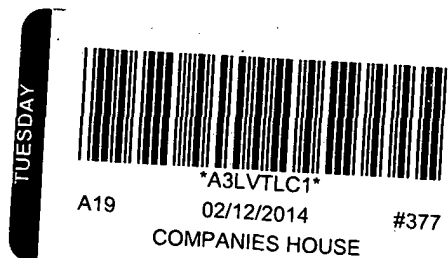


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**THE CAMBRIDGE UNION SOCIETY**  
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2014**



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

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

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 30 JUNE 2014**

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<b>Trustees</b>	Sir R Dearlove, KCMG, OBE, MA Mr N W Brown, OBE, MA Mr A Swarbrick, BA, FCA Dr N J Yandell, Ph.D. Mr N Heath, MA, FRICS The Hon. D Janner QC, MA (Cantab) J Turner QC, LLB Mr T J M Squirrell
<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>	Kleinwort Benson Wellington House East Road Cambridge CB1 1BH

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

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2014**

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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 ended 30 June 2014.

The trustees confirm that the Annual Report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

The charity is known as the Union.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The Cambridge Union Society was formed and registered with both Companies House (Registered Company Number: 07091173) and Charities House (Registered Charity Number: 1136030) and the assets transferred from the old to the new charity on 1 July 2010. There were no 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.

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

Sir R Dearlove, KCMG, OBE, MA (Chair)

Mr N W Brown, OBE, MA

Mr A Swarbrick, BA, FCA

Dr N Yandell Ph.D.

Mr N Heath, MA, FRICS

The Hon. D Janner QC, BA (Cantab)

Janet Turner QC, LLB

Miss J Mobed (resigned 5 December 2013) President

Miss I K Schon (appointed 5 December 2013, resigned 13 March 2014) President

Mr M D Goekjian (appointed 13 March 2014, resigned 12 June 2014) President

Mr T J M Squirrell (appointed 12 June 2014) President

### **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 the serving trustees.

The chair of the trustees is normally recruited from the heads of house of colleges of Cambridge University. The 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.

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

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2014**

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**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 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.

**Risk management**

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.

**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

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**THE CAMBRIDGE UNION SOCIETY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2014**

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- enabling students and young people from disadvantaged backgrounds to participate in activities and events aimed at increasing their confidence, skills and aspirations.

The charity hosts and organises 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, including the world 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.

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**

The charity has had another very successful year and organised twenty-three major debates during the Cambridge University terms. In addition, a significant number of events were arranged each week with high profile speakers such as the Rev Jesse Jackson, Russell Brand and David Hasselhoff. On occasion the Union also invited controversial visiting speakers such as David Willets who attracted a noisy demonstration outside the Union; however, thanks to the Union's extensive security plan this did not interfere with his speech in the Union itself. These speaker events and debates were filmed and uploaded onto "You Tube" on the internet under the heading; "The Cambridge Union Society" for the benefit of the general public at large.

The upcoming Union's bicentenary celebrations in 2015 provide the ideal opportunity for the re-engagement of our non-resident members.

The charity's debating squad has continued its strong performance. Within the past year Cambridge debaters won the British Championships and made the final of both the European and World Championships. In addition the Union produced four of the top ten speakers in Europe and two of the top ten in the World. The charity continues to run the Cambridge Schools' Debating Competition that involves over 600 teams and is one of the largest debating competitions in the world. This is combined with a bursary programme to ensure cost is not a barrier to entry as well as a series of workshops to reach as many potential debaters from less privileged backgrounds as possible. This year the charity has also been collaborating with Deloitte to focus on providing more comprehensive support to a group of schools they work with. Moreover, the Union coordinates one of the most inclusive internal debating programmes in the world, with over 60 different individuals being sent out to debate for Cambridge each year.

## **FINANCIAL REVIEW**

The society has achieved a very successful year recruiting 2095 new members, the bulk of whom are life members. New membership came close but still did not beat the record level of three years ago, probably due to the recent threefold increase in the cost of undergraduate degrees. Over 60% of Cambridge University undergraduates have joined the Union this year. Subscriptions income has continued to increase annually amounting to £258,553 this year (2013: £237,203, 2012: £220,054, 2011: £158,135). These additional funds continue to be invested in the Union's building and public rooms, which in turn helps to attract new members. In addition, the quality of major events and visiting speakers has again improved and has yet again established the Union as the centre of student social interaction.

