

# **Students' Union**

**Annual Report**

**and**

**Financial Statements**

**Year ending 31 July 2003**



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

For the year ended 31 July 2003

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**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
**REPORT AND FINANCIAL STATEMENTS**  
For the year ended 31 July 2003

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**OFFICERS AND ADVISERS**

Council Officers (2003/2004)	Habiba Hamid Steve Hennessy Peter Taylor, BSc  David Reid	(President) (Vice-President Finance) (Vice-President Student Affairs) (Governor)
Council Officers (2002/2003)	Imran Khan John Tan Vacant  Peter Taylor, BSc	(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 Verulam Point Station Way St. Albans AL1 5HE	
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**

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For the year ended 31 July 2003

### **PRESIDENT'S REPORT**

The financial year for Birkbeck College Students' Union was an aberration in that the management of the accounts was hindered by the lack of signatories for a substantive period at the beginning of the year. Poor running of the Union in aspects involving direct presidential control was also apparent. In other areas, the Union coped significantly well under this burden of pressure.

#### **Staffing**

Staffing increased in all areas due to annual increments, but decreased because the Presidents' salary was graded lower than the previous incumbent.

#### **Welfare**

Independent areas such as the Counselling Service and Advice Centre continued to operate at a high standard. The Skills for Study programme was eventually maintained by the General Manager as an emergency measure and this accounted for the shortfall – lack of preparation by the President in terms of co-ordination and advertising accounted for fewer classes.

#### **Social Activities**

Very few social events took place directly on behalf of the Union which accounted for the low expenditure and lack of entertainments programme. Select events were organised by Clubs and Societies.

#### **Communications**

The Handbook was not produced, thus reducing the expenditure significantly.

The Lamp & Owl was not produced at the same scale as the previous year, as an editor agreed to do so only towards the end of the second term. Few copies were printed.

There was an increase in election expenditure because of the unexpected vote of no confidence in the President and the subsequent vigorous by-election campaign. The only 'all student mailer' was used to publicize the respective EGM.

#### **Shop**

The shop remains on the fourth floor. As a result it continues to suffer from poor passing trade and the nationwide trends of a decline of campus trade.

Few refurbishments took place.

**Habiba Hamid**  
**President (2003 – 2004)**

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
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For the year ended 31 July 2003

**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 very healthy increase, which is contrary to the general downward trend in bar sales in Students' Union bars nationally.

**INCOME FROM SERVICES**

The Union Shop continues to trade from its temporary location for the third year with difficult trading conditions. As a result, the Union Shop turnover has decreased by 25.5% and income decreased by 17%. Due to the delay in the Malet Street extension project the Union Shop is now likely to move from its current temporary location in the next financial year.

**OTHER INCOME**

Income from commercial advertising in our publications, such as the Handbook and Lamp and Owl, has decreased substantially as no Handbook was published and only one issue of Lamp and Owl came to light. Membership fees have seen a healthy increase, as FCE students have become increasingly aware of the value for money of services that the Union can provide them. Miscellaneous income has seen a decrease with no door charged entertainment events that could contribute to income in this category.

**RESOURCES EXPENDED**

**STUDENT SUPPORT**

Expenditure on Union Activities costs has substantially declined due to a lack of expenditure on Publications and Entertainment. Welfare costs are in line with last year as we continue to provide the same level of quality service this year. Clubs and Societies costs have slightly increased, with two new societies forming this year, which is promising considering a number of societies became inactive last year. Other Expenditure and Refurbishment costs have declined as we have not acquired any additional fixed assets and have not done any general refurbishment this year.

**ADMINISTRATION AND MANAGEMENT**

Salaries costs have increased to reflect the usual annual grading and cost of living increase. Administration costs are down as we continue to keep a tight control on our costs and avoid bad debt.

Finally, I would like to thank the Union staff for their hard work and commitment during the academic year 2002 – 2003 and look forward to a more co-operative Union Council next year.

