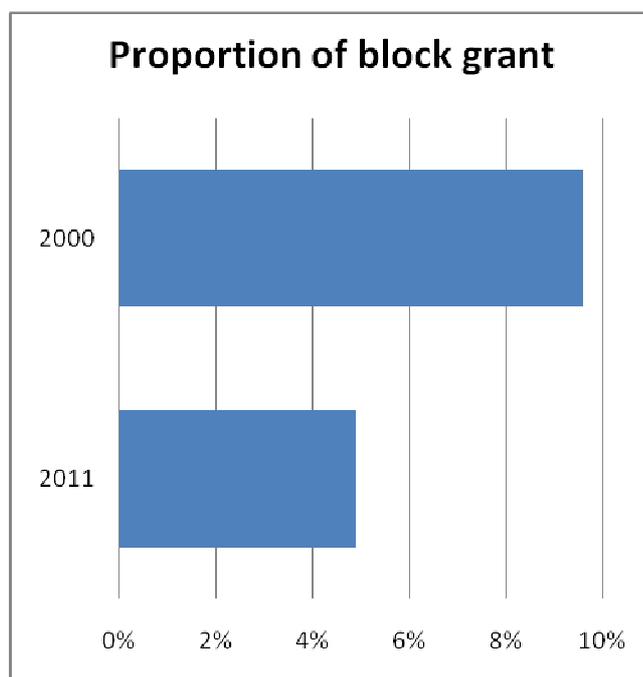
**THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM**

**TRUSTEE BOARD REPORT**

**YEAR ENDED 30 JUNE 2011**



Affiliation fees as a percentage of NUS' revenues



Affiliation fees as a proportion of the total union's block grant

We have demonstrated through the NUS extra card that we can successfully launch offerings that benefit students, unions and help NUS reduce the proportion of its revenues from affiliation fees. The next phase of this independence is to provide a digital platform that will facilitate:

- Wider democracy
- Fuller participation
- Greater activism
- Better student support

Commercially it will be able to:

- Provide revenue stream to range of unions, without leaking money out of the movement
- Offer income opportunities for FE where currently there is none

### **RISKS AND UNCERTAINTIES**

As part of the annual business planning process, the major strategic and operational risks that NUS faces and the ways in which they are being monitored, managed and mitigated, were assessed by the Trustee Board and the Audit, Risk and Remuneration Committee.

The Trustee Board monitors the performance of NUS using a variety of Key Performance Indicators to ensure that the organisation is achieving at least the planned level of income and operating profit whilst maximising cash flow by efficient financial management.

The Union offered membership of the Student Union Superannuation Scheme ("SUSS"), a defined benefit pension scheme, to all employees until 30th September 2011, at which point the scheme closed to future accrual. In the 2010 valuation SUSS had a funding deficit of around £50m shared between 69 employers.

For the pension year to 30 September 2011 the Union's contribution was £110,472 for the following 12 months it will be £208,236. This is set to increase by 3.2% per annum.

Whilst the closure of the scheme to future accrual goes some way to mitigate the risk it does not eliminate it. The Company is required to make deficit contributions for the next 20 years, which at current rates represents a liability of over £4million. This is subject to fluctuations in fund performance, changes in apportionment methodology and the life expectancy of the individuals within the scheme.

**THE NATIONAL UNION OF STUDENTS OF  
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**TRUSTEE BOARD REPORT**

**YEAR ENDED 30 JUNE 2011**

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**TRUSTEE BOARD AND NATIONAL EXECUTIVE COUNCIL**

The following were members of the Trustee Board in 2010/2011:

<b>Members:</b>	<b>Name</b>
President & Chair	Aaron Porter
Officer Trustees	Ed Marsh, Shane Chowen, Susan Nash, Olivia Bailey
Student Trustees	Rebecca Gordge, Karl Hobley, Kainde Manji, Fabian Neuner, Daniel Randall, Emily Rowe.
Lay Trustees	Jacqueline Davies, Kate Davies, Dame Karlene Davis, David Fletcher

The following were members of the National Executive Council in 2010/2011:

<b>Members:</b>	<b>Name</b>
President & Chair	Aaron Porter
Zones	Shane Chowen, Toni Pearce, Usman Ali, Stevie Wise, Susan Nash, Aakash Naik, Ed Marsh, Paddy Stearn, Ben Whittaker, Pete Woodward
Liberation	Kanja Sesay, Anil Sachdeo, Rupy Kaur, Matthew Bond, Vicki Baars, Alan Bailey, Olivia Baile, Estelle Hart
Sections	Christina Yan Zhang, Joy Elliott, Rebecca Sawbridge, Sean Rillo-Raczka, Paul Tobin, Dante Micheaux
Nations	Katie Dalton, Luke Young, Liam Burns, Robin Parker, Ciarnan Helferty, Adrienne Peltz
Block	Mark Bergfeld, Lynne Brown, Thea Graham, Thomas Graham, Dannie Grufferty, Sophia James, Fatima Junaid, Joshua McKenzie, Pete Mercer, John Peart, James, Lee Pickin, Liam Preston, Javed Anjum Sheikh, Ryan Wain, Rachel Wenstone

In so far as the trustees, individually, are aware:

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

**Responsibilities of the Trustee Board**

The Trustee Board is responsible for preparing the Trustee Board Report and the financial statements in accordance with applicable law and regulation. The Trustee Board have agreed to comply with the Companies Act 2006, as if it applied.

Company law requires the Trustee Board to prepare financial statements for each financial year. The Trustee Board have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustee Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state to affairs of the Union and the group and of the surplus or deficit of the group for that period. In preparing those financial statements, the Trustee Board has agreed to:

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

The Trustee Board is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the Union's transactions and disclose with reasonable accuracy at any time the financial position of the Union and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006 as if they applied. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE NATIONAL UNION OF STUDENTS OF  
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**TRUSTEE BOARD REPORT**

**YEAR ENDED 30 JUNE 2011**

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The Trustee Board is responsible for the maintenance and integrity of the corporate and financial information included on the Union's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Auditors**

A resolution to reappoint RSM Tenon Audit Limited as auditors for the ensuing year will be proposed at the forthcoming Annual General Meeting.

Liam Burns  
President and Chair of Trustee Board

**THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM**

**YEAR ENDED 30 JUNE 2011**

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We have audited the Group and Union's financial statements on pages 10 to 26 for the year ended 30 June 2011. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Union's Trustee Board, as a body, in accordance with the terms of our engagement letter. Our audit work has been undertaken so that we might state to the Union's 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 Union and the Union's Trustee Board as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Trustee's Board Responsibilities Statement set out on pages 5, 6 and 7 the Trustee Board are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with the terms of our engagement and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit**

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

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Union's affairs as at 30 June 2011 and of the Group's profit 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 Companies Act 2006.

**Opinion on other matters prescribed by the Companies Act 2006**

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

**THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM (continued)**

**YEAR ENDED 30 JUNE 2011**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustee Board member's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Christopher Moss, Senior Statutory Auditor  
For and on behalf of

RSM Tenon Audit Limited  
Statutory Auditor  
Sumner House  
St Thomas's Road  
Chorley  
Lancashire  
PR7 1HP

Date:

**THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 30 JUNE 2011**

	<b>Notes</b>	<b>2011 £</b>	<i>As restated 2010 £</i>
<b>Turnover</b>	2	13,804,998	10,278,657
<b>Operating costs</b>			
Strategic Development		230,936	186,017
Business Services		1,784,084	2,566,966
Membership Development		1,687,057	1,832,401
Campaigns and Communications		2,640,517	2,350,441
Scotland		512,608	660,693
Wales		364,362	381,321
NUS/USI		262,933	251,365
NEC		-	304,529
NUS Services Ltd		4,183,767	830,574
NUS Extra		2,108,544	1,563,904
Charitable Donation		214,143	-
Rationalisation		73,375	-
<b>Total operating costs</b>		<u>14,062,326</u>	<u>10,928,211</u>
<b>Operating deficit</b>	3	(257,328)	(649,554)
Share of Associates operating profit		-	35,385
Rent received from fixed asset investment		171,875	166,726
Dividend received from fixed asset investment		792,428	792,429
Bank interest receivable – group		50,110	8,800
		<u>757,085</u>	<u>353,786</u>
<b>Interest payable</b>			
Group	4	(1,860)	(7,515)
Associate		-	(1,018)
<b>Surplus on ordinary activities before taxation</b>		<u>755,225</u>	<u>345,253</u>
Taxation	6	(176,678)	(70,808)
<b>Surplus for year after taxation</b>		<u>578,547</u>	<u>274,445</u>
Minority interest		<u>(304,624)</u>	<u>(166,064)</u>
<b>Surplus for the financial year</b>		<u>273,923</u>	<u>108,381</u>

All the activities of the Union are classed as continuing.

**THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

**YEAR ENDED 30 JUNE 2011**

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	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>(restated)</b>
		<b>£</b>
Surplus for the financial year	273,923	108,381
Unrealised gain on revaluation of freehold property	1,982,750	-
Total gains and losses relating to the year	<u>2,256,673</u>	<u>108,381</u>
Prior year adjustment (note 1)	67,729	
	<u>2,324,402</u>	

**THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM  
BALANCE SHEET  
AS AT 30 JUNE 2011**

	Notes	GROUP		UNION	
		2011 £	As restated 2010 £	2011 £	2010 £
<b>Fixed assets</b>					
Goodwill	7	-	12,349	-	-
Tangible assets	8	5,876,950	3,783,446	5,203,240	3,205,758
Investments	9	<u>13,207,143</u>	<u>13,207,143</u>	<u>13,327,146</u>	<u>13,327,146</u>
		19,084,093	17,002,938	18,530,386	16,532,904
<b>Current assets</b>					
Debtors due within one year	10	2,145,798	2,862,619	1,098,830	1,215,353
Investments	11	86,778	78,352	-	-
Cash at bank		<u>6,482,491</u>	<u>4,913,624</u>	<u>1,909,682</u>	<u>1,468,818</u>
		8,715,067	7,854,595	3,008,512	2,684,171
<b>Creditors:</b>					
<b>Amounts falling due within one year</b>	13	(6,377,269)	(5,996,939)	(2,468,989)	(2,684,582)
<b>Net current assets/(liabilities)</b>		<u>2,337,798</u>	<u>1,857,656</u>	<u>539,523</u>	<u>(411)</u>
<b>Total assets less current liabilities</b>		<u>21,421,891</u>	<u>18,860,594</u>	<u>19,069,909</u>	<u>16,532,493</u>
<b>Capital and reserves</b>					
General fund	15	15,646,754	15,372,831	14,451,368	13,896,702
Premises revaluation reserve	15	<u>4,618,541</u>	<u>2,635,791</u>	<u>4,618,541</u>	<u>2,635,791</u>
Total funds attributable to the Union		20,265,295	18,008,622	19,069,909	16,532,493
Minority interest		<u>1,156,596</u>	<u>851,972</u>	-	-
<b>Total funds</b>		<u>21,421,891</u>	<u>18,860,594</u>	<u>19,069,909</u>	<u>16,532,493</u>

These financial statements on pages 14 to 26 were approved and authorised for issue by the Trustee Board on and signed on its behalf by:

Liam Burns  
President  
Chair of Audit, Risk and Remuneration  
Chief Executive

**THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2011**

	Notes	2011	<i>As restated 2010</i>	
			£	£
<b>Net cash flow from operating activities</b>	19	1,102,387		397,081
<b>Returns on investments and servicing of finance</b>				
Dividend received		792,428	792,429	
Share of associate's operating profit		-	35,385	
Rent receivable		171,875	166,726	
Interest received		50,110	8,800	
Interest paid		<u>(1,860)</u>	<u>(8,534)</u>	
		1,012,553		994,806
<b>Taxation</b>		<u>(19,007)</u>	<u>(29,895)</u>	
		(19,007)		(29,895)
<b>Capital expenditure</b>				
Purchase of tangible fixed assets		(527,167)		(179,415)
Receipts from sale of tangible fixed assets		<u>101</u>		<u>-</u>
		(527,066)		(179,415)
<b>Acquisitions and disposals</b>				
Net cash acquired with subsidiary	21	<u>-</u>	<u>2,726,540</u>	
			-	2,726,540
<b>Increase in cash</b>	19	<u>1,568,867</u>		<u>3,909,117</u>

**THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2011**

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**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules, modified by the revaluation of certain freehold property.

**Depreciation**

Depreciation of fixed assets is charged by equal instalments commencing with the year of acquisition at rates estimated to write off their cost or valuation less any residual value over their expected useful lives.

The following rates of depreciation have been used:

Freehold land	-	Nil
Freehold buildings	-	2% per annum on cost or revalued amount
Furniture and fittings	-	20% per annum on written down amount
Computer equipment	-	25%-33% per annum on cost

No depreciation is charged in respect of 3/4 Endsleigh Street as these premises are subject to periodic revaluation in accordance with the standard accounting practice relating to investment properties.

This property was sold in October 2011 and the appropriate revaluation has been applied to 2010/11 accounts in line with the agreed sale price.

Property which is primarily used for the principal activities of the National Union of Students is maintained at cost.

**Basis of consolidation**

The consolidated financial statements incorporate those of NUS and all of its subsidiary undertakings for the year. Subsidiaries are consolidated using the acquisition method. Associate companies are consolidated on the equity basis using audited financial statements of the associated company for periods ending within three months of 30 June.

**Investments in associates**

An associate is an entity over which the Group is in a position to exercise significant influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee. The balance sheet date of NUS Services Limited is 30 June. NUS Services changed from associate to subsidiary during 2010 and as such is consolidated in these accounts.

**Investment in subsidiaries**

The Union's investment in its subsidiary companies is stated at cost. The balance sheet date of NUS Holdings Limited is 30 June.

**Net current assets**

Current assets are expected to be realised and current liabilities are due and payable each within twelve months of the balance sheet date

**Expenses**

Expenses are included in the Income and Expenditure Account as incurred.

**Operating leases**

Assets leased to third parties have been capitalised and treated as investment property. Operating lease costs are charged to the Income and expenditure account as they are incurred.

**THE NATIONAL UNION OF STUDENTS OF  
THE UNITED KINGDOM**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2011**

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**1. ACCOUNTING POLICIES (continued)**

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in period in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**Pensions**

The Union participates in the Students' Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. Under the terms of FRS17, in these circumstances contributions are accounted for as if the scheme were a defined contribution scheme based on actual contributions paid through the year.

The SUSS deficit and ongoing liability provides a risk in relation to future apportionment methodology and return on investments, although, this has been mitigated to a certain extent by the closure of the scheme. The ongoing monthly deficit payment has changed from £9,206 to £17,353.

**Turnover**

Turnover represents the value of services provided to members and non members within the student sector, net of value added tax.

Membership income is charged in advance at the beginning of the year and recognised immediately.

Income from the sale of NUS Extra cards is recognised at the point of sale, not over the time of the card, as there are no subsequent direct costs to the Union of providing the card.

Commissions income is recognised on a monthly basis once they have been confirmed by the insurer.

**Prior year adjustment**

As stated in note 21 NUS gained effective control of NUS Services during 2010. NUS Services was accounted for as a subsidiary from that date. A prior year adjustment has been made to reflect this.

**THE NATIONAL UNION OF STUDENTS OF  
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**AS AT 30 JUNE 2011**

**2. TURNOVER AND NET DEFICIT BEFORE TAXATION**

The group's turnover and net surplus before taxation were all derived from its principal activity of providing a national voice for and provision of services to affiliated students' unions throughout the United Kingdom. Income was received in the following manner:

	<b>2011</b>	<i>(restated)</i>
	<b>£</b>	<i>2010</i>
		<i>£</i>
Membership income	3,915,243	3,719,386
NUS extra card sales	2,731,192	2,230,957
Other income	1,841,173	2,818,681
NUS USI other income	211,015	20,000
Commissions receivable	367,490	397,890
NUS Services Ltd	4,738,885	1,091,743
	<b>13,804,998</b>	<b>10,278,657</b>
	<b>13,804,998</b>	<b>10,278,657</b>

**3. OPERATING DEFICIT**

	<b>2011</b>	<i>(restated)</i>
	<b>£</b>	<i>2010</i>
		<i>£</i>
Operating deficit is stated after charging:		
Depreciation of tangible fixed assets:		
Charge for the year:		
Owned	415,689	373,248
Operating lease rentals:		
Plant and machinery	78,434	61,443
Land and buildings	289,984	181,612
Auditors' remuneration	18,160	18,700
	<b>18,160</b>	<b>18,700</b>
	<b>18,160</b>	<b>18,700</b>

**4. INTEREST PAYABLE**

	<b>2011</b>	<i>2010</i>
	<b>£</b>	<i>£</i>
On bank loans and overdrafts and other charges	1,860	8,533
Other pension costs	339,048	325,610
	<b>340,908</b>	<b>334,143</b>
	<b>340,908</b>	<b>334,143</b>

**THE NATIONAL UNION OF STUDENTS OF  
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**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2011**

**5. EMPLOYEES**

The monthly average number of persons (including Union Executives) employed by the group during the year was:

	<b>2011</b>	<i>(restated)</i>
	<b>No</b>	<i>2010</i>
		<i>No</i>
Office and management	192	205

Staff costs for the above persons:

	<b>2011</b>	<i>(restated)</i>
	<b>£</b>	<i>2010</i>
		<i>£</i>
Wages and salaries	4,733,035	4,819,420
Social security costs	440,756	410,207

<b>Union Executives remuneration</b>	<b>2011</b>	<i>2010</i>
	<b>£</b>	<i>£</i>
Honoraria and allowances	360,236	427,992
Social security costs	34,116	33,587
	394,352	461,579

No pension costs were paid on behalf of the Union Executives.

