

**Imperial College Union
Board of Trustees / 24 March 2021**

Management Accounts – February 2021

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Purpose: To summarise the financial performance of the Union against for the first 7 months of the year, to 28 February 2021, measured against the 'Stage Four Budget' approved by Trustees on 24 February.

Decisions(s): To note the position and narrative.

1. Summary

The management accounts for February 2021 (period 7) are presented against the latest iteration of the budget, which was approved by the Trustee Board in month. Work continues to finalise the 2019/20 accounts and therefore an opening balance sheet is still unavailable, but commentary is provided on key balance sheet components.

Overall, performance in February has been on budget, with a £18.3k surplus against a budget of £17.7k. The YTD position is an adverse £12.8k against budget, which arises due to some unexpected costs in January, not picked up in the profiling of the Stage Four Budget into period 6 – the main variances are explained below.

2. Key Variance Analysis

The table below analyses the key variances to budget, both in P7 and YTD.

	Variance P7		Variance YTD	
Income	(£3.5k)	Adverse: - (£4.5k) Venues Favourable: - £1.1k Retail	(£9.6k)	Adverse: - (£11.1k) Venues Favourable: - £0.8k Retail - £0.8k Other
Staff Expenditure	-		(£2k)	Adverse: - (£2k) Permanent Staff
Non-Staff Expenditure	£4.1k	Adverse: - (£2.7k) Training Favourable: - £5.1k Cleaning - £1.2k Contingency	(£1.2k)	Adverse: - (£4.7k) Health & Safety - (£2.7k) Training Favourable: - £5.1k Cleaning - £1.2k Contingency

3. Trading

The venues and retail outlets remain closed and the only trading conducted in the period was through the Online Shop which continues to trade well since launching in December (£5k sales in P7).

There are adverse variances in Venues both in period (£4.5k) and YTD (£11.1k), arising from a combination of wastage as stock has gone out of date and corrections to the cost of sales in prior periods due to late receipt of invoices.

4. Charity

Overall, charity departments are in line with budget and showing a slight positive variance in period due to the inclusion of accruals for cleaning credit notes related to the first lockdown. The YTD position is a slight adverse variance, due mainly to additional health and safety costs that were incurred in January but missed from the reforecast exercise and therefore, and the phasing of staffing budget in Student Opportunities.

5. Cash Position

The Union's cash position at the end of period 7 is detailed below:

£	28 Feb 2021	31 July 2020	Increase/ (Decrease)
Cash	3,746,166	776,613	2,969,553
Investments	-	1,534,516	(1,534,516)
	<u>3,746,166</u>	<u>2,311,129</u>	<u>1,435,037</u>

The increase from the P6 management accounts is mainly due to the receipt of the Q3 block grant (£459k) in the period.

This is attributable to both CSPs and the Union, and illustrated below. Whilst this looks like a particularly positive position for the Union, creditors have increased by £1,042k in the same period which is largely a result of outstanding payroll costs (£825k) to be settled with the College.

£	28 Feb 2021	31 July 2020	Increase/ (Decrease)
CSP Restricted Reserves	2,151,612	1,817,296	334,316
Union Reserves	1,594,554	493,833	1,100,721
	<u>3,746,166</u>	<u>2,311,129</u>	<u>1,435,037</u>