

Registered number: 07091173  
Charity number: 1136030

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**THE CAMBRIDGE UNION SOCIETY**  
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**



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**THE CAMBRIDGE UNION SOCIETY**  
**(A Company Limited by Guarantee)**

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**THE CAMBRIDGE UNION SOCIETY**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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<b>Trustees</b>	The Rt. Hon. Lord Smith of Finsbury, Chair Mr D H Branch MA (Cantab) Mr N W Brown, OBE, MA Ms L Gumusdis Mr T M Hayward Mr N Heath, MA, FRICS Mr W J F Howard BA (Cantab) The Hon. D Janner QC, BA (Cantab) Ms A O Lambert BA (Cantab) Mr A Swarbrick, BA, FCA Ms J Turner QC, LLB Dr N J Yandell, Ph.D.
<b>Company registered number</b>	07091173
<b>Charity registered number</b>	1136030
<b>Registered office</b>	9A Bridge Street Cambridge CB2 1UB
<b>Bursar</b>	Colonel (Retd) W A Bailey, MBE, BSc, MInstRE, FCMI
<b>Independent auditors</b>	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
<b>Bankers</b>	Lloyds TSB Bank Plc 3 Sidney Street Cambridge CB2 3HQ  HSBC Bank Plc 32 Market Hill Cambridge CB2 3NU
<b>Solicitors</b>	Taylor Vinters Merlin Place Milton Road Cambridge CB4 0DP
<b>Investment Managers</b>	Quilter Cheviot One Kingsway London WC2B 6AN

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**THE CAMBRIDGE UNION SOCIETY**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Cambridge Union Society (the company) and its subsidiary, Cambridge Union Society Enterprises Limited for the year ended 30 June 2016.

The charity is known as the Union.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

## **OBJECTIVES AND ACTIVITIES**

### **Policies and objectives**

The trustees and officers have embarked on a development strategy for the Union. The overarching aim of the strategy is to safeguard and promote the future of the charity and its historic buildings by developing its property to benefit members and enhance its income.

The trustees and officers have reviewed the general objects of the charity (listed below) that are for the benefit of the Cambridge Union Society members and of the public more generally. The charity's primary object is the advancement of education, in particular by:

- promoting the skill of debating and the consideration of matters of public life or importance;
- hosting educational events including, but not limited to, debates on topics of importance and lectures given by individual persons of distinction;
- providing training in the practice of debating to Cambridge Union Society members and also by providing for the tuition of others in the practice of debating by Cambridge Union Society members;
- providing for the entrance of Cambridge Union Society members in debating competitions, including competitions held by the charity, and also by providing opportunities for members of the public to compete in the practice of debating;
- assisting Cambridge University Students' Union with the organisation and promotion of events aimed at widening access to Cambridge University and the promotion of higher education more generally;
- providing opportunities to encourage the exchange of ideas and provision of access by the public to the charity's facilities and events;
- providing workshops for the pupils of schools and colleges to attend to introduce them to the practice of debating; and
- enabling students and young people from disadvantaged backgrounds to participate in activities and events aimed at increasing their confidence, skills and aspirations.

The charity organises and hosts a national schools' debating competition to encourage the skills of young debaters. A number of bursaries are offered to schools with limited means to take part in this competition each year. The charity participates in international debating championships. The charity also encourages a number of younger children from schools from inner city areas to visit the Union where they are encouraged to learn to debate. The trustees intend to continue and develop these activities.

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**THE CAMBRIDGE UNION SOCIETY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**Policies and objectives (continued)**

In setting its policies and objectives, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

**ACHIEVEMENTS AND PERFORMANCE**

**Review of activities**

Following its bicentenary year, the charity has had another very successful year and organised 27 major debates during the Cambridge University terms. In addition, a significant number of events were arranged each week with high profile speakers such as Yanis Varoufakis, A.C Grayling, Lord Neuberger, Sir Mark Lyall Grant, Mark Hamill, Nick Clegg, Lord Alan Sugar, Heston Blumenthal and Ai Weiwei. These speaker events and debates were filmed and streamed through the new streaming service to members and then uploaded onto "You Tube" on the internet under the heading; "The Cambridge Union Society" for the benefit of the general public at large. The re-engagement with non-resident members started in the bicentenary year has continued.

Once again, the charity's debating squad has had an amazingly successful year. Former Union President Michael Dunn Goekjian reached the Grand Final of the World Championships and was named the best debater in the world, and former Debating Officers Harish Natarajan, Thomas Simpson and John Papantoniou came second, tenth and fifteenth respectively. Additionally, Cambridge teams have won a further 12 major competitions, including the Oxford IV and the HWS Round Robin (where Cambridge's four speakers ranked first through fourth), two of the most prestigious competitions in the world.

