

**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
**(A company limited by guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**



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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
**(A company limited by guarantee)**

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**COMPANY INFORMATION**

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<b>Directors</b>	MO Ajayi (appointed 1 July 2018) J Binding (appointed 1 July 2018) AN Chetwynd-Cowieson (appointed 1 July 2017) A Doku (appointed 1 August 2017) Y El-Tawil (appointed 1 July 2018) MNR Hemmings (appointed 1 July 2018) SC Martin (appointed 1 July 2017) TB McNeil (appointed 1 July 2018) KJ Reynolds J Singh (appointed 1 July 2018) GAR Sweatman (appointed 1 July 2018) DE Titley (appointed 1 July 2018)
<b>Registered number</b>	08015198
<b>Registered office</b>	Ian King House Snape Road Macclesfield Cheshire SK10 2NZ
<b>Independent auditor</b>	Crowe U.K. LLP 3rd floor The Lexicon Mount Street Manchester M2 5NT
<b>Bankers</b>	The Co-operative Bank plc Manchester M2 4JG

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**GROUP STRATEGIC REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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## **Introduction**

The directors present their report and the financial statements for the year ended 30 June 2018.

## **Business review**

The NUS Group comprises of 6 different entities:

**National Union of Students (United Kingdom)** ("the Union" or "NUS") is a company limited by guarantee and confederal association of students' unions, guilds, junior common rooms and representative councils of students involved in post sixteen education and training in the United Kingdom. Its accounts are consolidated accounts as NUS Group accounts as the largest legal entity of the Group.

The principal activity of **NUS Holdings Limited** ("Holdings") during the year was the ownership of property and provision of property management services. It is also the sole employer for the group.

Holdings recorded revenues of £3.4m in the year and a deficit of £384k compared to a deficit of £258k in the previous year.

**NUS Services Limited** ("Services") exists to develop and maximise income opportunities for the student movement, and deliver a strong national infrastructure. There are three key areas to the Company's work:

- The Purchasing Consortium – drives better margins for members through negotiating bulk discounts on a vast range of goods and services, handling billing and payments as well as securing promotional offers and providing sales growth support.
- Marketing and Sponsorship – provides NUS Extra, the student discount card, as well as new income opportunities for students' unions, whilst maximising the commercial value from the national brand.

Services delivers great benefit to the student movement through its revenue generating activities almost all of which provide significantly greater levels of income to the participating Students' Unions along with providing cash for the rest of the Group.

Services recorded revenues of £13.3m which was a slight decrease from the prior year of £14.0m. The profit of £865k before tax compared to £2.6m loss in the previous year. The loss the previous year related to exceptional items including the write off of intercompany loans and the revaluation of the SUSS pension fund.

**NUS Media Limited** ("Media") exists to increase impact and income for member students' unions and the National Union of Students through provision of an online platform for the student movement and associated digital & media sales operations. This work was transferred to Arrk Group during the year as part of a strategic partnership with NUS Services. This company will remain dormant until completion of due diligence, upon which it will be closed.

Media recorded revenues of £467k down from £929k the previous year. A surplus of £4.4m was due to exceptional costs compared to the prior year deficit of £0.9m.

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**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**Epona Limited** ("Epona") continues to be one of the very few clothing companies to carry the Fairtrade mark on all of its products.

Proposals were agreed to wind down the company by the end of December 2017. A buyer was found for the remaining stock along with the brand "Epona" but not for the business itself. This company will remain dormant until completion of due diligence, upon which it will be closed.

Epona recorded revenues of £633k a decrease from £777k the previous year. A surplus of £1.9m was due to exceptional costs compared to the prior year deficit of £1.0m.

**NUS Students' Union Charitable Services** ('NUS Charitable Services' or 'the Charity') is constituted as a registered charity and a company limited by guarantee. The Charity is responsible for supporting the development of students' unions throughout the country to ensure they adequately serve their student membership. It is governed by its Articles of Association. The Charity's purpose is the promotion of Students' Unions for the benefit of the public including promoting the efficiency and effectiveness of Students' Unions and building the capacity of the Students' Union section by:

- Providing training, conferences and seminars on subjects relevant to the efficiency of Students' Unions;
- Identifying needs in Students' Unions and establishing projects or policies to address them;
- Providing services such as legal, accountancy and management advice services to Students' Unions; and
- Providing advice and information on fund-raising techniques appropriate for Students' Unions.

The Charity recorded income of £6.4m in the year and net income of £1.2m compared to net outgoings of £131k in the previous year. Total funds at 30 June 2018 stand at £1.7k, some of which are restricted.

### **Vision, Mission and values**

#### Vision

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

#### NUS Mission

To make this vision a reality, NUS will:

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

#### NUS Values

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

**Equality** - We believe there should be equality of opportunity for everyone to participate fully in a society that celebrates diversity.

**Democracy** - Our policies and priorities must be student led and students' union focused through building open, transparent and accessible democratic structures that increase performance and strengthen accountability.

**Collectivism** - Students and students' unions are more effective when they organise together locally, nationally and internationally: unity is our strength.

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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
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**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**Principal Activities**

The primary aims and objectives of NUS are to:

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

**Campaigns & Influencing**

The impact of our campaigning and influencing activity has continued to shape post 16-education. The ground-breaking Poverty Commission report made a series of recommendations to government calling for a living income for all students and led to Shakira Martin being listed in the top ten of Tes' most influential people in the world of education.

NUS helped students' unions with their representations as part of the Quality Code Consultation (QCC), resulted in students' unions' responses making up 17.6% of all consultation submissions. By lobbying our sector bodies, an updated version of the Quality Code was proposed, placing meaningful student engagement in both the core and enhanced aspects of the Quality Code.