**Nawaf Ibrahim**  
**Union Manager 1997-2004**

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
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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 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**  
For the year ended 31 July 2003

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

We have audited the financial statements 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 in note 1.

This report is made solely to the Trustees of the students' Union, as a body. Our audit work has been undertaken so that we might state to the Union's Trustees 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 2003 and of its movement of funds for the year then ended.

Signature:.....

Date:.....

Deloitte & Touche LLP  
Chartered Accountants  
Verulam Point  
Station Way  
St Albans, Herts, AL1 5HE

**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
For the year ended 31 July 2003

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	Notes	Total Unrestricted Funds	
		2003	2002
		£	£
<b>INCOMING RESOURCES FROM CONTINUING OPERATIONS</b>			
Grants from Birkbeck College	2	142,777	130,687
Income From Services	3	2,099	2,532
Other Income	4	3,645	5,087
		-----	-----
<b>TOTAL INCOMING RESOURCES</b>		<b>148,521</b>	<b>138,306</b>
		-----	-----
<b>RESOURCES EXPENDED FROM CONTINUING OPERATIONS</b>			
Student Support			
Salaries	5	20,217	22,381
Union Activities	6	12,012	21,141
Welfare	7	19,054	19,542
Clubs and Societies	8	6,270	6,061
Other Expenditure	9	2,958	3,655
Refurbishment	10	7	1,086
Administration and Management			
Salaries	5	46,691	45,907
Administration	11	7,359	10,588
		-----	-----
<b>TOTAL RESOURCES EXPENDED</b>		<b>114,568</b>	<b>130,361</b>
		-----	-----
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>	12	<b>33,953</b>	<b>7,945</b>
		-----	-----
Total funds brought forward at 1 August		113,669	105,724
		-----	-----
Total funds carried forward at 31 July		147,622	113,669
		=====	=====

There are no recognised gains or losses for the current and preceding years other than as stated above.



**BIRKBECK COLLEGE LONDON STUDENTS' UNION**

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**BALANCE SHEET**

As at 31 July 2003

	Notes	2003 £	2002 £
<b>FIXED ASSETS</b>			
Tangible assets for use by the Union	13	13,156	15,931
Investments	14	60	60
		-----	-----
		13,216	15,991
<b>CURRENT ASSETS</b>			
Stocks		5,444	10,098
Debtors	15	71,684	43,742
Cash at bank		65,175	53,704
Cash in hand		3,562	85
		-----	-----
		145,865	107,629
Creditors: amounts falling due within one year	16	(11,459)	(9,951)
		-----	-----
<b>NET CURRENT ASSETS</b>		134,406	97,678
		-----	-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		147,622	113,669
		-----	-----
<b>TOTAL NET ASSETS</b>		147,622	113,669
		=====	=====
Represented and financed by:			
<b>STUDENTS' UNION ACCUMULATED FUND</b>		147,622	113,669
		=====	=====

Approved on behalf of the Students' Union, on Tuesday 6 July 2004

..... Habiba Hamid  
President (2003 - 2004)

..... Steve Hennessy  
Vice President Finance (2003 - 2004)

..... Nawaf Ibrahim  
Union Manager (1997 - 2004)

## 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) Income Tax

The Students' Union is treated by the Inland Revenue as if it were a charity and, as such, is exempt from taxation on its income and gains to the extent that they are applied to its primary purpose.

	2003 £	2002 £
2	GRANTS FROM BIRKBECK COLLEGE	
	Direct Grant	44,940
	42,500	
	Staffing Grant	62,060
	70,500	
	Bar Grant	23,687
	29,777	
	-----	-----
	142,777	130,687
	=====	=====

The College provides the Students' Union with three grants. The Direct Grant of £42,500 was paid directly to the Students' Union in three termly instalments. The Staffing Grant of £70,500 was paid out on the Students' Union's behalf to the Staff. The Bar Grant of £29,777 (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	16,824
	12,530	
	Less: Cost of Sales	(14,292)
	(10,431)	
	-----	-----
	Net Income	2,532
	2,099	
	=====	=====