The charity continues to run the Cambridge Schools' Debating Competition, which involves well over 1,000 participants and is one of the largest debating competitions in the world. The competition offers a wide ranging bursary programme for less privileged schools which ensures that cost is no barrier to participation. In addition to our bursary programme the charity offers free debating workshops to schools, to allow as many students as possible a chance to debate at a high level.

Within Cambridge, the Union holds weekly debating workshops, women's public speaking nights and sends out many individuals to debate on the Union's behalf which means that the charity coordinates one of the most inclusive internal debating programmes in the world.

**FINANCIAL REVIEW**

New membership numbers fell for the 4th year in a row to 1605 compared with 1834 last year and 2095 the year before.

While membership numbers fell, income remained similar to the previous years due to the rise in membership fees and the accrued life membership income from the previous two years to £251,416 (2015: £259,344, 2014: £258,553). These funds continue to be invested in the Union's building and public rooms. A review of membership prices and marketing is underway in an attempt to stop this downward trend in membership numbers. This trend is surprising as the quality of major events and visiting speakers has again improved.

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**THE CAMBRIDGE UNION SOCIETY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**FINANCIAL REVIEW (CONTINUED)**

CUSEL, the charity's trading subsidiary company covenanted £157,837 to the charity this year (2015: £70,007), more than the previous year, partly due to the restructuring within the group. Due to the improved facilities, the number of corporate events, marriages and receptions the Union hosts has, yet again, increased. Conference Cambridge continues to treat the charity as an equal partner to the University colleges allowing it to compete in this valuable market.

In 2014 the Union sold part of its investment properties to Trinity College on a long lease for £4,500,000 as part of the Union's plans to redevelop and refurbish its buildings. With the sale of this investment property, rental income has also dropped correspondingly from £137,508 last year to £94,833. Following the termination of its lease, the charity's remaining investment property has been transferred into operational property until the future of the site has been determined.

After due consideration, the trustees invested a further £2,000,000 of the income from the sale of investment properties into the Union's investment portfolio. The investments value at the end of the year was £3,646,863 (2015: £1,500,662).

The cost of building maintenance has fallen for the second year. This has been offset by the cost of gas, electricity and water which has continued to rise during the period; the charity's 25-year-old boilers and hot water system need urgent replacement. Overall premises' costs have risen from £136,704 to £153,148.

To ensure prudent financial planning the trustees have set a target of Reserves approximately equal to 3 months of operation, a sum of £300,000. This policy will be reviewed regularly.

With funds of £11,775,217 (2015: £11,668,677) and with actual reserves of £6,042,099 at the year end, the trustees consider the state of the charity's affairs to be satisfactory. The large reserve is being held while the trustees consider plans for the future.

**Risk**

The key risk to the Union is the refurbishment and development of its property and the associated capital fund raising campaign. The trustees are closely monitoring these plans as they develop and will only proceed when they are confident that it is viable.

A good relationship between the trustees and the student officers is essential to the good running of the Union and has therefore been identified as an important risk to the charity. This has been improved by the inclusion of the president and vice president as trustees and by regular social gatherings involving both trustees and Standing Committee officers.

The trustees continually review the major strategic, business and operational risks which the charity faces. All electronic data, including membership is backed-up professionally off-site. The procedure for the selection of potential controversial speakers has been codified to minimise risk to the charity's reputation and in which the trustees hold the final decision.

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**THE CAMBRIDGE UNION SOCIETY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**Material investments policy**

In accordance with the charity's laws, the members have authorised the trustees to invest in such stocks, shares, investments and property as they see fit. In order to comply with the recommended practice of the Charity Commission and of the accounting profession, investments are stated at market value in the accounts.

In common with many universities and similar institutions, the charity does not invest in companies that make weapons or defence equipment.

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**THE CAMBRIDGE UNION SOCIETY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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## **PLANS FOR THE FUTURE**

The Union's plan to refurbish and develop the charity's property was granted planning permission on 30 November 2016. The charity will undergo an exciting development starting in 2017 which will enhance the charity's facilities and increase the charity's ability to generate additional income to fund even further refurbishment work. The work is due to be completed in early 2019.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The Cambridge Union Society was formed and registered with both Companies House (Registered Company Number: 07091173) and the Charity Commission (Registered Charity Number: 1136030) and the assets transferred from the old to the new charity on 1 July 2010. There have been some small changes to the constitution of the charity during the reporting year. The subsidiary company, Cambridge Union Society Enterprises Limited was created to handle the growing business interests of the charity. The Cambridge Union Society Enterprises Limited or CUSEL (Registered Company Number: 06785468) started its operations on the 1 July 2010.

