



**MINUTES OF A MEETING OF
THE CORPORATION'S FINANCE AND RESOURCES COMMITTEE
5.30PM TUESDAY 22 NOVEMBER 2022
Held in the Deputy Principal's Office, Main House**

Members:	*Richard Barker; *John Bullen; *Henry Cox (co-opted); *Robert Lasseter; *Graham Ledden (Chair); *Luke Rake (Principal);
In attendance:	*Dan Knight (Chair of A*A Committee); *Anna Bowen (Finance Director); *Wendy Cunningham (Clerk)

** Indicates actual presence at this meeting [Quorum = 3 Committee Members]*

ITEM NO.	DETAIL	
1.	DECLARATIONS OF INTEREST There were no Declarations of Interest NOTED .	
2.	APOLOGIES FOR ABSENCE Apologies for absence were NOTED from Tom Hallam and Vanessa Gifford (Clerk).	
3.	MINUTES OF THE MEETINGS HELD ON 4 OCTOBER 2022 The Committee AGREED the minutes of 4 October 2022 as a true and accurate record, and APPROVED the non-confidential minutes for website publication.	
4.	MATTERS ARISING The following matters arising from the meetings of 4 October 2022 were NOTED : <ul style="list-style-type: none"> • The granting of security of the Estate had been added to the Risk Register • Amendments to the Governance pages of the Financial Statements had been made 	
5.	EXTERNAL AUDITORS AUDIT COMPLETION REPORT FOR THE YEAR ENDED 31 JULY 2022 The Chair of the A&A Committee confirmed that the A&A Committee had reviewed and the external auditors completion report and the following key points were noted: <ul style="list-style-type: none"> • The volume of disclosure around Going Concern can be reduced. • No changes can be made to the creditors position for the potential ESFA clawback. • The Principal will add the email from the ESFA regarding clawback and destabilisation to his Principal's report for Corporation. 	LR

	<ul style="list-style-type: none"> The audit process had been much easier with fewer errors and better systems and processes were in place. It will be a clean audit report for the year end. <p>The Committee thanked the Finance Director for her hard work in completing the successful year end.</p>	
<p>6.</p>	<p>KMC MEMBERS REPORT AND FINANCIAL STATEMENTS FOR 2022/23</p> <p>The Final Accounts for the year ending 31 July 2022 were considered and the following points NOTED:</p> <ul style="list-style-type: none"> The Audit & Assurance Committee have reviewed the Financial Statements for 2022/23 and have recommended them for approval subject to the amendments in the comments written by the Chair of F&R and Chair of A&A and some other minor amendments to the wording. Going Concern and the recent reforecast was discussed and it was noted that the position will be more difficult in future years – this was also a view held by the external auditors. In a broader discussion the following was noted <ul style="list-style-type: none"> The sale of land and property has helped the finances this year, more income is needed for future years and this may be achieved with 14-16 and HE provision and this needs further discussion. A benchmarking report on costs has been commissioned from ICCA which shows that the College pays lower than average salaries, spends less than average. There is no shortage of new ideas and the demographics are not in the College's control so it is difficult to control costs any further. The possibility of Colleges becoming part of the Public Sector again would change the relationship with the ESFA but is uncertain benefit to the sector. Following the SPA process the College will continue to explore partnerships with other organisations. A plan for any proposed new income with 14-16 or HE provision needs to be in place soon and to start no later than September 2023. <p>After considering the above, the Governors concluded that the College was a Going Concern for the next twelve months.</p> <p>The Committee AGREED to RECOMMEND the final accounts for the Year ending 31 July 2022 to the Corporation, subject to the amendments noted above.</p> <p>FOLLOWING THE MEETING FURTHER INFORMATION CAME TO LIGHT REGARDING THE DELAY IN THE SALE OF ONE OF THE PROPERTIES AND DUE TO THE ADVERSE TIMING IMPACT ON THIS CASH RECEIPT THE COMMITTEE RECONSIDERED ITS VIEW ON GOING CONCERN AND RESCINDED ITS RECOMMENDATION TO CORPORATION</p>	<p>AB</p>
<p>7.</p>	<p>KME LTD FINANCIAL STATEMENTS FOR 2022/23</p> <p>The Final Accounts for the year ending 31 July 2022 were considered and the following points were NOTED:</p> <ul style="list-style-type: none"> A change on the note for employees is needed. More information on the principal activities of KME Ltd will be added to the Directors report. <p>The Committee AGREED to RECOMMEND the final accounts for the Year ending 31 July 2022 to the Directors, subject to the amendments noted above.</p>	<p>LR</p>

