



# STUDENTS' UNION

## UNIVERSITY FOR THE CREATIVE ARTS

**Title: Students' Union Accounts for 2022/23**

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**Purpose: To present the Students' Union's Audited Accounts to our AGM**

## Introduction

This report looks at how the University for the Creative Arts Students' Union (UCASU) managed its money in the financial year from 1 August 2022 to 31 July 2023. We've written it so that everyone can understand it, even if you're not used to reading financial reports.

The 2022/23 financial year was tough for UCASU. Our full-time CEO left in August 2022, and Kara Nutley stepped in as Acting CEO. We faced money problems and had to keep up with what students needed, which kept changing.

In the 22/23 financial year we spent more than we received in income, resulting in a deficit of £23,186. This compares to a deficit of £29,728 in the previous financial year. While the deficit has reduced slightly, it remains a concern that requires ongoing attention and action.

Despite these difficulties, UCASU kept working hard to make student life better. We carried on with our main jobs - helping students, speaking up for them, and running social events.

In this report, we'll show you:

- How much money we got and where it came from
- What we spent money on
- How much money we have left

We'll also tell you what we've done since July 2023 to solve some of our money problems and to make sure UCASU can keep going strong in the future.

Remember, all these numbers are important because they help us do our main job - making sure students at the University for the Creative Arts have the best experience possible. When UCASU's finances are healthy, we can do more to help students.

## Income

Total income for the year was £701,951, which is a small increase from £697,894 in 2021-22. The main sources of income were:

**University block grant: £419,000** (unchanged from previous year) - This is funding which we receive from the University

**Trading income: £192,901** (up from £138,806) - This is income made of sales from our bar and shops

**Entertainment income: £33,934** (up from £33,244) - This is income from sales of tickets to evening events run by the Students' Union

**Other income: £44,163** (down from £97,242 in the previous year)

**Training income: £1,733** (new income stream) - This is income from pool tables

**Entertainment fundraising income: £9,597** (similar to previous year) - This is income from ticket sales for specific events such as our end of year ball

**Investment income (bank interest): £623** (up from £34)

The increase in trading income is positive, suggesting some recovery in commercial activities. However, the significant decrease in 'Other income' has offset much of this gain. The static block grant from the university remains a challenge given rising costs.

It's worth noting that while some income streams have improved, others have declined, resulting in only a marginal overall increase in income. This underscores the need for diversifying income sources and growing existing revenue streams to improve financial stability.

## Expenditure

Total expenditure for the year was £725,137, which is slightly lower than the £727,622 spent in 2021-22. The main areas of expenditure were:

Student support and services: £489,890

Bars and shops: £140,045

Entertainment: £68,257

Commercial services: £26,945

Key points to note:

- Student support and services remain the largest expense, accounting for about 67.6% of total expenditure, which is correct as this is where the core services of the union are delivered
- Bars and shops are the second-largest expense, at 19.3% of the total.
- Entertainment costs represent 9.4% of total expenditure.
- Commercial services account for 3.7% of the total spend.

With expenses still exceeding income, there's a clear need for continued focus on both increasing revenue and managing costs effectively.

## Financial Position

At the end of the year, here's how our money looked:

**Total money we have: £79,586** (it was £102,772 at the start of the previous year)

**Money we can use for anything: £57,926**

**Money set aside for specific things (like clubs and societies): £21,660**

**Cash in the bank: £30,244** (it was £51,793 at the start of the previous year)

We have less money than we did at the start of the year, which isn't good. Our trustees want us to have about £170,000 saved up for emergencies, but currently the charity is nowhere near that.

The amount of cash in the bank we have (£30,244) is worrying because:

- It's not much to pay for everyday things we need.
- We can't easily deal with sudden expenses.
- We might struggle to pay bills if money we're expecting is late.
- We don't have spare cash to make things better for students.
- It puts pressure on the people managing our money.

Having less money overall and not much cash means we need to be very careful. We need to find ways to get more money coming in and be smart about what we spend.

## Steps Taken Since Year End

The following steps have been taken since the end of the reported financial year to improve the financial situation:

1. **Increased block grant:** The University has agreed to increase the block grant to over £580,000 for 2024-25, which is a substantial increase that will help stabilise finances and give our commercial services time
2. **New leadership:** A new Director of Commercial & Operations and Commercial Development Manager have been recruited to drive improvements in trading activities, and a new permanent CEO has been appointed who will start work in November
3. **Organisational review:** An organisational health assessment was conducted, identifying areas for improvement in governance, strategy and operations.
4. **Stricter financial controls:** Tighter budgeting and expenditure monitoring processes have been implemented.
5. **Income diversification:** Work is underway to explore additional revenue streams beyond the university block grant following a commercial review

6. Improved reporting: More detailed financial reporting and analysis is now provided to the Board of Trustees.

While challenges remain, these steps demonstrate a commitment to addressing the financial difficulties and putting the Students' Union on a more sustainable footing. The increased block grant in particular provides an opportunity to rebuild reserves and invest in improved services for students.

The Board of Trustees and management team remain focused on careful financial management while ensuring the Union can continue to effectively represent and support UCA students.

Andy Morwood  
Change Director

## **Appendix**

Appendix 1 – Accounts