### **Trustees**

The trustees of the charity who served during the year were:

Sir Richard Dearlove KCMG, OBE, Chair (resigned 31 July 2015)  
The Rt. Hon. Lord Smith of Finsbury, Chair (appointed 18 September 2015)  
Mr N W Brown, OBE, MA  
Mr W J Fitzalan Howard BA (Cantab) (appointed 24 November 2015)  
Mr A Swarbrick, BA, FCA  
Dr N Yandell Ph.D.  
Mr N Heath, MA, FRICS  
The Hon. D Janner QC, BA (Cantab)  
Ms Janet Turner QC, LLB  
Tim Hayward (appointed 4 September 2015)  
Mr O S Mosley\* BA (Cantab) (appointed 11 June 2015, resigned 3 December 2015) President  
Mr J W Hutt\* BA (Cantab) (appointed 3 December 2015, resigned 10 March 2016) President  
Ms C Ivers\* BA (Cantab) (appointed 10 March 2016, resigned 9 June 2016) President  
Ms A O Lambert\* BA (Cantab) (appointed 9 June 2016) President

\* Term of office as President of the Union

Since the end of the financial year the following trustees have joined the board:

Ms L Gumusdis  
Mr D Branch MA (Cantab)

### **Method of appointment or election of Trustees**

New trustees are currently appointed on the basis of recommendation and formal acceptance by the serving officers of Standing Committee, the student elected officers who run the Union on a daily basis and by the serving trustees.



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**Method of appointment or election of Trustees (continued)**

The chair of the trustees is normally recruited from the heads of house of colleges of Cambridge University. The previous and current chair is the master of Pembroke College.

In accordance with the laws of The Cambridge Union Society, a trustee's term of office shall be for 5 years from the date of his or her appointment. Prior to the expiration of a trustee's term of office the board may vote, without the trustee being present to extend that trustee's term of office for a further 5 years. There shall be no limit to the number of times a trustee's term may be extended. The president's term of office as a trustee shall be the same as his or her term of office as the president of the Cambridge Union Society.

**Pay policy for senior staff**

The trustees delegate operational running of the charity to the bursar. The bursar's salary is bench marked against the University pay scales.

**Policies adopted for the induction and training of Trustees**

Induction and training of new trustees is completed on an informal basis.

**Organisational structure and decision making**

The trustees set out the general policy of the charity. The day-to-day affairs of the charity are administered by the Standing Committee of volunteer officers of the society supported by the regular staff led by the Bursar. The trustees, who meet regularly, at least 3 times each term, provide strategic guidance

**TRUSTEES' RESPONSIBILITIES STATEMENT**

The trustees (who are also directors of The Cambridge Union Society for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

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

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**THE CAMBRIDGE UNION SOCIETY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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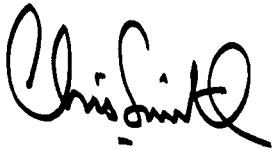
**PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who are trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware; and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charitable group's auditors in connection with preparing their report and to establish that the charitable group's auditors are aware of that information.

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 41SA of the Companies Act 2006.

This report was approved by the trustees on 1 December 2016 and signed on their behalf by:



**The Right Honourable Lord Smith of Finsbury**  
**Chair of Trustees**



**Mr A Swarbrick, BA, FCA**

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**THE CAMBRIDGE UNION SOCIETY**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAMBRIDGE UNION SOCIETY**

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We have audited the financial statements of The Cambridge Union Society for the year ended 30 June 2016 set out on pages 11 to 31. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 151 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report to you in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

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

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2016 and of the group's incoming resources and application of resources, including its income and expenditure, 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 and the Charities Act 2011.

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**THE CAMBRIDGE UNION SOCIETY**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAMBRIDGE UNION SOCIETY**

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

In our opinion the information given in the Trustees' Report, incorporating the Group Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Group Strategic Report.

Paul Chapman (Senior Statutory Auditor)

for and on behalf of

**Peters Elworthy & Moore**

Chartered Accountants  
Statutory Auditors

Salisbury House  
Station Road  
Cambridge  
CB1 2LA

14 December 2016

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**THE CAMBRIDGE UNION SOCIETY**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	Note	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>				
Donations	3	26,480	26,480	26,755
Charitable activities	4	288,010	288,010	377,017
Fundraising and trading income	5	554,515	554,515	500,869
Investments	6	146,163	146,163	184,255
Other income	7	9,380	9,380	-
<b>TOTAL INCOME</b>		<b>1,024,548</b>	<b>1,024,548</b>	<b>1,088,896</b>
<b>EXPENDITURE ON:</b>				
Raising funds:				
Fundraising and trading expenditure	8	353,378	353,378	321,618
Investment management	9	14,374	14,374	18,628
Charitable activities	10	719,049	719,049	760,913
<b>TOTAL EXPENDITURE</b>		<b>1,086,801</b>	<b>1,086,801</b>	<b>1,101,159</b>
<b>NET EXPENDITURE BEFORE INVESTMENT GAINS</b>		<b>(62,253)</b>	<b>(62,253)</b>	<b>(12,263)</b>
Net gains on investments		168,793	168,793	2,688,701
<b>NET INCOME</b>		<b>106,540</b>	<b>106,540</b>	<b>2,676,438</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>106,540</b>	<b>106,540</b>	<b>2,676,438</b>
<b>RECONCILIATION OF FUNDS:</b>				
Total funds brought forward		11,668,677	11,668,677	8,992,239
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>11,775,217</b>	<b>11,775,217</b>	<b>11,668,677</b>

All activities relate to continuing operations.