**THE NATIONAL UNION OF STUDENTS OF  
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**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2011**

**6. TAXATION**

The provision for corporation tax in these financial statements is computed as follows:

	<b>2011</b>	<i>2010</i>
	<b>£</b>	<i>£</i>
		<i>As re-stated</i>
Current tax:		
Provision for corporation tax on current year's results	176,678	66,631
Under/(over) provision in previous year	-	-
Share of associate tax charge	-	4,177
	176,678	70,808
Deferred tax (note 14)	-	-
	176,678	70,808
<b>Charge for the year</b>	<b>176,678</b>	<b>70,808</b>
	<b>2011</b>	<i>2010</i>
	<b>£</b>	<i>£</i>

Factors affecting the tax charge for the period:

The tax assessed for the period is lower than the rate of corporation tax of 26% (2010: standard rate of 28%)

Surplus/(deficit) on ordinary activities before tax	755,225	345,253
Surplus/(deficit) on ordinary activities multiplied by rate of corporation tax – 26% (2010: standard rate of 28%)	196,359	96,671
Expenses not deductible for tax purposes	(1,906)	(3,920)
Income not taxable	(132,687)	(189,014)
Depreciation in excess of capital allowances	6,060	62,885
Effect of change in tax rate	10,880	(788)
Losses carried forward	111,761	107,220
Small companies relief	(13,789)	(2,246)
Current tax charge	176,678	70,808

**7. GOODWILL**

Group

	<b>Goodwill (As re-stated) £</b>
<b>Cost</b>	
At 1 July 2010 and 30 June 2011 (note 21)	12,349
<b>Amortisation</b>	
At 1 July 2010	-
Charge for the year	12,349
At 30 June 2011	12,349
<b>Net book value</b>	
At 30 June 2011	-
At 30 June 2010	12,349

**THE NATIONAL UNION OF STUDENTS OF  
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**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2011**

**8. FIXED ASSETS**

<b>Group</b>	<b>Short Leasehold Improvements £</b>	<b>Freehold Property £</b>	<b>Computer Equipment and Furniture £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 July 2010	6,739	3,392,159	981,587	4,380,485
Restatement	88,106	-	1,587,091	1,675,197
At 1 July 2010 (as restated)	94,845	3,392,159	2,568,678	6,055,682
Additions	98,358	-	428,809	527,167
Disposals	(24,109)	-	(463,043)	(487,152)
Revaluation	-	1,982,750	-	1,982,750
At 30 June 2011	169,094	5,374,909	2,534,444	8,078,447
<b>Depreciation</b>				
At 1 July 2010	140	51,943	738,049	790,132
Restatement	85,892	-	1,396,212	1,482,104
At 1 July 2010 (as restated)	86,032	51,943	2,134,261	2,272,236
Charge for year	17,118	4,843	393,728	415,689
Disposals	(24,109)	-	(462,319)	(486,428)
At 30 June 2011	79,041	56,786	2,065,670	2,201,497
<b>Net book amount</b>				
At 30 June 2011	90,053	5,318,123	468,774	5,876,950
<i>At 1 July 2010 (as restated)</i>	<i>8,813</i>	<i>3,340,216</i>	<i>434,417</i>	<i>3,783,446</i>
Cost or revaluation at 30 June 2011 is represented by:				
Cost	169,094	392,159	2,534,444	3,095,697
Valuation	-	4,982,750	-	4,982,750
	169,094	5,374,909	2,534,444	8,078,447
			<b>2011</b>	<i>2010</i>
			<b>£</b>	<b>£</b>
On an historical cost basis freehold land and buildings would be included at:				
Cost			756,368	756,368
Aggregate depreciation			56,786	51,943

**THE NATIONAL UNION OF STUDENTS OF  
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**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2011**

**8. FIXED ASSETS (continued)**

<b>Union</b>	<b>Freehold Property £</b>	<b>Computer Equipment and Furniture £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 July 2010	3,000,000	806,067	3,806,067
Additions	-	208,746	208,746
Disposals	-	(1,086)	(1,086)
Revaluation	<u>1,982,750</u>	<u>-</u>	<u>1,982,750</u>
At 30 June 2011	<u>4,982,750</u>	<u>1,013,727</u>	<u>5,996,477</u>
<b>Depreciation</b>			
At 1 July 2010	-	600,309	600,309
Charge for year	-	193,290	193,290
Disposals	-	(362)	(362)
At 30 June 2011	<u>-</u>	<u>793,237</u>	<u>793,237</u>
<b>Net book amount</b>			
At 30 June 2011	<u>4,982,750</u>	<u>220,490</u>	<u>5,203,240</u>
<i>At 1 July 2010</i>	<u>3,000,000</u>	<u>205,758</u>	<u>3,205,758</u>
Cost or revaluation at 30 June 2011 is represented by:			
Cost	-	1,013,727	1,013,727
Valuation	<u>4,982,750</u>	<u>-</u>	<u>4,982,750</u>
	<u>4,982,750</u>	<u>1,013,727</u>	<u>5,996,477</u>

The freehold property had previously been revalued to £3,000,000.

However, this valuation has been uplifted in the year, reflecting the agreed price on an impending sale. (Please see note 20)

The Union's fixed assets as stated above include the following amounts relating to assets being leased to third parties under operating leases:

	<b>£</b>
Valuation at 1 July 2010	3,000,000
Revaluation due to impending sale	<u>1,982,750</u>
Net book amount at 30 June 2011	<u>4,982,750</u>

**THE NATIONAL UNION OF STUDENTS OF  
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**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2011**

**8. FIXED ASSETS (continued)**

	<b>2011</b>	<i>2010</i>
	<b>£</b>	<b>£</b>
On an historical cost basis freehold land and buildings would be included at:		
Cost	<u>364,209</u>	<u>364,209</u>
Aggregate depreciation	<u>-</u>	<u>-</u>

**9. INVESTMENTS**

		<b>2011</b>	<i>As restated</i>
<b>Group</b>	<b>Class of share holding</b>	<b>Cost</b>	<i>2010</i>
		<b>£</b>	<i>Cost</i>
			<b>£</b>
Endsleigh Limited	Preference	13,207,143	<i>13,207,143</i>
At 30 June 2011 and 2010		<u>13,207,143</u>	<u><i>13,207,143</i></u>

<b>Union</b>	<b>Year End</b>	<b>Class of holding</b>	<b>Proportion held</b>	<b>Nature of business</b>
NUS Holdings Ltd	30 June	Ordinary	100%	Provision of services in the student sector
NUS Services Ltd *	30 June	Ordinary	25%	Provision of services in the student sector

	<b>2011</b>	<i>2010</i>
	<b>£</b>	<b>£</b>
Unit Trusts	1	<i>1</i>
NUS Holdings Limited	120,002	<i>120,002</i>
Endsleigh Limited preference shares	<u>13,207,143</u>	<u><i>13,207,143</i></u>
	<u>13,327,146</u>	<u><i>13,327,146</i></u>

\*Held via NUS Holdings Limited. NUS Services Limited is under the effective control of NUS and therefore a subsidiary undertaking.

**THE NATIONAL UNION OF STUDENTS OF  
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**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2011**

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Union</b>	
	<b>2011</b>	<i>As restated</i> <b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	766,369	1,626,422	24,191	38,707
Other debtors	366,325	534,187	316,140	497,425
Prepayments and accrued income	844,895	682,466	626,207	679,221
Corporation tax	-	19,544	-	-
Other taxation and social security	168,209	-	132,292	-
	<u>2,145,798</u>	<u>2,862,619</u>	<u>1,098,830</u>	<u>1,215,353</u>

**11. INVESTMENT**

	<b>Group</b>		<b>Union</b>	
	<b>2011</b>	<i>As restated</i> <b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other investments	86,778	78,352	-	-
	<u>86,778</u>	<u>78,352</u>	<u>-</u>	<u>-</u>

At the year end, the current asset investments were re-valued to market value. £8,416 (2010: £16,055) revaluation upwards has been included in the profit and loss account in the year in respect of the revaluation.

**12. CASH AT BANK**

Included within the cash balance is an amount of £2,063,595 of payments received on account, being amounts held for redistribution to members of the purchasing consortium for retrospective volume related payments.

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Union</b>	
	<b>2011</b>	<i>As restated</i> <b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Payments received on accounts	2,063,595	3,900,944	-	-
Associated and subsidiary companies	-	-	410,226	834,799
Trade creditors	2,181,675	696,689	784,473	679,834
Corporation Tax <i>[to be updated]</i>	243,343	105,216	37,179	37,179
Other taxation and social security	327,237	167,603	92,289	7,151
Accruals and deferred income	1,561,419	1,126,487	1,144,822	1,125,619
	<u>6,377,269</u>	<u>5,996,939</u>	<u>2,468,989</u>	<u>2,684,582</u>

**THE NATIONAL UNION OF STUDENTS OF  
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**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2011**

**14. DEFERRED TAX**

No provision has been made in the financial statements for the deferred tax asset due to the uncertainty over the timescale in which it can be utilised.

