

**BOARD OF MANAGEMENT
[FINANCE COMMITTEE]**

Minute of the Meeting of the Finance Committee held on Monday 3 September 2007 at 9.00am in the Boardroom.

PRESENT: B Keegan (Chair), A G Hyslop, A Struthers, J Hamilton,
B Miller,

IN ATTENDANCE: R W Paterson, S Bruce, E Proudfoot,
C M Thomson (Secretary to the Board).

Mr Keegan welcomed members to their first meeting of the new session.

ITEM

ACTION

1. **APOLOGIES**

P McGurk.

2. **DECLARATION OF INTEREST**

None.

3. **MINUTE OF PREVIOUS MEETING AND MATTERS
ARISING**

The minute of the previous meeting held on 21 May 2007 was approved. The following matters arising were discussed:

- Mr Hyslop reported that the position statement action plan relating to the situation at James Watt College had

ITEM**ACTION**

not been completed due to the pressure of work. Once certain issues have been addressed he would present it to the Board or a future Finance Committee.

AGH

- Mr Keegan reported on a recent meeting with Mr McLelland and Mr McClure with respect to Boards not receiving sufficient financial information relating to situations like James Watt College. They also advised that some Boards may not be receiving all the relevant papers and internal investigation reports. They also asked for, and received confirmation that Mr Keegan was aware of FFR issues.
- Mr Keegan requested a meeting with Mrs Bruce to consider the format of a future one page paper on financial matters for the Board meetings to improve all Board members' awareness of financial matters.

BK/SB

4. **REVENUE BUDGET - 2006/ 2007 TO 2009/10 UPDATE FOR FFR**

Mrs Bruce referred to the summary report and supporting documentation relating to the above.

During the course of a full discussion the following points were highlighted:

- update on meeting with Funding Council staff since the full Board meeting in June. It was reported that at a meeting with Funding Council staff, changes were made to the presentation of figures relating to the estate but had not yet been discussed or approved by the College's external auditors;
- discussion on advance notification for preparation of meetings with Funding Council representatives; and
- discussion on difficulties regarding the late announcement of new funds from the Funding Council and the effect on the budget and the FFR.

ITEM**ACTION**

Following a full discussion the Finance Committee agreed to:

- (i) note the report;
- (ii) instruct the Principal to conduct the annual budget review exercise; and
- (iii) instruct the Principal to take any necessary corrective action to adjust budgets and ensure that the College reports an operating surplus for the year in line with its plans for financial security and sustainability.

5. **PROJECT REPORT (CAPITAL AND REVENUE - FULL YEAR 2006/07)**

Mrs Bruce referred to the summary report and supporting documentation relating to the above.

During the course of a full discussion the following points were highlighted:

- members were advised of the final year end figures and that most of the funds had been spent for the approved purpose with one balance being carried forward;
- temporary position on overspend (page 4) was explained and that funds would be reclaimed from Funding Council when new build commences. In a 'worst case' scenario where the project was not approved, the temporary overspend would be met from the formulaic capital funds set aside;
- clarification was given on expenses for residences (page 4). It was confirmed that the expense questioned was a consultant's fee.

Following a discussion the Committee agreed to:

- (i) note the report.

ITEM**ACTION****6. PROJECT REPORT (CAPITAL AND REVENUE TO 2007/08)**

Mrs Bruce referred to the summary report and supporting documentation relating to the above. The process of bidding and approving formulaic capital funds was explained to members including the element set aside annually for the new estate. This caused pressures on the availability of these funds for annual projects. It was noted that this would be the basis of the usual project report for the next meeting together with progress on spending.

Following a discussion the Committee agreed to:

- (i) note the report.

7. CASHFLOW REPORT - FULL YEAR 2006/07

Mrs Bruce referred to the summary report and supporting documentation relating to the above. She stated that the final cash position for the full year was slightly better than previously anticipated.

Mrs Bruce explained to members the different College accounts and their purpose.

Mrs Bruce also explained about other grants received ie Students Awards Agency Scotland (SAAS), grant-in-aid and Funding Council and how these affected the cashflow from the Funding Council.

Following a short discussion the Committee agreed to:

- (i) note the report.

8. CASHFLOW REPORT - 2007/08

Mrs Bruce informed members that the cashflow report had been delayed and would be issued as soon as possible after the meeting.

SB

ITEM**ACTION**9. **STRATEGIC IMPLEMENTATION PLAN: FINANCE**

Mrs Bruce spoke to the paper and noted amendment.
 Mr Keegan said that it was important to discuss more fully the
 Assistant Principal SIPs and requested that they be placed
 further up on agendas.

CMT10. **DATE OF NEXT MEETING**

Thursday 2 November 2007 at 8.30 am, followed by the
 Property and Estates Committees at 9.30 am.

Checked	
Dispatched	
Draft Approved (Chair)	
Dispatched (Members)	

Copied to Library	
Copied to Assistant Principals	

CMT/JMK/FIN0309M
 5 September 2007
 Amended 11 September 2007 (JMK)