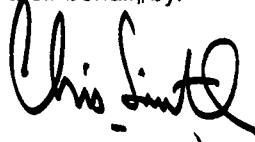
The notes on pages 15 to 31 form part of these financial statements.


**THE CAMBRIDGE UNION SOCIETY**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07091173**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 30 JUNE 2016**

	Note	£	2016 £	2015 £
<b>FIXED ASSETS</b>				
Tangible assets	14	5,733,118	4,520,244	
Investment property	15	-	1,333,333	
Total tangible assets			5,733,118	5,853,577
Investments	16		3,646,863	1,500,661
			<u>9,379,981</u>	<u>7,354,238</u>
<b>CURRENT ASSETS</b>				
Stocks	18	7,920	7,314	
Debtors	19	632,154	183,699	
Cash at bank and in hand		2,283,580	4,596,418	
		<u>2,923,654</u>	<u>4,787,431</u>	
<b>CREDITORS: amounts falling due within one year</b>	20	<u>(376,482)</u>	<u>(309,878)</u>	
<b>NET CURRENT ASSETS</b>			<u>2,547,172</u>	<u>4,477,553</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>11,927,153</u>	<u>11,831,791</u>
<b>CREDITORS: amounts falling due after one year</b>	21		<u>(151,936)</u>	<u>(163,114)</u>
<b>NET ASSETS</b>			<u><u>11,775,217</u></u>	<u><u>11,668,677</u></u>
<b>CHARITY FUNDS</b>				
Unrestricted funds	23		<u>11,775,217</u>	<u>11,668,677</u>
<b>TOTAL FUNDS</b>			<u><u>11,775,217</u></u>	<u><u>11,668,677</u></u>

The financial statements were approved and authorised for issue by the trustees on 1 December 2016 and signed on their behalf, by:

  
The Right Honourable Lord Smith of Finsbury  
Chair of Trustees

  
Mr A Swarbrick, BA, FCA

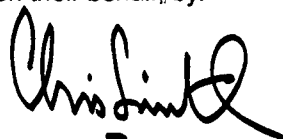
The notes on pages 15 to 31 form part of these financial statements.

**THE CAMBRIDGE UNION SOCIETY**  
(A Company Limited by Guarantee)  
REGISTERED NUMBER: 07091173

**COMPANY BALANCE SHEET**  
**AS AT 30 JUNE 2016**

	Note	£	2016 £	2015 £
<b>FIXED ASSETS</b>				
Tangible assets	14	5,733,118	4,520,244	
Investment property	15	-	1,333,333	
Total tangible assets			5,733,118	5,853,577
Investments	16		3,646,864	1,500,662
			<u>9,379,982</u>	<u>7,354,239</u>
<b>CURRENT ASSETS</b>				
Debtors	19	730,916	200,258	
Cash at bank and in hand		2,129,605	4,541,944	
		<u>2,860,521</u>	<u>4,742,202</u>	
<b>CREDITORS: amounts falling due within one year</b>	20	<u>(313,350)</u>	<u>(264,650)</u>	
<b>NET CURRENT ASSETS</b>			<u>2,547,171</u>	<u>4,477,552</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>11,927,153</u>	<u>11,831,791</u>
<b>CREDITORS: amounts falling due after more than one year</b>	21		<u>(151,936)</u>	<u>(163,114)</u>
<b>NET ASSETS</b>			<u><u>11,775,217</u></u>	<u><u>11,668,677</u></u>
<b>CHARITY FUNDS</b>				
Unrestricted funds	23		<u>11,775,217</u>	<u>11,668,677</u>
<b>TOTAL FUNDS</b>			<u><u>11,775,217</u></u>	<u><u>11,668,677</u></u>

The financial statements were approved and authorised for issue by the trustees on 1 December 2016 and signed on their behalf, by:



**The Right Honourable Lord Smith of Finsbury**  
**Chair of Trustees**



**Mr A Swarbrick, BA, FCA**

The notes on pages 15 to 31 form part of these financial statements.