The potential deferred tax asset at a tax rate of 26% (2010: 28%) is as follows:

	<b>2011</b>	<i>2010</i>
	<b>£</b>	<i>£</i>
Losses available to carry forward and set against future rental income	(215,723)	(111,532)
Excess of depreciation over capital allowances	<u>(25,370)</u>	<u>(27,832)</u>
	<u>(241,093)</u>	<u>(139,364)</u>

**15. FUNDS AND RESERVES**

<b>GROUP</b>	<b>General Fund</b>	<b>Premises Revaluation Reserve</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance brought forward – 1 July 2010	15,305,102	2,635,791	17,940,893
Prior year adjustment (note 1)	67,729	-	67,729
Balance brought forward – 1 July 2010 (as restated)	<u>15,372,831</u>	<u>2,635,791</u>	<u>18,008,622</u>
Surplus for the year	273,923	-	273,923
Unrealised surplus on revaluation	<u>-</u>	<u>1,982,750</u>	<u>1,982,750</u>
Balance carried forward – 30 June 2011	<u>15,646,754</u>	<u>4,618,541</u>	<u>20,265,295</u>

**UNION**

	<b>General Fund</b>	<b>Premises Revaluation Reserve</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance brought forward – 1 July 2010	13,896,702	2,635,791	16,532,493
Surplus for the year	554,666	-	554,666
Unrealised surplus on revaluation	<u>-</u>	<u>1,982,750</u>	<u>1,982,750</u>
Balance carried forward – 30 June 2011	<u>14,451,368</u>	<u>4,618,541</u>	<u>19,069,909</u>

The Union is exempt from publishing a profit and loss account.

**THE NATIONAL UNION OF STUDENTS OF  
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**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2011**

**16. OPERATING LEASES**

Financial commitments under non cancellable operating leases will result in the following payments falling due within one year of the balance sheet date:

	<b>Group</b>			
	<b>2011</b>		<b>2010</b>	
<b>LEASES EXPIRING IN:-</b>	<b>Land and buildings £</b>	<b>Other £</b>	<i>Land and buildings £</i>	<i>Other £</i>
Less than one year	10,790	33,014	20,000	-
Two to five years	382,631	135,999	70,983	277,589
After five years	-	-	345,312	-
	<u>393,421</u>	<u>169,013</u>	<u>436,295</u>	<u>277,589</u>

	<b>Union</b>			
	<b>2011</b>		<b>2010</b>	
<b>LEASES EXPIRING IN:-</b>	<b>Land and buildings £</b>	<b>Other £</b>	<i>Land and buildings £</i>	<i>Other £</i>
Less than one year	-	-	-	-
Two to five years	4,200	70,936	8,400	107,183
After five years	-	-	-	-
	<u>4,200</u>	<u>70,936</u>	<u>8,400</u>	<u>107,183</u>

**17. PENSIONS**

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. The scheme operates as a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence no share of the underlying assets and liabilities can be directly attributed to the Union. Under the terms of FRS 17, 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 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 benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing fund basis amounted to £47,869,000.

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

The following assumptions applied:

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

The contribution rate for the period ended 30 June 2011 applicable to the Union for the majority of members is 9.8% of earnings for members. The company contribute a monthly amount of £9,233, the benefit of which is spread across all members, and 7.75% of earnings thereafter.

**THE NATIONAL UNION OF STUDENTS OF  
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**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2011**

**17. PENSIONS (continued)**

Surpluses or deficits which arise at future valuations may impact on the Union's future contribution commitment. With effect from 30 September 2011 the scheme closed to future accrual. The next formal actuarial valuation is due as at 1 October 2013 when the above rates will be reviewed.

The contributions paid into the scheme in respect of eligible employees for the period ended 30 June 2011 amounted to £148,105 (2010: £147,369)

**18. RELATED PARTY TRANSACTIONS**

During the year the group earned commission amounting to £367,490 (2010: £397,890) from Endsleigh Limited in which the group held an investment. Of this amount £33,333 was included in debtors, settled 1 July 2012.

The Union has taken advantage of the exemptions conferred by Financial Reporting Standard No 8 from the requirement to make disclosures concerning transactions with other group entities which are wholly owned subsidiaries.

**19. CASH FLOWS**

	<b>2011</b>	<i>2010</i>
	<b>£</b>	<i>£</i>
<b>a Reconciliation of operating deficit to net cash outflow from operating activities</b>		
Operating surplus/(deficit) for the year	30,190	(649,554)
Depreciation/amortisation and profit/loss on disposal	428,660	225,223
Rationalisation	(73,375)	-
Donation	(214,143)	-
Increase in debtors	697,277	887,441
Increase in current asset investments	(8,426)	-
Increase/(decrease) in creditors	<u>242,204</u>	<u>(66,029)</u>
Net cash inflow from operating activities	<u><u>1,102,387</u></u>	<u><u>397,081</u></u>
<b>b Reconciliation of net cash flow to movement in net debt</b>		
Increase in cash in the year	<u>1,568,867</u>	<u>3,909,117</u>
Change in net funds	<u>1,568,867</u>	<u>3,909,117</u>
Net funds at 1 July 2010	<u>4,913,624</u>	<u>1,004,507</u>
Net funds at 30 June 2011	<u><u>6,482,491</u></u>	<u><u>4,913,624</u></u>

**ANALYSIS OF CHANGES  
IN NET DEBT**

	Restated At 1 July 2010	Cash flows	Other non- cash Changes	At 30 June 2011
	£	£	£	£
Cash in hand, at bank	<u>4,913,624</u>	<u>1,568,867</u>	<u>-</u>	<u>6,482,491</u>
Net funds	<u>4,913,624</u>	<u>1,568,867</u>	<u>-</u>	<u>6,482,491</u>

**20. POST BALANCE SHEET EVENT**

Following the year end the investment property at Endsleigh Street, London, was sold for proceeds of £4,982,750 (note 8).

**THE NATIONAL UNION OF STUDENTS OF  
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**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2011**

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**21. ACQUISITIONS**

During March 2010 NUS gained effective control of NUS Services Limited. NUS Services Limited therefore became a subsidiary undertaking from that date. NUS did not acquire any additional shares and retained, via NUS Holdings Limited, its 25% shareholding.

Fair value of net assets at acquisition:-

	£
Fixed assets	201,120
Debtors	1,754,705
Investments	78,352
Cash	2,726,540
Creditors	<u>(3,846,200)</u>
	914,517
25% acquired	228,609
Previously recognised profits	(146,060)
NUS Holdings shareholding	<u>(70,200)</u>
Goodwill arising in 2010	<u>12,349</u>

**22. MINORITY INTEREST**

	£
Balance brought forward	851,972
Profit attributable to the minority	304,624
	<u>1,156,596</u>

The minority interests are 75% of the shareholders of NUS Services Limited, a company under the effective control of NUS.



## National Conference | Estimates

### Introduction to the Estimates

#### This Document

The 2012/13 Estimates have been constructed to reflect the internal departmental structure of NUS, which comprises core service areas: Zones, Liberation & Sections; Policy & Delivery Units; Communications; Strategic Development and Business Services. Nations and Governance costs are also shown separately. The net cost of running NUS SU Charitable Services is shown as a separate charitable donation.

The figures presented in this document, a summary of estimated income and expenditure, are a transparent and prudent analysis of the financial resources to be committed by NUS to meet its core political priorities for the year ahead. Following Conference it will be supported by more detailed internal budgets prepared by the NUS Trustee Board to ensure ongoing and robust monitoring of the effective use of these resources.

Regular updates on progress against these estimates will be presented to the National Executive Council and Trustee Board.

#### The Financial Context

It should be noted that for over ten years NUS produced a deficit at the end of each year, considerably depleting our reserves. Last year's Estimates forecasted a surplus of £26,567 for 2010/11, whilst the final result was an improvement on this as demonstrated in the accounts above, albeit it should be noted that those results are the consolidated results so include the substantial surplus from NUS Services.

The move of the finance team from HQ to Macclesfield proved successful. The improvements in controls and the accuracy of the accounts was recognised by the auditors, RSM Tenon, in their review of the financial statements for 2010-11.

During the year NUS made strong progress in improving its financial position, ending the year with a reasonable cash balance, reduced debtors and stronger financial controls.

#### This year's budget and forecast

Last year Conference approved an Estimate surplus of £23,635 for the 2011/12 financial year, subsequently the Trustee Board and NEC set a budget of £102,236 against which we have compared this year's Estimates in the narrative that follows.

Management accounts to date indicate that we are on track to achieve this. Considerable work has gone in to maximising our impact on students' unions and increasing transparency. All of the organisational improvements that were identified in last year's value for money studies have now been implemented.

For the year ahead (2012/13) these estimates show a £25,000 surplus after having funded NUS SU Charitable Services. Following National Conference the Trustee Board will be tasked with finding, where possible, additional savings or income with a target detailed budgets surplus of £100k to transfer to reserves.

The core assumption is that NUS Activity Costs are to remain at the 2011/12 budget levels unless otherwise stated below. Expenses are similarly forecast to remain in line with the current year.

#### Campaigns and Programmes

- **Priority Campaign:** This area- which funds campaigning priorities inside NUS UK and across nations, has been retained at £70,000
- **Allocation Pot:** Each year National Conference allocates a pot of funding to be distributed between Zones, Liberation & Sections against priorities emerging from Conferences. This pot has been increased by 7.5k against last year's Estimates to £180k
- **Local Campaigning Capacity:** Last year National Conference allocated a fund to drive both campaigning effectiveness and activism development programmes within students' unions. It is proposed that this be retained at 11/12 budget level (55k) although this should also now help to fund and support Liberation activism training.
- **Joint Special Projects:** A fund has been created to assist with supporting specific projects not directly related to campaigning work across Zones, Liberation & Sections. Note that the work of NEC coordinating committees (such as ARAF) is not included in this work where resource is taken by negotiation of the campaign convenors from their allocated area.