CUSEL beat its budget figure by over 50% with a total profit for the year of £68,174 (2013: £40,573) having again increased its turnover. Due to the improved facilities the numbers of corporate events, marriages and

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

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2014**

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receptions the Union hosts has, yet again increased. Conference Cambridge now treats The Union as an equal partner to the University colleges allowing it to compete in this valuable market.

The charity's investment portfolio has increased in value this year but only by a slightly disappointing £23,903 compared to £123,525 the previous year. The Union properties have not been formally re-valued this year as this was only done last year by Cheffins. The investment properties have therefore remained at a value of £3,100,000 and the main buildings were valued at £4,438,000.

The cost of building maintenance has for the first time in the last 6 years fallen very slightly from the previous year's total of £160,483 to £160,419. The cost of gas, electricity and water has continued to rise during the period and as a cost reduction investment all light bulbs have been replaced with energy efficient LED light bulbs. Essential repairs and maintenance has also increased over the year but costs have been kept down due to the excellent work of the new site supervisor.

Operationally the Union has performed extremely well this year, with last year's operating deficit of £48,588 being replaced by a modest surplus of £3,766, as predicted in last year's accounts.

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 £8.99 million (2013, £8.94 million, 2012: £7.49 million) at the year end, the trustees consider the state of the charity's affairs to be satisfactory.

#### **Going concern**

The trustees have considered the financial status of the charity, including operating forecasts and the net asset position having due regard to the current economic uncertainties. The trustees, based on their enquiries are content that the going concern basis for preparing the financial statements is appropriate in the circumstances.

#### **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.

#### **PLANS FOR THE FUTURE**

Plans to provide remote members with access to Union events in the Chamber by live streaming speakers and debates are well underway. The Union will invest in 4 remote controlled cameras to film the events and livestream them using a state of the art video conferencing control panel.

#### **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

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

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2014**

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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.

**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 415A of the Companies Act 2006.

This report was approved by the trustees on 21 October 2014 and signed on their behalf by:



**Sir R Dearlove, KCMG, OBE, MA , Chair**



**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 2014 set out on pages 9 to 24. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 145 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 145 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 group's and the parent charitable company's affairs as at 30 June 2014 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 applicable to Smaller Entities; 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 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 prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Group Strategic Report or in preparing the Trustees' Report.

Roger Webster (Senior Statutory Auditor)

for and on behalf of

**Peters Elworthy & Moore**

Chartered Accountants  
Statutory Auditors

Salisbury House  
Station Road  
Cambridge  
CB1 2LA  
1 December 2014

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 2014

	Note	Unrestricted funds 2014 £	Total funds 2013 £
<b>INCOMING RESOURCES</b>			
Incoming resources from generated funds:			
Donation in kind	3	25,000	-
Donations	3	375	2,194
Fundraising and trading income	4	441,723	408,228
Investment income	5	199,493	191,379
Incoming resources from charitable activities	6	309,843	300,012
<b>TOTAL INCOMING RESOURCES</b>		<b>976,434</b>	<b>901,813</b>
<b>RESOURCES EXPENDED</b>			
Costs of generating funds:			
Costs of fundraising and trading income	7	291,375	257,137
Investment management expenses	8	20,960	27,650
Charitable activities	9	646,938	650,604
Governance costs	12	13,393	15,010
<b>TOTAL RESOURCES EXPENDED</b>		<b>972,666</b>	<b>950,401</b>
<b>NET INCOMING / (OUTGOING) RESOURCES BEFORE INVESTMENT ASSET DISPOSALS</b>		<b>3,768</b>	<b>(48,588)</b>
Gains and losses on disposals of investment assets	16	(15,159)	30,443
<b>NET RESOURCES EXPENDED BEFORE REVALUATIONS</b>		<b>(11,391)</b>	<b>(18,145)</b>
Gains and losses on revaluations of fixed assets for the charity's own use		-	708,000
Gains and losses on revaluations of investment assets	16	66,500	763,082
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>55,109</b>	<b>1,452,937</b>
Total funds at 1 July 2013		8,937,130	7,484,193
<b>TOTAL FUNDS AT 30 JUNE 2014</b>	<b>22</b>	<b>8,992,239</b>	<b>8,937,130</b>

The notes on pages 12 to 24 form part of these financial statements.

