

Students' Union

Annual Report

and

Financial Statements

Year ending 31 July 2001



BIRKBECK COLLEGE LONDON STUDENTS' UNION
REPORT AND FINANCIAL STATEMENTS
For the year ended 31 July 2001

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

BIRKBECK COLLEGE LONDON STUDENTS' UNION
REPORT AND FINANCIAL STATEMENTS
For the year ended 31 July 2001

Page 1

Council Officers (2001/2002)	Melanie Pursey David Reid Margaret Makhan-Gorla Michael Waugaman, BA	(President) (Vice-President Finance) (Vice-President Student Affairs) (Governor)
Council Officers (2000/2001)	Michael Waugaman, BA David Reid John Skeates, Melanie Pursey Lucy Reed, BA, MRes.	(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 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
For the year ended 31 July 2001

Page 2

PRESIDENT'S REPORT

Staffing

Salaries increase was due to annual increments for ongoing staff and the SU President. The Advice Centre Co-ordinator's hours were also increased in order to extend the service to three nights per week in response to growing student demand.

Welfare

Welfare expenditure increased as a result of the continued success of the Skills for Studies programme, and the extending of the Advice Centre opening hours from two to three nights per week.

Social Activities

Clubs and Societies attained an overall membership of approximately 1,000 students, which was an increase on previous years. Societies made use of the bar either as a venue in itself, or in conjunction with Union events, and by purchasing 'sale or return' beverages for their events in general.

Communications

The Handbook again included the College Regulations and Procedures as well as the SU Constitution, for which a one-off payment of £1,400 was received from External Relations.

The quality and appearance of the Lamp & Owl was improved this year, and four issues were produced.

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 moving of the shop to the fourth floor has caused a drop in sales as it is now sited in an 'out of the way' position for most students and has lost the opportunity to benefit from passing trade.

Melanie Pursey
President (2001 – 2002)

BIRKBECK COLLEGE LONDON STUDENTS' UNION
REPORT AND FINANCIAL STATEMENTS

Page 3

For the year ended 31 July 2001

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 an increase with sales improving from last year.

INCOME FROM SERVICES

The Union Shop was relocated to the fourth floor of the college building to allow for the College's new extension project. The new location is not ideal and is smaller hence restricting the range of products and services that we can offer. As a result The Union Shop turnover has decreased by 48% and income decreased by 27%. The Union Shop is likely to stay at its current location until the completion of the new extension at which point we will relocate to a permanent location within the new extension building. We envisage no change in 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 due to lack of response. Income from gaming machines has now been included within Income From Services. Miscellaneous income has seen a slight increase with a number of our Entertainment events including a door charge.

RESOURCES EXPENDED

STUDENT SUPPORT

Welfare costs have increased as we expanded our Counselling service and Skills for Study programme. Clubs and Societies cost has increased slightly as two new societies have started this year and others have been active. Other categories have not seen any substantial increase or decrease from last year.

ADMINISTRATION AND MANAGEMENT

Salaries costs have increased to reflect the expansion in our Advice Centre services and also the usual annual grading and cost of living increase. Administration costs overall are in line with last year but there has been a one off expenditure for additional accountancy work.

Finally, I would like to thank the Union Council and Staff for their hard work and commitment and look forward to their collaboration and support in the future.

Nawaf Ibrahim
Union Manager 1997-2002

BIRKBECK COLLEGE LONDON STUDENTS' UNION
REPORT AND FINANCIAL STATEMENTS
For the year ended 31 July 2001

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 and cash flow 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.

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

We have audited the financial statements on pages 8 to 15 which have been prepared under the accounting policies set out on page 10.

Respective responsibilities of the Officers of the Students' Union and auditors

As described on page 6 the Officers of the Students' Union are responsible for the preparation of financial statements which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

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 any significant estimates and judgements 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 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 the Union's affairs as at 31 July 2001 and of its incoming resources and total resources expended in the year then ended and have been properly prepared in accordance with the Union rules.

Chartered Accountants and
Registered Auditors
Verulam Point
Station Way
St Albans AL1 5HE
Friday 1 March 2002

BIRKBECK COLLEGE LONDON STUDENTS' UNION

Page 8

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 July 2001

	Notes	Total Unrestricted Funds	
		2001	2000
		£	£
INCOMING RESOURCES FROM CONTINUING OPERATIONS			
Grants from Birkbeck College	2	132,861	123,908
Income From Services	3	8,447	11,626
Other Income	4	8,562	10,681
		-----	-----
TOTAL INCOMING RESOURCES		149,870	146,215
		-----	-----
RESOURCES EXPENDED			
Student Support			
Salaries	5	22,916	22,653
Union Activities	6	22,398	21,623
Welfare	7	19,176	14,421
Clubs and Societies	8	8,941	7,675
Other Expenditure	9	3,341	4,082
Refurbishment	10	817	1,643
Administration and Management			
Salaries	5	42,515	35,577
Administration	11	7,222	6,613
		-----	-----
TOTAL RESOURCES EXPENDED		127,326	114,287
		-----	-----
NET MOVEMENT IN FUNDS FOR THE YEAR	12	22,544	31,928
		-----	-----
Total funds brought forward at 1 August		83,180	51,252
		-----	-----
Total funds carried forward at 31 July		105,724	83,180
		=====	=====