FE students' unions won some form of discounted travel for their students locally, helped by our high profile FEUnplugged manifesto and #MyFEJourney campaign. Twenty FE students' unions ran FE unplugged transport campaigns, and 1,000 students shared their travel expense experiences, providing much needed evidence to address the barriers that poor quality and expensive travel creates.

In June 2018, £21 million in additional funding for students in Scotland was announced by Scotland's First Minister. NUS' lobbying also resulted in the Scottish Government's announcement that all universities and colleges are expected to develop a mental health strategy and ensure services are sensitive to the varying needs of students.

The Muslim Students Survey in November 2017 resulted 578 responses, and the launch of "The experience of Muslim students in 2017-2018" report. The recommendations from the report gained significant media coverage (Independent, BBC) and the report has been adapted for upcoming academic book on Islamophobia.

805 individuals and students' unions signed the #TheLastStraw pledge, and over 40 students' unions have stopped using plastic straws. NUS is working with Manchester Mayor Andy Burnham to see how Manchester can have the world's first single-use plastic-free campuses, while development work is underway to partner with Friends of the Earth on a campaign.

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**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**Principal risks and uncertainties**

All the organisations in the group take part in the wider NUS Group risk management processes to ensure consistency of management. As part of the annual business planning process, the major strategic and operational risks that NUS UK faces and the ways in which they are being monitored, managed and mitigated, were assessed by the Board and the Audit and Risk Committee.

The Board has assessed the main risks facing the Group as:

- on-going changes in Higher Education,
- potential government spending cuts and their impact on student's unions,
- continued competition from both the high street and supermarkets resulting in continuing steady decline in licensed trade sales,
- together with the risk of certain students' unions ceasing to run their commercial services.

One of the main area of risk facing NUS Group is the Student Union Superannuation Scheme ("SUSS"). NUS UK offered membership of SUSS, a defined benefit pension scheme, to all employees until 30 September 2011, at which point the scheme closed to future accrual.

The scheme is subject to a revaluation every three years with the last valuation being performed in June 2016. The 2016 valuation recommended a monthly contribution requirement by each Union expressed in monetary terms intended to clear the ongoing funding deficit over a period of 17 years increasing by at least 5% each year. This showed an increased funding deficit of around £120m shared between 69 employers. This represents an increase of c£47m in the deficit in comparison to the 2013 valuation and resulted in increased contributions from October 2017 onwards. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme.

These rates applied with effect from 1 October 2017 and will be formally reviewed following completion of the next valuation due with an effective date of 30 June 2019. Surpluses or deficits which arise at future valuations will also impact on the Students' Union future contribution commitment. In addition to the above contributions, the Students' Union also pays its share of the scheme's levy to the Pension Protection Fund. The impact of the re-valuation has impacted the finances by increasing the interest payable figure in the statement of income and the liabilities in the balance sheet. During the period the Company's contribution was £494,479 (£629,857 for the group). This is set to increase by 5% next year.

Whilst the closure of the scheme to future accrual goes some way to mitigate the risk it does not eliminate it. The Company is required to make deficit contributions until June 2033, which at current rates represents a liability of £9.3million (£11.8m for the group). This is subject to fluctuations in fund performance, changes in apportionment methodology, the life expectancy of the individuals within the scheme and the results of the recent valuation.

**Key performance indicators**

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

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

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**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**Key performance indicators (continued)**

Strengthening our financial performance

To provide greater benefits to our members we have worked hard to increase the stability and sustainability of the organisation. Over the last year we have streamlined our operations in order to start to redress the deficit situation of prior years. This work is not complete and we are continuing to reform the organisation.

The reduction in operations has led to the decrease in turnover of £22.0m from £24.1m the previous year.

Overall Performance

The consolidated accounts show a £1.0m profit for the year. The change from the prior year being driven predominantly by the revaluation of the legacy pension deficit scheme.

The overall net asset position remains relatively static at £22million, before the pension deficit liability.

Diversifying our income streams

We have made great strides over the last decade to diversify our revenue streams. From a zero start, the NUS extra card now accounts for over 40% of our revenues. Last year NUS extra generated just under £2.5 million for students' unions, while over 900,000 students benefited from a vast range of exclusive discounts.

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

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

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


Reducing the proportion of our revenue from affiliation fees

In the year affiliation fees represented 18% of our total income. This is a slight increase on last year due to the reduction in operations relating to Epona and NUS Media.

In recognition of the changing landscape of education and the increasing financial pressures on many students' unions we remain committed to reducing the proportion of our revenues from affiliation fees.

This report was approved by the board and signed on its behalf.

SC Martin  
Director  
Date:

  
10/1/2019



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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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The directors present their report and the financial statements for the year ended 30 June 2018.

**Directors**

The directors who served during the year were:

Chair                      Shakira Martin (elected 2017)

Officer                    Amatey Doku (elected 2017)

Trustees                 Jess Bradley (elected 2017)

Hareem Ghani (elected 2017)

Robert Young (elected 2017)

Izzy Lenga (elected 2017, resigned 2017)

Student Trustees      Amanda Cheywynd-Cowieson (elected (2017)

Nicola Hemmings (elected 2017)

Joanne Goodman (elected 2017)

Mollie Kneath (elected 2017, resigned 2017)

Jack Mably (elected 2016)

Tom Phipps (elected 2016)

Ruth Titmuss (elected 2016)

Lay Trustees            Andrew Westwood (appointed 2015)

Kate McKenzie (appointed 2013)

Dianne Nelmes (appointed 2012)

Alistair Wilson (appointed 2012)

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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**Directors' responsibilities statement**

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors 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 Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- 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 Group will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' reports may differ from legislation in other jurisdictions.

**Results and dividends**

The profit for the year, after taxation and minority interests, amounted to £992,343 (2017 - loss £3,523,202).

