

**Imperial College Union
Board of Trustees
Managing Director's Report
September 2015**

Financial Performance

I am very pleased to be able to report that the 2014/15 financial year has been another successful year from a financial perspective. A surplus of c.£200k beats our budget target by £150k, and has been achieved by a combination of strong commercial performances, diversification of income streams and a disciplined approach to cost control. It should be noted that this was the first full year of the devolution of budget-holder responsibility to our management team. This change in approach has been vindicated, firstly through positive feedback from our internal auditors, and secondly through the financial results achieved this. I would like to take this opportunity to thank the management team for an incredible job in taking on this responsibility. This collective achievement, on the back of the three previous financial years will provide significant opportunities for the Union. Firstly, although we must remain focused on our long-term financial objectives, we have an increased ability to be more flexible and responsive to circumstance – a separate paper to board discusses some of these options for the coming year. Secondly, the Union's reputation for effective service delivery and financial security should stand us in very good stead as we begin negotiations for our funding for beyond 2016.

Student Advice

Following the restructure of the Advice Centre, we have just appointed a new Advice Services Manager to lead the development of the Advice service alongside Alex McKee and Andrew Keenan. During the staffing gap it has become clear that the demand on the service is already high and could grow significantly. It is also clear that there is a real opportunity to make the advice service a central plank to the Union's policy, campaigning and lobbying work. A separate paper talks through an opportunity to ensure that the service develops at an appropriate pace.

Student Hubs

As explained in a separate paper, the manner in which the relationship with Student Hubs is disappointing, for the Union and for the students involved with Student Hubs' activities. We will prioritise engaging with students to ensure that we continue to provide support for their endeavours and resources will be increased to facilitate this growth. I do believe that the relationship would have needed to end at some point, and that it is right that the Union provides these opportunities directly. Whilst the next 12 months will be challenging I am excited to see what the Student Development department is supporting students to achieve in 12 months' time.

Woodward Bar

As discussed in previous meetings, we have entered into another service delivery partnership with the College to operate the new bar at Woodward Halls in Acton. The agreement (for the first year) involved the Union receiving a management charge for running the space, but taking on no financial risk. Despite this the project does carry significant risk and opportunities for the Union, particularly in the context of future opportunities at White City. Getting the outlet open on time is (unsurprisingly) proving to be a significant management challenge and I am grateful for the hard work from the Social Enterprises team.

As ever, I would welcome any feedback about the content or format of this report.

**Joe Cooper
Managing Director
September 2015**

Financial Performance	Top 5 future risks
<ol style="list-style-type: none"> 1. Summary – The final accounts for 2014/15 will show a strong financial performance for the fourth consecutive year, with a surplus of c. £200k. 2. Latest management accounts – The Union has had a steady start to the financial year, with August's management accounts showing a £4k positive variance to budget. 3. Financial Reporting – Revenue performance is measured against budget on a weekly basis and discussed at Strategic Management Group level. Management accounts are discussed on a monthly basis at Leadership Team and Senior Management Team Meetings. It is essential that the organisation remains focused on financial objectives despite the improved financial position. 4. Current revenue performance – The Union's revenues for the past six weeks are £17k ahead of budget. Very strong performances in Retail and Beit Venues are currently compensating for a challenging start to the year for SK Bars. 5. Financial Control – The external audit was completed ahead of schedule with no issues arising, The Union is no longer required to attend the College's Audit committee as it is no longer seen as an area of significant risk. 	<ol style="list-style-type: none"> 1. Financial Performance – As discussed in the papers for the Board, the Union's financial position does give us flexibility and the ability to be responsive to challenges and opportunities. However, it is essential that we guard against complacency and ensure that the Union retains a disciplined approach to financial performance 2. Woodward bar Delivery - Although the nature of the arrangement with the College has mitigated any financial risk, the reputational risk associated with this project are significant both in terms of our reputation with the membership and the perception of the College. There are also 'knock-on' risks for the Union's other bars in terms of management capacity. 3. Strategic Development and Funding – The development of the strategic plan alongside the negotiations for the next years' funding deal is my priority for the next three months. 4. Involvement in Imperial West – This is an ongoing risk and opportunity – our ability to deliver on Woodward will be crucial to future commercial opportunities at White City 5. Union relationship with Volunteers and Alcohol/behaviour/reputation issues – We have made significant changes to our approach to supporting student groups, including the introduction of face to face training sessions, the change in the officer layout and a briefing session for club officers at the start of the 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. Financial Performance - The Union's free reserves position has recovered, in less than four years, from a negative position to c. £700k. This gives the Union's options for the future and increased credibility from its stakeholders. 2. National Student Survey rating – The Union's rating for question 23 has increased again, by three percentage points, to 78% (of students saying they are satisfied with the Union). This places the Union in the Top 20 of HE students unions and top in London. 3. Training and induction of Officer Trustees – The new team have hit the ground running after a successful handover and induction period 4. Success of Summer Ball – This important event was successful on each measure – the capacity was increased ahead of the event due to demand, the event made a significant surplus (c.£14k) and positive feedback was received from students 5. Launch of College Strategy – Following the update at the previous board meeting, the final College Strategy has now been published with references to the partnership with the Union, a commitment to the wider student experience, to postgraduate teaching standards and to student mental health and well-being, 	<ol style="list-style-type: none"> 1. Welcome Week – This is a crucial time of the year as we establish a relationship with a new cohort of students and it essential that their first interactions with the Union are positive. 2. Student Hubs As outlined elsewhere, the end of our relationship with Student Hubs is an opportunity for us to grow our support for student volunteering, but this will prove to be a significant challenge in the short term. 3. Service delivery and office layout – The change in the layout of the offices is indicative of a change in approach and culture for the organisation. Staff and officers have worked really hard to facilitate the move and all are clear that this will be a learning process over the next few months 4. The Foundry launch –As indicated above – this is taking a significant amount of management effort as we move towards the launch of the outlet. 5. Involvement in key College reviews - The Union is heavily involved in a number of significant review processes over the coming months including a review of the Sports Strategy (led by the Union), a review of Support Services (with Union representation on the panel) and a research into Gender Equality on campus (with Union staff and officers on the steering group)