



**Birkbeck**  
UNIVERSITY OF LONDON

# **Students' Union**

**Annual Report**

**and**

**Financial Statements**

**Year ending 31 July 2006**

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
**REPORT AND FINANCIAL STATEMENTS**

For the year ended 31 July 2006

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**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
**REPORT AND FINANCIAL STATEMENTS**  
For the year ended 31 July 2006

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**OFFICERS AND ADVISERS**

Council Officers (2006/2007)	Ismail Malik Myles Gardiner Richard Anderson  Philip O'Connor	President Vice-President Finance Vice-President Student Affairs Governor
Council Officers (2005/2006)	Ismail Malik Alfred Bovill  Sanchia Smithson, BSc  Jonathan Beck	President Vice-President Finance (Acting) 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 St. Albans	
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	

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**VICE-PRESIDENT'S REPORT**

2005-2006 saw a commendable volume of activity from the Union. The accounts evidence the continued growth in the activity of the Union Shop and the Welfare services also continued to experience high demand from students. The activities of Clubs and Societies have attracted significant attention from students at Birkbeck and this continues to be matched by the Union funding of these activities. Unfortunately some aspects of the Union's activities were not carried out this year, namely the review of the Constitution by Council and the production of a student handbook by the Council. These shortfalls will be rectified by Council in the coming year.

**Staffing**

The Students' Union Council appreciates the challenges faced by the Students' Union Manager and the Administrator and thanks them for their efforts in 2005-2006. Costs for the Sabbatical position have continued to rise in line with London Weighting. However, the Council has been concerned that a sole sabbatical position in the current model is not the most effective way to support the activities of the Union and to lead the officers of the Union. An alternative model will be looked at as part of the Union's constitutional review.

**Welfare**

The Council has been pleased with the expansion of the Advice and Counselling services run most efficiently by the Advice Centre Coordinator and the Counsellors, together with their student understudies. In light of the high demand on these services, the Council will be looking to further expand their activities in future years.

**Social Activities**

The continued growth of Clubs & Societies has been positive for the Union, notably the extensive calendar and support to students offered by a number of the course-based societies. Additionally the Union has refurbished the Union Bar and this will be operational for 2006-2007. We anticipate additional income coming into the Union in 2007-2008 from this refurbishment.

**Communications**

The Lamp and Owl produced a high quality editorial and praise goes to the Editor and her team for their work in regularly delivering this resource to a consistently excellent standard. We aim to better communicate to our members through a more accessible and updated website and direct email communication with our students.

**Myles Gardiner**  
**VP Finance (2006 – 2007)**

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For the year ended 31 July 2006

**UNION MANAGER'S REPORT**

**INCOMING RESOURCES**

COLLEGE GRANT

Our Direct Grant has increased as we secured additional funds to produce a feasibility study and a business plan for the refurbishment of JCR. Additionally our Staffing Grant has increased in line with cost of living. The Bar Grant has seen a slight decrease, but we expect a reversal of this with the refurbishment of JCR.

INCOME FROM SERVICES

As we expanded our product range and increased our shop opening hours the Union Shop turnover increased by 60% and net income increased by 70%. We expect a further improvement in our trading in the next financial year as more students become aware of this service.

OTHER INCOME

Income from commercial advertising in our Publications and exhibiting at our Students' Fair has increased substantially as we got a good response from advertisers. Membership Fees income continues to increase year on year, as FCE students continue to take advantage of the value for money services that the Union provides them.

**RESOURCES EXPENDED**

STUDENT SUPPORT

Expenditure on Student Support has increased as we expanded our Social & Entertainment programme and enhanced our Publications. Social & Entertainment costs have increased as we substantially increased our entertainment provisions and provided a regular calendar of events. Union Newsletter expenditure has increased as we revamped the Lamp and Owl, our union magazine, into a glossy magazine printed professionally.

ADMINISTRATION AND MANAGEMENT

Salaries costs have increased to reflect the extension in our shop opening hours in addition to the usual annual grading and cost of living increase. Administration costs have increased due to consultancy fee costs in relation to the refurbishment of the JCR.

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 2005 – 2006 and look forward to their support in the next year.

