



**Birkbeck**  
UNIVERSITY OF LONDON

# **Students' Union**

**Annual Report**

**and**

**Financial Statements**

**Year ending 31 July 2007**

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
**REPORT AND FINANCIAL STATEMENTS**  
For the year ended 31 July 2007

CONTENTS	Page
Officers and Advisers	1
Vice-President's Report	2
Union Manager's Report	3
Income and Expenditure Charts	4-5
Statement of Officers' Responsibilities	6
Independent Auditors' Report	7-8
Income and Expenditure Account	9
Balance Sheet	10
Notes to the Accounts	11-17
Comparative Historical Figures	18-20

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
**REPORT AND FINANCIAL STATEMENTS**  
For the year ended 31 July 2007

Page 1

**OFFICERS AND ADVISERS**

Council Officers (2007/2008)	- Jidefor Umenyilora Robert Park	President (Vacant) Vice-President Finance Vice-President Student Affairs
Council Officers (2006/2007)	Ismail Malik Myles Gardiner Richard Anderson  Philip O'Connor	President Vice-President Finance Vice-President Student Affairs Governor
Union Manager	Nawaf Ibrahim, BSc	
Principal Place of Business	4th Floor, Extension Building Birkbeck College Malet Street London WC1E 7HX	
Auditors	Deloitte & Touche LLP Chartered Accountants and Registered Auditors St. Albans, United Kingdom	
Solicitor	Michael Mawle, LLB National Union of Students Nelson Mandela House 461 Holloway Road London N7 6LJ	
Bankers	National Westminster Bank PLC Tavistock House Tavistock Square PO Box 83 London WC1H 9XA	

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
**REPORT AND FINANCIAL STATEMENTS**  
For the year ended 31 July 2007

Page 2

**VICE-PRESIDENT'S REPORT**

**Staffing**

Costs for the Sabbatical position have continued to rise in line with London Weighting. However, the Council believes that a sole sabbatical position in the current model is not the most effective way to support the activities of the Union nor to lead the elected officers of the Union. An alternative model is being looked at as part of the Union's governance review.

**Governance**

The Union struggled with a governance model comprising of a full-time elected President and a wider Council of volunteer officers, both acting as the trustee body and the members' representatives. The under resourcing of the Union has meant little change has occurred from the 2006 Annual Report and the Council thanks the staff employed by the Union for their professionalism and dedication under these testing circumstances.

The review of strategy and governance continues apace in 2007 and into 2008, and at the time of writing this report, the Union has had its first proper general meeting of members with a quorum which approved radical changes to the Constitution of the Union, including incorporation as a charitable company limited by guarantee and the replacement of the full-time sabbatical president by part-time sabbatical officers.

**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.

**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.

**Robert Park**  
**VP Student Affairs (2007 – 2008)**

# **BIRKBECK COLLEGE LONDON STUDENTS' UNION**

## **REPORT AND FINANCIAL STATEMENTS**

Page 3

For the year ended 31 July 2007

### **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 Counselling service. The Bar Grant has seen a decrease, but we expect a reversal of this from an increased turnover following the refurbishment of the Union Bar.

##### INCOME FROM SERVICES

With more students becoming aware of our service the Union Shop turnover increased by 19.5% and net income increased by 32.5%. We expect further improvement in our trading in the next financial year as more students become aware of this service.

##### OTHER INCOME

Income from commercial advertising has increased as a result of exploring further advertising opportunities. Membership Fees income decreased, as Faculty of Lifelong Learning students feel disgruntled at having to pay a fee when students of all other faculties have full membership on enrolment. Deposit interest received has increased substantially as we received interest due to us on our deposits with the College.

#### **RESOURCES EXPENDED**

##### STUDENT SUPPORT

Welfare expenditure has increased as we expanded our counselling service due to an increase in student demand. Union Newsletter expenditure has decreased as the Union magazine was reformatted into a basic and functional publication at a reduced cost. Social & Entertainment costs have decreased as we reduced our entertainment provisions. Other expenditure has increased substantially due to higher depreciation costs in relation to bar refurbishment.

##### ADMINISTRATION AND MANAGEMENT

Salaries costs have increased to reflect the usual annual grading and cost of living increase. Administration costs have increased due to provision for Bad Debt and Loan Repayment to the College in relation to the refurbishment of the bar.

The surplus for the year is a result of better than expected net income from services and other income.

