

**Minutes of Management Accounts Review Group Meeting
held on Tuesday 1 December 2009 at 2pm**

Present:	Mr J Wilkinson (Chair)	JW
	Mrs S Arayan (Principal)	SA
	Mr K Willcox	KW
In Attendance:	Ms J Barber (Finance Director)	JB
	Mr P Hodgson (Corporate Director)	PH
	Mr J Holland (Clerk)	JH

1. **Apologies for absence**

No apologies, all members present.

2. **Minutes of meeting held on 2 October 2009 for approval**

The meeting unanimously agreed to approve the Minutes.

3. **Matters arising**

The over-subscription of the Learner Support Fund (LSF) has caused the fund to be fully utilised with the College unable to access any further funding from the LSC.

Job Centre Plus has a fund that can pay for childcare costs if a job seeker is put onto a College course. This is not always made known to the student at the time. SA has spoken to Job Centre Plus in the West of England about this issue and for Job Centre Plus staff to make this more widely known to applicants. JW has a contact in the region and agreed to write a letter to them about this.

Action: JW MA12091

The over-subscription on the LSF is due to increased Adult demand and the fund allocated is now split between 16-18 and Adult learners with no virement.

With regard to Bath Spa University (BSU), the Year 1 of the teacher training course is being run through City and Guilds by the College. JB referred the meeting to the BSU debt of over 180 days. The College has taught an Asylum Seeker with BSU doing the enrolment process. This is being pursued by the College with BSU.

4. **Report on FRS17 2008/2009 for information**

JB explained this was the usual report on FRS17 and the meeting noted the effect of reducing the operating surplus from £44k to a FRS17 deficit of £158k.

5. **Annual Accounts for 2008/2009 to approve forwarding to Audit Committee and Corporation**

JB tabled a reconciliation of the latest forecast figures which was predicting a deficit of £64296 to the final operating surplus of £43864.

The two main changes were:

- £45133 - Additional Adult Learner Responsive Funding
- £32174 - Get Sorted Income; this income is still subject to final European Social Fund Audit

The meeting was pleased with the final out-turn for the year.

JW was concerned that the Framework for Excellence measure on achievement of funding targets reflected the reduced Train to Gain allocation and not the original allocation which was clawed back by £200k.

PH agreed to liaise with Peter Skinner over this.

Action: PH MA12092

JB explained that all the Financial Indicators had been met except positive cash from operating activities; she would meet with Barclays to discuss.

Action: JB MA12093

JW had the following queries on the Annual Accounts:

- Page 42 Management of Liquid Resources, the placing of deposits should show the £1m invested last year being returned.
- The comment on debtors at the top of page 6 to be clarified.
- On page 9, the acronym for the Government Departments to be shown in full.
- The figure for net assets on page 10 looked wrong.
- On page 15, the note about Audit Committee membership to reflect an Independent Chair and four members.
- The comment on bank loan was now dated and could JB look at updating it as some of the interest rates quoted were now historical.
- JB to change incorrect dates at the bottom of page 23 and top of page 25.

Subject to the above changes, the meeting was happy to approve forwarding the accounts to the Audit Committee and Corporation.

6. **Management Accounts for October 2009 for information**

JB tabled the Management Accounts for October 2009 and took the meeting through her report.

With regard to the cashflow, the meeting noted that the lowest months on the cashflow were February 2010 and March 2010 and the cashflow would be monitored on a weekly basis during this period.

SA highlighted to the meeting that she was expecting all funding allocations from the new funding agencies to be received by 20 April 2010.

On the Capital Sheet, it was explained that the £131139 will be spent but the £32940 is being held back for emergencies.

JW queried if the College thought they would be able to achieve the budgeted £40k additional income target. PH responded that the College would look to maximise opportunities as they arise with probable initiatives arising towards the end of the treasury financial year.

The Management Accounts were noted.

7. **Recommendation of Pay Award from 1 January 2010 to Corporation**

SA proposed that with so many uncertainties around funding etc, she wanted to wait until the Governing Body meeting of 3 February before making a recommendation. The meeting concurred with this approach but wanted any award backdated to 1 January 2010. It is essential that staff appreciate that in the difficult economic climate, efforts must be made to maximise income and control costs.

8. **Any other business**

JB referred the meeting to a letter received from Mike Croker at the LSC regarding Financial Plan 2009/2012.

She pointed out that the previous year's letter referred to therein had contained an incorrect statement regarding the College's financial objectives, and a correct version had never been issued.

The meeting noted that the LSC agreed with the College's financial health categories as contained in the Financial Forecast.

There being no further business, the meeting closed at 3.25pm.