Imperial College Union
Board of Trustees / 26 February 2025

January Management Accounts Summary

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Purpose: To present the Management Accounts for January 2025
Decision(s): To **note** and **consider** the Management Accounts summary

1. Summary

The Union has reported a year-to-date surplus of £120k, which is £81k ahead of budget. Expenditure in core areas is £97k less than budgeted, including expected vacancy savings of £31k, while other income is up £20k. The contribution from Commercial Services is down £40k against budget.

In the month of January, overall performance was £33k favourable compared to budget, the Commercial contribution was £12k more than expected, other income £10k favourable and core activity, including expected vacancy savings, was £10k favourable.

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

Note: a reforecast is presented separately for approval. January figures are within forecast assumptions overall, though there are some small timing differences to note which do not have a material impact on reforecast assumptions.

2. Core, Grant-Funded Performance

Year to date, expenditure in core areas is £97k less than budgeted. This is due to net vacancy savings of £66k and various expenditure savings totaling £31k. There was also £20k of additional income, which includes £15k of additional bank interest.

Core areas' net expenditure was £10k below budget for the month of January, this was mainly due to net vacancy savings of £9k, combined with other smaller variances across multiple areas.

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

Area	Variance Month	Var Year to Date	Year to Date Comments
Income			
Finance	£11k	£15k	£15k additional interest as interest rate/balance much higher than budgeted
Marketing	£0k	£6k	£6k towards cost of Welcome 24 Tote Bags and packing received from College.

Area	Variance Month	Var Year to Date	Year to Date Comments
Systems	(£1k)	£0k	-
Leadership & Governance	£0k	£0k	-
Expenditure			
Student Activities	£11k	£70k	£68k net vacancy savings and £12k temporary staff savings, offset by a £9k overspend on Welcome.
People & Culture	£6k	£14k	£5k recruitment cost savings due to low vacancy rate. £5k savings on training & development and £3k on wellbeing & recognition, both of which are expected to be spent later in the year.
Facilities, Health & Safety	£1k	£10k	£5k maintenance savings and £4k health & safety savings - a lot of the focus this financial year has been on Commercial areas, and costs have been charged directly to these areas.
Finance	£2k	£10k	Card commission savings of £6k as we have yet to move to SUMS shop, combined with staff cost savings of £5k.
Advice & Support	£0k	£9k	£5k underspend in general expenditure, combined with £4k vacancy savings
Minibus Service	(£1k)	£8k	Income from sales of minibuses totalling £7k, which has been reinvested in the cost of a new minibus
Representation	£2k	£7k	£5k staff cost savings
Marketing	(£3k)	£7k	£6k expenditure savings - re-profiled in Reforecast
Systems	£0k	£4k	£4k saving in systems & software - costs relating to the purchase of new servers has been pushed back until February/March.
Leadership & Governance	(£2k)	(£12k)	£9k additional costs for Corporate Structure review - funded from designated funds
Vacancy savings assumption	(£5k)	(£31k)	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 £96k.
Total	**£21k**	**£117k**	

3. Commercial Performance

Commercial Services has generated a contribution of £100k year to date, which is £40k less than budgeted. This mainly due to lower sales and higher costs in Venues and Retail, with adverse variances of £76k and £23k respectively. This is offset by a positive variance in Events & Partnerships of £55k, and a small positive variance in Commercial Overheads of £3k. These have been taken into account as part of the Reforecast exercise (ref separate item).

Events & Partnerships

Year to date, Events & Partnerships have exceeded budget expectations and are currently £55k ahead of budget. This has been driven by positive variances in all income categories, except for the Welcome Fair income, which was £2k down against its target of £50k, but with

the addition of the Welcome Back Fair event, this line too should exceed budget over the full financial year.

Total expenditure is currently £39k higher than budgeted, this is due to several variances including £18k additional spend on Acts, £9k on decorations (including event theming), £5k on staffing, £5k on equipment purchases and £4k on printing costs.

Retail

Retail has generated a net surplus year to date of £131k, which is down £23k against budget. Shop gross profit is £42k down, mainly due to lower profit margins (48% v 55% budgeted) caused partially by an £8k stock shortage reported at the half-year stocktake. Both Shop Extra and Online have higher than budgeted gross profit figures, £6k and £7k respectively.

In the month of January, Retail overall saw a adverse variance of £7k to budget, which can be attributed to the stocktake adjustment of £8k. With the exception of this adjustment, income and expenditure were broadly inline with budgeted expectations.

Venues

In total, our Venues have incurred a net year to date loss of £35k, which is £76k adverse to budget. This was mainly due adverse bottom-line variances of £39k in Beit Bars, and £33k in Reynolds.

In the month of January, the venues saw a small net surplus of £653, which is £10k less than budgeted. Sales in Beit Bars were up £8k (8.5%) against budget in month, but were down £16k (2.5%) year to date. Total expenditure is over budget year to date by £16k, driven by additional spends of £22k in Temporary Staff and £20k in Security Staff, offset by savings across various other lines totaling £26k.

Reynolds Bar sales are down against budget by £26k (74%) in month, and down £98k (70%) year to date. In total Reynolds has incurred a loss of £37k so far this financial year, which is £33k adverse to budget.

H Bar continues to remain closed most of the time, with a total year to date deficit of £3k against a break-even budget.

4. Balance Sheet

The Union's Balance Sheet (Appendix 2 for Item 09 in hyperlinked annex) continues to show a strong financial position, with net assets of £3.59m as at 31st January 2025.

Fixed assets have increased by approximately £128k this financial year, this reflects budgeted investment, mainly in commercial areas, combined with an operational need to purchase a replacement minibus. Designated funds have increased as a result (as anticipated in the November 2024 Reserves paper).

Stock has increased by c£306k since this time last year: this is due to bulk purchases of new retail stock lines (e.g. organic cotton), which were subject to supply issues. The Commercial Team's expectation is that this will reduce over the course of the year (to c£300k), as these lines are sold.

Debtors are up by £12k compared with this point last year, this is largely due to a number of large sponsorship invoices raised by CSPs which will fall due within February.

Creditors are £176k lower than at this point last year.

The bank figures now include the higher interest earning account with NatWest.

5. Cashflow

The cashflow statement (Appendix 3 for Item 09 in hyperlinked annex) shows a healthy cash position, with a cash balance of £3.56m as at 31st January 2025.

The cash position is supported by restricted Student Activities/Halls funds (£2.1m) and creditors (£1m).