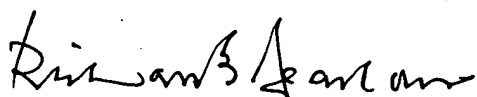
**THE CAMBRIDGE UNION SOCIETY**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07091173**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 30 JUNE 2014**

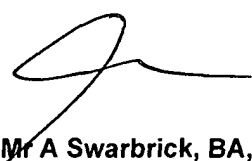
	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Tangible assets	14		4,592,116		4,627,614
Investment property	15		3,100,000		3,100,000
Investments	17		1,466,978		1,443,075
			<u>9,159,094</u>		<u>9,170,689</u>
<b>CURRENT ASSETS</b>					
Stocks		10,308		6,890	
Debtors	18	50,238		58,701	
Cash at bank and in hand		200,239		124,974	
		<u>260,785</u>		<u>190,565</u>	
<b>CREDITORS: amounts falling due within one year</b>	19	(78,281)		(96,984)	
<b>NET CURRENT ASSETS</b>			<u>182,504</u>		<u>93,581</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>9,341,598</u>		<u>9,264,270</u>
<b>CREDITORS: amounts falling due after one year</b>	20	(52,895)		(55,895)	
<b>DEFERRED INCOME</b>	21	(296,464)		(271,245)	
<b>NET ASSETS</b>			<u>8,992,239</u>		<u>8,937,130</u>
<b>CHARITY FUNDS</b>					
Unrestricted funds	22		8,992,239		8,937,130
<b>TOTAL FUNDS</b>			<u>8,992,239</u>		<u>8,937,130</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the trustees on 21 October 2014 and signed on their behalf, by:



**Sir R Dearlove, KCMG, OBE, MA , Chair**



**Mr A Swarbrick, BA, FCA**

The notes on pages 12 to 24 form part of these financial statements.

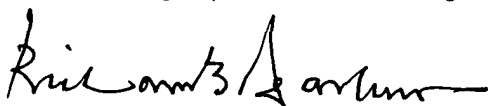
**THE CAMBRIDGE UNION SOCIETY**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07091173**

**COMPANY BALANCE SHEET**  
**AS AT 30 JUNE 2014**

	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Tangible assets	14		4,592,116		4,627,614
Investment property	15		3,100,000		3,100,000
Investments	17		1,466,979		1,443,076
			<u>9,159,095</u>		<u>9,170,690</u>
<b>CURRENT ASSETS</b>					
Debtors	18	89,471		74,298	
Cash at bank and in hand		135,179		69,313	
		<u>224,650</u>		<u>143,611</u>	
<b>CREDITORS: amounts falling due within one year</b>	19	(42,147)		(50,032)	
<b>NET CURRENT ASSETS</b>			<u>182,503</u>		<u>93,579</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>9,341,598</u>		<u>9,264,269</u>
<b>CREDITORS: amounts falling due after more than one year</b>	20		(52,895)		(55,895)
<b>DEFERRED INCOME</b>	21		(296,464)		(271,245)
<b>NET ASSETS</b>			<u>8,992,239</u>		<u>8,937,129</u>
<b>CHARITY FUNDS</b>					
Unrestricted funds	22		8,992,239		8,937,129
<b>TOTAL FUNDS</b>			<u>8,992,239</u>		<u>8,937,129</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the trustees on 21 October 2014 and signed on their behalf, by:



Sir R Dearlove, KCMG, OBE, MA



Mr A Swarbrick, BA, FCA

The notes on pages 12 to 24 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 2014**

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**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

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 and paragraph 397 of the SORP.

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

**1.2 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.

**1.3 INCOMING RESOURCES**

All incoming resources are included in the Statement of Financial Activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Activities for generating funds comprise income received from those activities performed by the charity with the primary purpose of fundraising.

Incoming resources 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.

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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 2014**

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**1. ACCOUNTING POLICIES (continued)**

**1.4 RESOURCES EXPENDED**

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include management and administration 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.

