

GOVERNING BODY OF GODALMING COLLEGE
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**Minutes of the Godalming College Finance and Estates Committee meeting held at the College
on Monday 9th March 2020 at 4.30pm**

Present:

Douglas Jack, Chair (DJ)	Peter Aitken (PA) - Dialed in	Emma Young, Principal (ELY)

In attendance:

Sharon Harmon, Clerk to the Board of Trustees (SLH)	Sarah Baudains, Finance Director (SB)	Elizabeth Graham, Chair of the Board of Trustees (EG)

		Action
1	Apologies for Absence Justin Knight and Oliver Boyd (SU Vice President & Treasurer)	
2	Declarations of Interest There were no declarations of interest for items on the agenda.	
3	Draft Minutes of the meeting held on 11th November 2019 The minutes of the last meeting of the Finance and Estates Committee on 11 th November 2019 were approved by the Committee and signed by the Chair as an accurate record.	
4	Matters Arising All actions completed.	
5	Management Accounts to 31st January 2020 The Committee reviewed the Management Accounts to 31st January 2020. The Committee first considered the key points set out in the executive summary. The Committee reviewed the profit and loss sheet and noted a forecast underspend. The Finance Director outlined the areas where the underspend had accrued and reassured the Committee that budgets will continue to be closely scrutinised. It was further noted that the teachers' pay grant should be more predictable this year which will allow for more accurate forecasts. The Committee sought further explanation on what mechanisms are in place to demonstrate a clear line of budget approval. The Committee agreed the College's Financial Regulations should set out clear agreed expenditure approval limits for relevant staff. Action: Finance Director to update the College's Financial Regulations accordingly.	SB
	The Committee examined the balance sheet as at 31 st January 2020. The Finance Director outlined updates to the fixed assets register and confirmed a new register had been completed in consultation with auditors.	

	<p>The Finance Director updated the Committee on review of Salary Control Account. The Committee was reassured previously identified discrepancies had been appropriately reconciled. The Finance Director further reassured the Committee that a new system of checks and balances has been implemented including a monthly reconciliation for each account code. The Finance Director also confirmed the Finance Team would set up a system of routine journal testing spot checks. The Committee agreed it was satisfied appropriate monitoring and checks are now in place.</p> <p>Action: Finance Director to set up a system of routine journal testing spot checks.</p> <p>The Committee noted and discussed a credit which has arisen from the ESFA relating to the College bursary fund. The Committee agreed the approach the College was taking with the proposal to ESFA.</p> <p>The Committee reviewed the Capital Summary. The Committee agreed it was satisfied with the forecast capital spend.</p> <p>The Committee reviewed the forecast cash flow and confirmed it was satisfied with the forecast.</p>	SB
6	College Finance System	
	<p>The Finance Director provided the Committee with an update on progress with the move to a new College Finance System.</p> <p>The Committee noted the following points:</p> <ul style="list-style-type: none"> – From the 1st April 2020 the College will be using the new Sage finance system. – Sage is now installed on the College system and key finance structure in place. – Sage staff are visiting the College to provide training for relevant staff for two days in the w/c 16th March. – The Finance team are preparing accounts in order to make transition to Sage system as straight forward as possible. – The Finance Team have had access to a demo system and feedback is positive. <p>Committee asked what forward planning had been put in place with regard to targets and account reporting. The Finance Director agreed to carry out thorough testing with trial account reporting and report back results to the Committee.</p> <p>Action: Finance Director to report back to Committee in September on performance of the system against aims and targets.</p> <p>The Committee asked for clarification on access to data held on the Lakesun system. The Finance Director confirmed that the College own the license and therefore have perpetual access to data on the Lakesun system. However, this does not include access to support. Additionally, the Lakesun system only runs on windows 7. To avoid future problems with accessing the date the Finance Team will download as much data as possible. Additionally, the IT Team will keep windows 7 active on a pc as long as possible. This approach has been discussed with auditors who confirmed it was acceptable.</p> <p>The Committee discussed potential risks with the proposed approach and was satisfied with measures put in place to mitigate risks.</p> <p>The Finance Director confirmed there will be no further fees payable to Lakesun as the College own the license.</p>	SB

