

Minutes of the Imperial College Union
Finance & Risk Committee
15 October 2015
Room 6, 16.30

PRESENT:

Lay Trustee	Colin Kerr – Chair (CK)
Officer Trustee	Chris Kaye (CK)
Student Trustee	Zain Rizvi (ZR)
Student Trustee	John Winters (JW)
President	Lucinda Sandon-Allum (LSA)
Permanent Observers	
Head of Finance And Resources	Malcolm Martin (MM)
Head of Student Voice and Communication	Alex McKee (AMK)
Governance & Administration Manager – Clerk	Rebecca Coxhead (RC)

Observer: Kevin Lally (KL) – Knox Cropper

1. FINAL ACCOUNTS AND AUDIT REPORT

RECEIVED: The documents were presented by MM and KL

NOTED:

- a) The financial performance in the second half of the year ensured that budget was exceeded.
- b) The Charity SORP reporting format is changing and will impact on the Union in that pensions liability will be bought on to the balance sheet. This will diminish the amount of available reserves however this is an accounting principle rather than an operational change.
 - i. MM is working with KL on the implementation of this for the next year when the change comes into effect.
- c) The restricted income is a combination of Clubs, Societies and Projects SGI, Student Halls amenity fund and capital grant which was specific to refurbishment projects.
- d) It was suggested that a contingency should be considered should College significantly reduce subvention funding.
 - i. MM and JC are in regular conversations with College and they would have given early indications should significant reduction in funding be a possibility.
 - ii. The probability of funding being reduced is very low and the trend in the sector is for parent institutions to increase subvention to Students' Unions to increase the provision for excellent student experience.
- e) It was suggested that a supplement to the notes could be created to give greater explanation as to the context of the notes. MM and CK will meet to discuss.

ACTION:

1. **MM and CK to discuss the provision of a supplementary explanation to the notes of the Annual Accounts.**
- f) The Finance & Risk Committee unanimously agreed to recommend that Board of Trustees pass the presented report and Management Letter.

RESOLVED:

- 1) **To recommend that Board of Trustees pass the presented Annual Report and Management Letter.**

2. CHAIR'S BUSINESS – none

3. DECLARATION OF CONFLICT – none

4. MINUTES OF LAST MEETING – 11 June 2015

NOTED:

- a) The minutes were passed as a true record of the meeting

RESOLVED:

- 1) To pass the minutes of the last meeting as a true record.**

5. MATTERS ARISING

NOTED:

- a) In regards to the cost of printing Felix in relation to the income received, it was reported that the income does cover the cost. MM to bring the figures to the next meeting of Finance and Risk Committee.

ACTION:

- 1. MM to present the costs and income of Felix to the next meeting of Finance and Risk Committee.**

- b) An approach to Risk Assessments is being taken to the next meeting of Health & Safety Committee (3 November). This will be reported to the next meeting of Finance and Risk Committee.
 - i. It was suggested that the Health & Safety Committee aims and objectives should be reviewed in the near future.
- c) The Head of Student Experiences and Services will attend the next meeting of Finance and Risk Committee to give an update and review of HBar.
- d) The Halls Activity Funds is treated as restricted funds in that halls retain the yearly surpluses/deficits.

6. MONTH ONE AND TWO MANAGEMENT ACCOUNTS

RECEIVED: The accounts were presented by MM

NOTED:

- a) Month 2 Management Accounts were tabled at the meeting without commentary.
 - i. The Finance Team were recognised for the swift turnaround of accounts at a very busy time of the year.
- b) Month 1 has shown a positive start to the year.
 - i. Beit Venues received adhoc bookings which helped with the income.
 - ii. Licensed trade has had a slow start however retail have had a good start with the vacation clients helping with income.
 - iii. There are some timing issues across a few departments in regards to invoices.
 - iv. Debt collection timeframes have slipped however the Finance Team have a robust debt collection process which was put on hold during the end of year processing.
- c) Month 2 is up on budget year to date.
 - i. The weather did impact on licenced trade.
 - ii. A timing issue with officer accommodation costs shows in the accounts.
 - iii. The shuttle contract with college is still in operation which shows income presenting in the leadership budget however it also impacts on minibus maintenance costs. It is difficult to profile in the budget unexpected maintenance costs.
 - iv. Charing Cross has had a number of smaller events which was positive. The Cost of Sales is being looked in to. The cost for temporary staff is training for the new bar staff.

- v. HBar gross profit is being looked in to. This is currently captured by 2 different methods.
 - vi. South Kensington was slightly under budget but has a stable GP. The decrease in income is being monitored by management but currently is not a major cause of concern.
 - vii. 2 members of staff moved to the Foundry and as such temporary staff was needed to cover the vacancies.
 - viii. Catering is performing extremely well. It was queried as to how the GP amount was agreed; is this industry norm? MM stated he will investigate how the figure was agreed. NS stated he will look at data within the industry.
 - ix. Retail online sales would benefit from more promotion.
 - x. The profile for Student Development will fluctuate throughout the year due to the change in staffing and activity.
 - xi. College were pursued to give Halls Activity Funding in advance.
- d) It was suggested that a traffic light system be implemented in to the reporting summary.
- e) There is a balance in responsible retailing of alcohol and maximising income potential in the licensed venues.

RESOLVED:

- 1) To recommend that the Board of Trustees pass the Management Accounts.**

7. EVENT BUDGET APPROVAL

RECEIVED: The Report was presented by CK

NOTED:

- a) The report reassured that the events were following the correct approval processes.

8. SUMMER BALL BUDGET AND PLAN

RECEIVED: The papers were presented by MM

NOTED:

- a) The role of the committee is to be reassured that the plans and timetable are in place for the ball.
- b) The lessons learnt in the debrief document have been included in the plan.
- c) It was highlighted that there was a discrepancy in the reported surplus between documents. MM stated that he will investigate.

ACTION:

- 1. MM to investigate the discrepancy in the reported 2015 surplus and report back to the committee.**

- d) The Committee noted the debrief report, budget and plan.

Meeting closed 18.15