

**Imperial College Union  
Board of Trustees / 29 May 2024**

**Management Accounts April 2024**

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Purpose: To present the Management Accounts for April 2024

Actions: To note

## 1. Summary

Year to date, the Union has made a surplus of £281k, which is £133k ahead of the re-forecasted surplus of £148k. This can be attributed to higher contributions from both Retail and Venues, of £28k and £49k respectively, and expenditure savings of £59k in core areas.

In the month of April, the Union incurred a small loss of £5k, compared to a predicted loss of £72k. This positive outcome is due to an additional £36k contribution from Commercial Services, combined costs savings across core-funded areas – largely driven by vacancy savings of £25k.

The accounts are presented and analysed in comparison to the January 2024 re-forecasted budget (referred to as the forecast).

## 2. Core, Grant-Funded Performance

Core areas were £30k favourable compared to forecast in the month of April. The major cause of this positive variance is vacancy savings which were £25k – the remaining £5k is made up of underspends of £7k, offset against a reduction in income of £2k. It should be noted however, that a lot of the underspends are due to timing differences, and these amounts are expected to be spent before the end of the financial year.

The table below shows a summary of the overall variances to the reforecast for each of the core areas.

Area	Variance Month	Variance Year to Date	Year to Date Comments
<b>Income</b>			
Student Activities	(£0k)	£1k	-
Leadership & Governance	(£1k)	(£4k)	Minor reduction to Block Grant staff award due to decrease in USS pension scheme contribution rates
<b>Expenditure</b>			
Representation	£10k	£22k	£16k of vacancy savings. £2k underspend in Teaching Awards expected to be spent in May.
Marketing	£13k	£20k	£11k of vacancy savings. £9k underspend due to reduced marketing activity caused by role vacancies.
Facilities, Health & Safety	£5k	£9k	£14k of vacancy savings. £6k overspend across Maintenance/Equipment, costs to be

Area	Variance Month	Variance Year to Date	Year to Date Comments
			reviewed with the budget holder as some may need to be recharged to Commercial.
Advice & Support	£1k	£6k	£5k of vacancy savings - all roles now filled.
Student Activities	£3k	£5k	£3k Felix Printing savings - no issues produced in April to bring total costs down to original budget of £25k.
Minibus Service	(£3k)*	£4k*	Currently over break-even target which is normal for the time of year. Budget setting to be picked up as part of FY24/25 planning. <i>*Net surplus</i>
People & Culture	£1k	£4k	£3k under-spend on Training & Development - full budget is expected to be spent by year end.
Finance	£1k	£2k	-
Systems	£2k	(£1k)	-
Leadership & Governance	(£1k)	(£12k)	£6k staffing underspends offset by additional expenses: £7k London Sustainability Forum, £5k VAT Review and £3k Recruitment.
<b>Total</b>	<b>£26k</b>	<b>£54k</b>	

### 3. Commercial Performance

Overall, Commercial Services have generated a total contribution of £343k year to date (before core allocations)– exceeding the forecast by c£80k, as summarised below:

Year to Date:	Actual (£k)	Forecast (£k)	Var (£k)
<b>Retail</b>	<b>211</b>	<b>183</b>	<b>28</b>
<b>Venues:</b>			
Beit Bars	97	76	21
H Bar	-6	-12	6
Reynolds Bar	-37	-41	4
Events	78	60	18
<b>Venues Total</b>	<b>132</b>	<b>83</b>	<b>49</b>
<b>Total per MA</b>	<b>343</b>	<b>266</b>	<b>77</b>
Core allocations	-105	-108	3
<b>Total per Model</b>	<b>238</b>	<b>158</b>	<b>80</b>

There is some further improvement release of commercial contingency balance not required for planned commercial improvements and managing old stock from the £120k budget remaining. These contingency lines will be reviewed as part of the estimated budget outturn work for the next Committees, as well as the budget setting work for next year.

In month, the contribution was also favourable to the forecast – the expected loss of £45k reduced by £36k to only £9k.

## Venues

Venues generated a net positive contribution of £9k in the month of April, compared with an expected loss of £33k. Beit Bars exceeded forecast by £12k – while H Bar and Reynolds incurred small adverse variances totaling approximately £1.5k. Events reported a positive variance of £32k in month, due to higher than expected advertising sales and external room hire bookings.

## Retail

In the month of April, Retail incurred a deficit of £19k, which was £6k worse than forecasted. This is largely due to closure of the main shop to allow for minor improvement works, combined with the costs of setting up the new Shopify website and Shopify POS system. These costs all relate to the launch of the new College brand, and early indications are the new range is selling well and that May figures should be a lot more positive.

## **4. Balance Sheet**

The Union's Balance Sheet (Appendix 2) continues to show a strong financial position, with net assets of £2.99m.

## **5. Cashflow**

The cashflow statement (Appendix 3) shows a healthy cash position, with a cash balance of £3.28m as at 30<sup>th</sup> April 2024.

## **6. Conclusion**

The fact that the Union is £133k ahead of its year-to-date forecast indicates that it is on track to exceed its £1k surplus forecast and £109k budget for the year. This has arisen due to an improving retail contribution, venue improvements compared with forecast (particularly in Beit Bars & Events) and some ongoing vacancies, and will be further supported through any commercial contingency release at the end of the year.

This is expected to provide additional contribution to the Strategic Investment Fund, to support future activity. A forecast outturn position will be presented to the June Finance & Risk Committee and July Trustee Board for review.