



MANAGEMENT ACCOUNTS

FOR THE MONTH ENDED

30th November 2017

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NB: Management Accounts for individual cost centres are now provided as a separate document

Executive Summary

Union income was a further £34,759 (6%) under budget in November, and total costs remained under budget also by £15,571, leaving the Union with a surplus of £61,529 for the month, which is £19,188 below budget. Strong trading results in Catering, where core sales were £6,543 (14%) ahead of budget and Retail sales, which were £4,355 ahead of budget, were offset in other commercial areas, particularly across functions, which were £11,016 under budget and H Bar core sales £6,295 under budget. In addition, the Union recorded no advertising income in the month against a budget of £14,000 and sales from Beit Venues were £11,025 under budget due to a reduction in existing business and missed ad hoc sales targets. Finally, as in August, interest income from cash and investments was £10,603 below budget, due partly to a budget phasing issue, and partly to the Union's delayed new investment strategy. The full year risk from the investment strategy is estimated at up to £20,000.

In terms of expenditure, permanent staff costs were £23,249 less than budget. This reflects ongoing vacant positions in Marketing, Finance, Systems, Beit Venues, and Catering as well as the vacant Social Enterprise role under Leadership. These savings were partially offset by increased temporary and agency staff costs, reflecting some temporary backfilling of vacant roles, and the higher than planned trading volumes, particularly in Catering. The remaining variances are due to delayed or deferred expenditure, particularly training, printing costs and Marketing licences.

Overall, the Union has a surplus of £308,244, which is just £10,880 (3%) under budget. This reflects year to date income being £124,430 behind budget and almost offset by total year to date costs being £113,550 under budget also. Of this, realised savings from staff vacancies is approximately £70,000, and the remainder is expected to be largely due to delayed expenditure, leaving a significant overall income gap remaining to be bridged. However, with ongoing gaps in key sales roles and slack pipelines for advertising, functions and ad hoc room hire sales, there is a real risk that this gap will continue to widen, rather than narrow for a number of months ahead.

Consolidated Summaries

Union & Student Groups Summaries (Statement of Financial Performance)

Imperial College Union

Management Accounts 2017/18

Union

Union	November					Year to Date					Full Year Budget
	Actual	Budget	Last Year	Variance	Change	Actual	Budget	Last Year	Variance	Change	
Income	521,429	556,188	520,398	(34,759)	1,031	2,104,446	2,228,876	2,024,923	(124,430)	79,523	5,446,093
Cost of Sales	(129,056)	(130,681)	(130,390)	1,625	1,334	(514,476)	(501,888)	(468,673)	(12,588)	(45,803)	(1,330,970)
Gross Profit	392,373	425,507	390,007	(33,134)	2,366	1,589,970	1,726,988	1,556,250	(137,018)	33,720	4,115,123
Staff Pay Costs	(255,012)	(266,540)	(241,030)	11,528	(13,982)	(965,297)	(1,005,134)	(903,531)	39,837	(61,766)	(3,073,030)
Other Direct Costs	(75,832)	(78,250)	(68,481)	2,418	(7,350)	(316,429)	(402,730)	(293,097)	86,301	(23,333)	(1,039,015)
Overheads etc.	-	-	-	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-	-	-	-
Net Surplus/(Deficit)	61,529	80,717	80,496	(19,188)	(18,967)	308,244	319,124	359,623	(10,880)	(51,379)	3,078

Student Groups

Grant	(6,731)	-	(13,282)	(6,731)	6,552	48,075	-	48,554	48,075	(479)	-
SGL	94,000	-	39,420	94,000	54,580	492,982	-	414,120	492,982	78,862	-
Harlington	12,029	-	(655)	12,029	12,684	8,504	-	(2,044)	8,504	10,548	-
IC Trust	(5,285)	-	(8,620)	(5,285)	3,334	(1,658)	-	(15,189)	(1,658)	13,531	-
College	7,111	-	15,187	7,111	(8,076)	52,944	-	35,757	52,944	17,187	-
Net Surplus/(Deficit)	101,125	-	32,050	101,125	69,075	600,846	-	481,198	600,846	119,649	-