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

BIRKBECK COLLEGE LONDON STUDENTS' UNION

Page 9

BALANCE SHEET

As at 31 July 2001

	Notes	2001 £	2000 £
FIXED ASSETS			
Tangible assets for use by the Union	13	12,067	14,774
Investments	14	60	60
		-----	-----
		12,127	14,834
CURRENT ASSETS			
Stocks		9,851	9,589
Debtors		30,420	10,861
Cash at bank		61,450	56,182
Cash in hand		40	40
		-----	-----
		101,761	76,672
Creditors: amounts falling due within one year	15	(8,164)	(8,326)
		-----	-----
NET CURRENT ASSETS		93,597	68,346
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		105,724	83,180
		-----	-----
TOTAL NET ASSETS		105,724	83,180
		=====	=====
Represented and financed by:			
STUDENTS' UNION ACCUMULATED FUND		105,724	83,180
		=====	=====

Approved on behalf of the Students' Union, on Monday 1 March 2002

..... Melanie Pursey
President (2001 - 2002)

..... David Reid
Vice President Finance (2000 - 2002)

..... Nawaf Ibrahim
Union Manager (1997 - 2002)

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, which have been prepared in accordance with the Statement of Recommended Practice "Accounting by Charities" published in October 1995 and applicable accounting standards.

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. Those held as current assets are stated at the lower of cost and net realisable value.

f) Income Tax

The Inland Revenue treats the Students' Union as having charitable status, hence, there is no Income Tax charge.

	2001 £	2000 £
2	GRANTS FROM BIRKBECK COLLEGE	
	42,135	40,000
	60,333	56,620
	30,393	27,288
	-----	-----
	132,861	123,908
	=====	=====

The College provides the Students' Union with three grants. The Direct Grant of £42,135 was paid directly to the Students' Union in three termly instalments. The Staffing Grant of £60,333 was paid out on the Students' Union's behalf to the Staff. The Bar Grant of £30,393 (consisting of 60% 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	
	21,654	42,458
	(13,207)	(30,832)
	-----	-----
	8,447	11,626
	=====	=====

4	OTHER INCOME	
	2,882	4,778
	595	560
	0	1,682
	1,485	1,598
	3,600	2,063
	-----	-----
	8,562	10,681
	=====	=====

5	SALARIES	
	22,916	22,653
	42,515	35,577
	-----	-----
	65,431	58,230
	=====	=====

	2001 £	2000 £
6	UNION ACTIVITIES	
	5,118	4,639
	2,141	2,471
	4,676	3,289
	4,582	2,932
	469	2,446
	138	118
	61	637
	-----	-----
	17,185	16,532
	Affiliations and External Relations:	
	4,284	4,284
	226	206
	100	100
	187	96
	122	111
	294	294
	-----	-----
	5,213	5,091
	-----	-----
	22,398	21,623
	=====	=====
7	WELFARE	
	13,497	10,327
	1,588	1,125
	1,563	1,476
	2,499	1,444
	29	49
	-----	-----
	19,176	14,421
	=====	=====

	2001	2000
	£	£
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 18 (16 in 1999/00) clubs and societies funded by the Union.	8,941	7,675
	=====	=====

Expenditure of individual Clubs and Societies were:

African Caribbean	£ 578.59
Archaeology	£ 528.19
Basketball	£ 426.00
Chess	£ 39.15
Classics	£ 258.68
Football	£ 608.38
French	£ 925.70
Geology	£ 416.50
German	£ 388.56
History of Art	£ 114.40
History	£ 735.43
Jewish	£ 19.26
Law	£ 276.31
Philosophy	£ 843.36
Photographic	£ 929.26
Politics and Sociology	£ 715.28
PPH	£ 970.09
Quizzoc	£ 98.60
Other	£ 69.46
Total	£ 8,941.20

Additional Clubs and Societies expenditure through funds generated by Clubs and Societies members	£ 6,858.65

9 OTHER EXPENDITURE

Bank Charges and Interest	405	436
Depreciation:		
Fixtures and Fittings	1,221	1,437
Computer Equipment	763	1,017
Other Equipment	952	1,193
	-----	-----
	2,936	3,647
	-----	-----
	3,341	4,083
	=====	=====

	2001	2000
	£	£
10	REFURBISHMENT	
	TV Room / Quiet Room	161
	4th Floor JCR/BAR area	234
	Union Offices	422
	-----	-----
	817	1,643
	=====	=====
11	ADMINISTRATION	
	Sabbatical Allowance	339
	Council Members' and Election Expense	512
	Bar Admin Fees	1,175
	Accountancy Fees	1,645
	-----	-----
	3,671	2,260
	Office Expenses:	
	Photocopier Hire and Usage Charges	272
	Stationery	310
	Sundry Expenses	717
	Insurance	978
	Postage and Telephone	1,274
	-----	-----
	3,551	4,353
	-----	-----
	7,222	6,613
	=====	=====
12	SURPLUS FOR THE YEAR	