**Future developments**

NUS UK will continue to actively campaign to promote and extend student rights. The subsidiaries and entities under NUS' control will play their role in strengthening student's unions through: generating income; strengthening organisational capacity and infrastructure.

As part of the strategic partnership with Arrk Group, the student discounts and partnerships area, which controls the NUS extra discount card within NUS Services, will be transferred to a joint venture OneVoice during the next financial year. This will significantly impact the financial results as the income that was previously recognised from NUS extra would in future form part of a dividend to NUS Services.

**Financial instruments**

NUS UK does not hold any complex financial instruments. In previous years one of its subsidiaries entered into forward contracts for the purchase of US dollars to hedge against unfavourable movements between the time of order of the goods and delivery of the same. NUS UK does not, nor do its subsidiaries, undertake any speculative financial positions.

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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

**Post balance sheet events**

The NUS Group meets its day to day operational expenditure as a result of a number of income-generating activities as mentioned in the Group Strategic Report. One of these is the sale of discount cards to students.

Following the year end, the income received from our partner during the Autumn 2018 term, in relation to the discount cards, has been significantly lower than expected. Whilst the Group remains solvent, due to its strong asset base, the directors have concluded that this fall in revenue, and resultant liquid working capital, represents a material uncertainty that the Group and Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

Following a strategic review, the directors have decided on a course of action to address this, namely to:

- a) review the organisational structure with a view to reducing the number of paid roles; and
- b) to look to obtain funding via its fixed assets.

As a result of the above, and after making enquiries and considering the uncertainties described above, the directors have a reasonable expectation that the Group and Company will have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**Auditor**

On 25 June 2018 Crowe Clark Whitehill LLP changed its name to Crowe U.K. LLP. Under section 487(2) of the Companies Act 2006, Crowe U.K. LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.

SC Martin  
Director



Date: 16/1/2019

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

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**Opinion**

We have audited the financial statements of National Union of Students (United Kingdom) (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2018, which comprise the Group Statement of comprehensive income, the Group and Company Balance sheets, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 June 2018 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material uncertainty related to going concern**

We draw attention to note 2.4 in the financial statements, which indicates that following the year end there has been a significant fall in revenue with resultant liquid working capital pressures. As stated in note 2.4, these events or conditions, along with the other matters as set forth in note 2.4, indicate that a material uncertainty exists that may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the

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

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work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

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

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

**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

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

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**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**Use of our report**

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



Michael Jayson (Senior statutory auditor)

for and on behalf of  
**Crowe U.K. LLP**

Senior Statutory Auditor

3rd floor  
The Lexicon  
Mount Street  
Manchester  
M2 5NT

Date: **21 JAN 2019**

**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 £	2017 £
Turnover	4	21,981,427	24,141,537
Cost of sales		(13,795,096)	(15,152,303)
<b>Gross profit</b>		<b>8,186,331</b>	<b>8,989,234</b>
Administrative expenses		(7,553,911)	(9,280,992)
Exceptional administrative expenses		(213,308)	(549,284)
Other operating income	5	-	42,250
Fair value movements		8,258	58,823
<b>Operating profit/(loss)</b>	6	<b>427,370</b>	<b>(739,969)</b>
Income from participating interests		24,421	-
Income from fixed assets investments		816,979	816,111
Amounts written off investments		(29,999)	-
Interest receivable and similar income	11	9,599	9,064
Interest payable and expenses	12	(257,269)	(3,642,907)
<b>Profit/(loss) before taxation</b>		<b>991,101</b>	<b>(3,557,701)</b>
Tax on profit/(loss)	13	34,647	(39,123)
<b>Profit/(loss) for the financial year</b>		<b>1,025,748</b>	<b>(3,596,824)</b>
<b>Profit/(loss) for the year attributable to:</b>			
Non-controlling interests		33,405	(73,622)
Owners of the parent Company		992,343	(3,523,202)
		<b>1,025,748</b>	<b>(3,596,824)</b>

There was no other comprehensive income for 2018 (2017: £NIL).

The notes on pages 19 to 48 form part of these financial statements.

**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
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**REGISTERED NUMBER: 08015198**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 30 JUNE 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	16	57,119	27,000
Tangible assets	17	7,803,885	8,218,925
Investments	18	14,733,513	13,755,813
		<u>22,594,517</u>	<u>22,001,738</u>
<b>Current assets</b>			
Stocks	19	-	174,869
Debtors: amounts falling due within one year	20	4,300,868	4,946,410
Current asset investments	21	1,477	1,477
Cash at bank and in hand	22	4,629,350	5,161,224
		<u>8,931,695</u>	<u>10,283,980</u>
Creditors: amounts falling due within one year	23	(9,220,712)	(10,450,818)
<b>Net current liabilities</b>		<u>(289,017)</u>	<u>(166,838)</u>
<b>Total assets less current liabilities</b>		<u>22,305,500</u>	<u>21,834,900</u>
Creditors: amounts falling due after more than one year	24	(13,447,461)	(14,002,609)
<b>Net assets</b>		<u>8,858,039</u>	<u>7,832,291</u>
<b>Capital and reserves</b>			
Profit and loss account		8,834,201	7,841,858
<b>Equity attributable to owners of the parent Company</b>		<u>8,834,201</u>	<u>7,841,858</u>
Non-controlling interests		23,838	(9,567)
		<u>8,858,039</u>	<u>7,832,291</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

**16 JAN 2019**

SC Martin  
Director



The notes on pages 19 to 48 form part of these financial statements.



