

Students' Union

Annual Report

and

Financial Statements

Year ending 31 July 2002



BIRKBECK COLLEGE LONDON STUDENTS' UNION
REPORT AND FINANCIAL STATEMENTS

For the year ended 31 July 2002

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For the year ended 31 July 2002

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)
Council Officers (2001/2002)	Melanie Pursey, BA David Reid Margaret Makhan-Gorla Michael Waugaman, BA	(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	

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PRESIDENT'S REPORT

Staffing

Salaries increase was due to annual increments for ongoing staff and the SU President. The Advice Centre has made savings due to increased efficiencies. Counselling hours have increased due to increased demand.

Welfare

Skills for studies were reduced to keep in line with student demand of popular courses and cancellation of unpopular ones.

Social Activities

Clubs and Societies expenditure went down as there was a reduction of 5 societies.

Communications

The Handbook again included the College Regulations and Procedures as well as the SU Constitution.

The quality and appearance of the Lamp & Owl improved since a new editor was recruited.

The 'all student mailer' was again used as a means to increasing the Union's profile with students, and received a positive response.

Shop

The shop remains on the fourth floor and as a result continues to suffer from poor passing trade.

Habiba Hamid
President (2003 – 2004)

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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 reduction reflecting the effect on trade of building works on Malet Street campus and 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 second year with difficult trading conditions that have been further exaggerated by the start of the building work. As a result The Union Shop turnover has decreased by 23% and income decreased by 70%. Due to the delay in the start of the Malet Street extension project the Union Shop is likely to stay at its current temporary location for at least a further year and we envisage depressed turnover and trading conditions in the next financial year.

OTHER INCOME

Income from commercial advertising in our publications such as the Handbook and Lamp and Owl has decreased slightly. Income from interest has seen a reduction reflecting the general downward trend in interest rates. Miscellaneous income has seen a decrease with majority of our Entertainment events not including a door charge.

RESOURCES EXPENDED

STUDENT SUPPORT

Welfare costs are in line with last year as we continue to provide the same level of quality service this year. Clubs and Societies cost has decreased as a number of societies became inactive and others have been less active. Other categories have not seen any substantial increase or decrease from last year.

ADMINISTRATION AND MANAGEMENT

Salaries costs have increased to reflect the usual annual grading and cost of living increase. Administration costs are up mainly due to provision for bad debt expenses.

Finally, I would like to thank Melanie Pursey (President 2001 – 2002), the Union Council and Union Staff for their hard work and commitment during the academic year 2001 – 2002.

Nawaf Ibrahim
Union Manager 1997-2004

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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.

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**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 2002 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

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STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 July 2002

	Notes	Total Unrestricted Funds	
		2002	2001
		£	£
INCOMING RESOURCES FROM CONTINUING OPERATION			
Grants from Birkbeck College	2	130,687	132,861
Income From Services	3	2,532	8,447
Other Income	4	5,087	8,562
		-----	-----
TOTAL INCOMING RESOURCES		138,306	149,870
		-----	-----
RESOURCES EXPENDED FROM CONTINUING OPERATION			
Student Support			
Salaries	5	22,381	22,916
Union Activities	6	21,141	22,398
Welfare	7	19,542	19,176
Clubs and Societies	8	6,061	8,941
Other Expenditure	9	3,655	3,341
Refurbishment	10	1,086	817
Administration and Management			
Salaries	5	45,907	42,515
Administration	11	10,588	7,222
		-----	-----
TOTAL RESOURCES EXPENDED		130,361	127,326
		-----	-----
NET MOVEMENT IN FUNDS FOR THE YEAR	12	7,945	22,544
		-----	-----
Total funds brought forward at 1 August		105,724	83,180
		-----	-----
Total funds carried forward at 31 July		113,669	105,724
		=====	=====

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

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BALANCE SHEET

As at 31 July 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Tangible assets for use by the Union	13	15,931	12,067
Investments	14	60	60
		-----	-----
		15,991	12,127
CURRENT ASSETS			
Stocks		10,098	9,851
Debtors	15	43,742	30,420
Cash at bank		53,704	61,450
Cash in hand		85	40
		-----	-----
		107,629	101,761
Creditors: amounts falling due within one year	16	(9,951)	(8,164)
		-----	-----
NET CURRENT ASSETS		97,678	93,597
TOTAL ASSETS LESS CURRENT LIABILITIES		-----	-----
		113,669	105,724
		-----	-----
TOTAL NET ASSETS		113,669	105,724
		=====	=====
Represented and financed by:			
STUDENTS' UNION ACCUMULATED FUND		113,669	105,724
		=====	=====

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.

