



**Minutes of the meeting of the Finance & Property Committee
held on 23 November 2009 at St Mary's Campus**

Present:	Mr Michael Sheridan (Chair)	Foundation Governor
	Mr John Andrews	Foundation Governor
	Mr Michael Fahey	Foundation Governor
	Dr Jane Overbury	Principal
	Msgr Nicholas Rotherham	Foundation Governor
In attendance:	Mr Ciaran Burns	Director of Finance & Estates
	Mr Rob McAuliffe	Vice Principal
	Mr Sudir Singh	Baker Tilly, Financial Statements Auditors, from item 3
	Mrs Jane Stroud	Clerk to the Governors

The meeting opened with a prayer led by the Chair.

1. Apologies for Absence, Changes of Membership and Declarations of Interest

There were apologies from Lloyds Bank, the College's bankers, who were unable to attend to make a presentation that evening, and Mr Singh of Baker Tilly for late arrival. Msgr Nicholas Rotherham was welcomed to his first meeting as a member of the Committee. There remained one vacancy on the committee following the completion of the terms of office of Mr Peter Worden and Mr Andrew Junaid as governors.

Mr Sheridan declared an interest as an officer of the diocese. Mr Andrews declared an interest as a contractor of Greenwich Community College.

2. Minutes of the Previous Meeting held on 21 September 2009

The minutes were **agreed** as an accurate record and signed by the Chair.

4. Update on Salaries

The report was received from the Director of Finance & Estates, who reported on the national negotiations taking place over pay. The support staff unions and all but one teaching staff union had agreed to recommendation 1. below. The NASUWT were still consulting with their members.

It was resolved to recommend to the Governing Body that:

- 1 All staff be awarded a 1 ½ % increase backdated to 1 September 2009, rising to an increase of 2.3% from 1 April 2010,
- 2 The London Allowance for support staff be increased to £3,500 from 1 April 2009 (an increase of 4.54% from the current £3,348) in order to harmonise it with the London Allowance for teaching staff, and
- 3 The annual Support Staff Standards payment of £320 be paid as normal.

3. Audited Year End Financial Statements and Statutory Accounts for the year ended 31 July 2009

The Statements and Accounts were received from Mr Singh of Baker Tilly. He highlighted the following points:

- 1 The Governing Body Statement was an opportunity for the Governors to emphasise the outstanding nature of the College. In answer to a question about the College's charitable status he said that there was no obligation for the College, as an exempt charity, to demonstrate public benefit, but that there was an opportunity to point out the public benefits of the College.
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- 2 The financial result was a break even. There had been a small increase in the LSC grant and one off funding for the building project, which is now on hold following national issues to do with FE capital building projects. In answer to a question he stated that there were significant issues with the building project going forward, and the treatment of associated costs was in accordance with standard accounting practice. There were no outstanding liabilities for the building project.
- 3 There had been an increase in legal fees due to the merger.
- 4 The increase in staff expenditure was due to an expected increase in both pay and numbers, the latter from 118 to 124.
- 5 There was a reduction in net assets to just below £5m.
- 6 Before the accounts were signed a letter was needed from the diocese confirming the College's right to occupy the land and buildings on the St Mary's Campus. The Director of Finance & Estates had been in contact with the diocese about this.

In answer to questions raised the Director of Finance & Estates confirmed the following:

- 1 The balance sheet movement for pensions was due to an increase in the actuarial value of the local government pension scheme for support staff. There would be a triennial full valuation of the scheme in 2010 which was likely to lead to an upward impact on the pension costs in the accounts. Mr Sudhir also felt that it was likely that the contribution for teachers' pensions would go up at some point as it was relatively low. There is no balance sheet effect from the teachers' pension scheme.
- 2 St Mary's was included in the accounts for 2009/10. During the year separate management accounts were being maintained for both campuses, and a consolidated set of accounts. The consolidated accounts would form the financial statements for 2009/10. Funding was expected to continue to come from one source. For now, all funding was awarded by the LSC. After Machinery of Government changes all funding would be channelled through the London Borough of Lewisham.

It was resolved to recommend to the Governing Body that the Financial Statements be approved.

5 Matters Arising from the Minutes of the Previous Meeting held on 21 September 2009

Item 3.2 Year End Management Accounts

The Director of Finance & Estates stated that the presentation on KPIs and the College's performance against the Framework for Excellence would be brought to the next meeting of the Committee with the next set of management accounts.

Item 6 Appointment of Chair

The Chair stated that the appointment of a new Chair would have to be addressed at the January 2010 meeting.

6 Any Other Business

The Director of Finance & Estates announced that he had entered into a new gas contract at a lower price than the previous one. He also informed members that the College's 'outstanding' financial status had been re-confirmed in a letter from the LSC dated 14 November 2009.

At the request of the Director of Finance & Estates members agreed unanimously to **authorise the addition of Mrs D Baldwin to the list of card holders for the**

College's Business Charge Cards. The Director confirmed that card statements are independently checked.

The Director of Finance & Estates informed the Committee that he was preparing a report for the Governing Body which would give three different budget scenarios to model whether money could be spent on improving the estate, given that the major building project was now on hold.

7 Date and Time of Next Meeting

The next meeting would take place on Monday, 25 January 2010 at 6.30pm in the in the College Conference Room, Lewisham Campus.

The Chair thanked the Committee for all it had done in the past and continued to do. It had been professional in its approach and he wished it well for the future.

The meeting ended at 7.30pm.

Signed:  Date: 25/1/2010
Chair