**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**

(A company limited by guarantee)  
REGISTERED NUMBER: 08015198

**COMPANY BALANCE SHEET  
AS AT 30 JUNE 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	17	54,459	90,231
Investments	18	13,327,146	13,327,146
		<u>13,381,605</u>	<u>13,417,377</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	20	552,083	791,313
Cash at bank and in hand	22	182,398	83,371
		<u>734,481</u>	<u>874,684</u>
Creditors: amounts falling due within one year	23	(2,405,772)	(1,815,181)
<b>Net current liabilities</b>		<u>(1,671,291)</u>	<u>(940,497)</u>
<b>Total assets less current liabilities</b>		<u>11,710,314</u>	<u>12,476,880</u>
Creditors: amounts falling due after more than one year	24	(9,286,418)	(9,614,667)
<b>Net assets</b>		<u><u>2,423,896</u></u>	<u><u>2,862,213</u></u>
<b>Capital and reserves</b>			
Profit and loss account		2,423,896	2,862,213
		<u><u>2,423,896</u></u>	<u><u>2,862,213</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

SC Martin  
Director



Date: 16/1/2019

The notes on pages 19 to 48 form part of these financial statements.

The loss for the financial year dealt with in the financial statements of the parent company was £438,317 (2017 - loss £5,436,526).

**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2018**

	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
At 1 July 2016	11,365,060	11,365,060	64,055	11,429,115
<b>Comprehensive income for the year</b>				
Loss for the year	(3,523,202)	(3,523,202)	(73,622)	(3,596,824)
<b>Total comprehensive income for the year</b>	(3,523,202)	(3,523,202)	(73,622)	(3,596,824)
At 1 July 2017	7,841,858	7,841,858	(9,567)	7,832,291
<b>Comprehensive income for the year</b>				
Profit for the year	992,343	992,343	33,405	1,025,748
<b>Total comprehensive income for the year</b>	992,343	992,343	33,405	1,025,748
<b>At 30 June 2018</b>	<b>8,834,201</b>	<b>8,834,201</b>	<b>23,838</b>	<b>8,858,039</b>

The notes on pages 19 to 48 form part of these financial statements.

**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
(A company limited by guarantee)

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2018**

	Profit and loss account £	Total equity £
At 1 July 2016	8,298,739	8,298,739
<b>Comprehensive income for the year</b>		
Loss for the year	(5,436,526)	(5,436,526)
	<u>(5,436,526)</u>	<u>(5,436,526)</u>
<b>Total comprehensive income for the year</b>		
At 1 July 2017	2,862,213	2,862,213
<b>Comprehensive income for the year</b>		
Loss for the year	(438,317)	(438,317)
	<u>(438,317)</u>	<u>(438,317)</u>
<b>Total comprehensive income for the year</b>		
<b>At 30 June 2018</b>	<u><u>2,423,896</u></u>	<u><u>2,423,896</u></u>

The notes on pages 19 to 48 form part of these financial statements.

**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018 £	2017 £
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	1,025,748	(3,596,824)
<b>Adjustments for:</b>		
Amortisation of intangible assets	12,767	108,151
Depreciation of tangible assets	586,290	693,553
Impairments of fixed assets	29,999	491,409
Loss on disposal of tangible assets	35,231	-
Interest paid	257,269	3,642,908
Interest received	(850,999)	(825,175)
Taxation charge	(34,647)	39,123
Decrease in stocks	174,869	520,341
Decrease/(increase) in debtors	657,163	(1,087,489)
(Decrease)/increase in creditors	(1,830,728)	2,172,983
Net fair value (gains) recognised in P&L	(8,258)	(58,823)
Corporation tax received/(paid)	23,026	(31,900)
<b>Net cash generated from operating activities</b>	<b>77,730</b>	<b>2,068,257</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(42,886)	(252,877)
Purchase of tangible fixed assets	(206,481)	(590,259)
Sale of tangible fixed assets	-	41,100
New loans to associates	(975,000)	-
Purchase of share in associates	(20)	-
Interest received	9,599	9,032
HP interest paid	-	(3,019)
Dividends received	816,979	816,111
<b>Net cash from investing activities</b>	<b>(397,809)</b>	<b>20,088</b>
<b>Cash flows from financing activities</b>		
Repayment of loans	(132,449)	(147,017)
Repayment of/new finance leases	(24,690)	(48,024)
Interest paid	(54,656)	(73,762)
<b>Net cash used in financing activities</b>	<b>(211,795)</b>	<b>(268,803)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(531,874)</b>	<b>1,819,542</b>

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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
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**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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	2018. £	2017 £
Cash and cash equivalents at beginning of year	5,161,224	3,341,682
<b>Cash and cash equivalents at the end of year</b>	<u><u>4,629,350</u></u>	<u><u>5,161,224</u></u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	4,629,350	5,161,224
	<u><u>4,629,350</u></u>	<u><u>5,161,224</u></u>

The notes on pages 19 to 48 form part of these financial statements.

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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**1. General information**

National Union of Students (United Kingdom) (the "Company") is a company limited by guarantee and confederal association of students' unions, guilds, junior common rooms and representative councils of students involved in post sixteen education and training in the United Kingdom.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

**2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 July 2014.

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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**2. Accounting policies (continued)**

**2.3 Associates and joint ventures**

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated statement of comprehensive income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated balance sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

**2.4 Going concern**

The NUS Group meets its day to day operational expenditure as a result of a number of income-generating activities as mentioned in the Group Strategic Report. One of these is the sale of discount cards to students.

Following the year end, the income received from our partner during the Autumn 2018 term, in relation to the discount cards, has been significantly lower than expected. Whilst the Group remains solvent, due to its strong asset base, the directors have concluded that this fall in revenue, and resultant liquid working capital, represents a material uncertainty that the Group and Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

Following a strategic review, the directors have decided on a course of action to address this, namely to:

- a) review the organisational structure with a view to reducing the number of paid roles; and
- b) to look to obtain funding via its fixed assets.

