



Birkbeck
UNIVERSITY OF LONDON

Students' Union

Annual Report

and

Financial Statements

Year ending 31 July 2008

BIRKBECK COLLEGE LONDON STUDENTS' UNION
REPORT AND FINANCIAL STATEMENTS
For the year ended 31 July 2008

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OFFICERS AND ADVISERS

Council Officers (2008/2009)	Tami Peterson Robert Park Jack Bovill	Trustee Trustee Trustee
Council Officers (2007/2008)	- Jidefor Umenyilora Robert Park	President (Vacant) Vice-President Finance Vice-President Student Affairs
Union Manager	Nawaf Ibrahim, BSc	
Principal Place of Business	4th Floor, Extension Building Birkbeck College Malet Street London WC1E 7HX	
Auditors	Knox Cropper Chartered Accountants and Registered Auditors 153 – 155 London Road Hemel Hempstead Herts. HP3 9SQ	
Solicitor	Michael Mawle, LLB National Union of Students Centro 3 19 Mandela Street London NW1 0DU	
Bankers	National Westminster Bank PLC Tavistock House Tavistock Square PO Box 83 London WC1H 9XA	

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TRUSTEE'S REPORT

Staffing

Costs for the Sabbatical position have continued to rise in line with London Weighting. After the resignation of the elected sabbatical President on 18 November 2007, the Council directed the funding of this post towards our education funding campaign against the withdrawal of the ELQ funding.

Governance

At 31 July 2008, the Union formally created an incorporated company limited by guarantee, deriving charitable status as an exempt charity from the provisions laid down in the Charities Act 1993. The governance arrangements for the new incorporated body were approved after debate at the first General Meeting of the Union to have a quorum in over ten years. College Governors approved the various changes and the new governing documents.

College Governors and the Ordinary Members of the Union formally recognised that the representative body, the corporate student body and the political body of students at Birkbeck transferred wholly to the incorporated body on 1 August 2008.

The Trustees and the Governors also re-wrote the Code of Practice, as required by the Education Act 1994, which includes recognition that the Union will have to register with the Charities Commission as a separate charity once secondary legislation is approved and implemented in line with the Charities Act 2006.

The Trustees will be presenting future financial statements in line with Charities SORP, the accounting practice required by the Commission.

The Unincorporated Body

All assets and liabilities held by the Union still reside with the unincorporated body, unless they have been formally transferred over to the new incorporated body. Presently this includes the staff of the Union, who will be entering a TUPE transfer to the incorporated body when conditions are agreed as correct between the staff and the employer.

The Trustees of the unincorporated body are the members of the Winding-Up Committee (WUC), created by the old Council by order of the Ordinary Members at the Extraordinary General Meeting on 17 February 2008. As of 31 July 2008, the members of the WUC and therefore the Trustees of the Unincorporated Body were:

Rob Park
Tami Peterson
Jack Bovill

The old Council and governance organs of the unincorporated body have now been dissolved; however the WUC is required to hold General Meetings around every 12 months to update members on winding-up. It is the intention of the WUC to have a section at the incorporated body's first AGM for this purpose.

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The WUC has authorised the control and governance of all assets and liabilities be delegated formally to the new organs of governance as would be appropriately assigned under the incorporated body's Memorandum and Articles of Association and their Bye-Laws.

Welfare

Once again the Counselling Service and Advice Centre had high demand placed upon them by needy members. The Union is grateful to the College for its support and additional funding to expand these services and the Council is looking at further expansion in future years as demand continues to increase.

Budget negotiations secured that from 1 August 2008, the Advice Centre co-ordinator would be full-time and there would be an increase in Counselling hours available to members.

Social Activities

Clubs and Societies continued to engage new members and provide a good sense of community and education enhancement for members. The continued growth of Clubs & Societies has been positive for the Union, notably in engaging with officers and society members on the governance review.

Budget negotiations secured that from 1 August 2008, grant monies available for clubs and societies would increase from £10.5k to around £15.5k. The Trustees are keen to ensure that these monies are appropriately applied in line with the Union's strategic aims and in the best interests of the College's corporate mission. To this end new clubs and societies funding regulations will be drawn up.