**1.5 OPERATING LEASES**

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

**1.6 PENSIONS**

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

A pension annuity is provided for in relation to pensions payable to widows of former employees. The present value of future payments is accounted for, split between accounts due within one year and amounts due in more than one year.

**1.7 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.

Investment income, gains and losses are allocated to the appropriate fund.

**1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Freehold property is included at valuation on an existing use basis.

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those 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

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**THE CAMBRIDGE UNION SOCIETY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. ACCOUNTING POLICIES (continued)**

**1.9 INVESTMENTS**

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiary undertakings are valued at cost less provision for impairment.

**1.10 INVESTMENT PROPERTIES**

Investment properties are included in the Balance Sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the trustees, necessary in order to give a true and fair view of the financial position of the company and the group.

**1.11 STOCKS**

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

**1.12 GOING CONCERN**

The Union has no borrowings and its reserves are at a sufficiently high level that the trustees consider that the financial statements should be prepared on a going concern basis.

**2. NET INCOMING / (OUTGOING) RESOURCES**

This is stated after charging:

	<b>2014</b>	2013
	£	£
Depreciation of tangible fixed assets:		
- owned by the charitable group	111,018	98,352
Auditors' remuneration	8,335	8,175
Auditors' remuneration - non-audit	5,058	6,835
	<u>124,411</u>	<u>113,362</u>

During the year, no trustees received any remuneration (2013 - £NIL).

During the year, no trustees received any benefits in kind (2013 - £NIL).

2 (2013: 3) trustees in their capacity of president received reimbursement of expenses amounting to £1,052 (2013: £1,211) in the current year.



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**3. VOLUNTARY INCOME**

	<b>Unrestricted funds 2014 £</b>	<b>Total funds 2013 £</b>
Donation in kind	25,000	-
Donations	375	2,194
	<hr/>	<hr/>
Voluntary income	<u>25,375</u>	<u>2,194</u>

**4. FUNDRAISING AND TRADING INCOME**

	<b>Unrestricted funds 2014 £</b>	<b>Total funds 2013 £</b>
Sponsorship	42,728	35,140
Use of debating chamber and rooms	53,449	66,750
Merchandise sales	489	631
Bar sales	122,339	122,033
Coffee shop sales	81,325	85,458
Events income	139,425	87,527
Other income	1,968	10,689
	<hr/>	<hr/>
	<u>441,723</u>	<u>408,228</u>

**5. INVESTMENT INCOME**

	<b>Unrestricted funds 2014 £</b>	<b>Total funds 2013 £</b>
Rents	168,135	160,531
Dividends	36,906	31,321
Deposit interest	5	4
Foreign exchange (losses)	(5,553)	(477)
	<hr/>	<hr/>
	<u>199,493</u>	<u>191,379</u>

**THE CAMBRIDGE UNION SOCIETY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted funds 2014 £</b>	<b>Total funds 2013 £</b>
Member subscriptions	258,553	237,203
Sale of debate tickets	2,186	1,104
US tour income	5,881	4,567
Member event income	42,255	54,171
Debate dinner income	968	2,967
	<u>309,843</u>	<u>300,012</u>

**7. COSTS OF GENERATING FUNDRAISING AND TRADING INCOME**

	<b>Unrestricted funds 2014 £</b>	<b>Total funds 2013 £</b>
Merchandise purchases and fundraising	67	1,207
Bar, coffee shop and event expenses	291,308	255,930
	<u>291,375</u>	<u>257,137</u>

**8. INVESTMENT MANAGEMENT COSTS**

	<b>Unrestricted funds 2014 £</b>	<b>Total funds 2013 £</b>
Property management fee	7,396	6,869
Maintenance of rental properties	1,986	7,358
Investment management fees	11,578	13,423
	<u>20,960</u>	<u>27,650</u>

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**9. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	Activities undertaken directly 2014 £	Support costs 2014 £	Total 2014 £	Total 2013 £
Charitable activities (see notes 10 & 11)	418,363	228,575	646,938	650,604