As a result of the above, and after making enquiries and considering the uncertainties described above, the directors have a reasonable expectation that the Group and Company will have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**2. Accounting policies (continued)**

**2.5 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Membership income is recognised rateably over the period to which it relates.

Income from the sale of single-year NUS Extra cards is recognised at the point of sale, not over the period of the card, as there are no subsequent direct costs to the Union of providing the card. Income from the sale of multi-year cards is deferred and recognised during the future periods.

Commission income is recognised on a monthly basis once it has been confirmed as being due.

Contract income and revenue grants are recognised as income in the period in which the performance criteria are met. Deferred income is classified as "Creditors amounts falling due within one year" and includes contract and grant income received in advance. These contracts and grants represent funds that have been received for specific purposes and are potentially refundable if the conditions of the contract or grant are not satisfied. Contract and grant income received in the year but which remains unspent at the year end is, with the agreement of the funder, carried over into the following year.

**2.6 Intangible assets**

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Development expenditure	-	5 years
Goodwill	-	5 years
Negative goodwill	-	1 - 3.5 years apportioned between relevant assets



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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**2. Accounting policies (continued)**

**2.7 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Computer equipment & furniture	- 20%-33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of comprehensive income.

**2.8 Impairment of fixed assets and goodwill**

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

**2.9 Investment property**

Investment property is carried at fair value determined annually by external valuers 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 Consolidated statement of comprehensive income.

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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

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**2. Accounting policies (continued)**

**2.10 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**2.11 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.12 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.13 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.14 Financial instruments**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**2. Accounting policies (continued)**

**2.14 Financial instruments (continued)**

rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.15 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.16 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Consolidated statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated statement of comprehensive income in the same period as the related expenditure.

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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**2. Accounting policies (continued)**

**2.17 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**2.18 Finance costs**

Finance costs are charged to the Consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.19 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to the Consolidated statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

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**2. Accounting policies (continued)**

**2.20 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payments obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**Multi-Employer Defined Benefit Pension Plan**

The Group participates in the Student Union Superannuation Scheme, a multi-employer defined benefit pension scheme. Where it is not possible for the Group to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme, it accounts for the scheme as a defined contribution scheme.

Where the scheme is in deficit and where the Group has agreed, with the scheme, to participate in a deficit funding arrangement the Group recognises a liability for this obligation. The amount recognised is the net present value of the contributions payable under the agreement that relate to the deficit. This amount is expensed in profit or loss. The unwinding of the discount is recognised as a finance cost.

A valuation of the scheme is carried out triennially. It is the policy to account for the impact of the revaluation in the year where the results of the calculation are published. The last valuation was June 2016 and results published February 2017.

**2.21 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance sheet date.

**2.22 Interest income**

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

**2.23 Borrowing costs**

All borrowing costs are recognised in the Consolidated statement of comprehensive income in the year in which they are incurred.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**2. Accounting policies (continued)**

**2.24 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

**2.25 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**2.26 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

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**NATIONAL UNION OF STUDENTS (UNITED KINGDOM)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

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**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(a) Critical judgments in applying the Company's accounting policies**

**(i) Multi-employer defined benefit pension scheme**

The Group participated in the Student Union Superannuation Scheme, a multi-employer defined benefit pension scheme with other Student Union organisations. In the judgment of the directors, the Group does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 29 for further details.

**(b) Key accounting estimates and assumptions**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**(i) Measurement of multi-employer pension liability**

The Group must measure its defined benefit obligation on a discounted present value basis. The Group must determine the rate used to discount the future payments by reference to market yields at the reporting date on high quality corporate bonds. The currency and term of the corporate bonds or government bonds shall be consistent with the currency and estimated period of the future payments.

**(ii) Impairment of investment in subsidiaries**

The Group considers whether its investments are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the cash generating units (CGUs). This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

**4. Turnover**

All turnover arose within the United Kingdom.

An analysis of turnover by class of business is as follows:

	2018 £	2017 £
NUS Extra	9,561,032	9,832,025
Membership income	3,936,892	4,137,009
Charitable activities	2,303,150	2,720,443
Trading support	2,936,048	3,008,468
Rental and service charge income	399,946	376,532
Clothing sales	633,108	777,107
Business development	1,207,514	946,760
Software licence fees	467,505	928,890
Commissions	500,200	500,200
Other	36,032	914,103
	<u>21,981,427</u>	<u>24,141,537</u>

**5. Other operating income**

	2018 £	2017 £
R&D tax credits	-	42,250
	<u>-</u>	<u>42,250</u>

**6. Operating profit/(loss)**

The operating profit/(loss) is stated after charging:

	2018 £	2017 £
Exchange differences	483	32,060
Other operating lease rentals	<u>133,712</u>	<u>62,675</u>



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**7. Auditor's remuneration**

	2018 £	2017 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	9,000	8,450
	<u>9,000</u>	<u>8,450</u>
<b>Fees payable to the Group's auditor and its associates in respect of:</b>		
The auditing of accounts of associates of the Group pursuant to legislation	23,100	24,850
Other services relating to taxation	5,445	5,445
All other services	7,750	8,100
	<u>36,295</u>	<u>38,395</u>

**8. Employees**

Staff costs, including directors' remuneration, were as follows:

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Wages and salaries	7,286,786	7,802,406	2,122,796	2,084,509
Social security costs	639,305	683,975	195,690	197,627
Cost of defined contribution scheme	309,781	306,907	87,753	78,914
	<u>8,235,872</u>	<u>8,793,288</u>	<u>2,406,239</u>	<u>2,361,050</u>

**Key management personnel remuneration**

During the year the key management of the Group received remuneration totalling £439,146 (2017 - £417,781).

