

**ICU Trustee Board
Managing Director's Report
November 2012**

Having completed a quarter of the academic and financial year the Union has made a good start to the year but it has become even clearer that there are significant challenges ahead.

Despite a financially successful August and September, we know that the accounts for October will see some significant shortfalls to revenue budgets. One encouraging thing about this statement is that due to improvements in our financial reporting we have a good grasp of what is happening with our revenues on a weekly basis for the first time and this is enabling the management team to take swifter action.

Many of the key events of the year have already taken place, and Welcome Week, the Careers Fair and Commemoration day have all been very successful in both financial and reputational terms.

However, we know that some new initiatives planned for this year still need a lot of work in order to be successful, and have been set back by some of the issues that we have faced in terms of recruitment procedures. These plans, like the Student-led Teaching Awards, the Accreditation of Volunteers, and beginning the process for becoming an Investor in People are incredibly important to our membership, officers and staff and it is essential that we deliver on these.

I'm very pleased to report that two Union staff members have been given new opportunities, following robust recruitment processes. Andrew Keenan, formerly Representation Coordinator, has now begun his new role as Education and Welfare Manager. Laura Fellows, formerly Student Activities Administrator, start at the beginning of November in her new role as Admin and Governance Coordinator. Andrew and Laura have both excelled in their previous roles and I'm very proud that the organisation is providing opportunities to reward and retain our best people.

The Union is a very diverse organisation and there is a range of achievements that we are aiming for this year. However, our first priority as a management team is to ensure that we remain financially secure and sustainable, as this is the success measure that enables all other things to happen. As expected, this is proving to be a significant challenge but the team and I are doing everything we can to secure this. Our long – term sustainability will involve some tough decisions, some of which are being discussed at this Board meetings but I'm confident that tackling issues now will reap dividends in the future.

Please find overleaf the 'dashboard' for November. As ever, I would welcome feedback on the content or structure of this report.

Joe Cooper
Managing Director

Financial Performance	Top 5 future risks
<ol style="list-style-type: none"> 1. Summary – Our final audited accounts are being presented to this meeting, and show an annual surplus of £225k, a £410k improvement compared to 10/11. 2. Latest management accounts – September’s management accounts show a £101k positive variance to budget through a combination of improved revenues and cost savings. 3. Financial Reporting – Weekly revenue and casual staff reports are now being produced and reviewed by the senior management team on a weekly basis. 4. Current revenue performance – The figures from October look relatively concerning, with a number of outlets (in particular SK Bar and Catering) showing weekly shortfalls compared to budget. The figures being reported exceed our budget expectations for November so we are working to ensure any shortfall gets clawed back in future months. 5. Financial Control – Our external audit was completed successfully and the auditors attended the Finance and Risk sub-committee. Both the auditors and the College have expressed their satisfaction with the progress made with financial controls. An action plan, developed in response to the Deloitte Internal Audit has been discussed at the Finance and Risk Committee 	<ol style="list-style-type: none"> 1. Financial Performance – The first two months of the year were financially successful but we know that October will be a difficult month. It is crucial that focus remains on driving revenues and controlling costs to ensure that the stretching budget that we have set is achieved. 2. Governance Reform – Following the unanimous passing of the new Constitution by Council work is being undertaken to ensure the smooth passing of the document by the College and the Charity Commission (assuming that the Board approve the document!) Work is also now being undertaken to ensure that plans are in place to implement the new document when approved. 3. Financial Control – Despite the progress in this area and the positive feedback from auditors and college alike it is essential that we continue to progress and in particular complete the recommendations from the Deloitte audit report and improve our rating in the audit due next year 4. Relationship with student media – there are again some specific concerns regarding the potential risks around student media which the Board will need to consider in the future 5. Summer Ball - Work is now starting on developing the proposal for 2013 – which will come to the Board for final approval in the New Year.
Top 5 things achieved since last Board meeting	Top 5 issues we are managing at the moment
<ol style="list-style-type: none"> 1. Successful Welcome Week and Commemoration Day – our events and activities for these important events were successful, with thousands of students receiving welcome packs, attending Mingle events and hearing presentations from the Union’s officers 2. Clubs, Societies and Projects Registrations – as of the 27th October the Union had processed 12,847 club memberships, a 17% increase on the same date last year 3. New Website – the new website has launched and received positive feedback from all users, and more importantly, stood up to the extremely high level of traffic related to clubs and societies subscriptions. 4. Revenue generation - we have passed some key milestones in terms of revenues – in particular Welcome Week events, Freshers’ Fair and the Careers Fair broadly hit their income targets 5. Positive feedback regarding financial performance and control – The Union are attending the College’s Audit committee in November to report on the Union’s progress on financial matters. Discussions with key college staff in preparation for this have suggested that they are very pleased with the progress that has been made. 	<ol style="list-style-type: none"> 1. Recruitment and Induction of new staff – this process continues to be behind schedule but we are continuing to make every effort to ensure that these posts are filled as soon as possible 2. Governance Reform and Charity Registration – as above. 3. Staffing Structures – As covered in a separate paper to the Board 4. Developing our financial reporting and scrutiny - as outlined above it is essential that we continue to progress in this area and to this end a detailed action plan has been developed by the Head of Finance which is discussed by the Senior Management Team on a regular basis 5. Developing a funding agreement with the College – the President’s recent discussions with senior staff of the College have suggested that a long-term deal for the Union’s funding might be on the table this year – work will now start on developing a proposal to ensure the Union’s development and financial security for the foreseeable future.