	2002	2001
	£	£
2	GRANTS FROM BIRKBECK COLLEGE	
	Direct Grant	42,135
	44,940	
	Staffing Grant	60,333
	62,060	
	Bar Grant	30,393
	23,687	
	-----	-----
	130,687	132,861
	=====	=====

The College provides the Students' Union with three grants. The Direct Grant of £44,940 was paid directly to the Students' Union in three termly instalments. The Staffing Grant of £62,060 was paid out on the Students' Union's behalf to the Staff. The Bar Grant of £23,687 (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	21,654
	16,824	
	Less: Cost of Sales	(13,207)
	(14,292)	
	-----	-----
	Net Income	8,447
	2,532	
	=====	=====

4	OTHER INCOME	
	Advertising	2,882
	2,090	
	Membership Fees	595
	740	
	Deposit Interest Received	1,485
	804	
	Other	3,600
	1,453	
	-----	-----
	5,087	8,562
	=====	=====

5	SALARIES	
	Student Support	22,916
	22,381	
	Administration and Management	42,515
	45,907	
	-----	-----
	68,288	65,431
	=====	=====

	2002	2001
	£	£
6		
	UNION ACTIVITIES	
	4,908	5,118
	1,688	2,141
	5,077	4,676
	4,264	4,582
	111	469
	56	138
	174	61
	-----	-----
	16,278	17,185
	Affiliations and External Relations:	
	4,058	4,284
	248	226
	100	100
	0	187
	134	122
	323	294
	-----	-----
	4,863	5,213
	-----	-----
	21,141	22,398
	=====	=====
7		
	WELFARE	
	14,856	13,497
	1,367	1,588
	1,276	1,563
	1,913	2,499
	130	29
	-----	-----
	19,542	19,176
	=====	=====

	2002	2001
	£	£
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 13 (18 in 2000/01) clubs and societies funded by the Union.	6,061	8,941
	=====	=====
Expenditure of individual Clubs and Societies were:		
African Caribbean	£ 58	
Applied Linguistics	£ 177	
Archaeology	£ 390	
Classics	£ 90	
Football	£ 560	
French	£ 1,075	
German	£ 381	
History of Art	£ 172	
Japanese	£ 10	
Law	£ 150	
Philosophy	£ 987	
Photographic	£ 446	
PPH	£ 1,506	
Other	£ 59	
Total	£ 6,061	

Additional Clubs and Societies expenditure through funds generated by Clubs and Societies members	£ 4,406	

9 OTHER EXPENDITURE		
Bank Charges and Interest	238	405
Depreciation:		
Fixtures and Fittings	2,131	1,221
Computer Equipment	572	763
Other Equipment	714	952
	-----	-----
	3,417	2,936
	-----	-----
	3,655	3,341
	=====	=====

	2002	2001
	£	£
10	REFURBISHMENT	
	TV Room / Quiet Room	0
	4th Floor JCR/BAR area	353
	Union Offices	733
	-----	-----
	1,086	817
	=====	=====
11	ADMINISTRATION	
	Sabbatical Allowance	398
	Council Members' and Election Expenses	739
	Bar Admin Fees	1,175
	Accountancy Fees	0
	Bad Debt Expense	4,430
	-----	-----
	6,742	3,671
	Office Expenses:	
	Photocopier Hire and Usage Charges	224
	Stationery	376
	Sundry Expenses	944
	Insurance	1,015
	Office Machine Repairs/Service	0
	Postage and Telephone	1,287
	-----	-----
	3,846	3,551
	-----	-----
	10,588	7,222
	=====	=====
12	SURPLUS FOR THE YEAR	
	A small surplus was budgeted for this year in anticipation for major refurbishment in Summer 2004.	