**Nawaf Ibrahim**  
**Union Manager 1997-2007**

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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 causing the financial statements to be prepared, the Officers have to ensure that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- 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 2006 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes 1 to 15. 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 company and the company'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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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

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

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 2006 and of its movement in funds for the year then ended.

Signature: .....

Date: .....

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



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**INCOME AND EXPENDITURE ACCOUNT**

For the year ended 31 July 2006

	Notes	2006 £	2005 £
<b>INCOMING RESOURCES FROM CONTINUING OPERATIONS</b>			
Grants from Birkbeck College	2	163,836	152,298
Income From Services	3	55,327	34,626
Other Income	4	9,126	3,646
		-----	-----
<b>TOTAL INCOMING RESOURCES</b>		<b>228,289</b>	<b>190,570</b>
		-----	-----
<b>RESOURCES EXPENDED FOR CONTINUING OPERATIONS</b>			
<b>Student Support</b>			
Salaries	5	25,172	24,171
Union Activities	6	25,600	16,048
Welfare	7	26,265	24,969
Clubs and Societies	8	10,668	10,893
Other Expenditure	9	4,038	3,184
Refurbishment	10	1,749	568
<b>Administration and Management</b>			
Salaries	5	62,830	57,966
Administration	11	19,142	9,316
Cost of Sales	3	37,046	23,880
		-----	-----
<b>TOTAL RESOURCES EXPENDED</b>		<b>212,510</b>	<b>170,995</b>
		-----	-----
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>15,779</b>	<b>19,575</b>
		-----	-----
Total funds brought forward at 1 August		189,174	169,599
		-----	-----
Total funds carried forward at 31 July		204,953	189,174
		=====	=====

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****BALANCE SHEET**

As at 31 July 2006

	Notes	2006 £	2005 £
<b>FIXED ASSETS</b>			
Tangible assets for use by the Union	13	13,060	11,973
Investments	14	60	60
		-----	-----
		13,120	12,033
<b>CURRENT ASSETS</b>			
Stocks		4,968	7,019
Debtors	15	147,856	112,721
Cash at bank		55,252	52,732
Cash in hand		476	19,553
		-----	-----
		208,552	192,025
Creditors: amounts falling due within one year	16	(16,719)	(14,884)
		-----	-----
<b>NET CURRENT ASSETS</b>		191,833	177,141
		-----	-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		204,953	189,174
		-----	-----
<b>NET ASSETS</b>		204,953	189,174
		=====	=====
Represented and financed by:			
<b>STUDENTS' UNION ACCUMULATED FUND</b>		204,953	189,174
		=====	=====

Approved on behalf of the Students' Union, on Monday 12 March 2007

..... Richard Anderson  
Vice President Student Affairs (2006 - 2007)

..... Myles Gardiner  
Vice President Finance (2006 - 2007)

..... Nawaf Ibrahim  
Union Manager (1997 - 2007)

## NOTES TO THE ACCOUNTS

For the year ended 31 July 2006

## 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 accounting

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 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.

NOTES TO THE ACCOUNTS

For the year ended 31 July 2006

	2006 £	2005 £
2	<b>GRANTS FROM BIRKBECK COLLEGE</b>	
	Direct Grant	45,955
	Staffing Grant	87,045
	Bar Grant	19,298
	-----	-----
	163,836	152,298
	=====	=====

The College provides the Students' Union with three grants. The Direct Grant of £54,955 was paid directly to the Students' Union in three termly instalments. The Staffing Grant of £90,045 was paid out on the Students' Union's behalf to the Staff. The Bar Grant of £18,836 (consisting of 60% of University of London Union's profit from the management of the Students' Union JCR Bar) was transferred directly to the Students' Union.

3	<b>NET INCOME FROM SERVICES</b>	
	Sales from Union Shop	34,626
	Less: Cost of Sales	(23,880)
	-----	-----
	Net Income	10,746
	=====	=====

4	<b>OTHER INCOME</b>	
	Advertising	44
	Membership Fees	1,925
	Deposit Interest Received	1,229
	Other	448
	-----	-----
	9,126	3,646
	=====	=====

5	<b>SALARIES</b>	
	Student Support	24,171
	Administration and Management	57,966
	-----	-----
	88,002	82,137
	=====	=====

The expenditure shown reflects the salary costs of an average of 9 staff members (7 in 2004/05).