Finally, I would like to thank the Union staff and volunteers for their hard work and commitment during the academic year 2006 – 2007 and look forward to their continued support in the next year.

**Nawaf Ibrahim**  
**Union Manager 1997-2008**

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
**REPORT AND FINANCIAL STATEMENTS**  
For the year ended 31 July 2007

Page 6

**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 causing the financial statements to be prepared, 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 COUNCIL OF BIRKBECK COLLEGE LONDON STUDENTS' UNION

We have audited the financial statements of Birkbeck College London Students' Union for the year ended 31 July 2007 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.

**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 2007 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: .....

Deloitte & Touche LLP  
Chartered Accountants and Registered Auditors  
St. Albans



**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
**INCOME AND EXPENDITURE ACCOUNT**  
For the year ended 31 July 2007

Page 9

	Notes	2007 £	2006 £
<b>INCOMING RESOURCES FROM CONTINUING OPERATIONS</b>			
Grants from Birkbeck College	2	171,730	163,836
Income From Services	3	66,122	55,327
Other Income	4	15,764	9,126
<b>TOTAL INCOMING RESOURCES</b>		<b>253,616</b>	<b>228,289</b>
<b>RESOURCES EXPENDED FOR CONTINUING OPERATIONS</b>			
<b>Student Support</b>			
Salaries	5	25,717	25,172
Union Activities	6	16,314	25,600
Welfare	7	29,013	26,265
Clubs and Societies	8	9,192	10,668
Other Expenditure	9	19,692	4,038
Refurbishment	10	775	1,749
<b>Administration and Management</b>			
Salaries	5	72,329	62,830
Administration	11	21,497	19,142
Cost of Sales	3	41,893	37,046
<b>TOTAL RESOURCES EXPENDED</b>		<b>236,422</b>	<b>212,510</b>
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>17,194</b>	<b>15,779</b>
Total funds brought forward at 1 August		204,953	189,174
Total funds carried forward at 31 July		222,147	204,953

There are no recognised gains or losses for the current and preceding years other than as stated above. Accordingly no statement of total recognised gains and losses is presented.

All results are derived from continuing operations.

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**

Page 10

**BALANCE SHEET**

As at 31 July 2007

	Notes	2007 £	2006 £
<b>FIXED ASSETS</b>			
Tangible assets for use by the Union	12	104,842	13,060
Investments	13	60	60
		-----	-----
		104,902	13,120
<b>CURRENT ASSETS</b>			
Stocks		6,522	4,968
Debtors	14	115,213	147,856
Cash at bank		70,443	55,252
Cash in hand		802	476
		-----	-----
		192,980	208,552
Creditors: amounts falling due within one year	15	(75,735)	(16,719)
		-----	-----
<b>NET CURRENT ASSETS</b>		117,245	191,833
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		-----	-----
		222,147	204,953
<b>NET ASSETS</b>		-----	-----
		222,147	204,953
		=====	=====
Represented and financed by:			
<b>STUDENTS' UNION ACCUMULATED FUND</b>		222,147	204,953
		=====	=====

Approved on behalf of the Students' Union, on 14 March 2008

..... Robert Park  
Vice President Student Affairs (2007 - 2008)

..... Jideofor Umenyilora  
Vice President Finance (2007 - 2008)

..... Nawaf Ibrahim  
Union Manager (1997 - 2008)

## 1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Union's accounts.

## a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

## b) Depreciation

Depreciation has been calculated so as to write off the cost of tangible fixed assets over their remaining useful lives at the following rates on the reducing balance method:

Equipment	25%
Computer equipment	25%
Fixtures and fittings	15%

## c) Stocks

Stocks are stated at the lower of cost and net realisable value and consist of shop consumables.

## d) Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value.

## e) Tax

The Students' Union has charitable status for tax purposes by virtue of its relationship to Birkbeck College. Therefore it is potentially exempt from taxation on its income and gains falling within s 505 of the Income and Corporation Taxes Act 1988 and s 256 of Taxation of Chargeable Gains Act 1992 to the extent these are charitably applied. No tax charge has arisen in the year.