Funds Analysis

Unrestricted Funds	54,799	80,717	67,214	(25,918)	(12,415)	356,319	319,124	408,176	37,195	(51,858)	3,078
Restricted Funds	107,855	-	45,332	107,855	62,523	552,771	-	432,644	552,771	120,128	-
Capital Funds	(19,326)	-	(19,326)	(19,326)	-	(77,304)	-	(77,304)	(77,304)	-	-
Total Surplus/(Deficit)	143,328	80,717	93,220	62,611	50,108	831,786	319,124	763,516	512,662	68,270	3,078

Social Enterprise Income & Expenditure Account (Statement of Financial Performance)

Imperial College Union

Management Accounts 2017/18

Social Enterprise

	November					Year to Date					Full Year
	Actual	Budget	Last Year	Variance	Change	Actual	Budget	Last Year	Variance	Change	Budget
Income	356,888	368,746	351,551	(11,859)	5,337	1,365,486	1,414,685	1,319,510	(49,199)	45,976	3,669,098
Cost of Sales	(129,056)	(130,681)	(130,390)	1,625	1,334	(514,476)	(501,888)	(468,673)	(12,588)	(45,803)	(1,330,970)
Gross Profit	227,832	238,066	221,161	(10,234)	6,671	851,009	912,797	850,837	(61,787)	172	2,338,128
Staff Pay Costs	(119,675)	(118,936)	(116,569)	(739)	(3,106)	(431,525)	(422,593)	(407,471)	(8,933)	(24,055)	(1,268,448)
Other Direct Costs	(31,002)	(30,008)	(35,976)	(994)	4,974	(131,458)	(148,278)	(130,006)	16,820	(1,451)	(377,309)
Overheads	-	-	-	-	-	-	-	-	-	-	(14,713)
Net Profit/(Loss)	77,154	89,121	68,615	(11,966)	8,539	288,026	341,926	313,360	(53,900)	(25,333)	677,658

ICU Debtors as at 30/11/2017

	0 - 30 Days	31 - 60 Days	61 - 90 Days	91- 120 Days	121+ Days	TOTAL
Clubs, Society & Projects	56,117 39%	33,468 23%	27,518 19%	2,066 1%	24,322 17%	143,491
Union	22,758 44%	2,307 4%	11,549 22%	824 2%	14,199 27%	51,637
Grand Total	78,875 40%	35,775 18%	39,067 20%	2,890 1%	38,521 20%	195,129

Debtor Days*

June 2017	48.20 days
July 2017	57.33 days
August 2017	57.33 days
September 2017	84.67 days
October 2017	83.34 days
November 2017	94.70 days

*closing month end debt/total annual credit sales X 365 days

Imperial College Union
Balance Sheet as at 30 November 2017

	Notes	30 November 2017		30 November 2016		31 July 2017	
		£	£	£	£	£	£
TANGIBLE FIXED ASSETS	1		4,616,066		4,836,892		4,714,624
INVESTMENTS	2		129,235		119,731		129,235
CURRENT ASSETS							
Stock		246,778		263,211		229,171	
Debtors	3	235,556		405,297		185,043	
Cash and bank balances	4	2,934,855		2,320,844		2,112,951	
		<u>3,417,189</u>		<u>2,989,352</u>		<u>2,527,165</u>	
CREDITORS: Falling due within one year	5	<u>(622,807)</u>		<u>(517,799)</u>		<u>(663,127)</u>	
NET CURRENT ASSETS			2,794,382		2,471,553		1,864,039
TOTAL NET ASSETS			<u><u>7,539,684</u></u>		<u><u>7,428,177</u></u>		<u><u>6,707,898</u></u>
Restricted Funds							
Capital Grants	6	2,731,646		2,963,558		2,808,950	
Student Activities		1,526,020		1,282,453		973,249	
			4,257,666		4,246,011		3,782,199
Unrestricted Funds							
Designated Funds	7	1,978,277		2,000,431		2,076,835	
General Reserve		<u>1,303,741</u>		<u>1,181,734</u>		<u>848,864</u>	
			3,282,017		3,182,165		2,925,699
			<u><u>7,539,684</u></u>		<u><u>7,428,177</u></u>		<u><u>6,707,898</u></u>

