

**MINUTES OF THE MEETING OF THE FINANCE AND GENERAL PURPOSES
COMMITTEE HELD ON WEDNESDAY 10 JUNE 2009
IN THE COMMITTEE ROOM, BEDMINSTER CENTRE AT 6.30 PM**

Present: T Bray, K Elliott, N Middleton (Chair) and M Timmins

In Attendance:

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|-------------|---|----------------------------|
| J Bentley | - | Director of Finance |
| B Cooper | - | Director of Resources |
| P Griffiths | - | Committee Services Officer |
| I Venn | - | Clerk to the Corporation |

1 DECLARATION OF INTEREST

There were no declarations of interest.

2 APOLOGIES FOR ABSENCE

Apologies for absence were received from R Frankham, Co-opted Member.

3 MINUTES OF MEETINGS HELD ON 29 APRIL 2009

These were agreed as a true record.

4 MATTERS ARISING FROM THE MINUTES OF 29 APRIL 2009

4.1 Minute 6 Review of the level of contingency

Members noted that the Board had approved the Committee's recommendation.

5 MANAGEMENT ACCOUNTS TO 30 APRIL 2009

The Director of Finance presented the Management Accounts to 30 April 2009.

The Committee noted that the operating surplus for the month had reduced the year to date deficit, however it was unlikely that a year end surplus would be achieved.

Members asked a number of questions and noted that although there had been a positive improvement in income, savings were being sought to offset the impact of faculty pay costs exceeding the mid-year review year end forecast.

It was further noted that there may be some overage from the Ashley Down development, but this would not be known until July.

The Committee received the report, noting that the College remains solvent and able to meet its liabilities as they fall due.

6. FIRST DRAFT FINANCIAL ESTIMATES FOR 2009/2010

The Director of Finance informed the Committee that all of the LSC allocations had not been finalised and it was currently difficult to assess fully the financial impact for 2009/10.

It was noted that the College was required to submit Draft Financial Estimates and a 3 Year Financial Strategy and Forecast to the LSC by 31 July in a prescribed format. In the event that insufficient detail on income from the LSC is received to meet this timescale, the Committee may be invited to consider a financial framework at its next meeting, as was the case last year.

The Committee received the report.

7. BI-ANNUAL REPORT ON DEBTORS

The Director of Finance presented her paper and drew attention to the outstanding amount due from debtors which stood at £4,151k as at 30 April 2009. This compares to £1,905k at April 2008 and £3613k at 31 October 2008. However, the percentages relating to the sales ledger were 35.2% in April 2009 compared to 70% in April 2008 and 43.2% in October 2008.

Members noted that included in debtors are amounts due from various sources including the sales ledger, grants from the LSC (£1.5m of capital grant funding), other accruals and payments from HE partners (£300k), less the bad debt provision.

It was further noted that the major exposure of the College to the risk of non-collection of monies owed is through the sales ledger, which records invoices raised by the College for the fees and other services to corporate clients who sponsor students.

It was suggested that the sales ledger as percentage of debtors in the report was confusing. The Director of Finance agreed to amend the paper before it was presented to the Board.

Action: Director of Finance

The Committee received the report.

8. STANDING ITEMS

8.1 Capital Projects

The Director of Resources and Project Development updated the Committee on the following:

- conversion work of the gym at Soundwell: it was noted that tenders for the work had been opened that day and a full report would be presented to the next meeting. It was further noted that the report will include an explanation of the review process which resulted in the mezzanine floor being taken out of the development.

Action: Director of Resources and Project

- proposed primary school development at the Ashley Down Centre (to be known as Bishopston School as there is already an Ashley Down School). Members noted recent developments and that discussions between the Council, the Cricket Club and the College continued to be positive.
- College House land: it was noted that due to the positive discussions associated with the school development at the Ashley Down Centre, the potential purchase of College House land was no longer a matter of urgency.

- North Bristol Development: it was noted that during recent discussions with the LSC Property Advisor, it was unlikely that capital funds will be available for the development. The Director of Resources and Project Development was pursuing other possible funding routes.

The Committee received the report.

8.2 College Companies and Joint Ventures

The Director of Finance reported on the following:

- Skills Centre South West Ltd (Cabot Circus Skills Centre) – the Company registration had been received and at its first meeting the Board of Directors agreed that KPMG would be appointed as auditors and the first accounting period would be to 31 July 2010.
- SBLN Ltd – dormant and outside of VAT group. The Company has an outstanding loan from the Corporation and changes in tax regulations may enable the Company to be wound up without incurring a tax liability by the College. This is being investigated.
- PiB West Ltd - some College fee income will be put through the Company to avoid a loss in 2008/09.

The Committee received the report.

8.3 South Bristol Skills Academy Project Board

The Committee received the Minutes of SBSA Project Board meeting held on 18 May 2009 and noted the following progress on the project has been made to date:

- Concrete work is now completed;
- Drainage is progressing well;
- Steel frame is completed;
- Metal deck flooring completed; and
- Installation of pre cast concrete walls has commenced.

Members further noted that the total project cost is £31,627,341 and current expenditure as at 30 April was £8,451,124.

It was noted that expenditure was within the profiled budget and a request was made that total expenditure against planned expenditure be included in future reports.

Action: Director of Resources and Project Development

The Committee received the report.

9. ANY OTHER BUSINESS

No other business had been notified.

10. DATE OF NEXT MEETING

It was noted that the next meeting would be held on Wednesday, 8 July 2009 at 6.30 p.m. at the Bedminster Centre.

The Meeting closed at 8.25 p.m.