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**

## NOTES TO THE ACCOUNTS

For the year ended 31 July 2007

	2007 £	2006 £
2	GRANTS FROM BIRKBECK COLLEGE	
	55,359	54,955
Direct Grant	100,428	90,045
Staffing Grant	15,943	18,836
Bar Grant	-----	-----
	171,730	163,836
	=====	=====
<p>The College provides the Students' Union with three grants. The Direct Grant of £55,359 (2006: £54,955) was paid directly to the Students' Union in three termly instalments. The Staffing Grant of £100,428 (2006: £90,045) was paid out on the Students' Union's behalf to the Staff. The Bar Grant of £15,943 (2006: £18,836) (consisting of 60% of University of London Union's profit from the management of the Students' Union Bar was transferred directly to the Students' Union.</p>		
3	NET INCOME FROM SERVICES	
	66,122	55,327
Sales from Union Shop	(41,893)	(37,046)
Less: Cost of Sales	-----	-----
Net Income	24,229	18,281
	=====	=====
4	OTHER INCOME	
	2,203	1,020
Advertising	1,330	2,500
Membership Fees	7,104	603
Deposit Interest Received	5,127	5,003
Other	-----	-----
	15,764	9,126
	=====	=====
5	SALARIES	
	25,717	25,172
Student Support	72,329	62,830
Administration and Management	-----	-----
	98,046	88,002
	=====	=====

The expenditure shown reflects the salary costs of an average of 10 staff members (9 in 2005/06).

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
**NOTES TO THE ACCOUNTS**  
For the year ended 31 July 2007

	2007 £	2006 £
6	UNION ACTIVITIES	
	7,371	9,694
	807	2,924
	1,156	5,916
	1,594	1,809
	-	11
	-	34
	101	503
	-----	-----
	11,029	20,891
	Affiliations and External Relations:	
	4,383	4,148
	320	-
	200	197
	382	364
	-----	-----
	5,285	4,709
	-----	-----
	16,314	25,600
	=====	=====
7	WELFARE	
	24,213	20,963
	1,875	1,695
	1,390	1,398
	1,533	1,932
	2	277
	-----	-----
	29,013	26,265
	=====	=====

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**

Page 14

**NOTES TO THE ACCOUNTS**

For the year ended 31 July 2007

	2007	2006
	£	£
8		
CLUBS AND SOCIETIES		
Individual income and expenditure accounts for each club and society are published by each club and society. The expenditure shown reflects grants given to 16 (13 in 2004/05) clubs and societies funded by the Union.	9,192	10,668
	=====	=====
Expenditure of individual Clubs and Societies was:		
Applied Linguistics	603	
Archaeology	700	
Birkbeck FC	2,319	
Early Modern	300	
Geology	1,100	
German	1,003	
History of Art	33	
Japanese	570	
LGBTQ	41	
Philosophy	260	
PPH	1,411	
Psychological	541	
SALSA	306	
Other	5	
Total	9,192	
	=====	
Additional Clubs and Societies expenditure through funds generated by Clubs and Societies members	10,321	
	=====	
	2007	2006
	£	£
9		
OTHER EXPENDITURE		
Bank Charges and Interest	284	673
Depreciation:		
Fixtures and Fittings	17,445	1,112
Computer Equipment	679	508
Other Equipment	1,284	1,745
	-----	-----
	19,408	3,365
	-----	-----
	19,692	4,038
	=====	=====

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
**NOTES TO THE ACCOUNTS**  
For the year ended 31 July 2007

	2007	2006
	£	£
10	REFURBISHMENT	
	4th Floor JCR/BAR area	1,455
	Union Offices	294
	-----	-----
	775	1,749
	=====	=====
11	ADMINISTRATION	
	Sabbatical Allowance	79
	Council Members' and Election Expenses	776
	Bar Admin Fees	9,975
	Accountancy Fees	2,056
	Legal fees	-
	Bad Debt Expense	-
	Loan Repayment	-
	-----	-----
	16,190	12,886
	Office Expenses:	
	Photocopier Usage Charges	494
	Stationery	720
	Sundry Expenses	1,320
	Insurance	1,654
	Postage and Telephone	2,068
	-----	-----
	5,307	6,256
	-----	-----
	21,497	19,142
	=====	=====