Imperial College Union

Balance Sheet Notes as at 30 November 2017

	30 November 2017	30 November 2016	31 July 2017
	£	£	£
1 TANGIBLE FIXED ASSETS			
Cost	9,459,595	9,211,945	9,129,184
Additions	79,016	123,397	352,652
Disposals Cost	-	150,297	88,695
Disposals Accumulated Depreciation	-	(150,297)	(88,695)
Accumulated Depreciation	(4,922,545)	(4,498,450)	(4,767,213)
	4,616,066	4,836,892	4,714,624
2 INVESTMENTS			
Investment Cost	2,687	2,687	2,687
Unrealised Value	126,548	117,044	126,548
	129,235	119,731	129,235
3 DEBTORS			
Trade Debtors	195,129	229,976	123,794
Provision for Bad Debts	(22,426)	(29,818)	(22,426)
Prepayments	8,119	8,586	4,753
Accrued Income	5,827	174,126	7,787
Other Debtors	48,908	22,427	71,135
	235,556	405,297	185,043
4 CASH AND BANK			
Main Account	2,930,365	2,325,757	2,084,341
Club & Societies	(9,149)	(20,352)	4,970
Floats	11,160	12,910	21,160
Petty Cash	2,480	2,530	2,480
	2,934,855	2,320,844	2,112,951
5 CREDITORS			
Trade creditors	93,553	149,643	(83,305)
College Interdivision Creditor	(125,168)	(186,321)	(104,679)
VAT	(165,695)	(187,053)	(46,594)
Credit Card Control	3,359	9,036	3,333
Accruals	(106,830)	(67,953)	(122,048)
Deferred income	(13,327)	(7,004)	(63,925)
Other creditors	(308,701)	(228,146)	(245,908)
	(622,807)	(517,799)	(663,127)
6 RESTRICTED FUNDS			
Capital Grants	2,731,646	2,963,558	2,808,950
Student Activities/Halls	1,526,020	1,282,453	973,249
	4,257,666	4,246,011	3,782,199
7 UNRESTRICTED FUNDS			
Asset and Investment Funds	1,809,803	1,801,387	1,908,361
Investment Revaluation Reserve	126,548	117,044	126,548
Other Designated Funds	41,925	82,000	41,925
General Reserves	1,303,741	1,181,734	848,864
	3,282,017	3,182,165	2,925,699

Imperial College Union

Cashflow Statement as at 30 November 2017

Current Year Surplus/(Deficit)	831,786	
Add back Depreciation	152,425	
Investment Income Eliminated	(4,193)	
(Increase)/Decrease in unrealised investments	-	
Loss/(Profit) on sales of fixed assets	(7,527)	
(Increase)/Decrease in Stock	(17,607)	
(Increase)/Decrease in Debtors	(50,514)	
Increase/(Decrease) in Creditors	(40,320)	
Net cash inflow/(outflow) from operating activities		864,051
Returns on investment and servicing of finance		
Charifund Interest Received	1,440	
Bank Interest Received	2,753	
		4,193
Capital Expenditure		
Payments to acquire tangible fixed assets	(56,774)	
Receipts from sales of tangible fixed assets	10,433	
Deferred Capital Grants received during the year	-	
		(46,341)
Change in net funds		821,904
Reconciliation of cash flow to movements in funds		
Net funds as at 01 August 2017	2,112,951	
Net funds as at 30 November 2017	2,934,855	
Change in net funds		821,904

Cashflow Statement as at 30 November 2017

The Union has seen a net increase of £822k in the year so far. The main cash inflow of funds was £864k received from operating activities with an additional £4k from interest and investments.

The main cash outflow of funds was £46k of capital expenditure.