

University of Limerick Students' Union
ULSU Management Committee' Report and Financial Statements
for the year ended 30 September 2015

University of Limerick Students' Union

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University of Limerick Students' Union
ULSU MANAGEMENT COMMITTEE AND OTHER INFORMATION

Registered Office and Business Address

University of Limerick
Castletroy
Limerick
Ireland

Auditors

Pat Carroll & Company
Chartered Accountant and Registered Auditors
The RiverFront
Howleys Quay
Limerick

Bankers

Ulster Bank Limited
University of Limerick Branch,
Plassey,
Limerick.

Plassey Credit Union Ltd
Plassey Park Road
Castletroy
Limerick

Solicitors

Dundon Callanan
17 The Crescent
Limerick

University of Limerick Students' Union ULSU MANAGEMENT COMMITTEE' REPORT

for the year ended 30 September 2015

The ULSU Management Committee present their report and the audited financial statements for the year ended 30 September 2015.

Principal Activity

The University of Limerick Students' Union is an association established under a constitution. The principal activities of the Union are as set out in Article 2:

- To represent its members, on matters affecting their interests as students of this University.
- To promote unity and encourage communication amongst its members.
- To seek the facilities requires by, and advantageous to its members and where appropriate to provide these services.
- To provide and manage viable and quality control, recreational and commercial services for members.
- To actively pursue good relations between its members and the community.
- To work for an equitable education system in this country.
- To implement and develop a bilingual policy of both Irish and English where practicably possible, while still promoting all other languages.

Principal Risks and Uncertainties

The Union does not foresee any principal risks or uncertainties into the future.

Results and Dividends

The profit for the year after providing for depreciation amounted to €163,472 (2014 265,632).

The ULSU Management Committee do not recommend payment of a dividend.

Auditors

The auditors, Pat Carroll & Company, have indicated their willingness to continue in office.

Books of Account

To ensure that proper books and accounting records are kept in accordance with Section 202 Companies Act, 1990, the ULSU Management Committee have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The books of account are located at the union's office at University of Limerick, Castletroy, Limerick.

Signed on behalf of the board

Colin Clarke

Ciara Corcoran

Date:

University of Limerick Students' Union

STATEMENT OF ULSU MANAGEMENT COMMITTEE' RESPONSIBILITIES

for the year ended 30 September 2015

The ULSU Management Committee are responsible for preparing the ULSU Management Committee' Report and the financial statements in accordance with Irish law and regulations.

The Union Constitution requires the ULSU Management Committee to prepare financial statements giving a true and fair view of the state of affairs of the union and the profit or loss of the union for each financial year. Under that constitution the ULSU Management Committee have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice.

In preparing these financial statements, the ULSU Management Committee are required to:

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

The ULSU Management Committee are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Union. They are also responsible for safeguarding the assets of the union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the board

Colin Clarke

Ciara Corcoran

Date:

INDEPENDENT AUDITOR'S REPORT

to the Committee of University of Limerick Students' Union

We have audited the financial statements of University of Limerick Students' Union for the year ended 30 September 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the Union members, as a body. Our audit work has been undertaken so that we might state to the union's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of ULSU Management Committee and auditors

As explained more fully in the Statement of ULSU Management Committee' Responsibilities, the ULSU Management Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the ULSU Management Committee; and the overall presentation of the financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. In addition, we read all the financial and non-financial information in the ULSU Management Committee' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes assessment of the significant estimates and judgements made by ULSU Management Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Union's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit as to obtain all the information and explanation which we considered necessary in order to provide us with the sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

Opinion

In our opinion, except for the effects of the matter described in the Basis for qualified opinion paragraph, the financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the union's affairs as at 30 September 2015 and of its profit for the year then ended; and
- have been properly prepared from the books and records of the Union.

Emphasis of Matter-Completeness of Income

In forming our opinion, we have considered the completeness of Income in respect of the Student Capitation Income and rental income. Student Capitation is collected by the University of Limerick but they do not provide accounting for this stream of income, other than the payment of the income. The rental income is paid by an associated company of the University and the same method is used. The ULSU Management Committee, have made their best estimates to provide for any potential overpayment. Up to three years ago, rent was being accrued for. This changed as the entity collecting the rent no longer provides relevant accounts. We not qualify our audit opinion in the regard.

We draw attention to the turnover accounting policy similar to the other organisations of a similar nature, in respect of systems of control which generally depend upon the close involvement of the ULSU Management Committee and student representatives and volunteers especially regarding cash transactions in the events organisation area. We do not qualify our audit opinion in this regard.