12 TANGIBLE FIXED ASSETS FOR USE BY THE UNION

	Equipment	Computer Equipment	Fixtures and Fittings	Total
	-----	-----	-----	-----
Cost:	£	£	£	£
At 1 August 2006	23,077	23,102	40,821	87,000
Additions in year	-	1,190	110,000	111,190
Disposals in year	(100)	-	-	(100)
	-----	-----	-----	-----
At 31 July 2007	22,977	24,292	150,821	198,090
	=====	=====	=====	=====
Depreciation:				
At 1 August 2006	17,842	21,578	34,520	73,940
Charge for the year	1,284	679	17,445	19,408
Disposal for the year	(100)	-	-	(100)
	-----	-----	-----	-----
At 31 July 2007	19,026	22,257	51,965	93,248
	=====	=====	=====	=====
Net book value:				
At 31 July 2007	3,951	2,035	98,856	104,842
	=====	=====	=====	=====
At 31 July 2006	5,235	1,524	6,301	13,060
	=====	=====	=====	=====

		2007 £	2006 £
13	INVESTMENTS		
	NUS Services Ltd. "60 Ordinary Shares" with a book value of £1 each	60	60
		=====	=====
14	DEBTORS		
	College Account	114,085	138,151
	Trade Debtors	1,128	9,705
		-----	-----
		115,213	147,856
		=====	=====



**BIRKBECK COLLEGE LONDON STUDENTS' UNION**

Page 17

**NOTES TO THE ACCOUNTS**

For the year ended 31 July 2007

15	<b>CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR</b>		
	Clubs and Societies funds held in trust by the SU	14,860	13,400
	Other Creditors	6,875	3,319
	Loan from Birkbeck College	54,000	-
		-----	-----
		75,735	16,719
		=====	=====

THE FOLLOWING SCHEDULES DO NOT FORM PART  
OF THE ANNUAL ACCOUNTS

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
Comparative Historical Figures 2003-2007

Page 19

	2006/07	2005/06	2004/05	2003/04	2002/03
	£	£	£	£	£
INCOME					
Grant-SU					
Staffing	100,428	90,045	87,045	75,945	70,500
Direct	55,359	54,955	45,955	43,775	42,500
Bar	15,943	18,836	19,298	21,972	29,777
Shop Income	24,229	18,281	10,746	5,733	2,099
Other Income					
Membership	1,330	2,500	1,925	1,745	1,530
Advertising	2,203	1,020	44	2,053	1,029
Interest	7,104	603	1,229	725	786
Other	5,127	5,003	448	550	300
	-----	-----	-----	-----	-----
Sub-Total	211,723	191,243	166,690	152,498	148,521
Transfer From/(To) reserves	(17,194)	(15,779)	(19,575)	(21,977)	(33,953)
Grant-ULU	72,000	63,000	63,000	63,000	61,000
	-----	-----	-----	-----	-----
Total	266,529	238,464	210,115	193,521	175,568
	=====	=====	=====	=====	=====