**10. DIRECT COSTS**

	Total 2013 £	Total 2013 £
Publicity	19,493	22,283
Membership administration	2,770	4,929
Maintenance of premises	160,419	160,483
Library expenses	640	15,507
Member events	126,714	133,427
Reimbursement of utilities	(16,144)	(9,898)
Building survey	13,452	20,471
Depreciation	111,019	98,351
	<u>418,363</u>	<u>445,553</u>

**11. SUPPORT COSTS**

	Total 2013 £	Total 2013 £
Legal and professional fees	2,638	1,380
Staff recruitment costs	-	1,534
Salaries and office costs	200,937	199,400
Bad and doubtful debts	-	2,280
HP Interest	-	457
Website design and financial modelling of site development	25,000	-
	<u>228,575</u>	<u>205,051</u>

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**12. GOVERNANCE COSTS**

	<b>Unrestricted funds 2014 £</b>	<b>Total funds 2013 £</b>
Auditors' remuneration	8,335	8,175
Auditors' non audit costs	5,058	6,835
	<u>13,393</u>	<u>15,010</u>

**13. STAFF COSTS**

	<b>2014 £</b>	<b>2013 £</b>
Wages and salaries	227,510	228,226
Social security costs	17,423	20,763
Pension costs	3,618	3,618
Total	<u>248,551</u>	<u>252,607</u>

**AVERAGE NUMBER OF FULL TIME EQUIVALENT STAFF, ANALYSED BY FUNCTION**

	<b>2014 £</b>	<b>2013 £</b>
Management and administration	4.5	4.5
Bar and catering	5.0	5.0
Total	<u>9.5</u>	<u>9.5</u>

Staff costs are in respect of charitable activities and costs of generating voluntary income.

1 (2013: 1) employee received emoluments between £60,000 and £69,999 during the year. Pension contributions in relation to this employee totalled £3,008 in 2014 (2013: £3,008).

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**14. TANGIBLE FIXED ASSETS**

	Land and buildings £	Furniture, fittings and computer equipment £	Improve- ments to building £	Total £
<b>GROUP AND COMPANY</b>				
<b>COST / VALUATION</b>				
At 1 July 2013	4,438,000	214,005	131,662	4,783,667
Additions	-	50,150	25,370	75,520
At 30 June 2014	4,438,000	264,155	157,032	4,859,187
<b>DEPRECIATION</b>				
At 1 July 2013	-	100,685	55,368	156,053
Charge for the year	59,508	35,960	15,550	111,018
At 30 June 2014	59,508	136,645	70,918	267,071
<b>NET BOOK VALUE</b>				
At 30 June 2014	4,378,492	127,510	86,114	4,592,116
At 30 June 2013	4,438,000	113,320	76,294	4,627,614

Included in land and buildings is freehold land at valuation of £1,462,500 (2013 - £1,462,500), which is not depreciated. Cheffins revalued the freehold property at 30 June 2013 on an existing use basis and the trustees do not consider that there has been any material change to that valuation. The land and buildings have an historic cost of £950.

**15. INVESTMENT PROPERTY**

	Freehold investment property £
<b>GROUP AND COMPANY</b>	
<b>VALUATION</b>	
At 1 July 2013 and 30 June 2014	3,100,000

The property was valued in June 2013 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 trustees do not consider that there has been any material change to that valuation.

In addition to the investment property, the Union owns a number of portraits, furnishing and other treasures 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2014**

**16. INVESTMENTS**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Market value at 1 July 2013	1,331,150	1,233,272
Additions at cost	814,631	467,915
Sales proceeds	(775,174)	(493,562)
Gains	51,341	123,525
Market value at 30 June 2014	<u>1,421,948</u>	<u>1,331,150</u>
Cash held by brokers	45,030	111,925
Group total	<u>1,466,978</u>	<u>1,443,075</u>
Investment in subsidiary	1	1
Total	<u><u>1,466,979</u></u>	<u><u>1,443,076</u></u>

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
<b>INVESTMENTS COST</b>		
Cost at 30 June 2014	1,307,011	1,160,329

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

Individual investments which comprise over 5% of the value of the portfolio are:

	<b>Market value at</b> <b>30 June 2014</b> <b>£</b>
<b>Investment</b>	
Charities Property Fund	88,017
United Kingdom 2.5% Index Linked stock 26/07/2016	87,799
Artemis Fund Managers Income I Inc GBP	86,136
GLG Japan Corealpha EQ I H Acc	73,133
Invesco Perpetual UK 2 Investment perpetual income fund z GBP Dist	<u>71,279</u>

