

Students' Union

Annual Report

and

Financial Statements

Year ending 31 July 2004



BIRKBECK COLLEGE LONDON STUDENTS' UNION
REPORT AND FINANCIAL STATEMENTS

For the year ended 31 July 2004

CONTENTS	Page
Officers and Advisers	1
President's Report	2
Union Manager's Report	3
Income and Expenditure Charts	4-5
Statement of Officers' Responsibilities	6
Independent Auditors' Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Accounts	10-15
Comparative Historical Figures	16-18

BIRKBECK COLLEGE LONDON STUDENTS' UNION
REPORT AND FINANCIAL STATEMENTS
For the year ended 31 July 2004

Page 1

OFFICERS AND ADVISERS

Council Officers (2005/2006)	Ismail Malik Alfred Bovill	President Vice-President Finance (Acting)
	Sanchia Smithson, BSc	Vice-President Student Affairs
	Jonathan Beck	Governor
Council Officers (2004/2005)	Jonathan Beck Steve Hennessy Steven Gibbs	President Vice-President Finance Vice-President Student Affairs
	Habiba Hamid, BA	Governor
Council Officers (2003/2004)	Habiba Hamid Steve Hennessy Peter Taylor, BSc	President Vice-President Finance Vice-President Student Affairs
	David Reid	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	

BIRKBECK COLLEGE LONDON STUDENTS' UNION

REPORT AND FINANCIAL STATEMENTS

Page 2

For the year ended 31 July 2004

PRESIDENT'S REPORT

There are still some 'blips' becoming apparent when you compare our figures of 2003 with 2004 due to the upheaval and problems faced in 2003. This makes some figures seem to have increased immensely from the previous year. A good example would be the Handbook which was not produced in 2003; therefore a 2004 cost of £4,805 creates the impression of a yearly increase of £4,805.

Staffing

The increase in salary was due to annual increments for ongoing staff and the 2004 President's pay grade being slightly above the President of 2003.

Welfare

There have been small pay increases for our councillors this year but the rest of our support services have maintained a tight control over the budget. The higher cost for our Skills for Study program highlights the increase in classes organised due to the management of the program being removed from the office of the Welfare Officer to the realm of the Union Manager.

Social Activities

A much more active year due to an enthusiastic and resourceful Entertainments Officer who organised an active events calendar to play in the Union Bar throughout the academic year. The Clubs & Societies continue to grow in line with previous years.

Communications

While good solid work continued producing the Lamp & Owl magazine within budget in 2004, a serious investment was made in producing a new high quality yearly Handbook, produced externally and as a Handbook was not provided in 2003, a total investment of £4,805 was required.

Shop

The Union Shop maintained its position on the 4th floor during this year and continued to suffer from poor sales as in previous years. Due to greater control of the cost of sales the net income was twice that of 2003.

Please note minutes were unavailable for inspection by the current president on behalf of union council.

Ismail Malik
President (2005 – 2006)

BIRKBECK COLLEGE LONDON STUDENTS' UNION
REPORT AND FINANCIAL STATEMENTS

Page 3

For the year ended 31 July 2004

UNION MANAGER'S REPORT

INCOMING RESOURCES

COLLEGE GRANT

Our Direct and Staffing Grant has increased in line with cost of living this year. The Bar Grant has seen a decrease, which is in line with the general downward trend in bar sales in Student Union bars nationally.

INCOME FROM SERVICES

The Union Shop continues to trade from its temporary location for the fourth year with difficult trading conditions. As a result, the Union Shop turnover has decreased by 25.5% but net income increased by 173% due to tight control on cost of sales. The Union Shop will be moving from its current temporary location in the next financial year.

OTHER INCOME

Income from commercial advertising in our Publications and exhibiting at our Freshers Fair has increased substantially as we had a good response to our Freshers Fair and we produced a high quality redesigned Handbook this year which was received well by students, staff and advertisers. Membership Fees income continues to increase year on year, as FCE students continue to take advantage of the value for money of services that the Union provides them.

RESOURCES EXPENDED

STUDENT SUPPORT

Expenditure on Union Activities has increased as we return to provide our normal level of service particularly the publication on Handbook and the provision of Social and Entertainment. Welfare costs are in line with last year as we continue to provide the same standard of service this year with an increase in the provision of study support through our Skills for Study program. Clubs and Societies expenditure have increased, with societies becoming more active in providing for their members.