# National Conference 2012 | Estimates

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- **Long Term Campaigning Fund:** An amount has been allocated to transfer into reserves to support anticipated additional spend in the run up to the General Election in coming years.

## Governance

- **Democracy** - Affiliations have been removed from this area and allocated to their own line for transparency
- **National Conference** - A prudent view on costs and income generation opportunities has been taken to revise overall net spend in this area
- **Access** - This fund which supports disabled students' participation across NUS has been reallocated to the Governance category for 12-13
- **Liberation Conferences** - To reflect increased costs and participation in the campaigns an additional allocation of £10k has been made here, whilst also reallocating costs of supporting activism training to another budget line. As part of this process we intend to review how the allocation is determined on the basis of participation and consistency of experience with the Liberation Officers

## Income

- **Affiliation fees-** Our long term aim for non grant funded unions (the majority of which are in FE) is to raise revenue from other sources; the aim for grant funded unions (majority in HE) is to reduce affiliation fees to an average of 4% of UK Block grants, as compared to around 10% ten years ago. To achieve this aim, whilst continuing to deliver current activity levels, we have to continue the drive to greater efficiency and increase external revenue sources. A comprehensive review of Affiliation fees was undertaken last year with a view to proposing a more effective, simpler, fairer, and appropriate methodology. We will start to implement the first stage of this in the coming year thus reducing the income from affiliation on fees by almost £150,000 on top of last year's £100,000 reduction.
- **NUS Extra-** In the current year NUS Extra card sales have increased by 20% over 2010/11, and the net contribution will be on budget. As a result of the continuing increased marketing activities, the 2012/13 Estimates are based on an increase in NUS Extra income of £400k on 2011-12, based on a forecast 20% sales growth and a proposed £1 price increase, a proportion of which will be shared with those Unions distributing the card.
- **Business Development-** We continue to drive activity in this area and anticipate £6k of incremental income. Once the digital platform has been launched and is thriving this should enable us to increase business development income much more substantially.
- **Investment Income-** Endsleigh investment and affinity income remains unchanged. These sums have not been affected by the recession. Investment income is a financial return on the preference shares which NUS holds in the company; affinity income is effectively a sponsorship deal between NUS and Endsleigh.
- **Rental Income-** In October 2011 we sold our investment property, 3-4 Endsleigh St, so rental income will reduce accordingly to just the income we receive from subletting part of Drummond St.

## Infrastructure

- **Staffing Costs-** The total staffing budget provides for a 2.0% increase cost of living increase on the current year's salaries in pay awards, an allowance for annual increments to qualifying staff, and associated increases in employers' national insurance. The estimates assume no increase in the number of permanent staff employed except where this would be covered by additional external funding. The total expenditure increase has been limited to £105k, including employers contributions to the new defined contribution pension scheme.
- **Pensions-** The defined benefit pension scheme, SUSS, closed to new members and future accrual in September 2011. As a result of this we introduced a defined contribution scheme, which has seen more than double the number of employees participating. As a responsible employer we have both encouraged participation in the scheme and provided matching at certain levels. The employers pension contributions are included in the staffing costs above. However, we are still required to make deficit contributions to the SUSS scheme. This will increase in 2012/13 by £29k over the current year.
- **Other Expenditure-** Our plan is to purchase a new HQ from the proceeds of the sale of Endsleigh St, exercising the break clause on Drummond St HQ in March 2013. The anticipated changes in costs such as rent, rates, utilities, moving etc have been factored into these Estimates.
- **Irrecoverable VAT-** NUS will be able to join the NUS Services and NUS SU Charitable Services VAT group if it incorporates. A saving of £20k has been assumed in the estimates as a result of this.

## Activity Reviews

During the estimates process a number of areas received detailed attention as follows

- **Nations-** We are currently undertaking a series of value for money reviews across Nations with a view to maximising the benefits of our centrally housed administration and finance service in Macclesfield,

allowing for any budget allocated to Nations by Conference to be put to maximum use. When these reviews are complete a fresh review of devolution will be carried out that seeks to examine the respective roles of NUS UK and each nation; costs; income generation; unrestricted income and the appropriate “share” by nation. The intent will be to clarify responsibilities and finances to provide each Nation with a stable long term financial and resource plan. In the interim the Trustee Board will seek to increase capacity in this area as a priority should slack on other budgets be found.

- **Staff Support-** In 2010/11 we have introduced part time student staff support into our structures for the first time and there have been clear benefits to elected officers. We will seek to embed and extend this within existing budget constraint in 12/13.
- **Student Sections-** We intend to review the staffing and conferences for student sections to maximise the current investment.

### **Risk Areas**

Senior Managers have been tasked with finding ways of mitigating risk areas by identifying new (and realistic) income or reviewing other budgets before the new financial year begins. Following National Conference detailed internal budgets will be produced and reviewed by the NEC and Trustee Board.

## National Conference | Estimates

### Layout

The main body of the estimates details areas of income and expenditure and may be challenged by delegates to Conference using the methods detailed within this paper.

The Appendices provide the detailed cost heading analysis of income and expenditure, which support the headline figures reported. The cost headings (cost centres) are revised to reflect restructured services and are presented in a standard format throughout this document. Most cost headings (or “centres”) include these three sections:

### Staff/Officer Costs

Salaries, Tax and National Insurance, Training and other staffing or officer costs.

### Activity Costs

These can include:

- **Travel, Accommodation & Expenses** | All travel and accommodation expenses incurred in this cost centre including cars and incidental expenses for staff, officers and volunteers.
- **Property & Equipment Costs** | Any physical costs including annual equipment costs, venues, telephony, and rental.
- **Communications** | Includes publicity, campaign costs, speakers' expenses, photocopying & training material, printing, stationery, postage, subscriptions/publications and software development.
- **Admin** | Includes bank charges, depreciation, and health and safety costs.

### Income

This includes all restricted income in this area and explanations are given in the notes.

### Additional Assumptions and Notes

The figures appearing under the section ‘Staff/Officer Costs’ reflect the employer’s contribution of NI and Tax and allocation to the pension scheme. Pension take up is assumed to be no different from the current year.

Any change to the financial information contained within this document will be properly managed to ensure that the National Union continues to deliver quality services expected by our valued membership.

As was the case last year, **externally funded projects** do not appear in the Estimates. In principle this is right because National Conference is not in a position to reduce expenditure or increase income on what are restricted project funds. This approach also ensures accuracy in the phasing of income. A realistic contribution to central costs from externally funded projects has been inserted into business income.

Where income is gathered for specific purposes (e.g. delegation fees) the estimates contain the **net contribution** figure rather than estimates for both income and expenditure. This is to ensure clarity and transparency over what is spent or subsidised from unrestricted funds (or example- the HE Summer Training Programme will be shown at £0 because we budget for it to break even (where income is the same as direct costs related to deliver that activity)).

# National Conference 2012 | Estimates

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## THE ESTIMATES 2012/13

The '**Estimates Section**' details the estimates for NUS for 2012/13. This is the summary section but background and detail on the numbers in this section can be found in the appendices of this document.

The '**Estimates Section**' is subject to the following procedures at National Conference.

### **Extract from the Constitution:**

Any students' union wishing to propose changes to the Estimates must do so under the rules set down under clause 420 of the NUS Rules

### **Estimates**

421 Following agreement between the National Executive Council and the Trustee Board, estimates of income and expenditure in the year ahead will be presented to the Annual National Conference by the President after being circulated to all Constituent Members and National Committees.

422 Constituent Members may table motions to refer back the Estimates or part of them.

423 Such a motion will only be in order if it is composed of two parts:

- a) The positive reference back of a specified heading within a budgetary head or heads, indicating that each specified heading should have the sum allocated to it increased by an amount specified for that heading;
- b) The negative reference back of a specific heading within a budgetary head or heads, indicating that each specified heading should have the sum allocated to it reduced by an amount specified for that heading; the total of the amounts specified

in (i) being the same as the total of the amounts specified in (ii).

424 The President will reply in writing to all Constituent Members tabling motions of reference back of the Estimates or part of them, indicating the implications if such a reference back is passed by the National Conference

425 Questions on the Estimates may be asked from the floor of the National Conference. Priority on the asking of such questions will be given to Constituent Members, which have tabled motions on reference back.

426 If 100 delegates wish to discuss a motion of reference back it will be moved. The President will reply and the National Conference will immediately vote on the motion.

427 The guillotine will not apply to discussion of motions of reference back of the Estimates.

Questions on the Estimates should be made to Liam Burns, NUS National President, by email to [\*\*motions@nus.org.uk\*\*](mailto:motions@nus.org.uk)

Challenges to the Estimates must be emailed to [\*\*motions@nus.org.uk\*\*](mailto:motions@nus.org.uk), (faxes or post cannot be accepted) using the pro-forma on [www.nusconnect.org.uk/conference](http://www.nusconnect.org.uk/conference) by 5.00pm 30th March 2012.