13 TANGIBLE FIXED ASSETS FOR USE BY THE UNION

	Equip- ment	Computer Equipment	Fixtures and Fittings	Total
	£	£	£	£
Cost:				
At 1 August 2001	16,460	21,359	33,540	71,359
Additions in year	0	0	7,281	7,281
At 31 July 2002	16,460	21,359	40,821	78,640
Depreciation:				
At 1 August 2001	13,604	19,069	26,619	59,292
Charge for the year	714	572	2,131	3,417
At 31 July 2002	14,318	19,641	28,750	62,709
Net book value:				
At 31 July 2002	2,142	1,718	12,071	15,931
At 31 July 2001	2,856	2,290	6,921	12,067

	2002 £	2001 £
--	-----------	-----------

14 INVESTMENTS

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

15 DEBTORS

College Account	41,198	22,885
Sales Ledger	1,816	6,336
Prepayments	728	0
Other	0	1,199
	43,742	30,420

16 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

Clubs and Societies funds held in trust by the SU	8,459	5,936
Other	1,492	2,228
	9,951	8,164

THE FOLLOWING SCHEDULES DO NOT FORM PART
OF THE ANNUAL ACCOUNTS

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Comparative Historical Figures 1998-2002

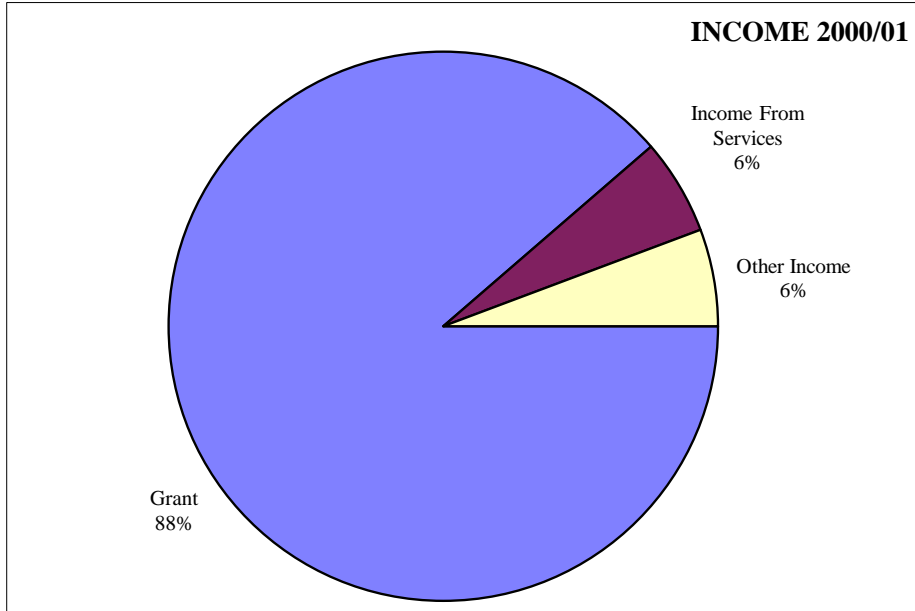
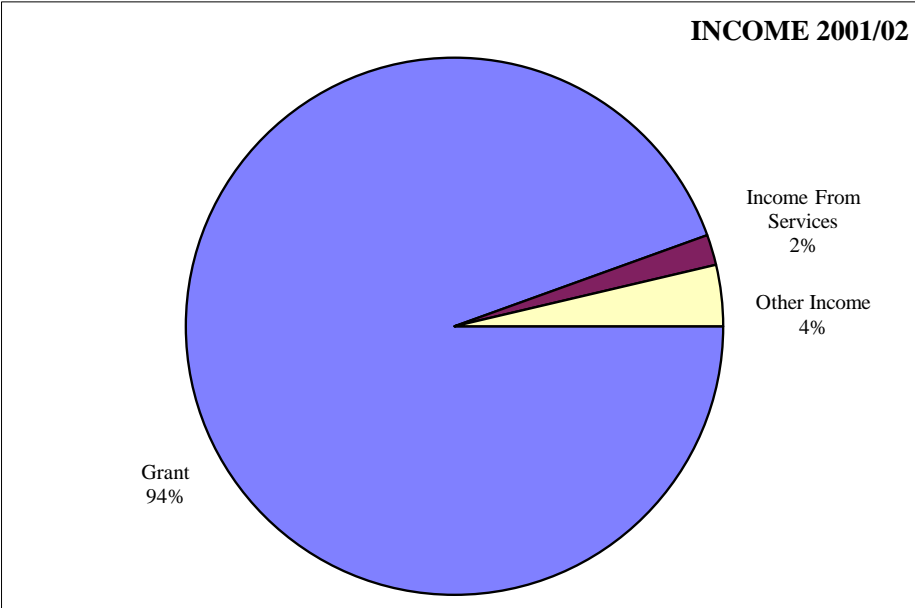
	2001/02	2000/01	1999/00	1998/9	1997/8
	£	£	£	£	£
INCOME					
Grant-SU					
Staffing	62,060	60,333	56,620	50,000	50,000
Direct	44,940	42,135	40,000	38,600	34,000
Bar	23,687	30,393	27,288	24,728	21,083
Shop Income	2,532	8,447	11,626	1,238	2,951
Other Income					
Membership	740	595	560	790	915
Advertising	2,090	2,882	4,778	2,829	3,102
Interest	804	1,485	1,598	1,581	1,400
Other	1,453	3,600	3,745	10,951	6,105
	-----	-----	-----	-----	-----
Sub-Total	138,306	149,870	146,215	130,717	119,556
Transfer From/(To) reserves	(12,375)	(22,544)	(31,928)	(26,206)	(10,144)
Grant-ULU	61,000	61,000	61,000	61,000	64,600
	-----	-----	-----	-----	-----
Total	186,931	188,326	175,287	165,511	174,012
	=====	=====	=====	=====	=====