**THE CAMBRIDGE UNION SOCIETY**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	24	<u>(474,762)</u>	<u>(156,384)</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		146,163	184,255
Proceeds from the sale of investment properties		-	4,393,188
Purchase of tangible fixed assets		(2,680)	(53,377)
Proceeds from sale of investments		843,726	308,397
Purchase of investments and additional cash moved to portfolio		<u>(2,825,285)</u>	<u>(279,900)</u>
<b>Net cash (used in)/provided by investing activities</b>		<u>(1,838,076)</u>	<u>4,552,563</u>
<b>Change in cash and cash equivalents in the year</b>		<u>(2,312,838)</u>	<u>4,396,179</u>
Cash and cash equivalents brought forward		4,596,418	200,239
<b>Cash and cash equivalents carried forward</b>	25	<u><u>2,283,580</u></u>	<u><u>4,596,418</u></u>

The notes on pages 14 to 30 form part of these financial statements



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**THE CAMBRIDGE UNION SOCIETY**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

The Cambridge Union Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

**1.2 RECONCILIATION WITH PREVIOUS GENERALLY ACCEPTED ACCOUNTING PRACTICE**

In preparing these accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

Gains or losses on investments are now reported as part of net income.

Additionally, the revaluation reserve has been restated so as to include revaluation gains on listed investments and investment property to show within general funds, rather than the revaluation reserve where they had previously been stated.

In accordance with FRS 102, a reconciliation of opening balances is provided here:

	<b>30 June</b>
	<b>2015</b>
<b>Reconciliation of reported net income</b>	<b>£</b>
Net income/(expenditure) as previously stated	<b>(12,263)</b>
Adjustment for gains/(losses) on investments now treated as a component of net income	<b>2,688,701</b>
<b>Net income as restated as at 30/06/2015</b>	<b>2,676,438</b>

The effect of the restatement of the revaluation reserve is to move previously recognised gains on the listed investments and investment property to general funds. The total closing balance of the revaluation reserve at 30 June 2015 was £5,837,690. This included gains on investments (including investment property) of £1,519,658 which have now been transferred to general funds. The restated opening balance on the revaluation reserve in note 23 is therefore £4,318,032.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.3 COMPANY STATUS**

The Union is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the Union being wound up, the liability in respect of the guarantee is limited to £1 per member of the Union.

**1.4 INCOME**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Gifts in kind donated for services are included at valuation and recognised as income when the service is performed.

Other trading activities comprise income received from those activities performed by the charity with the primary purpose of fundraising. This income is recognised upon sale of goods (being bar / cafeteria sales) or provision of service (upon hire of rooms or advertisements within the termcard). Income is recognised exclusive of Value Added Tax.

Income from charitable activities comprise income received from activities performed in furtherance of the objects of the charity, including those services provided to members of the society.

Annual memberships are included when receivable. Life memberships are recognised over a three year period as this is the length of time the average student spends in Cambridge and therefore the period of time over which the vast majority of the benefits are provided.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

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

Rental income under long term leases is accrued over the period of the lease.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.5 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include management, administration and governance costs. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements, including the annual audit fee.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

**1.6 OPERATING LEASES**

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**1.7 PENSIONS**

The pension charge included within the staff costs note represents contributions made to employees' personal pension plans.

An annuity is provided for a pension payable to the widow of a former employee. The present value of future payments is accounted for, split between amounts due within one year and amounts due in more than one year.

The company also operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**1.8 FUND ACCOUNTING**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

**1.9 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Freehold property is included at valuation on an existing use basis. Depreciation is charged annually on the revalued figure on a straight line basis.

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**THE CAMBRIDGE UNION SOCIETY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**1. ACCOUNTING POLICIES (continued)**

Other tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line on buildings
Fixtures & fittings	-	10 - 33.33% straight line
Computer equipment	-	33.3% straight line
Freehold building improvements	-	10% straight line

**1.10 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Consolidated Statement of Financial Activities Incorporating Income and Expenditure Account.

Investments in subsidiaries are valued at cost less provision for impairment.

**1.11 INVESTMENT PROPERTY**

Investment properties are included in the Balance Sheet at their fair value and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activities.

**1.12 FINANCIAL INSTRUMENTS**

The Charity only has basic financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**1.13 STOCKS**

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

**1.14 DEBTORS**

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

**1.15 CASH AT BANK AND IN HAND**

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

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**THE CAMBRIDGE UNION SOCIETY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.16 LIABILITIES AND PROVISIONS**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

**1.17 GOING CONCERN**

The board of trustees has reviewed the Union's financial position and consequently believes there are sufficient resources to manage any operational or financial risks. The board therefore considers there is a reasonable expectation that the Union has adequate resources to continue in operational existence for the foreseeable future. For this reason the board continues to adopt a going concern basis in preparing the accounts.

**2. NET INCOME / (EXPENDITURE)**

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	123,139	125,249
Auditors' remuneration - audit	8,810	8,550
Auditors' remuneration - non audit	7,125	5,875
	<u>139,074</u>	<u>139,674</u>

**3. INCOME FROM DONATIONS**

	Unrestricted funds 2016 £	Total funds 2015 £
Donation in kind	25,000	25,000
Donations	1,480	1,755
	<u>26,480</u>	<u>26,755</u>
Total donations and legacies	<u>26,480</u>	<u>26,755</u>

In 2015, all voluntary income related to unrestricted funds.