# National Conference 2012 | Estimates

## NUS Estimates 2012/13

Details	Budget 11/12	Estimate 12/13
<b>1. Zones, Liberation &amp; Sections</b>		
Higher Education Zone	(41,901)	(26,450)
Further Education Zone	(42,301)	(26,450)
Welfare Zone	(39,901)	(26,450)
Society & Citizenship Zone	(42,501)	(26,450)
Union Development Zone	(44,401)	(26,450)
Women's Campaign	(43,401)	(26,450)
Black Students Campaign	(43,401)	(26,450)
Disabled Students	(43,401)	(26,450)
LGBT	(43,401)	(26,450)
International Students	(38,401)	(26,450)
Mature & Part Time	(4,000)	0
Postgraduate	(6,000)	0
Priority Campaign	(69,500)	(70,000)
Local Campaigning Capacity	(58,000)	(55,000)
Joint Special Projects	0	(10,000)
Long Term Campaigning Fund	0	(10,000)
Allocation Pot	0	(180,000)
<b>SUBTOTAL</b>	<b>(560,510)</b>	<b>(589,500)</b>
<b>2. Governance</b>		
Democracy	(67,000)	(52,552)
Affiliations	0	(20,000)
National Conference	(190,000)	(170,000)
Access	0	(45,000)
National Executive Council	(61,901)	(35,500)
Liberation Conferences	(100,000)	(110,000)
Zone Conferences	0	0
<b>SUBTOTAL</b>	<b>(463,901)</b>	<b>(433,052)</b>
<b>3. Policy &amp; Delivery Units</b>		
Political Strategy Unit	(378,753)	(394,371)
Higher Education Unit	(250,857)	(253,326)
Further Education Unit	(252,917)	(237,723)
Social Policy Unit	(150,653)	(155,301)
Democracy & Governance Unit	(369,089)	(393,617)
Officer Development Programme	0	0
Policy Unit	(100,062)	(94,024)
Management & Overhead	(159,853)	(148,888)
<b>SUBTOTAL</b>	<b>(1,662,184)</b>	<b>(1,677,250)</b>
<b>4. Nations</b>		
SCOTLAND	(447,975)	(415,465)
WALES	(305,069)	(304,784)
NUS-USI	(16,230)	(17,755)
<b>SUBTOTAL</b>	<b>(769,274)</b>	<b>(738,004)</b>

## National Conference 2012 | Estimates

<b>5. Business Services &amp; Resources</b>		
Events & Conferencing Unit	(129,282)	(139,013)
Finance	(274,307)	(274,307)
NUSHQ	(252,841)	(255,846)
Human Resources	(218,190)	(218,190)
IT	(468,700)	(468,700)
Strategic Development	(235,049)	(191,966)
<b>SUBTOTAL</b>	<b>(1,578,369)</b>	<b>(1,548,022)</b>
<b>6. Communications &amp; Marketing</b>		
Communications	(238,960)	(319,935)
Recharge	60,555	76,079
<b>SUBTOTAL</b>	<b>(178,405)</b>	<b>(243,856)</b>
<b>7. Other</b>		
Premises (inc Nations)	(593,456)	(603,415)
Pension Deficit Provision	(183,795)	(213,234)
Contingency	0	(68,000)
Irrecoverable VAT	(180,000)	(160,000)
<b>SUBTOTAL</b>	<b>(957,251)</b>	<b>(1,044,649)</b>
<b>8. Unrestricted Income</b>		
NUS Extra	970,774	1,370,000
Affiliation Fees	3,869,922	3,720,000
Rental Income	40,000	12,000
Externally Funded Projects Income	107,000	87,000
Affinity Income	144,200	150,000
Other Income	1,240,324	1,200,333
<b>SUBTOTAL</b>	<b>6,372,220</b>	<b>6,539,333</b>
<b>TOTAL EXCLUDING CHARITY</b>	<b>202,326</b>	<b>265,000</b>
	<b>SURPLUS</b>	<b>SURPLUS</b>
<b>9. NUS Charitable Services Limited</b>		
<b>NUS Charitable Services donation from NUS</b>	<b>(100,000)</b>	<b>(240,000)</b>
<b>TOTAL INCLUDING CHARITY</b>	<b>102,326</b>	<b>25,000</b>
	<b>SURPLUS</b>	<b>SURPLUS</b>

Note items in (brackets) represent cost areas

# National Conference 2012 | Estimates

## APPENDICES

### 1 | ZONES, LIBERATION & SECTIONS

In this section you will find costs relating to NUS' range of campaigns and programmes and some costs relating to the relevant full time officers. A detailed explanation of what each area covers is given below each subsection. Most activity costs in 2012/13 are to be allocated following National Conference based on an assessment of mandates from Conferences, Election manifestos and a test for membership benefit, hence the "pot" detailed below.

Zones	Budget 11/12	Estimate 12/13
Salary/Officer Costs	(132,005)	(132,250)
Activity Costs	(79,000)	0
Total	(211,005)	(132,250)

**Zones:** This area includes the honorarium for the Vice Presidents of each of the five Zones (Further Education, Higher Education, Welfare, Union Development and Society & Citizenship). No activity cost is shown as this area, for 12/13, as it is placed in a 'zones, liberation and student sections' 'pot' which will be allocated by the NEC post-Conference based on democratic mandates (see below). Zone Conferences are budgeted to break even. This area does not include the cost of staffing support which is included in HQ Policy & Delivery Units in Section 3.

Liberation	Budget 11/12	Estimate 12/13
Salary/Officer Costs	(105,604)	(105,800)
Activity Costs	(68,000)	0
TOTAL	(173,604)	(105,800)

**Liberation:** NUS runs a range of politically autonomous campaigns centred around tackling discrimination and the rights of particular groups of students. This area includes the salary costs for the Liberation Officers. No activity cost is shown as this area, for 12/13, as it is placed in a 'zones, liberation and student sections' 'pot' which will be allocated by the NEC post-Conference based on democratic mandates (see below). Costs for their committees, programmes or work and campaigns in 2012/13 are allocated from the 'pot' below. Liberation Conferences are covered in the Governance section, and Liberation activism training is within activism below. It does not include the cost of Liberation staffing support which is included in HQ Policy & Delivery Units in Section 3.

Sections	Budget 11/12	Estimate 12/13
Salary/Officer Costs	(26,401)	(26,450)
Activity Costs	(22,000)	0
TOTAL	(48,401)	(26,450)

**Sections:** NUS runs a range of student sections centred around particular groups of students. This area includes the salary cost for the Full Time International Students Officer. No activity cost is shown as this area, for 12/13, as it is placed in a 'zones, liberation and student sections' 'pot' which will be allocated by the NEC post-Conference based on democratic mandates (see below). Costs for their committees, network days and campaigns in 2012/13 are allocated from the pot below. Their Conferences are budgeted to breakeven. This does not include the cost of staffing support which is included in HQ Policy & Delivery Units in Section 4.

Zones, Sections, Liberation 'Pot'	Budget 11/12	Estimate 12/13
Activity Costs	0	(180,000)
Joint Special Projects	0	(10,000)
Total	0	(190,000)

**Zones, Sections and Liberation Pot Allocation:** From this 'pot' the Zones, Liberation Campaigns and Student Sections will bid for an allocation after National Conference, based on democratic mandates, the priorities you set for campaigning and work programmes and a test to ensure these activities benefit students' unions. In addition new fund has been created to facilitate joint projects between Zones, Sections, and Liberation.

## National Conference 2012 | Estimates

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Priority Campaigns	Budget 11/12	Estimate 12/13
Priority Campaign Fund	(69,500)	(70,000)
Long Term Campaigning Fund	0	(10,000)
Total	(69,500)	(80,000)

**Priority Campaigns:** The “Priority Campaigns Fund” is the key campaign budget for the year and is allocated to the campaign(s) chosen as a priority by the NEC. In 2012/13 the priority campaign fund is likely to be used to fund activity across NUS UK, Scotland, Wales and Northern Ireland to secure fairer funding. An additional fund has been created for 12/13; this envisages a specific amount to be transferred to reserves to invest in our work at the next General Election.

Local Campaigning Capacity	Budget 11/12	Estimate 12/13
Local Campaigning Capacity	(58,000)	(55,000)
Total	(58,000)	(55,000)

**Local Campaigning Capacity:** As well as carrying out National campaigning work, National Conference has repeatedly mandated that NUS invests in local campaigning capacity. In the coming year this will focus on three areas; improving the **campaigning effectiveness** of students’ unions; building a new generation of **student activists** through students’ unions; and supporting **activism training** inside Liberation campaigns.

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### Summary of allocation

ZONES, LIBERATION & SECTIONS	Budget 11/12	Estimate 12/13
Zones	(211,005)	(132,250)
Liberation	(173,604)	(105,800)
Sections	(48,401)	(26,450)
Zones, Sections, Liberation ‘Pot’	0	(190,000)
Priority Campaigns	(69,500)	(80,000)
Local Campaigning Capacity	(58,000)	(55,000)
<b>Total Zones Liberation &amp; Sections</b>	<b>(560,510)</b>	<b>(589,500)</b>

# National Conference 2012 | Estimates

## 2 | GOVERNANCE

Section 2 includes costs relating to NUS' central governance and democratic structures. A detailed explanation of what each area covers is given below each subsection.

National Conference	Budget 11/12	Estimate 12/13
Contribution to costs	(190,000)	(170,000)
TOTAL	(190,000)	(170,000)

**National Conference:** This area contains all of the costs and income associated with NUS' National Conference, along with some costs that relate to the Democratic Procedures Committee and their meetings. It also houses the budget for Elections and the Chief Returning Officer. This is a netted off contribution figure and thus assumes considerable income from sponsorship and stalls, increased in 12/13.