ADMINISTRATION AND MANAGEMENT

Salaries costs have increased to reflect the usual annual grading and cost of living increase. Administration costs are up due to exceptional Accountancy Fees for additional audit work carried out by the auditor on our behalf.

Finally, I would like to thank the Union Council and staff for their hard work and commitment during the academic year 2003 – 2004 and look forward to their support in the next year.

Nawaf Ibrahim

Union Manager 1997-2005

BIRKBECK COLLEGE LONDON STUDENTS' UNION
REPORT AND FINANCIAL STATEMENTS
For the year ended 31 July 2004

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 Students' Union's Statutes, Guidance from the HEFCE 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.

BIRKBECK COLLEGE LONDON STUDENTS' UNION
REPORT AND FINANCIAL STATEMENTS

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

We have audited the financial statements for the year ended 31 July 2004 which comprise of the statement of financial activities, balance sheet and related notes 1 - 16 which have been prepared in accordance with the accounting policies as set out therein.

This report is made solely to the Council of the students' Union, as a body. Our audit work has been undertaken so that we might state to the Union's Council those matters that 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, in giving our opinion, accept or assume responsibility to anyone other than Students' Union officers 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

As described on the officers' statement of responsibilities, the Officers are responsible for the preparation of the financial statements. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view of the state of affairs of the Students' Union and its income & expenditure for the year. We also report if, in our opinion, the students union has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the other information contained in the financial statements and consider the implication for our report if we become aware of any apparent misstatement or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards 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 judgements made by the officers in the preparation of the financial statements, and 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 of the state of affairs of Birkbeck College London Students' Union as at 31 July 2004 and of its movement of funds for the year then ended and have been properly prepared in accordance with Students' Union's Statutes, Guidance from the HEFCE and other relevant standards.

Signature:.....

Date:.....

Deloitte & Touche LLP
Chartered Accountants And Registered Auditors
St Albans

BIRKBECK COLLEGE LONDON STUDENTS' UNION
STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 July 2004

Page 8

	Notes	Total Unrestricted Funds	
		2004	2003
		£	£
INCOMING RESOURCES FROM CONTINUING OPERATIONS			
Grants from Birkbeck College	2	141,692	142,777
Income From Services	3	5,733	2,099
Other Income	4	5,073	3,645
		-----	-----
TOTAL INCOMING RESOURCES		152,498	148,521
		-----	-----
RESOURCES EXPENDED FROM CONTINUING OPERATIONS			
Student Support			
Salaries	5	21,470	20,217
Union Activities	6	17,356	12,012
Welfare	7	21,328	19,054
Clubs and Societies	8	7,989	6,270
Other Expenditure	9	2,599	2,958
Refurbishment	10	40	7
Administration and Management			
Salaries	5	49,120	46,691
Administration	11	10,619	7,359
		-----	-----
TOTAL RESOURCES EXPENDED		130,521	114,568
		-----	-----
NET MOVEMENT IN FUNDS FOR THE YEAR	12	21,977	33,953
		-----	-----
Total funds brought forward at 1 August		147,622	113,669
		-----	-----
Total funds carried forward at 31 July		169,599	147,622
		=====	=====

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.

BIRKBECK COLLEGE LONDON STUDENTS' UNION

Page 9

BALANCE SHEET

As at 31 July 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Tangible assets for use by the Union	13	10,892	13,156
Investments	14	60	60
		-----	-----
		10,952	13,216
CURRENT ASSETS			
Stocks		6,605	5,444
Debtors	15	92,030	71,684
Cash at bank		70,926	65,175
Cash in hand		2,148	3,562
		-----	-----
		171,709	145,865
Creditors: amounts falling due within one year	16	(13,062)	(11,459)
		-----	-----
NET CURRENT ASSETS		158,647	134,406
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		169,599	147,622
		-----	-----
TOTAL NET ASSETS		169,599	147,622
		=====	=====
Represented and financed by:			
STUDENTS' UNION ACCUMULATED FUND		169,599	147,622
		=====	=====

Approved on behalf of the Students' Union, on 8 December 2005

..... Ismail Malik
President (2005 - 2006)

..... Alfred Bovill
Vice President Finance - Acting (2005 - 2006)

..... Nawaf Ibrahim
Union Manager (1997 - 2005)

NOTES TO THE ACCOUNTS

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.