Robert Park
Trustee (2007 – 2009)

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UNION MANAGER'S REPORT

INCOMING RESOURCES

COLLEGE GRANT

Our Direct Grant has remained stable as we continue to provide the same level of activity. Our Staffing Grant has increased as we secured additional funds to expand our oversubscribed Advice Centre and Counselling service. The Bar Grant has seen an increase, as refurbishment of the Union Bar resulted in an improved trading performance.

INCOME FROM SERVICES

The Union Shop turnover increased by 16% and net income increased by 9%, we expect further improvement in our trading in the next financial year with the recruitment of a Commercial and Administration Co-ordinator giving us an opportunity to consolidate trading increases seen since the relocation of the Union Shop in the basement .

OTHER INCOME

Other Income has remained at the same level as we struggle to explore opportunities due to staff under resource which has been addressed with the recruitment of a Commercial and Administration Co-ordinator.

RESOURCES EXPENDED

STUDENT SUPPORT

Conferences and Training has increased substantially as we had a year of unprecedented participation and representation on the national level. Affiliations have increased due to a change in the NUS affiliation fee calculation formula. Welfare expenditure has increased as we expanded our counselling service due to an ongoing increase in student demand. Other expenditure has decreased due to lower depreciation costs.

ADMINISTRATION AND MANAGEMENT

Salaries costs have increased to reflect the usual annual grading and cost of living increase, additionally the Advice Centre opening hours were extended and we increased our minimum hourly pay rate from £5.35 to £6.50 per hour. With the resignation of the sabbatical officer a temporary staff was sought to cover policy work increasing the Administration and Management Salaries with a reduction in Student Support Salaries.

Administration costs have decreased due to a reduction in Bad Debt provisions and Legal Fees.

The surplus for the year is a result of reduced Administration costs and saving on sabbatical officer Salary.

Finally, I would like to thank the Union staff and volunteers for their hard work and commitment during the academic year 2007 – 2008 and look forward to their continued support in the next year.

Nawaf Ibrahim
Union Manager 1997-2009

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STATEMENT OF OFFICERS' RESPONSIBILITIES

In accordance with the Students' Union Constitution, the Officers of the Students' Union are responsible for the administration and management of the affairs of the Students' Union and are required to present audited financial statements for each financial year.

The Officers are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Students' Union and to enable it to ensure that the financial statements are prepared in accordance with the Students' Union's Statutes, Guidance from the Higher Education Funding Council for England and other relevant standards. In addition, the Officers are required to prepare financial statements for each financial year which give a true and fair view of the statement of affairs of the Students' Union and of the surplus or deficit of that year.

In preparing the financial statements, the Officers have to ensure that:

- suitable accounting policies are selected and applied consistently;
- state whether applicable UK Accounting Standards have been followed;
- judgements and estimates are made that are reasonable and prudent; and
- financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Students' Union will continue in operation.

The Officers have taken reasonable steps to:

- ensure that funds from Birkbeck College are used only for the purposes for which they have been given;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the Students' Union and prevent and detect fraud;
- secure the economical, efficient and effective management of the Students' Union resources and expenditure;
- ensure that applicable accounting policies have been followed.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF BIRKBECK COLLEGE LONDON STUDENTS' UNION

We have audited the financial statements of Birkbeck College London Students' Union for the year ended 31 July 2008 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Council of the Students' Union, as a body, in accordance with our letter of engagement. Our audit work has been undertaken so that we might state to the Union's Council those matters we are required to state to them in an auditors' 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 Union and the Union's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Officers of the Students' Union and auditors

The Officers' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Officers' Statement of Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are in accordance with the relevant financial reporting framework and if the information given in the Vice President's Report is not consistent with the financial statements.

In addition we report to you if, in our opinion, the Union has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Officers' remuneration and other transactions is not disclosed.

We read the Vice-President's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the officers in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Union's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
BIRKBECK COLLEGE LONDON STUDENTS' UNION (CONTINUED)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Union's affairs as at 31 July 2008 and of its movement in funds for the year then ended;
- the financial statements have been properly prepared in accordance with the Student Union Statutes; and
- the information given in the Vice President's Report is consistent with the financial statements.

Signature:

Date:

Knox Cropper
Chartered Accountants and Registered Auditors
153 – 155 London Road
Hemel Hempstead
Herts. HP3 9SQ