The donation in kind relates to the provision of professional services to the value of £25,000 (2015: £25,000)

**THE CAMBRIDGE UNION SOCIETY**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2016 £	Total funds 2015 £
Member subscriptions	251,416	259,344
Sale of debate tickets	3,113	1,652
US tour income	7,687	12,203
Debating event and competition income	23,948	102,343
Debate dinner income	1,846	1,475
	<u>288,010</u>	<u>377,017</u>

In 2015, all income related to unrestricted funds.

**5. FUNDRAISING AND TRADING INCOME**

	Unrestricted funds 2016 £	Total funds 2015 £
Advertising and sponsorship	37,252	70,308
Use of debating chamber and rooms	28,319	53,166
Merchandise and 200th anniversary income	6,904	11,284
Bar, coffee shop and events income	476,356	364,196
Other income	5,684	1,915
	<u>554,515</u>	<u>500,869</u>

In 2015, all income related to unrestricted funds.

**6. INVESTMENT INCOME**

	Unrestricted funds 2016 £	Total funds 2015 £
Rents	94,833	137,508
Dividends	47,099	44,820
Deposit interest	4,231	2,949
Foreign exchange (losses)	-	(1,022)
	<u>146,163</u>	<u>184,255</u>

In 2015, all income related to unrestricted funds.

**THE CAMBRIDGE UNION SOCIETY**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**7. OTHER INCOME**

	Unrestricted funds 2016 £	Total funds 2015 £
Insurance claims	9,380	-

**8. FUNDRAISING AND TRADING EXPENDITURE**

	Unrestricted funds 2016 £	Total funds 2015 £
Fundraising professional costs	22,024	-
Merchandise purchases and fundraising	1,013	765
Bar, coffee shop and event expenses	179,966	173,200
Staff costs	150,375	147,653
	<u>353,378</u>	<u>321,618</u>

In 2015, all income related to unrestricted funds.

**9. INVESTMENT MANAGEMENT COSTS**

	Unrestricted funds 2016 £	Total funds 2015 £
Property management fee	-	4,914
Maintenance of rental properties	-	564
Investment management fees	14,374	10,650
Lease expenses	-	2,500
	<u>14,374</u>	<u>18,628</u>

**THE CAMBRIDGE UNION SOCIETY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**10. EXPENDITURE ON CHARITABLE ACTIVITIES**

	Activities undertaken directly 2016 £	Support costs 2016 £	Total 2016 £	Total 2015 £
Membership and speakers	394,082	267,858	661,940	685,763
Competitive debating	57,109	-	57,109	60,725
<b>Total</b>	<b>451,191</b>	<b>267,858</b>	<b>719,049</b>	<b>746,488</b>

**11. DIRECT COSTS**

	Membership and speakers £	Competitive debating £	Total 2016 £	Total 2015 £
Publicity	23,385	-	23,385	43,821
Membership administration	4,837	-	4,837	4,311
Premises' costs	153,148	-	153,148	136,704
Library expenses	-	-	-	169
Member events and tours	86,176	6,700	92,876	129,344
Building survey	-	-	-	240
ICYD Expenses	-	249	249	5,850
Cambridge and external IV	-	10,780	10,780	9,077
Debating competitions	-	19,182	19,182	17,914
Debate dinners	-	20,198	20,198	17,431
Wages and salaries	3,397	-	3,397	5,529
Depreciation	123,139	-	123,139	125,249
<b>Total</b>	<b>394,082</b>	<b>57,109</b>	<b>451,191</b>	<b>495,639</b>



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**12. SUPPORT COSTS**

	<b>Governance</b>	<b>Membership and support</b>	<b>Total 2016</b>	<b>Total 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Legal and professional fees	-	2,476	2,476	4,386
Staff recruitment costs	-	-	-	4,400
Office costs	-	62,777	62,777	65,344
Bad and doubtful debts	-	9,415	9,415	297
Irrecoverable VAT	-	8,976	8,976	7,512
Website design and financial modelling of site development	-	25,000	25,000	25,000
Auditor's remuneration	8,810	-	8,810	8,550
Auditor's remuneration - Non audit	6,740	-	6,740	5,875
Wages and salaries	-	121,170	121,170	119,155
National insurance	-	9,863	9,863	10,157
Pension cost	-	12,631	12,631	14,598
	<b>15,550</b>	<b>252,308</b>	<b>267,858</b>	<b>265,274</b>

**THE CAMBRIDGE UNION SOCIETY**  
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**FOR THE YEAR ENDED 30 JUNE 2016**