NOTES TO THE ACCOUNTS

For the year ended 31 July 2006

	2006 £	2005 £
<b>6</b>		
<b>UNION ACTIVITIES</b>		
Social and Entertainment	9,694	3,431
Conferences and Training	2,924	1,464
Union Newsletter/Other Publications	5,916	1,454
Handbook	1,809	4,021
Campaigns	11	17
Class Representative	34	-
Students Fair	503	755
	-----	-----
	20,891	11,142
 Affiliations and External Relations:		
NUS Affiliation Fee	4,148	4,047
Mature Students' Union	-	100
London Nightline	-	214
FIAC	197	163
AMSU	364	382
	-----	-----
	4,709	4,906
	-----	-----
	25,600	16,048
	=====	=====
 <b>7</b>		
<b>WELFARE</b>		
Counselling ( 3 Counsellors )	20,963	19,313
Supervision ( 3 Counsellors )	1,695	1,772
Advice Centre	1,398	1,466
Skills for Study	1,932	2,363
Other	277	55
	-----	-----
	26,265	24,969
	=====	=====

NOTES TO THE ACCOUNTS

For the year ended 31 July 2006

	2006	2005
	£	£
8		
<b>CLUBS AND SOCIETIES</b>		
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.	10,668	10,893
	=====	=====

Expenditure of individual Clubs and Societies was:

African Caribbean	225
Applied Linguistics	536
Archaeology	133
Birkbeck FC	2,766
Classics	327
Geology	1,177
German	902
History	358
Japanese	465
Philosophy	1,607
PPH	1,245
Psychological	232
Respect	25
SALSA	300
Stop The War	153
SWSS	180
Other	37
<b>Total</b>	10,668
 Additional Clubs and Societies expenditure through funds generated by Clubs and Societies members	 6,911

	2006	2005
	£	£
9		
<b>OTHER EXPENDITURE</b>		
Bank Charges and Interest	673	357
Depreciation:		
Fixtures and Fittings	1,112	1,308
Computer Equipment	508	677
Other Equipment	1,745	842
	-----	-----
	3,365	2,827
	-----	-----
	4,038	3,184
	=====	=====

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**

## NOTES TO THE ACCOUNTS

For the year ended 31 July 2006

	2006	2005
	£	£
10	REFURBISHMENT	
	1,455	-
4th Floor JCR/BAR area		
	294	568
Union Offices		
	-----	-----
	1,749	568
	=====	=====
11	ADMINISTRATION	
	79	216
Sabbatical Allowance		
	776	486
Council Members' and Election Expenses		
	9,975	1,175
Bar Admin Fees		
	2,056	1,853
Accountancy Fees		
	-	2,630
Bad Debt Expense		
	-----	-----
	12,886	6,360
Office Expenses:		
	494	32
Photocopier Usage Charges		
	720	453
Stationery		
	1,320	600
Sundry Expenses		
	1,654	-
Insurance		
	2,068	1,871
Postage and Telephone		
	-----	-----
	6,256	2,956
	-----	-----
	19,142	9,316
	=====	=====

NOTES TO THE ACCOUNTS

For the year ended 31 July 2006

12 TANGIBLE FIXED ASSETS FOR USE BY THE UNION

	Equipment	Computer Equipment	Fixtures and Fittings	Total
	-----	-----	-----	-----
Cost:	£	£	£	£
At 1 August 2005	18,624	23,102	40,821	82,547
Additions in year	4,453	-	-	4,453
	-----	-----	-----	-----
At 31 July 2006	23,077	23,102	40,821	87,000
	=====	=====	=====	=====
Depreciation:				
At 1 August 2005	16,097	21,070	33,408	70,575
Charge for the year	1,745	508	1,112	3,365
	-----	-----	-----	-----
At 31 July 2006	17,842	21,578	34,520	73,940
	=====	=====	=====	=====
Net book value:				
At 31 July 2006	5,235	1,524	6,301	13,060
	=====	=====	=====	=====
At 31 July 2005	2,527	2,032	7,414	11,973
	=====	=====	=====	=====

	2006 £	2005 £
13 INVESTMENTS		
NUS Services Ltd. "60 Ordinary Shares" with a book value of £1 each	60	60
	=====	=====