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) VAT

The Union is not registered for VAT. Birkbeck College accounted for VAT in respect of the Union's tax activities until 30 June 1994. After this date the Students' Union ceased to pay VAT, with the permission of H.M. Customs & Excise.

e) Investments

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

f) Tax

The Students' Union is treated by the Inland Revenue as if it were a charity and, as such, 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. No tax charge has arisen in the year.

	2004 £	2003 £
2	GRANTS FROM BIRKBECK COLLEGE	
	Direct Grant	42,500
	43,775	
	Staffing Grant	70,500
	75,945	
	Bar Grant	29,777
	21,972	
	-----	-----
	141,692	142,777
	=====	=====

The College provides the Students' Union with three grants. The Direct Grant of £43,775 was paid directly to the Students' Union in three termly instalments. The Staffing Grant of £75,945 was paid out on the Students' Union's behalf to the Staff. The Bar Grant of £21,972 (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	INCOME FROM SERVICES	
	Sales from Union Shop	12,530
	9,325	
	Less: Cost of Sales	(10,431)
	(3,592)	
	-----	-----
	Net Income	2,099
	5,733	
	=====	=====

4	OTHER INCOME	
	Advertising	1,029
	2,053	
	Membership Fees	1,530
	1,745	
	Deposit Interest Received	786
	725	
	Other	300
	550	
	-----	-----
	5,073	3,645
	=====	=====

5	SALARIES	
	Student Support	20,217
	21,470	
	Administration and Management	46,691
	49,120	
	-----	-----
	70,590	66,908
	=====	=====

	2004 £	2003 £
6	UNION ACTIVITIES	
	3,660	2,770
	1,353	1,793
	1,774	1,825
	4,805	-
	21	5
	-	1
	713	409
	-----	-----
	12,326	6,803
	 Affiliations and External Relations:	
	4,047	4,181
	299	272
	-	100
	206	188
	155	145
	323	323
	-----	-----
	5,030	5,209
	-----	-----
	17,356	12,012
	=====	=====
7	WELFARE	
	16,494	14,898
	1,356	1,385
	1,316	1,312
	2,104	1,429
	58	30
	-----	-----
	21,328	19,054
	=====	=====

		2004	2003
		£	£
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 15 (15 in 2002/03) clubs and societies funded by the Union.	7,989 =====	6,270 =====
	Expenditure of individual Clubs and Societies were:		
	Applied Linguistics	265	
	Archaeology	298	
	Birkbeck FC	1,320	
	Corporate Law	164	
	French	505	
	Geology	763	
	German	765	
	History of Art	537	
	History	250	
	Japanese	749	
	Law	24	
	Middle East	400	
	Philosophy	911	
	PPH	1,035	
	Other	3	
	Total	7,989	
	Additional Clubs and Societies expenditure through funds generated by Clubs and Societies members	6,872	
		2004	2003
		£	£
9	OTHER EXPENDITURE		
	Bank Charges and Interest	336	184
	Depreciation:		
	Fixtures and Fittings	1,539	1,810
	Computer Equipment	322	429
	Other Equipment	402	535
		2,263	2,774
		2,599	2,958
		2,599	2,958

	2004	2003
	£	£
10	REFURBISHMENT	
	Union Offices	7
	40	7
	-----	-----
	40	7
	=====	=====
11	ADMINISTRATION	
	Sabbatical Allowance	32
	-	-
	Council Members' and Election Expenses	1,150
	455	1,150
	Bar Admin Fees	1,175
	1,175	1,175
	Accountancy Fees	32
	3,734	32
	-----	-----
	5,364	2,389
	Office Expenses:	
	Photocopier Usage Charges	223
	354	223
	Stationery	358
	184	358
	Sundry Expenses	1,432
	3,175	1,432
	Insurance	1,447
	-	1,447
	Postage and Telephone	1,510
	1,542	1,510
	-----	-----
	5,255	4,970
	-----	-----
	10,619	7,359
	=====	=====

12 **SURPLUS FOR THE YEAR**

The surplus is due to better than expected income from services and other income and below budget expenditure.