**13. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND COST OF KEY MANAGEMENT PERSONNEL**

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	260,154	254,767
Social security costs	17,255	19,382
Other pension costs	20,027	22,943
	<u>297,436</u>	<u>297,092</u>

The average number of persons employed by the company during the year was as follows:

	2016 No.	2015 No.
Total	18	17

Average headcount expressed as a full time equivalent:

	2016 No.	2015 No.
Total	12	10

The number of higher paid employees was:

	2016 No.	2015 No.
In the band £60,001 - £70,000	1	1

The key management personnel of the Charity comprise the Bursar and the Trustees. During the year, no trustees received any remuneration or benefit in kind (2015 - £NIL). The total remuneration, including pension contributions, of key management personnel was £66,646 (2015: £66,646).

A total of 5 trustees (2015: 3) received reimbursement of expenses amounting to £2,523 (2015: £1,687).

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**14. TANGIBLE FIXED ASSETS**

	Land and buildings £	Furniture, fittings and computer equipment £	Improve- ments to building £	Total £
<b>GROUP AND COMPANY COST / VALUATION</b>				
At 1 July 2015	4,438,000	317,532	157,032	4,912,564
Additions	-	2,680	-	2,680
Transfer between classes	1,333,333	-	-	1,333,333
At 30 June 2016	5,771,333	320,212	157,032	6,248,577
<b>DEPRECIATION</b>				
At 1 July 2015	119,016	186,683	86,621	392,320
Charge for the year	59,508	47,928	15,703	123,139
At 30 June 2016	178,524	234,611	102,324	515,459
<b>NET BOOK VALUE</b>				
At 30 June 2016	5,592,809	85,601	54,708	5,733,118
At 30 June 2015	4,318,984	130,849	70,411	4,520,244

Included in land and buildings is freehold land at valuation of £1,875,683 (2015 - £1,462,500), which is not depreciated. Cheffins revalued the freehold property at 30 June 2013 on an existing use basis. The land and buildings have an historic cost of £950.

At 30 June 2016, the last lease on part of the property ceased in anticipation of the development of the site. Accordingly, the property was transferred into tangible fixed assets.

**15. INVESTMENT PROPERTY**

	Freehold investment property £
<b>GROUP AND COMPANY VALUATION</b>	
At 1 July 2015	1,333,333
Transfers between classes	(1,333,333)
At 30 June 2016	-

The property was valued in June 2013. valuations were made by a member of Cheffins, who is qualified as a chartered surveyor (FRICS), with suitable experience of the Cambridge property market, on an open market value for existing use basis.

The property has been transferred to freehold property in the current year as noted in Note 14 above.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**15. INVESTMENT PROPERTY (continued)**

The Union also owns a number of books, portraits, furnishings and other chattels gifted to it by members. Due to the unique nature of these assets and the fact that their intrinsic value is bound up with the Union's history, the trustees do not consider it appropriate to place a value on such items and accordingly they are not capitalised in the accounts.

**16. INVESTMENTS**

	2016 £	2015 £
Market value at 1 July 2015	1,434,929	1,421,948
Additions at cost	2,423,954	259,198
Sales proceeds:	(843,726)	(308,397)
Gains	164,643	62,180
	<u>3,179,800</u>	<u>1,434,929</u>
Market value at 30 June 2016	3,179,800	1,434,929
Cash held by brokers	467,063	65,732
	<u>3,646,863</u>	<u>1,500,661</u>
Group total	3,646,863	1,500,661
Investment in subsidiary	1	1
	<u>3,646,864</u>	<u>1,500,662</u>
Total - company only	<u>3,646,864</u>	<u>1,500,662</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

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**16. INVESTMENTS (continued)**

	2016 £	2015 £
<b>INVESTMENTS COST</b>		
Cost at 30 June 2016	<b>2,929,463</b>	1,248,604

All investments are listed on recognised stock exchanges. Day-to-day management of the investments was delegated by the trustees during the year to Quilter Cheviots.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**17. NET INCOME FROM TRADING ACTIVITY OF SUBSIDIARY**

The Union has a wholly owned subsidiary which is incorporated in the UK. Cambridge Union Society Enterprises Limited operates the trading activities of the Union. The Company covenants its taxable profits to The Cambridge Union Society. A summary of the Company's results is shown below. Audited accounts will be filed with the Registrar of Companies.

