

GRANTHAM COLLEGE

Minutes of a meeting of the Finance Committee held on 19 January 2015 at 1800hrs.

Present	Linda Houtby (Principal)	Mos Kalbassi	Nick Manoussakis (Chairman)
In Attendance	Paul Deane (DP)	Ralph Devereux (Clerk)	
Apologies	Graham Hayton-Hill	Wade Rowlett	

01/14 ELIGIBILITY, QUORUM, DECLARATION OF INTERESTS AND APOLOGIES

The apologies were accepted. No notice had been received of any member becoming ineligible to hold office, the meeting was quorate and no interests had been declared.

02/14 ELECTION OF CHAIRMAN

It was agreed that Nick Manoussakis would be Committee Chairman for the year.

Nick Manoussakis was elected Chairman for 2014/15.

03/14 MINUTES OF THE LAST MEETING AND NOIFICATION OF URGENT BUSINESS

- a. The minutes of the meeting held on 17 November 2014 were confirmed and signed.
- b. There was no urgent business requested.

04/14 MATTERS ARISING

There were no matters arising.

05/14 FINANCE REPORT

The management accounts accurate to 30 November were then considered and discussed. The present situation showed a favourable variance to the surplus of c£129k. Income was unfavourable by c(£238k) offset by lower expenditure; all variances were explained in the accompanying papers and were discussed and noted. Non-Payroll expenditure was positive by c£369k, again all variances were noted and payroll expenditure was just unfavourable (£2k) including redundancy costs and the 1% pay increase which was not included in the original budget. The recent re-forecast budget predicted a surplus of c£116k. The cash-flow, balance sheet, PIs and additional information were then considered. An extended cash-flow had been determined and would be considered in the next item, for the current year there were no expected difficulties. Cash days stood at 65 and the CR was 1.3, Clawback was expected to be as forecast. The cash position was discussed and it was agreed that £500k could be put on deposit for around another 6 months with our existing bank. The information was noted and the Report was received.

The information was received.

06/14 FINANCIAL CHALLENGES 2015/16 AND BEYOND

The challenges in achieving income targets during the current year considered above, and the inclusion of a contingency within the budget has a predicted surplus of £115k. However, income in 2015/16 (the crunch year) could fall and costs rise, with the result of a deficit position. The management team is considering how best to reduce this and are including all staff and the unions in discussions. A comprehensive electronic presentation was then delivered by the DP which considered the key challenges, falling income/rising expenditure/falling cash balances scenario, looked at the reasons why and how mitigating actions could be applied. The presentation led into lengthy informal consideration of the scenario which would be considered in depth at the strategic planning session set for the 10 February when imaginative and concerted focus would be given to the challenges.

The information was received.

07/14 IMPACT ON STUDENTS

The attention being shown to the challenging financial situation would lead to the optimum solution allowing continuance of priority to provision and the student experience.

The information was received.

08/14 URGENT BUSINESS

There had been no urgent business requested.

09/14 DATE OF NEXT MEETING

The next meeting would be held on 23 March 2015.