13 TANGIBLE FIXED ASSETS FOR USE BY THE UNION

	Equip- ment	Computer Equipment	Fixtures and Fittings	Total
	£	£	£	£
Cost:				
At 1 August 2003	16,460	21,359	40,821	78,640
Additions in year	-	-	-	-
At 31 July 2004	16,460	21,359	40,821	78,640
Depreciation:				
At 1 August 2003	14,854	20,071	30,560	65,485
Charge for the year	402	322	1,539	2,263
At 31 July 2004	15,256	20,393	32,099	67,748
Net book value:				
At 31 July 2004	1,204	966	8,722	10,892
At 31 July 2003	1,607	1,288	10,261	13,156

	2004 £	2003 £
--	-----------	-----------

14 INVESTMENTS

NUS Services Ltd. "60 Ordinary Shares" with a book value of £1 each	60	60
---	----	----

15 DEBTORS

College Account	87,591	67,580
Sales Ledger	4,139	2,560
Prepayments	300	-
Other	-	1,544
	92,030	71,684

16 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

Clubs and Societies funds held in trust by the SU	9,668	8,269
Other	3,394	3,190
	13,062	11,459

THE FOLLOWING SCHEDULES DO NOT FORM PART
OF THE ANNUAL ACCOUNTS

BIRKBECK COLLEGE LONDON STUDENTS' UNION

Page 17

Comparative Historical Figures 1999-2004

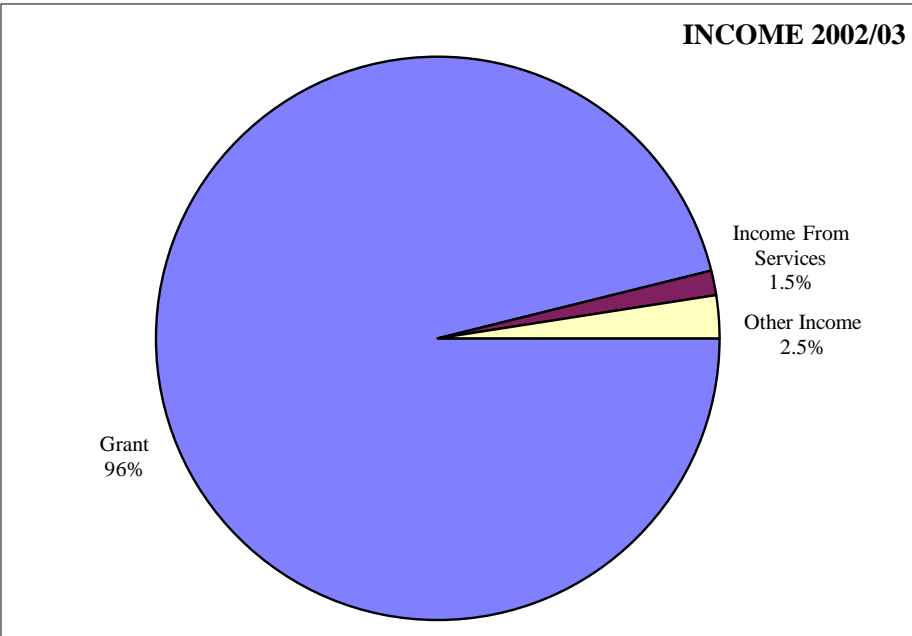
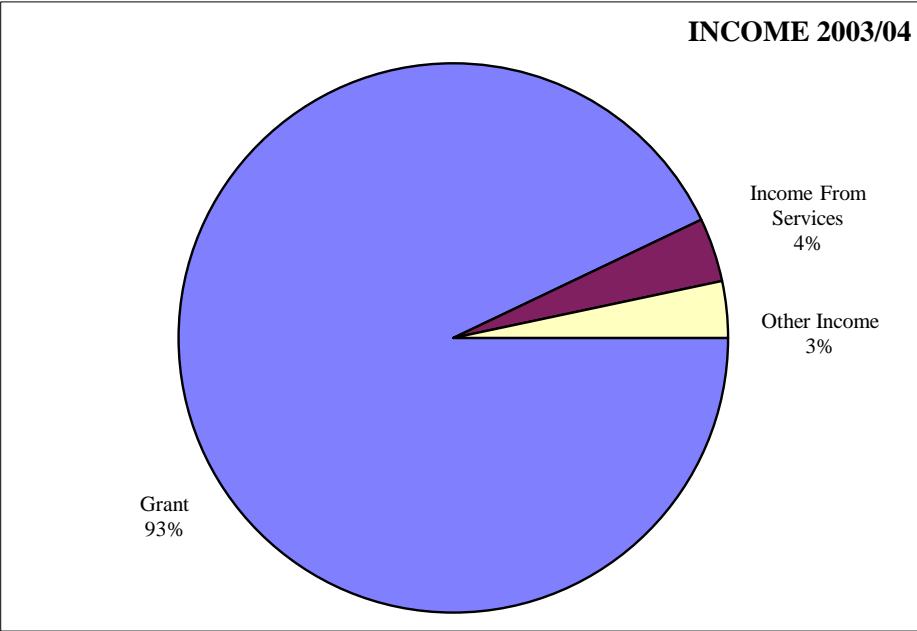
	2003/04	2002/03	2001/02	2000/01	1999/00
	£	£	£	£	£
INCOME					
Grant-SU					
Staffing	75,945	70,500	62,060	60,333	56,620
Direct	43,775	42,500	44,940	42,135	40,000
Bar	21,972	29,777	23,687	30,393	27,288
Shop Income	5,733	2,099	2,532	8,447	11,626
Other Income					
Membership	1,745	1,530	740	595	560
Advertising	2,053	1,029	2,090	2,882	4,778
Interest	725	786	804	1,485	1,598
Other	550	300	1,453	3,600	3,745
	-----	-----	-----	-----	-----
Sub-Total	152,498	148,521	138,306	149,870	146,215
Transfer From/(To) reserves	(21,540)	(33,952)	(7,945)	(22,544)	(31,928)
Grant-ULU	63,000	61,000	61,000	61,000	61,000
	-----	-----	-----	-----	-----
Total	193,958	175,569	191,361	188,326	175,287
	=====	=====	=====	=====	=====