**PROFIT AND LOSS ACCOUNT**

	2016 £	2015 £
Turnover	528,029	412,910
Cost of sales	(323,676)	(293,834)
<b>Gross Profit</b>	<b>204,353</b>	<b>119,076</b>
Administrative expenses	(46,516)	(49,069)
Amount covenanted to The Cambridge Union Society	(157,837)	(70,007)
<b>Retained in subsidiary</b>	<b>-</b>	<b>-</b>

**BALANCE SHEET**

	2016 £	2015 £
Current assets	195,969	90,235
Current liabilities	(195,968)	(90,234)
<b>Aggregate Share Capital &amp; Reserves</b>	<b>1</b>	<b>1</b>

**18. STOCKS**

	<b>GROUP</b>		<b>COMPANY</b>	
	2016 £	2015 £	2016 £	2015 £
Finished goods and goods for resale	7,920	7,314	-	-

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**19. DEBTORS**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	35,592	53,241	1,833	24,794
Amounts owed by group undertakings	-	-	132,836	45,006
VAT recoverable	69,010	3,010	69,010	3,010
Accrued income	-	1,157	-	-
Other debtors	4,698	1,183	4,698	2,340
Prepayments	19,263	13,075	18,948	13,075
Property development costs	503,591	112,033	503,591	112,033
	<b>632,154</b>	<b>183,699</b>	<b>730,916</b>	<b>200,258</b>

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

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	129,307	83,836	93,436	61,921
Other taxation and social security	21,014	18,017	-	-
Unfunded pension liability	3,000	3,000	3,000	3,000
Other creditors	5,514	4,953	2,842	2,742
Accruals and deferred income	217,647	200,072	214,072	196,987
	<b>376,482</b>	<b>309,878</b>	<b>313,350</b>	<b>264,650</b>

**21. CREDITORS:**  
**AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unfunded pension liability	46,895	49,895	46,895	49,895
Accruals and deferred income	105,041	113,219	105,041	113,219
	<b>151,936</b>	<b>163,114</b>	<b>151,936</b>	<b>163,114</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**22. DEFERRED INCOME (GROUP AND COMPANY)**

	Deferred income at 30 June 2015 £	Received in year £	Released to incoming resources £	Deferred income at 30 June 2016 £
Lifetime members subscription	289,170	225,308	(230,510)	283,968
Friends of the Union subscriptions	1,528	-	(1,528)	-
Associate Membership	-	627	(627)	-
<b>Total</b>	<b>290,698</b>	<b>225,935</b>	<b>(232,665)</b>	<b>283,968</b>

Deferred income at 30 June 2016 is analysed as:

	30 June 2016 £
To be released within one year	178,927
To be released after more than one year	105,041
<b>Total deferred income</b>	<b>283,968</b>

**23. STATEMENT OF FUNDS**

	Brought forward (as restated) £	Income £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
<b>UNRESTRICTED FUNDS</b>						
General Funds	7,350,645	1,024,548	(1,027,291)	(1,333,333)	168,793	6,183,362
Revaluation Reserve	4,318,032	-	(59,510)	1,333,333	-	5,591,855
	<b>11,668,677</b>	<b>1,024,548</b>	<b>(1,086,801)</b>	<b>-</b>	<b>168,793</b>	<b>11,775,217</b>

The revaluation reserve represents unrealised gains in relation to the freehold property. The transfer reflects revaluation gains on the investment property which had previously been included within general funds now taken to taken to revaluation reseve on transfer from investment property to freehold property.

Resources expended on the revaluation reserve represents depreciation charged on freehold property.



**THE CAMBRIDGE UNION SOCIETY**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**24. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	106,540	2,676,438
<b>Adjustment for:</b>		
Depreciation charges	123,139	125,249
Gains on investments	(164,643)	(62,180)
Dividends, interest and rents from investments	(146,163)	(184,255)
Profit on the sale of investment properties	-	(2,626,521)
(Increase)/decrease in stocks	(606)	2,994
Increase in debtors	(448,455)	(133,461)
Increase in creditors	66,604	59,243
(Decrease) in long term creditors	(11,178)	(13,891)
<b>Net cash used in operating activities</b>	<b>(474,762)</b>	<b>(156,384)</b>

**25. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £	2015 £
Cash in hand	2,283,580	4,596,418
<b>Total</b>	<b>2,283,580</b>	<b>4,596,418</b>

**26. PENSION COMMITMENTS**

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension charge represents contributions payable by the group to the fund and amounted to £13,531 (2015 - £16,447). Contributions totalling £nil (2015 - £nil) were payable to the fund at the balance sheet date.

The group also makes contributions to an employees' personal pension plan. The pension charge representing contributions payable by the group to the personal scheme amounted to £6,496 (2015 - £6,496). Contributions totalling £nil (2015 - £nil) were payable to the fund at the balance sheet date.

**27. RELATED PARTY TRANSACTIONS**

Cambridge Union Society Enterprises Limited is a wholly owned subsidiary of The Cambridge Union Society. During the year, the charity made sales of £35,723 (2015 - £29,560) to the company. The Charity also made purchases of £42,291 (2015 - £42,400) from the company. The company has made a gift aid payment of its taxable profits of £157,837 (2015 - £70,007) to the charity. At 30 June 2016, the company owed £132,836 (2015 - £45,006) to the charity.