

**Imperial College Union
Board of Trustees / 30 November 2022**

Management Accounts October 2022

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Purpose: To present the Management Accounts for October 2022.

1. Summary

The month of October saw the Union generate a surplus of £135k, which is £14k less than budgeted – this is due to variances in expenditure, largely related to phasing of the budget.

At the end of the 1st quarter of the academic year, the Union has made a surplus of £159k – £54k ahead of budget. The Retail contribution is responsible for most of this favourable variance, driven by strong sales combined with good cost control.

2. Key Variance Analysis

The key variances are shown below:

	Variance Oct 22	Key Variances	Variance YTD	Key Variances
Income	(£2k)	Favourable: - £23k Retail Adverse: - (£20k) Venues - (£8k) Marketing	£70k	Favourable: - £56k Retail - £14k Leadership (Postgraduate research) Adverse: - (£4k) Marketing
Staff Expenditure	£13k	Favourable: - £11k Leadership - £8k Marketing Adverse: - (£5k) Student Activities	(£13k)	Favourable: - £14k Leadership - £7k Representation Adverse: - (£11k) Leadership (Postgraduate research) - (£10k) Student Activities - (£5k) Systems
Non-Staff Expenditure	(£26k)	Adverse: - (£16k) Marketing - (£12k) Leadership	(£3k)	Favourable: - £16k Representation - £11k Student Activities - £6k People - £4k Facilities, H&S Adverse: - (£28k) Marketing - (£19k) Leadership

3. Commercial Performance

The Venues have produced a profit of £33k in the month of October, which is £20k less than budgeted. This is mainly due under-budget sales, wet sales were 19% below budget and dry sales 43% below. Total gross profit was down £40k against budget, which was partially offset by higher than budgeted ticket income from events and receipt of a retrospective discount payment of £7k. Operational costs saw an adverse variance of £30k, which was partly offset by favourable variances of £26k in staff costs.

Retail continues to perform well, generating a net contribution of £74k – a favourable variance of £23k against budget. Total sales for the month of October were up 37% against budget – with Shop Extra more than doubling its target. Both staffing costs and operational expenditure were broadly in-line with budget.

4. Core, Grant-Funded Performance

Overall, core areas of the Union performed well against budgets with only significant variances in the Marketing and Student Activities areas.

Marketing reported a £16k adverse variance to budget in October, this was due to adverse variances in both income and expenditure of approximately £8k. On the income side, adverse variances of £13k in Welcome Fair income and £5k in advertising income were offset by a favourable variance of £10k in external bookings.

Student Activities reported an adverse variance of £5k in month, the main cause of this was a £3k adverse variance in temporary staff. The cost of temporary staff was higher than budgeted due to the cost of staffing the Union Helpdesk for the extended hours – the budget holder intends to reduce the operating hours from December which will reduce this cost.

5. Balance Sheet

The Union's Balance Sheet (Appendix 2) continues to show a strong financial position, with net assets of £2.9M.

There has been an increase in the creditors balance since year end – this is due to outstanding salary recharges from the College for which the Union has not yet been invoiced.

6. Cashflow

The cashflow statement (Appendix 3) shows a healthy cash position, with a cash balance of £3.66m as at 31st October 2022.