Imperial College Union
Board of Trustees / 27 November 2024

October Management Accounts Summary

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Purpose: To present the Management Accounts for October 2024.
Decision(s): To **consider** and **note** the Management Accounts summary.

1. Summary

The Union has made a strong start to the 24/25 financial year, reporting a year-to-date surplus of £145k, which is £109k ahead of the budget. Commercial Services contributed an additional £27k, while costs savings and additional income in core areas accounted for £81k (including expected vacancy savings of £15k).

There £109k positive variance to budget is mainly timing related, due to:

- Staff vacancy savings £50k - all currently vacant positions are expected to be filled by January, so these savings will be needed to reach the full year target of £62k.
- Commercial Services External Bookings Income £29k – some amounts have been invoiced earlier than budgeted, these should even out over time.
- Student Activities Welcome Fair and other timing differences £17k – some costs for Welcome Fair have yet to be accounted for, and additionally there are various other budget underspends that are expected to be utilised later in the year.

For October, overall performance was £6k favourable compared to budget, the Commercial contribution was £37k adverse, other income £2k adverse and core activity, including expected vacancy savings, was £45k favourable.

The accounts, which are available separately, are presented and analysed in comparison to the 2024/25 budget.

2. Core, Grant-Funded Performance

Year to date, core areas expenditure is £77k less than budgeted. This is due to £35k net vacancy savings, £33k in various expenditure savings, £9k in temporary staff savings and £4k of additional income. Once the remaining permanent staff roles are filled, some of these cost savings may be needed to meet the vacancy savings assumption for future months.

Core areas' net expenditure was £45k below budget for the month of October, this was due to permanent staff cost savings of £10k, £3k of temporary staff savings, combined with multiple expenditure savings across departments.

The table overleaf shows a summary of the overall variances to the forecast for each of the core areas.

Area	Variance Month	Variance Year to Date	Year to Date Comments
Income			
Marketing	£0k	£6k	£6k towards cost of Welcome 24 Tote Bags and packing received from College.
Systems	£2k	£2k	£2k from Imperial College invoiced earlier than budgeted.
Student Activities	(£1k)	(£1k)	-
Finance	(£3k)	(£3k)	£3k adverse due to delays in setting up our new account, preventing us from earning interest on our surplus funds.
Expenditure			
Student Activities	£19k	£53k	£40k permanent staff savings due to vacancies and late implementation of role changes, £10k underspend on Welcome cost for which invoice not received, £6k temporary staff savings relating to Helpdesk staffing.
Marketing	£6k	£13k	£4k savings related to Officer Trustee publicity expected in October.
Advice & Support	£4k	£6k	£3k savings for Welcome project which will be used throughout the year
Facilities, Health & Safety	£18k	£6k	Costs relating to Commercial areas have been recharged, remaining budget expected to be utilised later in the year.
Finance	£2k	£5k	£3k savings in card commission as we have not yet moved our online shop for student groups to SUMS, £2k permanent staff costs savings due late implementation of role changes.
Representation	£0k	£4k	£2k permanent staff costs savings due late implementation of role changes, savings of £1k in temporary staff
People & Culture	£1k	£3k	-
Systems	(£1k)	£2k	-
Minibus Service	£1k	£2k	-
Leadership & Governance	£0k	(£1k)	-
Vacancy savings assumption	(£5k)	(£15k)	Vacancy savings are included in the department in which they arise, the total year to date variance in Permanent Staff across all departments is currently +£50k.
Total	**£43k**	**£81k**	

3. Commercial Performance

Commercial Services generated a £143k contribution in the first three months of the financial year, £27k ahead of budget. In the month of October, the total contribution was £46k – this is

£37k adverse compared to budget and due mainly to lower-than-expected sales across Retail and Venues.

Events & Partnerships

Year to date, Events & Partnerships have exceeded budget expectations and are currently £75k ahead of budget. This has been driven by positive variances in all income categories, except for the Welcome Fair income, which was £4k down against its target of £50k, but higher than last year's total of £38k.

Total expenditure is £2k higher than budgeted, this is due to a number of variances including £3k towards the cost of hosting an event at an external venue, which contributed to the increased ticket income.

Retail

Retail has performed well in the first three months of the year with total gross sales across all outlets up 3% against budget. The current GP margin of 49%, however, is significantly below the target of 55% leading to a year to date drop in gross profit of over £16k compared to budget. The Retail team are monitoring changes in cost prices, and updating selling prices, to attempt to reach the target GP, whilst still delivering value for money for students.

Year to date net profit is £86k, which is down compared to budget by approximately £12k.

Venues

In total, our Venues have incurred a net loss of £10k year to date, which is £40k adverse to budget. In the month of October, the net profit was £6k, which is £23k less than budgeted.

Sales in Beit Bars were up nearly £10k (6%) in the month of October, but despite this positive outcome, gross sales are still behind budget year to date by £29k (8%). In addition to this, higher than expected costs for temporary staff and security staff mean Beit Bars' net surplus is currently only £7k, which is £32k less than budgeted.

Reynolds Bar opened for the new term at the end of September, but so far has only generated £19k worth of sales compared to a budget of £42k. Significant cost savings have offset a lot of this, with Reynolds' net profit year to date only £6k adverse to budget. H Bar has only been opened so far this year for events and as its year-to-date net profit is currently £2k adverse to budget.

4. Balance Sheet

The Union's Balance Sheet (Appendix 2) continues to show a strong financial position, with net assets of £3.64m as at 31st October 2024.

Fixed assets have increased by c£100k this financial year, which reflects budgeted investment, mainly in commercial areas.

Debtors are up by £130k, this is due to several large invoices raised in October and the advance invoicing of external bookings by Commercial Services.

Creditors are down by £575k compared to this time last year, this is due to there being only one month of payroll charges due to the College when last year there were three.

5. Cashflow

The cashflow statement (Appendix 3) shows a healthy cash position, with a cash balance of £3.60m as at 31st October 2024.

The cash position is supported by restricted Student Activities/Halls funds (£2.1m) and creditors (£0.8m).