	<p>The Committee queried whether the Lakesun system will remain operational. The Finance Director confirmed that the account will be deactivated and used as data archive only.</p>	
7	<p>Treasury Management</p> <p>The Committee reviewed the Finance Director’s report on Treasury Management and considered the proposed options for mitigating risk.</p> <p>The Committee discussed the following points.</p> <ul style="list-style-type: none"> – what assets class is strongest – options for reinvestment in the College – Is there an alternative asset class the College could invest in – NS&I government investment – other options for secure investments <p>The Committee agreed for the present time the College should retain the current banking position with a view to invest more in the College going forward and to further investigate if there is an alternative asset class the College could invest in.</p> <p>Action: Finance Director, in liaison with PA, to investigate if there is an alternative asset class the College could invest in.</p>	<p>SB /PA</p>
8	<p>Estates Update</p> <p>Catering tender</p> <p>The Finance Director reported that the invitation to tender on the catering contract is now closed. Two tenders for the contract were submitted, including the incumbent company. The tender submissions are now in the process of review. The Finance Director, the Estates Manager, the Student Union and Martin McCarthy were involved in analysing the bids in consultation with the SMT. The College is aiming to make an appointment at end of the Spring term.</p> <p>Insurance Tender</p> <p>The Finance Director set out the time line and plan for the insurance tender and confirmed the College would continue to use the CPC framework. The Committee asked if the College was looking at underwriters or brokers. The Finance Director confirmed the College was looking at both and that there is a mixture of both on the CPC Framework.</p> <p>Summer Works</p> <p>The Finance Director provided the Committee with an overview of the major areas of work planned over the summer as follows:</p> <ul style="list-style-type: none"> - Performing Arts Block refresh and update exterior. - Arts Block roof and eaves repair. - LED lighting replacements in Sports Block. <p>CIF Bid</p> <p>The Finance Director confirmed the College had submitted a CIF bid for works to the Gill Building roof and windows.</p> <p>The Finance Director also notified the Committee that a water leak had been identified under of the main building and that the Estates Team are working to identify source.</p>	

9	College Development Plan 2019-20 Spring Update	
	<p>The Committee reviewed and discussed the updates to the relevant sections of the College Development Plan, Leadership and Managements Targets 23 to 31.</p> <p>The following points were highlighted.</p> <p>T23 – Funding increases for the first time since 2010 have eased pressures on forecasts. However there is no certainty beyond 2021.</p> <p>T28 - Greening Godalming group have developed some priorities that will feed into the first draft of the Environmental and Sustainability Strategy.</p> <p>Action: PA to report back to the Committee on strategies the Bank of America has implemented to achieve a carbon neutral position.</p>	PA
10	Risk Register Spring Update	
	<p>The Committee reviewed and discussed the updates to the relevant sections of the Risk Register, R7 to R10 Financial and Resource Risks.</p> <p>The Committee noted that an additional risk had been added to the register relating to the COVID-19 pandemic.</p>	
11	AOB	
	<p>The Principal reported that the Waverley Federation had requested a renewal of the lease on the College Cottage for use by the Star Project. The Principal proposed the College renew the lease on Cottage at current rate.</p> <p>The Committee asked for further detail on the full terms of the lease to be provided to the Committee. The Committee agreed the lease should be renewed at current rate and the Cottage should be inspected to ensure the condition is suitable for the Star Project.</p> <p>Action: ELY to direct the Estates Team to review the condition of Cottage for any works required.</p>	
12	Date of next meeting	
	Thursday 25 th June 2020 at 4.30pm	

The meeting closed at 6.00 pm.

Signed

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