

FINANCE AND GENERAL PURPOSES COMMITTEE

MINUTES OF MEETING HELD ON TUESDAY 25th NOVEMBER 2008

PRESENT:

Committee Members John Barker (Chair), Liz Kershaw and Derek Lyon
In Attendance Alan Eccles (Chief Finance Officer)
Clerk Ed Elvish
Apologies Dave Kelly (Principal)

1 Conflict of Interest

Members confirmed that they had no conflict of interest with the business of the meeting as detailed in the agenda.

2 Election of Chair

John Barker was proposed as Chair for the coming year by Derek Lyon, seconded by Liz Kershaw. This was unanimously accepted.

3 Minutes

Documents included:

The Minutes of the meeting held on Tuesday 17th June 2008 were agreed and signed as a correct record.

4 Matters Arising

There were no matters arising

5 Management Accounts Year Ending 31st July 2008

Documents received:

- Management Accounts

Alan Eccles reported that pay costs had been higher than usual and this was reflected in the income and expenditure statements. The circumstances were unusual and involved late invoices from Dowdales along with accrual for this year and double staffing costs during Antony Christie's period of departure. The non-pay costs also appeared high but this was mainly due to staff training costs with off-setting income elsewhere.

The situation regarding depreciation of the existing building during construction of the new one was explained. Once the new building is over 50% complete depreciation of the existing one will need to be accelerated so that it is down to zero value when it is demolished. This will involve a one-off figure to fulfil accounting practice which will make the balance sheet look worse than it really is.

6 End of Year Statements/ Auditors Key Issues Memorandum

Documents received

- Financial Statement year ending 31st July 2008
- Key Issues Memorandum –Grant Thornton

The Chair expressed satisfaction with the Grant Thornton Key Issues Memorandum which suggested that all was well with the financial management of the College

7 Finance Record 31st July 2008

Document received

- Finance Record

It was reported that the format required by LSC and the figures required were the same as in the previous agenda item. The College is still in category A but, due to the building project, will certainly drop to C next year before recovering to B subsequently

8 Management Accounts for 3 months ending 31st October 2008

Documents received

- Management accounts

As explained earlier in the meeting, the College will go into overdraft in February 2009. Section 4 para 2 of the presented document needs rewording to clarify the dates of the actual overdraft. Section 2 para 2 should read July **2009**, not **2008**.

9 Amendments to Financial Regulations

Alan Eccles reported that there were no amendments necessary for 2008-09 to the wording of the College's Financial Regulations.