The average monthly number of employees, including the directors, during the year was as follows:

	2018 No.	2017 No.
Office and Administration	<u>223</u>	<u>241</u>

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**Salary bandings**

During the year the number of employees across the Group, including the directors, were paid in the following salary ranges:

	2018 No.	2017 No.
£0 - £10,000	12	13
£10,001 - £20,000	36	40
£20,001 - £30,000	88	93
£30,001 - £40,000	50	45
£40,001 - £50,000	10	10
£50,001 - £60,000	2	5
£60,001 - £70,000	2	4
£70,001 - £80,000	2	1
£80,001 - £90,000	1	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-

Our remuneration policy is based on the principles of aligning remuneration outcomes with our strategy, and of encouraging employees to adhere to our values, while achieving simplicity and transparency in the design and communication of remuneration arrangements.

**9. Directors' remuneration**

	2018 £	2017 £
Directors' emoluments	138,392	136,090
Company contributions to defined contribution pension schemes	3,783	-
	<u>142,175</u>	<u>136,090</u>

During the year retirement benefits were accruing to 6 directors (2017 - 4) in respect of defined contribution pension schemes.

The salary of the highest paid director of NUS UK during the year was £31,256 (2017 - £23,919) inclusive of inner London weighting. None of the directors were members of the SUSS. The directors of NUS are not the executives of NUS.

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**10. Income from investments**

	2018 £	2017 £
Income from current asset investments	24,550	23,253
Dividends received from unlisted investments	792,429	792,858
	<u>792,429</u>	<u>792,858</u>

**11. Interest receivable**

	2018 £	2017 £
Other interest receivable	9,599	9,064
	<u>9,599</u>	<u>9,064</u>

**12. Interest payable and similar expenses**

	2018 £	2017 £
Bank interest payable	6,526	16,750
Mortgage interest payable	48,130	57,012
Finance leases and hire purchase contracts	-	3,019
Unwinding and change of discount rate on pension liabilities	202,613	3,566,126
	<u>257,269</u>	<u>3,642,907</u>

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**13. Taxation**

	2018 £	2017 £
<b>Corporation tax</b>		
Current tax on profits for the year	8,921	-
Adjustments in respect of previous periods	(31,947)	29,514
<b>Total current tax</b>	<u>(23,026)</u>	<u>29,514</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(11,621)	(10,759)
Changes to tax rates	-	20,368
<b>Total deferred tax</b>	<u>(11,621)</u>	<u>9,609</u>
<b>Taxation on (loss)/profit on ordinary activities</b>	<u>(34,647)</u>	<u>39,123</u>

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**13. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2017 - *higher than*) the standard rate of corporation tax in the UK of 19% (2017 - 19.75%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	991,101	(3,557,701)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.75%)	188,309	(702,646)
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	8,126	(12,504)
Expenses not deductible for tax purposes	15,678	118,954
Adjustments to tax charge in respect of prior periods	-	29,514
Short term timing difference leading to an increase (decrease) in taxation	(25,482)	(4,575)
Non-taxable income less expenses not deductible for tax purposes	(222,848)	318,379
Adjustment to deferred tax for losses no longer considered recoverable	-	191,498
Unrelieved tax losses carried forward	42,086	38,637
Research and development tax credit	-	(8,344)
Fixed asset differences	(40,516)	70,210
<b>Total tax charge for the year</b>	<b>(34,647)</b>	<b>39,123</b>

**Factors that may affect future tax charges**

Across the Group there are tax losses to carry forward against future trading profits totalling 1.8m (2017 - £2.2m). A deferred tax asset has not been recognised as explained in note 27 due to the uncertainty over the timing of taxable profits in the future.

**14. Exceptional items**

	2018 £	2017 £
Impairment of intangible fixed assets - development costs	-	549,284
Restructuring costs	213,308	-

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**15. Parent company profit for the year**

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The loss after tax of the parent Company for the year was £438,317 (2017 - loss £5,436,526).

**16. Intangible assets**

**Group and Company**

	Develop- ment £	Goodwill £	Negative goodwill £	Total £
<b>Cost</b>				
At 1 July 2017	3,386,687	274,349	(416,015)	3,245,021
Additions	42,886	-	-	42,886
Disposals	(3,359,687)	-	-	(3,359,687)
At 30 June 2018	69,886	274,349	(416,015)	(71,780)
<b>Amortisation</b>				
At 1 July 2017	3,359,687	274,349	(416,015)	3,218,021
Charge for the year	12,767	-	-	12,767
On disposals	(3,359,687)	-	-	(3,359,687)
At 30 June 2018	12,767	274,349	(416,015)	(128,899)
<b>Net book value</b>				
At 30 June 2018	57,119	-	-	57,119
At 30 June 2017	27,000	-	-	27,000

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**17. Tangible fixed assets**

**Group**

	Freehold property £	Computer equipment & furniture £	Total £
<b>Cost or valuation</b>			
At 1 July 2017	8,036,529	2,038,642	10,075,171
Additions	-	206,481	206,481
Disposals	-	(304,310)	(304,310)
At 30 June 2018	<u>8,036,529</u>	<u>1,940,813</u>	<u>9,977,342</u>
<b>Depreciation</b>			
At 1 July 2017	672,761	1,183,485	1,856,246
Charge for the year on owned assets	204,558	381,732	586,290
Disposals	-	(269,079)	(269,079)
At 30 June 2018	<u>877,319</u>	<u>1,296,138</u>	<u>2,173,457</u>
<b>Net book value</b>			
At 30 June 2018	<u>7,159,210</u>	<u>644,675</u>	<u>7,803,885</u>
At 30 June 2017	<u>7,363,768</u>	<u>855,157</u>	<u>8,218,925</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Computer equipment & furniture	-	25,979
	<u>-</u>	<u>25,979</u>

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**17. Tangible fixed assets (continued)**