4	OTHER INCOME	
	Advertising	2,090
	1,029	
	Membership Fees	740
	1,530	
	Deposit Interest Received	804
	786	
	Other	1,453
	300	
	-----	-----
	3,645	5,087
	=====	=====

5	SALARIES	
	Student Support	22,381
	20,217	
	Administration and Management	45,907
	46,691	
	-----	-----
	66,908	68,288
	=====	=====

	2003 £	2002 £
6	UNION ACTIVITIES	
	2,770	4,908
	1,793	1,688
	1,825	5,077
	0	4,264
	5	111
	1	56
	409	174
	-----	-----
	6,803	16,278
	Affiliations and External Relations:	
	4,181	4,058
	272	248
	100	100
	188	0
	145	134
	323	323
	-----	-----
	5,209	4,863
	-----	-----
	12,012	21,141
	=====	=====
7	WELFARE	
	14,898	14,856
	1,385	1,367
	1,312	1,276
	1,429	1,913
	30	130
	-----	-----
	19,054	19,542
	=====	=====

	2003 £	2002 £
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 expenditure for the 15 (13 in 2001/02) clubs and societies funded by the Union.	6,270 =====	6,061 =====
Expenditure of individual Clubs and Societies were:		
African Caribbean	£ 12	
Applied Linguistics	£ 288	
Archaeology	£ 400	
Crystal Zoo	£ 700	
Football	£ 184	
French	£ 28	
Geology	£ 898	
German	£ 1,098	
History of Art	£ 11	
History	£ 43	
Japanese	£ 392	
Jewish	£ 1	
Law	£ 67	
Philosophy	£ 1,965	
PPH	£ 154	
Other	£ 29	
Total	£ 6,270 =====	
Additional Clubs and Societies expenditure through funds generated by Clubs and Societies members	£ 5,692 =====	
9		
OTHER EXPENDITURE		
Bank Charges and Interest	184	238
Depreciation:		
Fixtures and Fittings	1,810	2,131
Computer Equipment	429	572
Other Equipment	535	714
	----- 2,774	----- 3,417
	----- 2,958	----- 3,655
	=====	=====

	2003	2002
	£	£
10	<b>REFURBISHMENT</b>	
	0	0
TV Room / Quiet Room		
4th Floor JCR/BAR area	0	353
Union Offices	7	733
	-----	-----
	7	1,086
	=====	=====
11	<b>ADMINISTRATION</b>	
Sabbatical Allowance	32	398
Council Members' and Election Expenses	1,150	739
Bar Admin Fees	1,175	1,175
Accountancy Fees	32	0
Bad Debt Expense	0	4,430
	-----	-----
	2,389	6,742
Office Expenses:		
Photocopier Hire and Usage Charges	223	224
Stationery	358	376
Sundry Expenses	1,432	944
Insurance	1,447	1,015
Postage and Telephone	1,510	1,287
	-----	-----
	4,970	3,846
	-----	-----
	7,359	10,588
	=====	=====
12	<b>SURPLUS FOR THE YEAR</b>	
<p>The surplus is due to better than expected bar grant and the unexpected fall in expenditure on union activities, refurbishment and administration.</p>		

## 13 TANGIBLE FIXED ASSETS FOR USE BY THE UNION

	Equip- ment	Computer Equipment	Fixtures and Fittings	Total
	£	£	£	£
Cost:				
At 1 August 2002	16,460	21,359	40,821	78,640
Additions in year	0	0	0	0
At 31 July 2003	16,460	21,359	40,821	78,640
Depreciation:				
At 1 August 2002	14,318	19,642	28,750	62,710
Charge for the year	535	429	1,810	2,774
At 31 July 2003	14,853	20,071	30,560	65,484
Net book value:				
At 31 July 2003	1,607	1,288	10,261	13,156
At 31 July 2002	2,142	1,718	12,071	15,931