Democracy	Budget 11/12	Estimate 12/13
Staff Costs	0	0
Activity Costs	(67,000)	(52,552)
TOTALS	(67,000)	(52,552)

**Democracy:** This area contains a range of functions essential to the operation of NUS' Democratic Structures- safeguarding, trustee board costs, committees training, affiliations campaigns, external affairs and groups and networks. An allocation is been made here to cover the introduction of out of pocket expenses for volunteers. In the coming year considerable savings are possible thanks to more intelligent and efficient travel and accommodation booking.

Affiliations	Budget 11/12	Estimate 12/13
Affiliations	0	(20,000)
TOTAL	0	(20,000)

**Affiliations:** This area houses any of NUS' affiliations to external organisations in the coming year. The two most significant affiliations are London Citizens, an organisation which NUS is carrying out considerable partnership work with, and the European Students' Union.

Access	Budget 11/12	Estimate 12/13
Activity Costs	(45,000)	(45,000)
TOTALS	(45,000)	(45,000)

**Access:** This area houses central subsidy costs for participation across NUS structures by Disabled Students.

National Executive Council	Budget 11/12	Estimate 12/13
Staff Costs	(26,401)	0
Activity Costs	(35,500)	(35,500)
TOTALS	(61,901)	(35,500)

**National Executive Council (NEC):** Inside this area are all of the costs relating meetings of the NEC, its committees (such as Anti Racism Anti Fascism), travel and expenses for the "Block" members. There is also provision in here for the training, development and meetings of NUS' Full Time Officers. The honorarium for the National President was included in the Budget in 11/12, this has now been moved to Strategic Development below.

Liberation Conferences	Budget 11/12	Estimate 12/13
Conferences	(100,000)	(110,000)
TOTAL	(100,000)	(110,000)

**Liberation Conferences:** This area includes all costs and income relating to the conferences of Liberation campaigns. This is a netted off contribution figure and thus assumes considerable income from delegate income, sponsorship and stalls. This area formerly housed Liberation activism training which has now moved to section one. The increased budget reflects increased participation in the campaigns in recent years.

# National Conference 2012 | Estimates

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## Summary of allocation

<b>GOVERNANCE</b>	<b>Budget 11/12</b>	<b>Estimate 12/13</b>
Democracy	(67,000)	(52,552)
Affiliations	0	(20,000)
National Conference	(190,000)	(170,000)
Access	(45,000)	(45,000)
Nat Exec Council	(61,901)	(35,500)
Liberation Conferences	(100,000)	(110,000)
<b>TOTAL GOVERNANCE</b>	<b>(463,901)</b>	<b>(433,052)</b>

# National Conference 2012 | Estimates

## 3 / POLICY & DELIVERY

This area includes all of the central units based at HQ, and any smaller offices or home workers across England. Each area combines both capacity building and voice support activity.

Political Strategy Unit	Budget 11/12	Estimate 12/13
Staff Costs	(302,553)	(326,971)
Activity Costs	(76,200)	(67,400)
Income	0	0
TOTALS	(378,753)	(394,371)

**Political Strategy Unit:** This area houses our campaigns and political strategy staff, as well as the Press Office and Public Affairs unit. The area here includes staffing on the campaigns effectiveness programme and activist development programmes, as well as support for Zones, Sections & Liberation Campaigns. Also included here are a range of central fixed costs including subscriptions and publications related to press and public affairs. Costs relating to Parliamentary lobbying and receptions are also included here. The increase in staff costs is due to Liberation Campaign student support staff being managed from this unit in 12/13. The reduction in costs represents efficiency savings.

Higher Education Unit	Budget 11/12	Estimate 12/13
Staff Costs	(222,057)	(224,526)
Activity Costs	(28,800)	(28,800)
Income	0	0
TOTALS	(250,857)	(253,326)

**Higher Education Unit:** This unit includes staff support for research and policy in all areas of Higher Education, as well as regional support staff who specialise in HE issues. Not included but run from this area include a range of HE projects funded by HEFCE, the QAA and the Higher Education Academy.

Further Education Unit	Budget 11/12	Estimate 12/13
Staff Costs	(208,088)	(207,894)
Activity Costs	(44,829)	(29,829)
Income	0	0
TOTALS	(252,917)	(237,723)

**Further Education Unit:** This unit includes staff support for research and policy in all areas of Further Education (including both union development and education issues), as well as regional development staff who specialise in FE support. The major reduction in costs reflect the move of affiliations to Section 2 in this year's estimates (the ESU affiliation had been erroneously included in the budget here).

Not included but run from this area is a range of project work on learner voice funded by the Skills Funding Agency and the Learning & Skills Improvement Service.

Social Policy Unit	Budget 11/12	Estimate 12/13
Staff Costs	(128,253)	(132,901)
Activity Costs	(22,400)	(22,400)
Income	0	0
TOTALS	(150,653)	(155,301)

**Social Policy Unit:** The Social Policy Unit houses research and policy staff support for Welfare, including areas like Accommodation, Student Funding and Student Health, as well as research support for all four of NUS' liberation campaigns.

Not included but run from this area are two projects, one funded by the charity DrinkAware and one focussed on students and faith issues funded by the Department for Business, Innovation & Skills.

Democracy & Governance Unit	Budget 11/12	Estimate 12/13
Staff Costs	(326,589)	(351,117)
Activity Costs	(42,500)	(42,500)
Income	0	0
TOTALS	(369,089)	(393,617)

# National Conference 2012 | Estimates

**Democracy & Governance Unit:** This unit includes staff support for areas of work such as Union Governance, Officer Development, support for NUS' Governance, as well as regional support staff who specialise in Democracy & Governance issues. The increase in staff costs reflect a full year team of staff for 2012-13 (in the previous year we budgeted a reduced complement)

Officer Development Programme	Budget 11/12	Estimate 12/13
Staff Costs	0	0
Activity Costs	(233,300)	(233,300)
Income	233,300	233,300
<b>TOTALS</b>	<b>0</b>	<b>0</b>

**Officer Development Programme:** This area houses the National Training Programme for both HE and FE officers, and is budgeted to break even. FE training is subsidised through grant funding from LSIS.

Policy Unit	Budget 11/12	Estimate 12/13
Staff Costs	(90,062)	(84,024)
Activity Costs	(10,000)	(10,000)
Income	0	0
<b>TOTALS</b>	<b>(100,062)</b>	<b>(94,024)</b>

**Policy Unit:** This policy unit houses Policy support for the National President and NEC; special projects; Chief Executive areas and long term policy analysis and support, as well as staff carrying out one off and special projects on behalf of the Nations.

Management & Overhead	Budget 11/12	Estimate 12/13
Staff Costs	(139,853)	(128,888)
Activity Costs	(20,000)	(20,000)
Income	0	0
<b>TOTALS</b>	<b>(159,853)</b>	<b>(148,888)</b>

**Management & Overhead:** This includes management and support costs across the Policy & Delivery Units, including professional fees and staff meetings and central management support for the NUS Nations. The reduced staff cost reflects more accurate budgeting in 2012-13

POLICY & DELIVERY	Budget 11/12	Estimate 12/13
Political Strategy Unit	(£378,753)	(£394,371)
Higher Education Unit	(£250,857)	(£253,326)
Further Education Unit	(£252,917)	(£237,723)
Social Policy Unit	(£150,653)	(£155,301)
Democracy & Governance Unit	(£369,089)	(£393,617)
Officer Development Programme	£0	£0
Policy Unit	(£100,062)	(£94,024)
Management & Overhead	(£159,853)	(£148,888)
<b>TOTAL POLICY &amp; DELIVERY</b>	<b>(£1,662,184)</b>	<b>(£1,677,250)</b>

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## 4 | NATIONS

NUS' Nations work is devolved and autonomous. This section reflects the costs of running each operation's support, management, administration and activity costs in the coming year. They do not include any central Nations management costs, and any contribution to overheads or infrastructure at NUS UK.

<b>Scotland</b>	<b>Budget 11/12</b>	<b>Estimate 12/13</b>
Staff Costs	(341,382)	(308,872)
Activity Costs	(106,593)	(106,593)
Income	0	0
<b>TOTALS</b>	<b>(447,975)</b>	<b>(415,465)</b>

**Scotland:** This includes all management, support, campaign, conference and activity costs in Scotland. Scotland goes on to produce its own detailed budgets scrutinised and approved at its own conference. The 12/13 Budget erroneously included the cost of funding one extra person so this has been corrected in the Estimates hence the apparent drop in staff costs.

Not included but run from this area include a range of projects such as SPARQS (Student Participation in Quality Scotland), Students without Borders, Think Positive- Student Mental Health Project

<b>Wales</b>	<b>Budget 11/12</b>	<b>Estimate 12/13</b>
Staff Costs	(221,019)	(220,734)
Activity Costs	(99,900)	(84,050)
Income	15,850	0
<b>TOTALS</b>	<b>(305,069)</b>	<b>(304,784)</b>

**Wales:** This includes all management, support, campaign, conference and activity costs in Wales. Wales goes on to produce its own detailed budgets scrutinised and approved at its own conference.