**Company**

	<b>Computer equipment £</b>
<b>Cost or valuation</b>	
At 1 July 2017	273,165
At 30 June 2018	<u>273,165</u>
<b>Depreciation</b>	
At 1 July 2017	182,934
Charge for the year on owned assets	35,772
At 30 June 2018	<u>218,706</u>
<b>Net book value</b>	
At 30 June 2018	<u>54,459</u>
At 30 June 2017	<u>90,231</u>



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**18. Fixed asset investments**

**Group**

	Investments in associates £	Listed investments £	Unlisted investments £	Loans to associates £	Total £
<b>Cost or valuation</b>					
At 1 July 2017	29,999	518,670	13,207,144	-	13,755,813
Additions	20	-	-	975,000	975,020
Revaluations	-	8,258	-	-	8,258
Share of profit/(loss)	24,421	-	-	-	24,421
At 30 June 2018	54,440	526,928	13,207,144	975,000	14,763,512
<b>Impairment</b>					
Charge for the period	29,999	-	-	-	29,999
At 30 June 2018	29,999	-	-	-	29,999
<b>Net book value</b>					
At 30 June 2018	24,441	526,928	13,207,144	975,000	14,733,513
At 30 June 2017	29,999	518,670	13,207,144	-	13,755,813

**Direct subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
NUS Holdings Limited	Ordinary	100.0 %	Ownership of property and provision of property management services
NUS Students' Union Charitable Services	n/a	100.0 %	Supporting the development of students' unions throughout the United Kingdom
NUS Scotland Charitable Services	n/a	100.0 %	Supporting the development of students' unions in Scotland

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**18. Fixed asset investments (continued)**

**Indirect Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
Epona Limited	Ordinary	100.0 %	Fairtrade clothing supplier to the student market
NUS Services Limited	Ordinary A	94.1 %	Develop and maximise income opportunities for the student movement and
NUS Services Limited	Ordinary B	96.8 %	deliver a strong national infrastructure
NUS Media Limited	Ordinary	100.0 %	Provision on an online platform for the student movement

The registered office of all direct and indirect subsidiaries is the same as the Company, being: Ian King House, Snape Road, Macclesfield, Cheshire, SK10 2NZ.

**Listed investments**

The fair value of the listed investments at 30 June 2018 was £526,928 (2017 - £518,670).

**Participating interests**

**Associates**

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
Student Discounts Cards Limited	England	Ordinary B	47.6%	Provision of identity cards to students, youths and teachers
OneVoice Digital Limited	England	Ordinary B	20.0%	Cloud-based membership management software and associated services

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**18. Fixed asset investments (continued)**

**Company**

	Investments in subsidiary companies £	Unlisted investments £	Total £
<b>Cost or valuation</b>			
At 1 July 2017	120,002	13,207,144	13,327,146
At 30 June 2018	120,002	13,207,144	13,327,146
<b>Net book value</b>			
At 30 June 2018	120,002	13,207,144	13,327,146
At 30 June 2017	120,002	13,207,144	13,327,146

**19. Stocks**

	Group 2018 £	Group 2017 £
Finished goods and goods for resale	-	174,869
	-	174,869

Stock recognised in cost of sales during the year as an expense was £174,869 (2017 - £360,637).

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**20. Debtors**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Trade debtors	2,278,221	2,089,050	101,635	269,925
Other debtors	239,246	374,102	13,460	26,187
Prepayments and accrued income	1,223,268	1,934,746	436,988	495,201
Deferred taxation	560,133	548,512	-	-
	<b>4,300,868</b>	<b>4,946,410</b>	<b>552,083</b>	<b>791,313</b>

**21. Current asset investments**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>
Unlisted investments	1,477	1,477
	<b>1,477</b>	<b>1,477</b>

**22. Cash and cash equivalents**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Cash at bank and in hand	4,629,350	5,161,224	182,398	83,371
	<b>4,629,350</b>	<b>5,161,224</b>	<b>182,398</b>	<b>83,371</b>

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**23. Creditors: Amounts falling due within one year**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Bank loans	157,344	152,761	-	-
Payments received on account	671,991	1,046,650	-	-
Trade creditors	1,762,627	1,696,390	111,856	299,242
Amounts owed to group undertakings	-	-	2,129,792	1,093,677
Corporation tax	80,535	80,535	-	-
Other taxation and social security	423,858	463,958	-	-
Obligations under finance lease and hire purchase contracts	-	24,690	-	-
Other creditors	391,406	557,130	-	-
Accruals and deferred income	5,732,951	6,428,704	164,124	422,262
	<b>9,220,712</b>	<b>10,450,818</b>	<b>2,405,772</b>	<b>1,815,181</b>

Net obligations under finance leases and hire purchase contracts are secured against the assets concerned.

Payments received on account represent amounts held for redistribution to members of the purchasing consortium for retrospective volume related payments.

**24. Creditors: Amounts falling due after more than one year**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Bank loans	1,618,605	1,755,637	-	-
Defined benefit pension liability	11,828,856	12,246,972	9,286,418	9,614,667
	<b>13,447,461</b>	<b>14,002,609</b>	<b>9,286,418</b>	<b>9,614,667</b>

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**25. Loans**

	<b>Group 2018 £</b>	<i>Group 2017 £</i>
<b>Amounts falling due within one year</b>		
Bank loans	<b>157,344</b>	152,761
<b>Amounts falling due 1-2 years</b>		
Bank loans	<b>148,376</b>	157,344
<b>Amounts falling due 2-5 years</b>		
Bank loans	<b>1,470,229</b>	1,598,293
	<b><u>1,775,949</u></b>	<u>1,908,398</u>

The total balance of bank loans consist of a mortgage with repayment terms spread over 15 years to May 2028. The initial loan term is for a period of 7 years to May 2020. At this point the residual balance will become payable. It is anticipated that the loan will be refinanced prior to this date.

