­



**MANAGEMENT ACCOUNTS**

**FOR THE MONTH ENDED**

**31 May 2019**

*CONTENTS* **PAGE**

* + 1. EXECUTIVE SUMMARY 3

1. CONSOLIDATED SUMMARIES,
   * 1. Imperial College Union Consolidated Income & Expenditure 4
     2. Social Enterprise Income & Expenditure 5
     3. Bars and Catering Performance Analysis 6-7
2. DEBTORS 8
3. BALANCE SHEET AND CASHFLOW STATEMENTS
4. Balance Sheet 9-10
5. Cashflow statement 11

***NB:*** *Management Accounts for individual cost centres are now provided as a separate document*

**Executive Summary**

May’s income of £512,402 for the Union is trailing forecast by £33,225 (-6.09%) and only £747 ahead of the prior year. Cost of sales has a favourable variance of £15,355 compared to forecast and £18,378 favourable compared to prior year, resulting in a gross profit of £377,587 for the month.

Commercial Income for May is 8.44% behind forecast (by £32,683) with a favourable cost of sales variance of £15,355. The major contributor for this predicament is the Bars and Catering area where core income is down by £25,072 (-12.1%) and functions income by £4,482 (-96.7%). Please see appendix iii) on pages 6 and 7 for detailed breakdown of income in this area. The total Bars and Catering income is 15.8% behind forecast and trails last year by 12.8%. Year-to-date, the section has dropped 14.9% below the forecast and 13% below prior year’s income. Cost of sales in the Bars and Catering has a favourable variance of £16,705 compared to forecast and has a £25,111 favourable variance to last year. A number of initiatives were undertaken in May eg barbecues on the green outside 568 and VC nights. Future plans include Summer Promotions, Pizza stands outside 568 and new menus. Room hires in Beit Venues fell behind forecast by £1,137 (-5.6%). Retail has slightly fallen short of forecast by £549 (0.5%) for the shop/online, however, shop extra has exceeded forecast by £2,748 (6.1%).

Income earnt in the month from hiring of minibuses has overshot forecast by £2,795 and £1,148 higher than last year. Advertising generated income of £500 in the month, 90% behind forecast. A Marketing Manager and a Sales & Sponsorship Manager are actively at work to generate more income from the Marketing section.

Staff pay costs are much lower than predicted with a favourable variance of £29,667 against forecast and £68,898 less than last year to-date. Other Direct Costs in the month are more than forecast by £3,608.

Overall, the Union has a net surplus of £35,863 in the month with a favourable variance of £8,190 compared to forecast and £5,990 ahead of last year. The Union’s income has surpassed prior years by £8,342 YTD but it is the costs that are hitting the bottom line especially the staff costs, resulting in a £328,929 adverse variance year to-date compared to last year (-84.24%). The full year forecast is slightly better than first thought with a net deficit of £324,732.

The Union continues to have a strong robust balance sheet with net assets of £7.261m, comparing well with last year this time (£7.4m) and better than as at 31 July 2018 (£6.885m). The bank balance remains healthy at £2.228m. The Charifund investment of 8000 units that was held with M&G Investments was crystallised in May and £122,611 was returned to the Union, realising a loss of £8k on disposal. The debtors balance overall decreased by £86k from prior month, primarily due to trade debtors (£91k better than last month) and the creditors balance has increased by £138k.

***Appendix (i)***

**Consolidated Summaries**

***Union & Student Groups Summaries (Statement of Financial Performance)***

******

***Appendix (ii)***

***Social Enterprise Income & Expenditure Account*** ***(Statement of Financial Performance)***

******

***Appendix (iii)***



***Appendix (iii)***

***contin…***





******