INDEPENDENT AUDITOR'S REPORT
to the Committee of University of Limerick Students' Union

PAT CARROLL & COMPANY
Chartered Accountant and Registered Auditors
The RiverFront
Howleys Quay
Limerick

Date:

University of Limerick Students' Union
PROFIT AND LOSS ACCOUNT
for the year ended 30 September 2015

	Notes	2015	2014
Turnover	1	1,103,962	1,045,928
Gross profit		1,103,962	1,045,928
Administrative expenses		(939,151)	(778,522)
Operating profit	2	164,811	267,406
Interest receivable and similar income	3		393
Interest payable and similar charges	4	(1,339)	(2,167)
Profit on ordinary activities before taxation		163,472	265,632
Tax on profit on ordinary activities		-	-
Profit for the year	12	163,472	265,632

The union has no recognised gains or losses other than the profit for the year. The results for the year have been calculated on the historical cost basis. The union's turnover and expenses all relate to continuing operations.

Approved by the board on Date: and signed on its behalf by

Colin Clarke

Ciara Corcoran

University of Limerick Students' Union

BALANCE SHEET

as at 30 September 2015

		2015	2014
	Notes		
Fixed Assets			
Tangible assets	6	<u>50,802</u>	<u>8,930</u>
Current Assets			
Debtors	7	29,896	78,054
Cash at bank and in hand		<u>934,303</u>	<u>727,938</u>
		964,199	805,992
Creditors: Amounts falling due within one year	8	<u>(66,819)</u>	<u>(47,167)</u>
Net Current Assets		<u>897,382</u>	<u>758,805</u>
Total Assets less Current Liabilities		<u>948,184</u>	<u>767,735</u>
Creditors			
Amounts falling due after more than one year	9	<u>(13,194)</u>	<u>(21,455)</u>
Net Assets		<u>934,990</u>	<u>746,280</u>
Capital and Reserves			
Called up share capital	11	0	0
Other reserves	12	300,000	274,762
Profit and loss account	12	<u>634,990</u>	<u>471,518</u>
Committee' Funds	13	<u>934,990</u>	<u>746,280</u>

Approved by the board on Date: and signed on its behalf by

Colin Clarke

Ciara Corcoran

University of Limerick Students' Union

ACCOUNTING POLICIES

for the year ended 30 September 2015

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland. They comply with the financial reporting standards of the Financial Reporting Council. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the union's financial statements.

Cash flow statement

The union has availed of the exemption in FRS 1 from the requirement to produce a cash flow statement because it is classed as a small union.

Turnover

All income is recognised on a cash receipt basis:

(i) Capitation

The University of Limerick collects subscriptions ("capitation") from students on behalf of the Students Union. These are paid to the Union twice yearly usually in October and February of the financial year. All this income is recognised in the financial year. The University have verbally confirmed that they will never seek to reclaim any overpayment, they will offset same against the following years capitation payment so there is no need for an accrual.

(ii) Subvention

Subvention represents grants received by the Union from the University of Limerick.

(iii) Rent

The Union earns rent from its involvement in the management of the student centre, on a cash received basis.

(iv) Other Services to members

Other services to members represents the income derived from the Union activities for its members. All income, other than amounts for capitation and subvention, are derived from activities conducted with members. The Committee in its opinion has taken reasonable steps and controls to ensure, as far as they reasonably can, that this income is substantially complete and reflected in these accounts. However, in common with other similar organisations, accounting records and systems of control are generally dependent on the close involvement of the Committee and student representatives and volunteers, especially regarding cash transactions in the entertainment and events organisation area.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Plant and machinery	- 20% Straight Line
Fixtures, fittings and equipment	- 20% to 33% Straight Line
Motor vehicles	- 20% to 25% Straight Line

Leasing

Tangible fixed assets held under leasing arrangements which transfer substantially all the risks and rewards of ownership to the union are capitalised and included in the balance sheet at their cost or valuation, less depreciation. The corresponding commitments are recorded as liabilities. Payments in respect of these obligations are treated as consisting of capital and interest elements, with interest charged to the profit and loss account.

Rentals payable under operating leases are dealt with in the profit and loss accounts as incurred over the period of the rental agreement.

Stocks

Stocks are valued at the lower of costs and net realisable value. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

Taxation

The Union is a representative entity which operates activities for and on behalf of its members. It is the view of the Committee that the Union is not subject to taxes on this basis.

University of Limerick Students' Union

ACCOUNTING POLICIES

for the year ended 30 September 2015

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions, during the year, which are denominated in foreign currencies are translated at the rates of exchange ruling at the date of the transaction. The resulting exchange differences are dealt with in the profit and loss account.

Clubs & Societies Allocations and Expenditure.

The Union has agreed with Clubs and Societies (C & S) to pay to them their share of the income in the year it arises. These funds are transferred to C & S bank accounts for their use. At the year-end, any unused funds are carried over to the following year. The unspent amount is accrued for in current liabilities.