14 DEBTORS		
College Account	138,151	110,831
Trade Debtors	9,705	1,390
Prepayments	-	500
	-----	-----
	147,856	112,721
	=====	=====

15 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR		
Clubs and Societies funds held in trust by the SU	13,400	12,752
Other Creditors	3,319	2,132
	-----	-----
	16,719	14,884
	=====	=====





THE FOLLOWING SCHEDULES DO NOT FORM PART  
OF THE ANNUAL ACCOUNTS

Comparative Historical Figures 2002-2006

	2005/06	2004/05	2003/04	2002/03	2001/02
	£	£	£	£	£
<b>INCOME</b>					
Grant-SU					
Staffing	90,045	87,045	75,945	70,500	62,060
Direct	54,955	45,955	43,775	42,500	44,940
Bar	18,836	19,298	21,972	29,777	23,687
Shop Income	18,281	10,746	5,733	2,099	2,532
Other Income					
Membership	2,500	1,925	1,745	1,530	740
Advertising	1,020	44	2,053	1,029	2,090
Interest	603	1,229	725	786	804
Other	5,003	448	550	300	1,453
	-----	-----	-----	-----	-----
Sub-Total	191,243	166,690	152,498	148,521	138,306
Transfer From/(To) reserves	(15,779)	(19,575)	(21,977)	(33,953)	(7,945)
Grant-ULU	63,000	63,000	63,000	61,000	61,000
	-----	-----	-----	-----	-----
Total	238,464	210,115	193,521	175,568	191,361
	=====	=====	=====	=====	=====

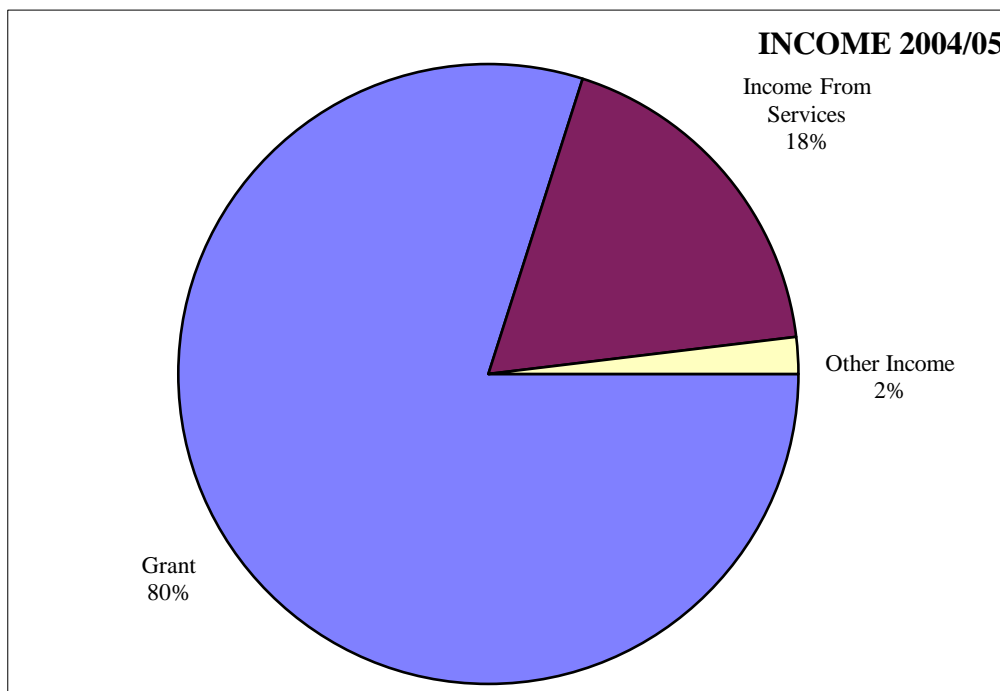
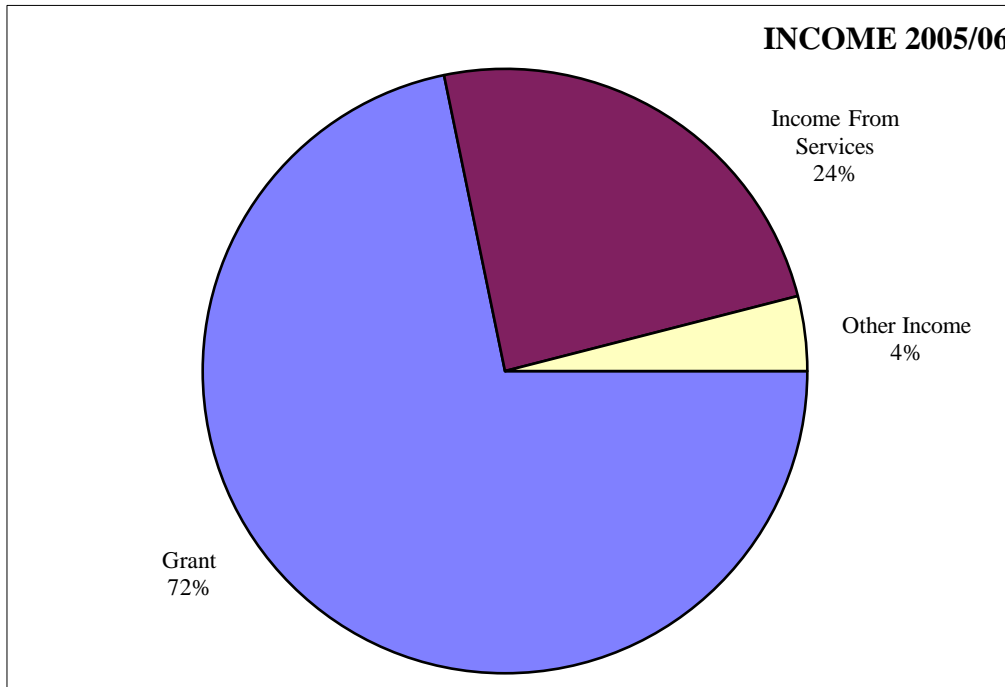
# BIRKBECK COLLEGE LONDON STUDENTS' UNION