A surplus was not budgeted for this year and it is mainly due to the increase in our Bar Income and reduced asset replacement in anticipation for major refurbishment in Summer 2003

13 TANGIBLE FIXED ASSETS FOR USE BY THE UNION

	Equip- ment	Computer Equipment	Fixtures and Fittings	Total
Cost:	£	£	£	£
At 1 August 2000	16,231	21,359	33,540	71,130
Additions in year	229	0	0	229
At 31 July 2001	16,460	21,359	33,540	71,359
Depreciation:				
At 1 August 2000	12,652	18,306	25,398	56,356
Charge for the year	952	763	1,221	2,936
At 31 July 2001	13,604	19,069	26,619	59,292
Net book value:				
At 31 July 2001	2,856	2,290	6,921	12,067
At 31 July 2000	3,579	3,053	8,142	14,774

	2001 £	2000 £
14 INVESTMENTS		
NUS Services Ltd. "60 Ordinary Shares" with a book value of £1 ea	60	60

15 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR		
College Account	0	0
Clubs and Societies funds held in trust by the SU	5,936	5,529
Other	2,228	2,797
	8,164	8,326

THE FOLLOWING SCHEDULES DO NOT FORM PART
OF THE ANNUAL ACCOUNTS

BIRKBECK COLLEGE LONDON STUDENTS' UNION

Page 17

Comparative Historical Figures 1997-2001

	2000/01	1999/00	1998/9	1997/8	1996/7
	£	£	£	£	£
INCOME					
Grant-SU					
Staffing	60,333	56,620	50,000	50,000	48,400
Direct	42,135	40,000	38,600	34,000	34,000
Bar	30,393	27,288	24,728	21,083	12,267
Shop Income	8,447	11,626	1,238	2,951	557
Other Income					
Membership	595	560	790	915	995
Advertising	2,882	4,778	2,829	3,102	1,940
Interest	1,485	1,598	1,581	1,400	1,066
Other	3,600	3,745	10,951	6,105	2,654
	-----	-----	-----	-----	-----
Sub-Total	149,870	146,215	130,717	119,556	101,879
Transfer From/(To) reserves	(22,544)	(31,928)	(26,206)	(10,144)	3,628
Grant-ULU	61,000	61,000	61,000	64,600	64,600
	-----	-----	-----	-----	-----
Total	188,326	175,287	165,511	174,012	170,107
	=====	=====	=====	=====	=====

BIRKBECK COLLEGE LONDON STUDENTS' UNION

Page 18

Comparative Historical Figures 1997-2001

	2000/01	1999/00	1998/9	1997/8	1996/7
EXPENDITURE	£	£	£	£	£
Staffing	65,431	58,230	50,340	57,405	50,543
Administration					
Office Expenses	3,551	4,353	5,028	4,733	4,210
Allowances	339	456	336	1,166	1,049
Executive & Elections	512	629	665	855	967
Preparation of Accounts	1,645	0	0	32	32
Bar Admin Fee	1,175	1,175	375	588	0
Bad Debt Expense	0	0	250	0	0
Union Activities					
Welfare					
Counselling	13,497	10,327	10,487	10,208	9,369
Skills for Study	2,499	1,444	1,863	1,623	0
Advice Centre	1,563	1,476	755	0	0
Supervision, etc.	1,617	1,174	1,292	1,054	1,019
Clubs & Societies	8,941	7,675	8,059	8,478	8,768
Social & Entertainment	5,118	4,639	6,233	6,408	4,878
Affiliations					
National Union of Students	4,284	4,284	4,284	4,284	4,417
National Postgraduate Com.	226	206	187	189	171
Mature Students Union	100	100	100	100	90
London Nightline	187	96	62	47	58
Real Solutions	0	0	0	40	0
FIAC	122	111	0	0	0
AMSU	294	294	247	20	0
Publications					
Handbook	4,582	2,932	2,197	3,073	2,156
Newsletter/Other Publications	4,676	3,289	986	92	1,343
Conferences & Training	2,141	2,471	2,378	2,038	2,148
Campaigns	469	2,446	112	96	371
Class Reps	138	118	33	38	86
Room Cleaning Costs	0	0	519	1,039	1,039
Freshers Fair	61	637	570	347	690
Refurbishment	817	1,643	1,407	1,351	1,645
Other Expenditure					
Bank Charges + Interest	405	436	327	381	437
Depreciation	2,936	3,647	5,419	3,727	10,021
Sub-Total	127,326	114,287	104,511	109,412	105,507
Subscription to ULU	61,000	61,000	61,000	64,600	64,600

Total

188,326	175,287	165,511	174,012	170,107
=====	=====	=====	=====	=====