University of Limerick Students' Union

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2015

1. TURNOVER

The turnover for the year has been derived from:-

	2015	2014
Capitation	963,737	949,800
Subvention	23,231	23,321
Sponsorship	0	4,114
Other Income	116,994	68,693
	<u>1,103,962</u>	<u>1,045,928</u>

The whole of the union's turnover is attributable to its market in the Republic of Ireland and is derived from the principal activity of Student Union representation and ancillary activities.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2015	2014
Depreciation of tangible assets	<u>7,881</u>	<u>9,105</u>

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2015	2014
Bank interest	<u>0</u>	<u>393</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
Finance lease charges	<u>1,339</u>	<u>2,167</u>

5. EMPLOYEES AND REMUNERATION

The staff costs comprise:

	2015	2014
Wages and salaries	386,815	331,821
Pension costs	1,987	1,385
	<u>388,802</u>	<u>333,206</u>

University of Limerick Students' Union
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2015

continued

6. TANGIBLE FIXED ASSETS	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
Cost				
At 30 September 2014	58,859	148,261	93,839	300,959
Additions	-	-	44,000	44,000
	<u>58,859</u>	<u>148,261</u>	<u>137,839</u>	<u>344,959</u>
At 30 September 2015	58,859	148,261	137,839	344,959
Depreciation				
At 1 October 2014	59,669	138,522	93,838	292,029
Charge for the year	0	910	1,218	2,128
	<u>59,669</u>	<u>139,432</u>	<u>95,056</u>	<u>294,157</u>
At 30 September 2014	59,669	139,432	95,056	294,157
Net book value				
At 30 September 2015	<u>(810)</u>	<u>8,829</u>	<u>42,783</u>	<u>50,802</u>
At 30 September 2014	<u>(810)</u>	<u>9,739</u>	<u>1</u>	<u>8,930</u>
7. DEBTORS			2015	2014
Trade debtors			4,016	9,792
Amounts owed by group companies			17,994	67,823
Taxation and social welfare (Note 10)			0	439
Prepayments			7,886	0
			<u>29,896</u>	<u>78,054</u>
8. CREDITORS			2015	2014
Amounts falling due within one year				
Trade Creditors			(115)	0
Amounts Owed to Group Companies			15,046	0
Taxation and social welfare (Note 10)			8,662	8,270
Other creditors			19,099	5,059
Accruals and deferred income			24,064	33,858
			<u>66,819</u>	<u>47,187</u>
9. CREDITORS			2015	2014
Amounts falling due after more than one year				
Finance leases and hire purchase contracts			13,194	21,455
			<u>13,194</u>	<u>21,455</u>
10. TAXATION AND SOCIAL WELFARE			2015	2014
Creditors:				
PAYE			8,622	8,270
			<u>8,622</u>	<u>8,270</u>

University of Limerick Students' Union
NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 30 September 2015

11 RESERVES

	Profit and loss account	Special reserve	Total
At 1 October 2014	471,518	300,000	746,280
Profit for the year	163,472		163,472
At 30 September 2014	<u>634,990</u>	<u>300,000</u>	<u>934,990</u>

12. RECONCILIATION OF MOVEMENTS IN COMMITTEE' FUNDS

	2015	2014
Profit for the year	163,472	265,632
Opening committee' funds	746,280	480,648
Closing committee' funds	<u>934,990</u>	<u>746,280</u>

13. RELATED PARTY TRANSACTIONS

Transactions with group companies include ...

The following amount are owed by other connected parties:	2015	2014
ULSU Trading Limited	17,994	67,714

The Union is the 100% beneficial owner of the shares in ULSU Trading Limited, which began commercial trading on 1st of October 2012. The company's principal activities are entertainments, merchandise sales, bus tickets, common room income etc. The General Manager of the Company holds the shares in trust for the Union

Depending on the cash flow of each entity, the funds are advanced between the entities. The Union also provided administration and accounting support to the company. The outstanding amounts at the period end are set out in the notes. As the company is a commercial company and as the Students Union is a representative union of members, consolidation of accounts has not taken place as the two entities carry on dissimilar activities.

The results for the year ended 30th of September 2015 and the accumulated surplus for the Company at 30th September 2015 are as follows:

ULSU Trading Ltd	2015
(loss)profit for the year after tax	(1,432)
Accumulated(deficit)surplus as 30/09/2015	32,942

The UL Postgraduate Student Association is currently a separate organisation to Union

University of Limerick Students' Union
NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 30 September 2015

14. ANALYSIS OF RESERVES

The reserves in the Union are required to be split between different reserve funds. Previously when the Union had a surplus of income over expenditure the Union so reserved. Given the losses recently incurred the deficit in reserves is greater than the requirements set out in the constitution. On this basis the requirements of the constitution cannot be met. The ULSU Management Committee shall decide on its level of reserves at its meeting

Strategic Plan Implementation Fund	26,715	26,715
Student Union Capital Projects	20,036	20,036
Student Union Development Reserves	20,036	20 036
Union Contingency Fund	109,775	84,537
Article 20 Reserve	<u>123,438</u>	<u>123,438</u>
	300,000	274,762

15. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of ULSU Management Committee on 12th March 2016.