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**GEOGRAPHICAL ANALYSIS**

	UK Investments £	Overseas Investments £	2014 £	2013 £
Listed investments	1,125,153	296,795	1,421,948	1,331,150
Cash held by brokers	29,152	15,878	45,030	111,925
<b>GROUP</b>	<b>1,154,305</b>	<b>312,673</b>	<b>1,466,978</b>	<b>1,443,075</b>
Investment in subsidiary undertaking	1	-	1	1
<b>COMPANY</b>	<b>1,154,306</b>	<b>312,673</b>	<b>1,466,979</b>	<b>1,443,076</b>

**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**

	2014 £	2013 £
Turnover	376,031	305,117
Cost of sales	(274,728)	(238,799)
<b>Gross Profit</b>	<b>101,303</b>	<b>66,318</b>
Administrative expenses	(33,129)	(25,745)
Amount covenanted to The Cambridge Union Society	(68,174)	(40,573)
<b>Retained in subsidiary</b>	<b>-</b>	<b>-</b>

**BALANCE SHEET**

	2014 £	2013 £
Current assets	93,666	87,525
Current liabilities	(93,665)	(87,524)
<b>Aggregate Share Capital &amp; Reserves</b>	<b>1</b>	<b>1</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2014**

**18. DEBTORS**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	27,340	30,422	9,042	7,219
Amounts owed by group undertakings	-	-	57,531	40,572
Accrued income	4,245	3,446	4,245	2,845
Other debtors	5,909	17,080	5,909	16,909
Prepayments	12,744	7,753	12,744	6,753
	<u>50,238</u>	<u>58,701</u>	<u>89,471</u>	<u>74,298</u>

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

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	26,227	40,150	9,461	17,606
Other taxation and social security	18,498	22,416	3,610	3,722
Unfunded pension liability	3,000	3,000	3,000	3,000
Other creditors	3,954	895	2,591	-
Accruals	26,602	30,523	23,485	25,704
	<u>78,281</u>	<u>96,984</u>	<u>42,147</u>	<u>50,032</u>

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

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unfunded pension liability	<u>52,895</u>	<u>55,895</u>	<u>52,895</u>	<u>55,895</u>



**THE CAMBRIDGE UNION SOCIETY**  
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FOR THE YEAR ENDED 30 JUNE 2014**

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

	Deferred income at 30 June 2013 £	Received in year £	Released to incoming resources £	Deferred income at 30 June 2014 £
Lifetime members subscription	269,978	253,144	(226,658)	296,464
Friends of the Union subscriptions	1,250	-	(1,250)	-
Associate Membership	17	-	(17)	-
<b>Total</b>	<b>271,245</b>	<b>253,144</b>	<b>(227,925)</b>	<b>296,464</b>

Deferred income at 30 June 2014 is analysed as:

	<b>30 June 2014 £</b>
To be released within one year	172,354
To be released after more than one year	124,110
<b>Total deferred income</b>	<b>296,464</b>

**22. STATEMENT OF FUNDS**

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
<b>UNRESTRICTED FUNDS</b>						
General Funds	1,229,259	976,434	(972,666)	156,274	(15,159)	1,374,142
Revaluation Reserve	7,707,871	-	-	(156,274)	66,500	7,618,097
	<b>8,937,130</b>	<b>976,434</b>	<b>(972,666)</b>	<b>-</b>	<b>51,341</b>	<b>8,992,239</b>

The revaluation reserve represents unrealised gains in relation to the freehold property, investment property and fixed asset investments. The transfer reflects the effect of previously unrealised gains now realised and depreciation charged on the property revaluation.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**23. OPERATING LEASE COMMITMENTS**

At 30 June 2014 the group had annual commitments under non-cancellable operating leases as follows:

	<b>2014</b>	<b>2013</b>
<b>GROUP AND COMPANY</b>	<b>£</b>	<b>£</b>
<b>EXPIRY DATE:</b>		
Within 1 year	2,352	-
Between 2 and 5 years	-	2,352
	<u>2,352</u>	<u>2,352</u>