# BIRKBECK COLLEGE LONDON STUDENTS' UNION

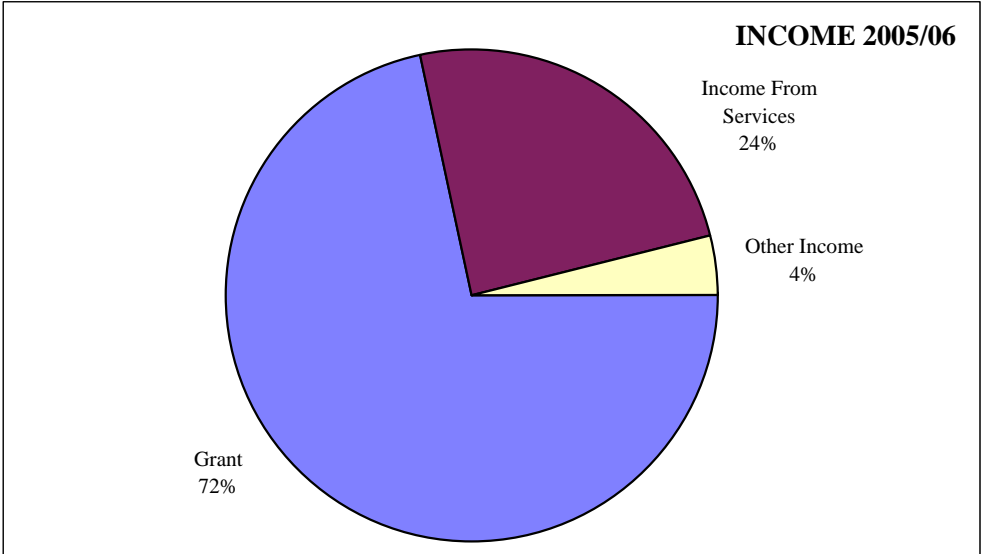
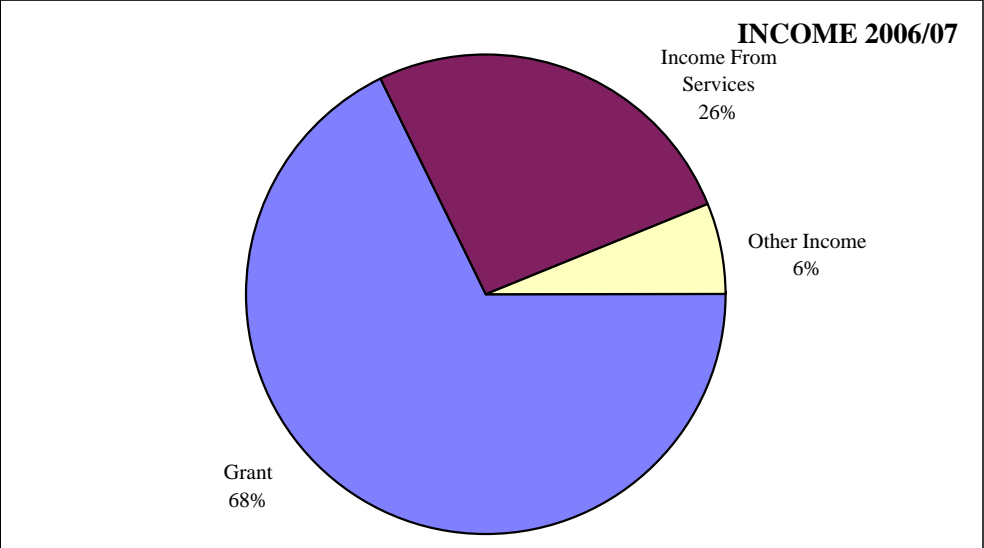
## Comparative Historical Figures 2003-2007

EXPENDITURE	2006/07 £	2005/06 £	2004/05 £	2003/04 £	2002/03 £
Staffing	98,046	88,002	82,137	70,590	66,908
Administration					
Office Expenses	5,307	6,256	2,956	5,255	4,970
Allowances	0	79	216	0	32
Executive & Elections	267	776	486	455	1,150
Preparation of Accounts	2,468	2,056	1,853	3,734	32
Legal Expenses	3,375	0	0	0	0
Bar Admin Fee	2,350	9,975	1,175	1,175	1,175
Bad Debt Expense	1,730	0	2,630	0	0
Union Activities					
Welfare					
Counselling	24,213	20,963	19,313	16,494	14,898
Skills for Study	1,533	1,932	2,363	2,104	1,429
Advice Centre	1,390	1,398	1,466	1,316	1,312
Supervision, etc.	1,877	1,972	1,827	1,414	1,415
Clubs & Societies	9,192	10,668	10,893	7,989	6,270
Social & Entertainment	7,371	9,694	3,431	3,660	2,770
Affiliations					
National Union of Students	4,383	4,148	4,047	4,047	4,181
National Postgraduate Com.	0	0	0	299	272
Mature Students Union	0	0	100	0	100
London Nightline	320	0	214	206	188
FIAC	200	197	163	155	145
AMSU	382	364	382	323	323
Publications					
Handbook	1,594	1,809	4,021	4,805	0
Newsletter/Other Publications	1,156	5,916	1,454	1,774	1,825
Conferences & Training	807	2,924	1,464	1,353	1,793
Campaigns	0	11	17	21	5
Class Reps	0	34	0	0	1
Students Fair	101	503	755	713	409
Refurbishment	775	1,749	568	40	7
Other Expenditure					
Bank Charges + Interest	284	673	357	336	184
Depreciation	19,408	3,365	2,827	2,263	2,774
Loan Repayment	6,000	0	0	0	0
Sub-Total	194,529	175,464	147,115	130,521	114,568
Subscription to ULU	72,000	63,000	63,000	63,000	61,000
Total	266,529	238,464	210,115	193,521	175,568

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**

**INCOME CHARTS**

For the year ended 31 July 2007



**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
**EXPENDITURE CHARTS**  
 For the year ended 31 July 2007