The bank loans are secured by a floating charge due to Co-operative Bank plc over the property and assets at Gray's Inn Road, London.

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**26. Financial instruments**

	<b>Group 2018 £</b>	<i>Group 2017 £</i>	<b>Company 2018 £</b>	<i>Company 2017 £</i>
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	<b>528,405</b>	520,147	-	-
Financial assets that are debt instruments measured at amortised cost	<b>3,088,899</b>	3,198,261	<b>513,395</b>	724,379
Financial assets that are equity instruments measured at cost less impairment	<b>13,231,585</b>	13,237,143	<b>13,327,146</b>	13,237,146
	<u><b>16,848,889</b></u>	<u>16,955,551</u>	<u><b>13,840,541</b></u>	<u>13,961,525</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	<b>(16,585,816)</b>	(17,762,294)	<b>(11,692,190)</b>	(11,414,847)

Financial assets measured at fair value through profit or loss comprise listed investments whose market value can be reliably determined.

Financial assets measured at amortised cost comprise trade debtors, other debtors, accrued income and amounts owed by group undertakings.

Financial assets that are equity instruments measured at cost less impairment comprise investments in subsidiary undertakings, unlisted investments and investment in associates.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, amounts owed to group undertakings, obligations under finance lease or hire purchase, other creditors and accruals.

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**27. Deferred taxation**

**Group**

	<b>2018</b> £	<b>2017</b> £
At beginning of year	548,512	558,121
Charged to profit or loss	11,621	(9,609)
<b>At end of year</b>	<b>560,133</b>	<b>548,512</b>

**At end of year**

The deferred tax asset is made up as follows:

	<b>Group</b> <b>2018</b> £	<b>Group</b> <b>2017</b> £
Accelerated capital allowances	84,745	62,376
Pension surplus	432,214	447,492
Short term timing differences	43,174	38,644
	<b>560,133</b>	<b>548,512</b>

No provision has been made in the consolidated financial statements for the potential net deferred tax asset of £354,712 (2017 - £373,835) relating to tax losses carried forward due to the uncertainty over the timescale in which it can be utilised.

**28. Company status**

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.



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**29. Pension commitments**

**Defined contribution scheme**

The Group participates in a defined contribution pension scheme where the Group contributes either 3% or 6% of salary depending upon each member's level of contribution.

The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £309,783 (2017 - £306,907). Contributions totalling £22,145 (2017 - £nil) were payable to the fund at the balance sheet date.

**Multi-employer pension scheme**

NUS UK offered membership of Student Union Superannuation Scheme ("SUSS"), a defined benefit pension scheme, to all employees until 30 September 2011, at which point the scheme closed to future accrual.

The scheme is subject to a revaluation every three years with the last valuation being performed in June 2016. The 2016 valuation recommended a monthly contribution requirement by each employer expressed in monetary terms intended to clear the ongoing funding deficit over a period of 17 years and will increase by at least 5% each year. This showed an increased funding deficit of around £120m shared between 69 employers.

This represents an increase of c£47m in the deficit in comparison to the 2013 valuation and resulted in increased contributions from October 2017 onwards. These contributions also include an allowance for cost of the ongoing administrative and operational expenses of running the Scheme.

During the year the Group was made aware of a possible increase in SUSS's pension deficit. This will not impact the Group until a revised deficit funding contribution schedule has been agreed, which will be following the next triennial valuation of the scheme.

Under FRS102 the multi-employer pension liability has been calculated based on the assumptions of the above expected deficit payments using a discount rate of 2.5% (2017 - 2.5%):

	2018 £	2017 £
Multi employer pension liability at 1 July	12,246,972	9,196,670
Movement on net present value calculation	(418,116)	3,050,302
<b>Multi-employer pension liability at 30 June</b>	<b>11,828,856</b>	<b>12,246,972</b>

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**30. Commitments under operating leases**

At 30 June 2018 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2018 £</b>	<b>Group 2017 £</b>
<b>Land and buildings</b>		
Not later than 1 year	88,827	102,584
Later than 1 year and not later than 5 years	257,667	284,933
Later than 5 years	61,500	123,000
	<u>407,994</u>	<u>510,517</u>
	<b>Group 2018 £</b>	<b>Group 2017 £</b>
<b>Other</b>		
Not later than 1 year	26,987	76,680
Later than 1 year and not later than 5 years	107,948	107,948
Later than 5 years	128,188	155,175
	<u>263,123</u>	<u>339,803</u>

During the period, the Group expensed £133,712 (2017 - £179,264) to the profit and loss account as a result of operating lease commitments.

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**31. Related party transactions**

The parent company of the Group holds an investment in Endsleigh Limited. There is no deemed significant influence or control.

**Transactions with Endsleigh**

During the year the group earned commission income amounting to £500,000 (2017 - £500,000). The amounts outstanding from Endsleigh Limited at the balance sheet date were £396,000 (2017 - 396,000), disclosed as accrued income. In addition, dividend income from the investment in Endsleigh totalled £792,495 (2017 - £792,858).

Insurance covering the Group's activities was purchased through Endsleigh Insurance. Total expenditure in the period was £73,255 and no balance existed at the balance sheet date.

**OneVoice Digital Limited**

During the year, NUS Services acquired 20% of the share capital of OneVoice Digital Limited. OneVoice Digital Limited purchased the fixed assets of NUS Media for a nominal fee. These assets had a NBV of £nil.

Also during the year, NUS Services entered into a £2m Loan Facility agreement to OneVoice of which £975,000 had been drawn-down at the balance sheet date. The loan is a long-term loan with no repayment schedule. The interest being charged on the drawn-down balance is 2% plus the Bank of England base rate. The interest income received in the period of £3,239 has been credited to Interest Receivable in the Profit and Loss account.