## 14 INVESTMENTS

	2003 £	2002 £
NUS Services Ltd. "60 Ordinary Shares" with a book value of £1 each	60	60

## 15 DEBTORS

College Account	67,580	41,198
Sales Ledger	2,560	1,816
Prepayments	0	728
Other	1,544	0
	71,684	43,742

## 16 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

Clubs and Societies funds held in trust by the SU	8,269	8,459
Other	3,190	1,492
	11,459	9,951





THE FOLLOWING SCHEDULES DO NOT FORM PART  
OF THE ANNUAL ACCOUNTS

# BIRKBECK COLLEGE LONDON STUDENTS' UNION

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## Comparative Historical Figures 1999-2003

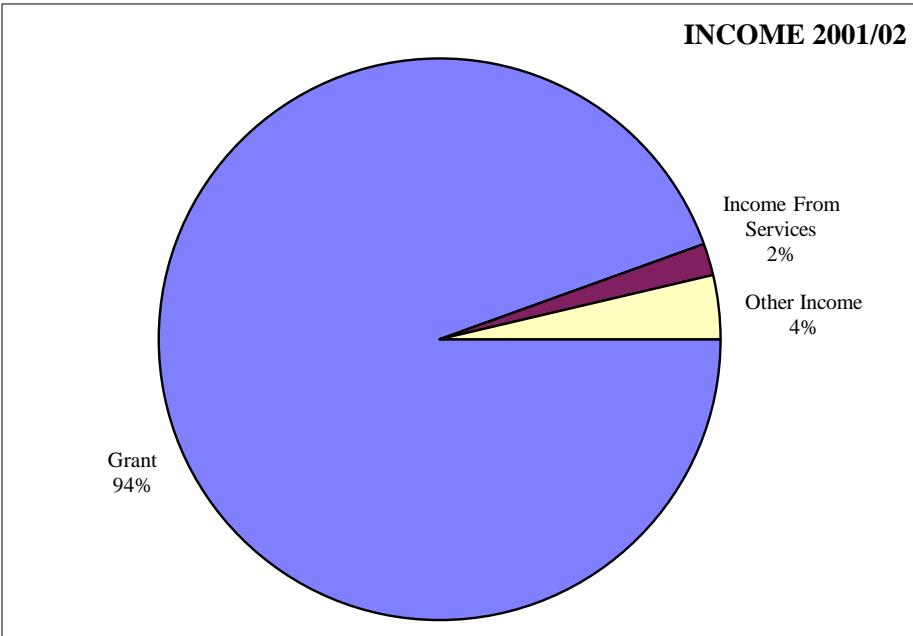
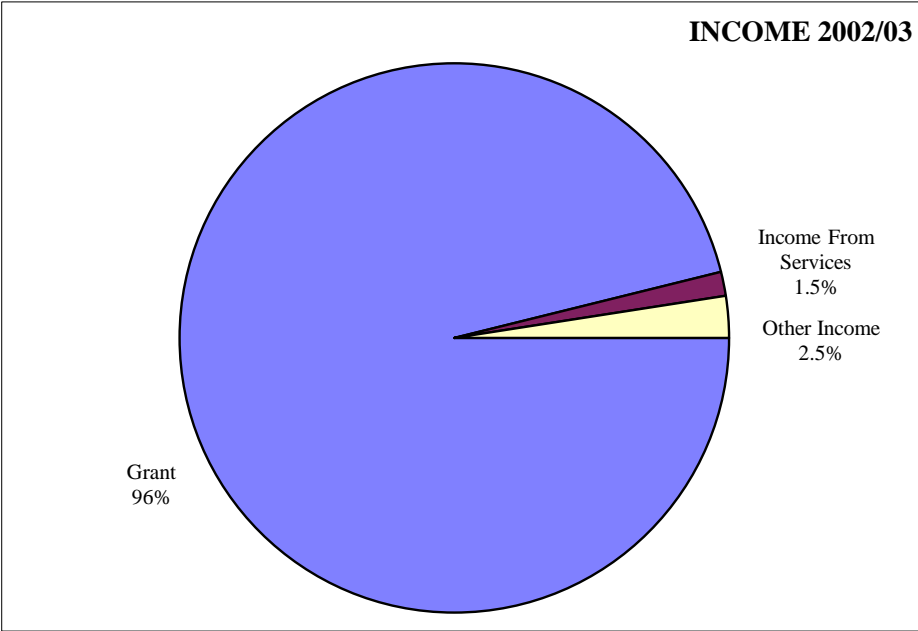
	2002/03	2001/02	2000/01	1999/00	1998/9
	£	£	£	£	£
INCOME					
Grant-SU					
Staffing	70,500	62,060	60,333	56,620	50,000
Direct	42,500	44,940	42,135	40,000	38,600
Bar	29,777	23,687	30,393	27,288	24,728
Shop Income	2,099	2,532	8,447	11,626	1,238
Other Income					
Membership	1,530	740	595	560	790
Advertising	1,029	2,090	2,882	4,778	2,829
Interest	786	804	1,485	1,598	1,581
Other	300	1,453	3,600	3,745	10,951
	-----	-----	-----	-----	-----
Sub-Total	148,521	138,306	149,870	146,215	130,717
Transfer From/(To) reserves	(33,952)	(7,945)	(22,544)	(31,928)	(26,206)
Grant-ULU	61,000	61,000	61,000	61,000	61,000
	-----	-----	-----	-----	-----
Total	175,569	191,361	188,326	175,287	165,511
	=====	=====	=====	=====	=====