	minibuses could be placed subject to confirmation from the leasing company of the final cut off date before any charges would be incurred if the order was cancelled.	
10.	<p>DEBTORS REPORT</p> <p>The Debtors Report was NOTED with the Finance Director confirming that there were £66k of bad debts which is an improving situation.</p>	
11.	<p>CAPITAL PROJECT UPDATE</p> <p>The Principal confirmed that there were no major on-going capital projects. There is still some snagging to complete together with the installation of the fire curtain at the University Centre.</p> <p>The Government have suggested that there may be some capital available for the provision of T Levels and SMT will monitor this.</p>	
12.	<p>COMMERCIAL UPDATE</p> <p>Internal development in the Estate shop is on-going and it has outperformed last November. Staff are continuing to develop new ideas including a Santa's Grotto for dogs which sold out within four days.</p> <p>Shaun Gomm is working with the Head of Estates on commercial income and Shaun has introduced a new events consultant who is visiting next week to see what additional events could be considered.</p> <p>Wedding bookings are lower than pre-Covid levels as there is generally a two year lead in time with the uncertainty in 2020 bookings have reduced. Conference business has returned to pre-Covid levels. There are operational staffing issues in the Hospitality department much like others in this sector, but it is being managed.</p> <p>The Head of Estates has made a good start in the commercial role and has a good understanding of systems and processes to make the most of opportunities. The pricing structures have already been increased to a more realistic level.</p>	
13.	<p>VAT CLAIM</p> <p>The Finance Director advised that a payment of £297k had been received from HMRC which is part of a VAT claim for £341k. Commission of 20% on the amount received is due to the VAT Consultant and the Finance Director is checking when the remainder of the claim will be paid.</p>	AB
14.	<p>PROCUREMENT/TENDERS/VALUE FOR MONEY/CONSULTANCIES</p> <p>The Principal confirmed that the transport tender had commenced and will be completed in the New Year.</p> <p>The new insurance company are very helpful and have settled several large claims this year.</p>	
15.	<p>PROJECT BID UPDATE</p> <p>The Principal confirmed that there were no project bids in progress.</p>	

	<p>There are some interesting proposals for T levels and the College could offer T levels in Animal Welfare from next year. However, there are still on-going issues with the provision of T levels and it may be more prudent to wait a bit longer to see how they develop.</p>	
16.	<p>RISK MANAGEMENT</p> <p>The Committee considered any additional risks that had arisen during the meeting and the following points were NOTED:</p> <ul style="list-style-type: none"> • Financial risk, the cashflow will become negative if new business is not brought in. • Capital commitment in the year end accounts is a risk if the retention is not completed. <p>A filtered risk register needs to be discussed in all Committees and risks need to be properly delegated.</p>	VG
17.	<p>ANY OTHER BUSINESS</p> <p>It was AGREED that Individual sub committees need to produce 3 or 4 KPI targets each by February.</p>	VG
18.	<p>CONFIDENTIAL ITEM <i>All Staff & Student Governors, SMT Members, excluding the Principal and Clerk left the meeting</i></p> <p>The Committee discussed the priorities for the role of CFO with nothing further noted.</p>	
19.	<p>MEETING DATES 2022/23</p> <p>The following dates were NOTED:</p> <ul style="list-style-type: none"> • 28 February 2023 • 2 May 2023 • 27 June 2023 	
	<p><i>Meeting closed at 19.00 with no further business.</i></p>	

APPROVED: 28 February 2023