## Comparative Historical Figures 2002-2006

EXPENDITURE	2005/06 £	2004/05 £	2003/04 £	2002/03 £	2001/02 £
Staffing	88,002	82,137	70,590	66,908	68,288
Administration					
Office Expenses	6,256	2,956	5,255	4,970	3,846
Allowances	79	216	0	32	398
Executive & Elections	776	486	455	1,150	739
Preparation of Accounts	2,056	1,853	3,734	32	0
Bar Admin Fee	9,975	1,175	1,175	1,175	1,175
Bad Debt Expense	0	2,630	0	0	4,430
Union Activities					
Welfare					
Counselling	20,963	19,313	16,494	14,898	14,856
Skills for Study	1,932	2,363	2,104	1,429	1,913
Advice Centre	1,398	1,466	1,316	1,312	1,276
Supervision, etc.	1,972	1,827	1,414	1,415	1,497
Clubs & Societies	10,668	10,893	7,989	6,270	6,061
Social & Entertainment	9,694	3,431	3,660	2,770	4,908
Affiliations					
National Union of Students	4,148	4,047	4,047	4,181	4,058
National Postgraduate Com.	0	0	299	272	248
Mature Students Union	0	100	0	100	100
London Nightline	0	214	206	188	0
FIAC	197	163	155	145	134
AMSU	364	382	323	323	323
Publications					
Handbook	1,809	4,021	4,805	0	4,264
Newsletter/Other Publications	5,916	1,454	1,774	1,825	5,077
Conferences & Training	2,924	1,464	1,353	1,793	1,688
Campaigns	11	17	21	5	111
Class Reps	34	0	0	1	56
Students Fair	503	755	713	409	174
Refurbishment	1,749	568	40	7	1,086
Other Expenditure					
Bank Charges + Interest	673	357	336	184	238
Depreciation	3,365	2,827	2,263	2,774	3,417
Sub-Total	175,464	147,115	130,521	114,568	130,361
Subscription to ULU	63,000	63,000	63,000	61,000	61,000
Total	238,464	210,115	193,521	175,568	191,361

**INCOME CHARTS**

For the year ended 31 July 2006



**EXPENDITURE CHARTS**

For the year ended 31 July 2006