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Comparative Historical Figures 1998-2002

	2001/02	2000/01	1999/00	1998/9	1997/8
EXPENDITURE	£	£	£	£	£
Staffing	68,288	65,431	58,230	50,340	57,405
Administration					
Office Expenses	3,846	3,551	4,353	5,028	4,733
Allowances	398	339	456	336	1,166
Executive & Elections	739	512	629	665	855
Preparation of Accounts	0	1,645	0	0	32
Bar Admin Fee	1,175	1,175	1,175	375	588
Bad Debt Expense	0	0	0	250	0
Union Activities					
Welfare					
Counselling	14,856	13,497	10,327	10,487	10,208
Skills for Study	1,913	2,499	1,444	1,863	1,623
Advice Centre	1,276	1,563	1,476	755	0
Supervision, etc.	1,497	1,617	1,174	1,292	1,054
Clubs & Societies	6,061	8,941	7,675	8,059	8,478
Social & Entertainment	4,908	5,118	4,639	6,233	6,408
Affiliations					
National Union of Students	4,058	4,284	4,284	4,284	4,284
National Postgraduate Com.	248	226	206	187	189
Mature Students Union	100	100	100	100	100
London Nightline	0	187	96	62	47
Real Solutions	0	0	0	0	40
FIAC	134	122	111	0	0
AMSU	323	294	294	247	20
Publications					
Handbook	4,264	4,582	2,932	2,197	3,073
Newsletter/Other Publications	5,077	4,676	3,289	986	92
Conferences & Training	1,688	2,141	2,471	2,378	2,038
Campaigns	111	469	2,446	112	96
Class Reps	56	138	118	33	38
Room Cleaning Costs	0	0	0	519	1,039
Freshers Fair	174	61	637	570	347
Refurbishment	1,086	817	1,643	1,407	1,351
Other Expenditure					
Bank Charges + Interest	238	405	436	327	381
Depreciation	3,417	2,936	3,647	5,419	3,727
Sub-Total	125,931	127,326	114,287	104,511	109,412
Subscription to ULU	61,000	61,000	61,000	61,000	64,600
Total	186,931	188,326	175,287	165,511	174,012



BIRKBECK COLLEGE LONDON STUDENTS' UNION
EXPENDITURE CHARTS