Not included but run from this area are a range of projects such as WISE (Welsh Initiative on Student Engagement), DrinkAware, FE Learner Voice Project

<b>NUS-USI</b>	<b>Budget 11/12</b>	<b>Estimate 12/13</b>
Staff & Activity Costs	(112,828)	(114,353)
Affiliation Fees	96,598	96,598
<b>TOTALS</b>	<b>(16,230)</b>	<b>(17,755)</b>

**NUS-USI:** NUS-USI is a partnership arrangement between NUS UK and the Union of Students in Ireland. Unlike for Wales and Scotland, income from unions in Northern Ireland is allocated directly here (hence the apparently much smaller contribution) and funds from external sources cover management, support campaign and activity costs in NUS-USI in the coming year.

Not included but run from this area: Open Your Mind project

<b>NATIONS</b>	<b>Budget 11/12</b>	<b>Estimate 12/13</b>
Scotland	(447,975)	(415,465)
Wales	(305,069)	(304,784)
NUS-USI	(16,230)	(17,755)
<b>TOTAL NATIONS</b>	<b>(769,274)</b>	<b>(738,004)</b>

## 5 | BUSINESS SERVICES & RESOURCES

Business Services & Resources includes the Events team, Chief Executive and National President, the administration team at NUS HQ as well as NUS's share of the cost of running the Group's HR, Finance and IT functions.

<b>Events &amp; Conferencing</b>	<b>Budget 11/12</b>	<b>Estimate 12/13</b>
Staff Costs	(124,282)	(134,013)
Events Activity Costs	(5,000)	(5,000)
<b>TOTALS</b>	<b>(129,282)</b>	<b>(139,013)</b>

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**Events & Conferencing:** This area houses the events & conferencing department of NUS providing central events organisation and support, and events support costs. The increase in staff costs reflect a full year team of staff for 2012-13 (in the previous year we budgeted a reduced complement)

Finance Dept & Finance Costs	Budget 11/12	Estimate 12/13
Staff Costs	0	0
Activity Costs	(274,307)	(274,307)
TOTALS	(274,307)	(274,307)

**Finance:** This area includes the shared service cost of finance being provided by NUS Services. This includes all staffing and financial administration costs.

NUS HQ & Admin	Budget 11/12	Estimate 12/13
Staff Costs	(110,046)	(113,051)
Activity Costs	(142,795)	(142,795)
TOTALS	(252,841)	(255,846)

**NUS HQ:** This area includes the key central running costs of NUS, including central admin staff, training, central subscriptions, audit fees, bank charges, some travel as well as a provision for bad debts.

HR	Budget 11/12	Estimate 12/13
Staff Costs	0	0
Activity Costs	(218,190)	(218,190)
TOTALS	(218,190)	(218,190)

**HR:** This area includes the shared service cost of human resources being provided by NUS Services. Previously this had been outsourced, during the last quarter of 2011 we brought this function in house recruiting a Head of People and an HR officer. Staff costs exist but NUS Services is the employer and so are housed in a recharge rather than the staff cost line.

IT	Budget 11/12	Estimate 12/13
Activity Costs	(468,700)	(468,700)
TOTALS	(468,700)	(468,700)

**IT:** This area includes the NUS contribution to the shared service cost of IT and Web being provided by NUS Services, as well as all external costs relating to our web hosting companies that provide the infrastructure for nus.org.uk and NUS Connect.

Strategic Development	Budget 11/12	Estimate 12/13
Staff Costs	(174,281)	(131,198)
Activity Costs	(60,768)	(60,768)
Income	0	0
TOTALS	(235,049)	(191,966)

**Strategic Development:** This area includes Chief Executive and National President's costs as well as costs relating to the Senior Management Group and their meetings and a range of legal / strategic development costs. The reduction in costs reflect the move of a salary in Communication to the Communications area

BUSINESS SERVICES & RESOURCES	Budget 11/12	Estimate 12/13
NUS HQ	(252,841)	(255,846)
Finance	(274,307)	(274,307)
Events, Conferencing & Admin	(129,282)	(139,013)
HR	(218,190)	(218,190)
IT	(468,700)	(468,700)
Strategic Development	(235,049)	(191,966)
<b>TOTAL BUSINESS SERVICES</b>	<b>(1,578,369)</b>	<b>(1,548,022)</b>

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## 6 | COMMUNICATIONS AND MARKETING

In this section you will find costs relating to communications for the National Union. It includes corporate comms, copy and design and marketing. Web infrastructure spend is included in IT in Section 5.

Communications & Marketing Unit	Budget 11/12	Estimate 12/13
Staff Costs	(176,360)	(262,335)
Activity Costs	(117,600)	(57,600)
Marketing Income	115,555	76,079
Totals	(178,405)	(243,856)

**Communications & Marketing Unit:** This area includes costs relating to NUS' corporate communications functions, including communications strategy, web and print staff, and support for key marketing projects inside NUS such as the NUS Awards and Friends of NUS Schemes. Some costs are shared with NUSSL. The Director of Marketing and Communications was included in Strategic Development in the Budget but has been moved here in the Estimate, hence the increase in staff costs.

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## 7 | OTHER OPERATING EXPENDITURE

In this section you will find costs relating to infrastructure, Pension deficit and irrecoverable VAT as well as contingency.

Other operating expenditure	Budget 11/12	Estimate 12/13
Premises (inc Nations)	(593,456)	(603,415)
Pension Deficit Provision	(183,795)	(213,234)
Contingency (inc Maternity and increments)	0	(68,000)
Irrecoverable VAT	(180,000)	(160,000)
Totals	(957,251)	(1,044,649)

**Other:** This area includes costs those costs of running each of our buildings in London, Cardiff, Edinburgh, & Belfast, providing for the pension deficit (described above), the amount of VAT that we are unable to recover and a contingency to provide for increments and maternity cover. As described above the Estimate includes the anticipated costs of moving to a new owned building in London in 2013 and the resultant costs and savings of that premise. Cover for Maternity and Increments is centralised here in the Estimates but moves to departments when we set the detailed budget in May as we know more.

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## 8 | NUS CHARITABLE SERVICES

NUS Charitable Services Limited has been registered with the Charity Commission.

The charity is responsible for ensuring students' union excellence and will have four main roles.

- Students' Union Quality Assurance
- Strategic Support
- Students' Union Staff Development
- Ethical and Environmental

This section does detail anticipated core costs. Over the next year, as we win new projects or renew existing ones our intention is for them to move into the Charity.

- **Students' Union Quality Assurance:** This unit includes what was previously SUEI (Students' Unions Evaluation Initiative). It will continue and enhance the work that was formerly done by SUEI.
- **Strategic Support:** This unit is focused on supporting Unions in difficulty or crisis. They perform diagnostics and the source appropriate professional and cross-Union assistance for those Unions that require it.
- **Student Union Staff Development Unit:** This area houses much of the activity formerly associated with AMSU (the Association of Managers in Students' Unions) including Job Ad revenue, costs for NCVO membership for all unions and support for professional groups, as well as the new Talent Management Programme.
- **Ethical and Environmental (E&E):** The E&E department which is currently within NUS Services is planned to move into the Charity in due course. The E&E team provide ethical procurement support to the purchasing consortium as well as running environmental behavioural change programmes within over 100 Unions and nearly 50 universities. The costs and income from this unit are presently contained within NUS Services.

Charity	Budget 11/12	Estimate 12/13
Staff Costs	(227,640)	(251,074)
Activity Costs	(462,124)	(363,384)
Income	469,550	355,600
<b>TOTALS</b>	<b>(220,214)</b>	<b>(258,858)</b>

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## 9 | UNRESTRICTED INCOME

### NUS Extra

NUS Extra	Budget 11/12	Estimate 12/13
Total	970,774	1,370,000

**NUS Cards:** NUS Extra represents one of the major sources of income to NUS. The above figures reflect a phased programme to increase the net contribution to NUS of the NUS Extra card over the coming years. These Estimates include anticipated growth of 20% over last year as well as NUS's share of a £1 price increase on the card.

### Affiliation Fees

Affiliation Fees	Budget 11/12	Estimate 12/13
Total	3,869,922	3,720,000

**Affiliation Fee Income:** It is proposed that the methodology for the affiliation fee is revised to a more equitable basis. A reduction of £150,000 versus 2011-12 Budget has been included to facilitate this.

CENTRAL INCOME	Budget 11/12	Estimate 12/13
Contribution from Projects	107,000	87,000
Affinity Income	144,200	150,000
Investment Income	792,000	792,000
Property Rental	40,000	12,000
Other Income	455,324	408,333
TOTALS	1,531,524	1,449,333

**Central Income:** This includes the following:

- contribution to overheads from externally funded projects,
- affinity and investment income,
- property rental,
- bank interest,
- sponsorship income and
- ad hoc income.

This year we have included a breakdown of the various income sources included in the calculation. The reduction is largely due to reduced rental income from a property owned in London and uncertainty over the ad hoc income we have received in the previous year.

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## Summary

UNRESTRICTED INCOME	Budget 11/12	Estimate 12/13
NUS Extra Card	970,774	1,370,000
Affiliation Fees	3,869,922	3,720,000
Central Income	1,531,524	1,449,333
UNRESTRICTED INCOME	6,372,220	6,539,333

Your notes

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