BIRKBECK COLLEGE LONDON STUDENTS' UNION

Page 18

Comparative Historical Figures 1999-2004

	2003/04	2002/03	2001/02	2000/01	1999/00
EXPENDITURE	£	£	£	£	£
Staffing	70,590	66,908	68,288	65,431	58,230
Administration					
Office Expenses	5,255	4,971	3,846	3,551	4,353
Allowances	0	32	398	339	456
Executive & Elections	455	1,150	739	512	629
Preparation of Accounts	3,734	32	0	1,645	0
Bar Admin Fee	1,175	1,175	1,175	1,175	1,175
Bad Debt Expense	0	0	4,430	0	0
Union Activities					
Welfare					
Counselling	16,494	14,898	14,856	13,497	10,327
Skills for Study	2,104	1,429	1,913	2,499	1,444
Advice Centre	1,316	1,312	1,276	1,563	1,476
Supervision, etc.	1,414	1,415	1,497	1,617	1,174
Clubs & Societies	7,989	6,270	6,061	8,941	7,675
Social & Entertainment	4,097	2,770	4,908	5,118	4,639
Affiliations					
National Union of Students	4,047	4,181	4,058	4,284	4,284
National Postgraduate Com.	299	272	248	226	206
Mature Students Union	0	100	100	100	100
London Nightline	206	188	0	187	96
FIAC	155	145	134	122	111
AMSU	323	323	323	294	294
Publications					
Handbook	4,805	0	4,264	4,582	2,932
Newsletter/Other Publications	1,774	1,825	5,077	4,676	3,289
Conferences & Training	1,353	1,793	1,688	2,141	2,471
Campaigns	21	5	111	469	2,446
Class Reps	0	1	56	138	118
Freshers Fair	713	409	174	61	637
Refurbishment	40	7	1,086	817	1,643
Other Expenditure					
Bank Charges + Interest	336	184	238	405	436
Depreciation	2,263	2,774	3,417	2,936	3,647
Sub-Total	130,958	114,569	130,361	127,326	114,288
Subscription to ULU	63,000	61,000	61,000	61,000	61,000
Total	193,958	175,569	191,361	188,326	175,288



BIRKBECK COLLEGE LONDON STUDENTS' UNION
EXPENDITURE CHARTS

