

Statement in relation to UMSU Financial Report for 2013.

A copy of the Draft Financial Report for 2013 has been posted on the UMSU website. Accompanying the draft is a statement from UMSU's auditors, Moore Stephens, outlining changes that were undertaken to how UMSU's financial reports have been prepared. This statement provides some additional advice and is to be read in conjunction with those documents.

On page 3 of the financial report, UMSU's profit before income tax in 2013 is recorded as \$487 372. Also on page three Moore Stephens have documented that there was a transfer to the General Reserve of \$313 789. The actual surplus derived from UMSU's operations in 2013 is \$173 583. This is described in the draft accounts as "Profit after income tax and transfer to reserve."

The statement provided by Moore Stephens sets out that \$285 215 that had been previously been held in a provision to cover redundancy entitlements for staff could not be supported by standard accounting practice. This represents a revised mechanism for accounting for funds that UMSU already holds. It does not in any way alter UMSU's obligations to staff or its capacity to meet these obligations.

The remaining \$28 574 transferred to the General Reserve is derived from interest earned by UMSU in 2013 and the transfer is made in a manner that is consistent with UMSU's Financial Regulations.

Justin Baré
General Manager, UMSU

Declan McGonigle
President, UMSU

Sam Donnelly
General Secretary, UMSU