

Minutes of the Imperial College Union
Finance & Risk Committee
20 February 2014
Room 6, 5:30pm

PRESENT:

Lay Trustee	Colin Kerr – Chair (CK)
Officer Trustee	Kieron Creagh (KC)
Elected Student Trustee	Michael Foster (MF)
Elected Student Trustee	Bukki Adedapo(BA)
Appointed Student Trustee	John Winters (JW)
Lay Trustee	George Palos (GP)
Permanent Observers	
Head of Finance	Malcolm Martin (MM)
Governance & Administration Manager – Clerk	Rebecca Coxhead (RC)

Apologies: President David Goldsmith (DG), Managing Director Joseph Cooper (JC)

1. CHAIRS BUSINESS

NOTED:

- a) John Winters was welcomed to the committee.

2. DECLARATION OF CONFLICT – none

3. MINUTES OF LAST MEETING 9 December 2013

RESOLVED:

- 1) To pass the amended minutes

4. DECEMBER 2013 & JANUARY 2104 MANAGEMENT ACCOUNTS

RECEIVED: The documents were presented by MM

NOTED:

- a) The December Management Accounts were taken as tabled and discussion was had in regards to the January 2014 accounts.
- b) There is a £15k positive variance on budget YTD.
- c) Currently in communication with College in regards to HBar and profit share. GP questioned if the Union will also take on the negative loss share however this hasn't been explored and details are still being worked out.
 - i. HBar will be reflected in the SORP accounts as the other commercial outlets are.
 - ii. There is a lot of good will from both ICU and College and don't want to negate that.
 - iii. The outcome of the negotiations of Hbar profit share will be reported to FRC
- d) Commercial service are not quite making income budget. There was a slight budgeting error in that the budget was set high in first week of Jan when trading time was reduced due to college closure.
- e) The balance sheet is healthy with general reserves are moving towards target.

- f) SK bar GP is 3% down but this is being monitored. Costs are well controlled and the bottom line is healthy.
- g) Catering income is down. More income was anticipated in January Sales.
- h) CX bar is very positive with good cost management taking place. Still looking for opportunities in how to utilise the refurbished space.
- i) Ents has strong door sales on Weds and Friday night which will hopefully continue.
- j) Conferences are very positive at the moment. Staffing costs are up but this is to underpin the increase in events.
- k) Retail is steady with GP up but income down.
- l) CSP's SGI is going out slower than what is coming in. SGI is reviewed monthly at the SGI working group.
- m) Recharging fluctuates over the year in student activities.
- n) Beit office staff costs 'other' are up due to training coming out this month.
- o) The variance in marketing is drawing back through initiatives taken such as the New Year's Fair.
- p) The 3 main issues that are being monitored at the moment is the volatility of commercial income, online sales income in retail being down and the newsagent move.
- q) The committee were in agreement that they will recommend the Trustee Board to pass the management accounts.

RESOLVED:

- 1) **To recommend that the Trustee Board pass the December 2013 and January 2014 Management Accounts.**

5. CLUB, SOCIETY & PROJECT FUNDING PROPOSAL

RECEIVED: The paper was presented by KC

NOTED:

- a) The revised process is, in the opinion of KC, a fairer and through process.
- b) It is anticipated that there will be less grant recall at the end of the year as clubs are becoming better at spending their grant.
- c) There is no data that can draw participation related to funding.
- d) SGI and Designated Members Funds are not taken in to account during the budgeting process.
- e) The amount for the Student Development pot is flexible due to the central budget not yet being set.
 - i. The Contingency Policy is being redrafted but it is anticipated that this will be part of the Student Development Committee remit.
- f) The Committee moved to a vote on passing the proposal and it was passed unanimously.

RESOLVED:

- 1) **To support total indicative funding allocation of £340,751.80 towards Clubs, Societies & Projects for the 2014/15 financial year with the proviso that the size of the development fund will be reviewed during the budget process with a view that it may increase or decrease by £4k, giving a development fund between £14k & £22k.**

6. BACS PAYMENTS

RECEIVED: The paper was presented by MM

NOTED:

- a) The purpose of the modification is to mitigate risk and to add extra checks.
- b) No known fraudulent activity has taken place to date.
- c) Moving towards direct debits to try to mitigate risks.

- d) The process has been implemented as of the 1st February and has not added much to the work load – KC reported that he felt the new form was more user friendly.
- e) The Board moved to a vote to pass the paper and it was passed unanimously.

RESOLVED:

1) To agree the following actions:

- i. **Individual payee sort codes and the last three digits of the payee's account number will now be printed on the face of the summary list at the time the payment file is generated. The signatory will check the bank details printed on the report against those on the Natwest bankline before the payment is approved. The signatory must tick against each transaction that has been checked.**
- ii. **For student reimbursement batches, the bank details of all payments over £100.00 must be cross checked.**
- iii. **For supplier payment batches, invoices over £1,000 must be cross checked.**
- iv. **For individual one-off batches the bank details must always be checked regardless of the amount of the payment.**
- v. **The respective signatures must sign the bottom of the report.**

7. FORECASTING

RECEIVED: The paper was presented by MM

NOTED:

- a) The Committee commended the paper as an excellent piece of work.
- b) The forecasting exercise ultimately allows analysis of review of focus and to ensure preservation of financial integrity.
- c) Next year, it is anticipated that a number range will be put in instead of a static number.
- d) MM reported that he was pleased with the scope of work and effort that Managers have made in putting together this information.
- e) The approach is conservative.
- f) The flash reports made the organisation agile to react and adjust.
- g) The Board moved to a vote to pass the paper and it was passed unanimously.

RESOLVED:

- 1) To pass the report**

8. REPLACEMENT MINIBUS UPDATE

RECEIVED: The paper was presented by MM

NOTED:

- a) The Union is still committed to replacing the vans but are now seeking an alternative make.
- b) It was questioned as to what the Union would do if a supply issues means that the purchase could not take place.
 - i. MM stated that he was confident that this would not be an issue.

ACTION:

- 1. PP to bring a update on minibus procurement to next meeting.**

9. SUMMER BALL UPDATE

RECEIVED: The paper was presented by KC

NOTED:

- a) Ticket sales are ok for early days.
- b) The push on Early Bird ticket sales will take place after elections.
- c) Currently in conversation with a booking agent. The committee stressed that they did not want to be in the same position as last year with acts not being confirmed.

10. EVENTS BUDGET

RECEIVED: The paper was presented by KC

NOTED:

- a) Regular weekly meetings take place to look at submitted events budgets and the DPFS, DPCS and Student Activities Manager meet with the groups that they feel they need assistance.

11. ANY OTHER BUSINESS

NOTED:

- a) It was stated that the next meeting of Finance and Risk Committee needs to be rescheduled.
 - i. RC to liaise with members to shift the date.

ACTION:

- 1. RC to liaise with Finance and Risk Committee members to shift the date of next meeting.**

Meeting closed 7.15pm