

MINUTES OF THE FIFTEENTH MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE OF THE GOVERNING BODY OF THE NORTH WEST REGIONAL COLLEGE HELD IN THE BOARDROOM, STRAND ROAD CAMPUS, ON MONDAY 25 OCTOBER 2010 AT 4.45PM.

PRESENT: Mr A Rainey (Chair)
Mr M Agnew
Mrs J Doherty
Mr S Murphy (Principal and Chief Executive)
Mr A O'Connor

IN ATTENDANCE: Mr P McKeown (Director of Finance and Estates)
Mr D McClelland (Secretary)

15.1 APOLOGIES

No apologies were received.

15.2 DECLARATION OF INTERESTS

Mr O'Connor declared an interest in item 15.7.

15.3 MINUTES OF THE MEETING HELD ON 14 JUNE 2010

It was proposed by Mr Agnew seconded by Mrs Doherty and agreed that the minutes were an accurate record of the meeting.

Action: Secretary to publish approved minutes asap.

15.4 MATTERS ARISING

14.8 Financial Review 2010/11 to 2012/13. In reply to a question the Principal indicated that DEL would not increase the College's allocation of MaSN HE numbers this year but, as discussed at the recent GB meeting, the College will write to DEL requesting an increase for next year.

The Director reported that discussions were on-going with the PFI contractor on their contribution to overall College savings.

15.5 CHAIRMAN'S BUSINESS

The Chair shared with members an outline of the meeting called by the GB Chair and held earlier in the afternoon to discuss the way forward on the publication of recent press articles and correspondence to DEL. The action to be taken included an invitation to DEL by the GB Chair to fully investigate the matters raised.

[It was agreed to consider item 15.8 at this point in the meeting.]

15.6 MANAGEMENT ACCOUNTS (Ref: paper FC15.6)

The Director updated members on the College accounts for the period to 30 September 2010. The report showed, for year to date, actual total income of £5,484,634 and total expenditure of £4,561,607. He indicated that, at this early stage of the College's financial year, there were no issues of concern. He considered some adjustments to profiling may be necessary. He also mentioned that, as is normal practice, the budget would be revisited once enrolment figures for the year were more accurately known and a revised budget presented to the November Committee meeting. He said that DEL would be informed if the revised budget showed a deficit of more than 2% and would seek approval for same.

The Director then referred members to the Aged Debtors Report as of 15 October 2010 and to the report on bank deposits.

15.7 TENDERS ISSUED (Ref: paper FC15.7)

The Director referred members to the paper. Members commented on the deviation between the estimated budget for some items against the tender prices received. The Chair emphasised the need for estimates to be as accurate as possible. The Principal thanked the Director and his staff for the volume of work on procurement which they had recently brought to a satisfactory conclusion.

15.8 DRAFT ANNUAL ACCOUNTS 2009/10 (Ref: paper FC15.8)

The Director referred members to the draft Financial Statements for the year to 31 July 2010. Although the historic deficit is £1,121k the Director indicated that two significant items are included in this figure that were unknown prior to the year end – (1) The FRS 17 adjustment was £706k credit and (2) there was a significant book impairment on the PFI building (Northland) of over £1.4 million. Both are book entries and do not involve any movement of money. If these figures were excluded the deficit would be £387k. The Director reminded members that the income and expenditure account included over £1 million of additional investment over and above normal expenditure levels. The surplus without this expenditure would be approximately £600k.

The Director outlined to members the significant additional expenditure since their last meeting, a significant percentage of which related to the additional investment mentioned above - all of which had been previously advised. The Director also gave a clear reconciliation of the projected out-turn as reported in June 2010 to the actual out-turn as reported in the draft Financial Statements.

15.9 PROGRESS REPORT ON MEDIUM TO LONG TERM FINANCIAL PLANNING

The Principal reported on a number of measures which were presently being undertaken to reduce spending. He indicated that it was already planned to reduce the level of staff in line with the loss of the "overtrading" surplus of recent years. He mentioned that any reduction in budget might require a further reduction in staffing levels.

15.10 GOVERNANCE HEALTH CHECK: FINANCIAL SECTION (Ref: paper FC 15.10)

The Chair referred to the responses to the financial section of the Health Check. He commented on the generally positive tone of responses and on the improvement which the analysis showed over the 08/09 figures. He asked members to consider if there were any training issues which needed to be addressed.

15.11 ESTATES ISSUES UPDATE (Ref: paper FC15.11)

Strabane Campus: additional accommodation. The Director advised members that the additional accommodation had been completed on time and was functioning satisfactorily.

Lawrence Building: new fitness suite. This project had also been completed on time.

Strand Road Development. The Director reported that, since the bomb incident in August, progress had been slow. A report on potential damage had been completed and would be discussed at a meeting of interested parties this week. The issue of long term warranties had still to be resolved. It is hoped that the building will be ready for use by March 2011.

Christchurch Building. The Director reported that a number of parties have shown interest in the sale of the building.

Academy Boys Strabane. The Director mentioned that discussions were on-going in regard to the future use of the building.

Limavady Campus. The Director outlined the legal developments which had taken place since the last meeting of the Committee in connection with the defective windows in the Benevenagh building.

15.12 CORRESPONDENCE

None.

15.13 ANY OTHER BUSINESS

The Director requested approval for the writing off of bad debts. It was proposed by Mr Agnew seconded by Mrs Doherty and agreed to recommend to the Governing Body that the College seeks approval from DEL to write off debts totalling £15930 (individual debts > £750) and that the College writes off debts totalling £6750 (individual debts < £750).

Date of next meeting: It was agreed to meet on Monday 22 November 2010 at 4.00pm in Strand Road.

This being all the business the Chair closed the meeting at 6.30pm.

Signed: _____ (Chair)

Date: _____