# BIRKBECK COLLEGE LONDON STUDENTS' UNION

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## Comparative Historical Figures 1999-2003

EXPENDITURE	2002/03 £	2001/02 £	2000/01 £	1999/00 £	1998/9 £
Staffing	66,908	68,288	65,431	58,230	50,340
Administration					
Office Expenses	4,971	3,846	3,551	4,353	5,028
Allowances	32	398	339	456	336
Executive & Elections	1,150	739	512	629	665
Preparation of Accounts	32	0	1,645	0	0
Bar Admin Fee	1,175	1,175	1,175	1,175	375
Bad Debt Expense	0	4,430	0	0	250
Union Activities					
Welfare					
Counselling	14,898	14,856	13,497	10,327	10,487
Skills for Study	1,429	1,913	2,499	1,444	1,863
Advice Centre	1,312	1,276	1,563	1,476	755
Supervision, etc.	1,415	1,497	1,617	1,174	1,292
Clubs & Societies	6,270	6,061	8,941	7,675	8,059
Social & Entertainment	2,770	4,908	5,118	4,639	6,233
Affiliations					
National Union of Students	4,181	4,058	4,284	4,284	4,284
National Postgraduate Com.	272	248	226	206	187
Mature Students Union	100	100	100	100	100
London Nightline	188	0	187	96	62
FIAC	145	134	122	111	0
AMSU	323	323	294	294	247
Publications					
Handbook	0	4,264	4,582	2,932	2,197
Newsletter/Other Publications	1,825	5,077	4,676	3,289	986
Conferences & Training	1,793	1,688	2,141	2,471	2,378
Campaigns	5	111	469	2,446	112
Class Reps	1	56	138	118	33
Room Cleaning Costs	0	0	0	0	519
Freshers Fair	409	174	61	637	570
Refurbishment	7	1,086	817	1,643	1,407
Other Expenditure					
Bank Charges + Interest	184	238	405	436	327
Depreciation	2,774	3,417	2,936	3,647	5,419
Sub-Total	114,569	130,361	127,326	114,288	104,511
Subscription to ULU	61,000	61,000	61,000	61,000	61,000
Total	175,569	191,361	188,326	175,288	165,511



**BIRKBECK COLLEGE LONDON STUDENTS' UNION**  
**EXPENDITURE CHARTS**

