

## MOULTON COLLEGE FEC

### FINANCE AND GENERAL PURPOSES COMMITTEE

#### Minutes of the Finance and General Purposes Committee Meeting Held on Thursday 27<sup>th</sup> November 2008

##### Part 1

**Present:** Mr C Alderson-Smith (in the Chair), Mr J Gaggini, Mr P Heygate,  
Mr C Barney, Mr C Moody

**In Attendance:** Mr G Davies. Mr J Mair, Mr M Wilkinson

##### **08/184 Apologies for absence (agenda item 1)**

Apologies were received from Mrs C Boardman.

##### **08/185 Declarations of interest (agenda item 2)**

Mr Heygate declared an interest as a supplier to the College and in the establishment of a northern ring road.

##### **08/186 Minutes of the meeting held on 30<sup>th</sup> October 2008 (agenda item 3, paper A)**

The minutes were accepted as a true and correct record.

##### **08/187 Matters Arising (agenda item 4)**

There were no matters arising.

##### **08/188 New Developments – Progress Report (agenda item 5)**

###### **a) LRC Extension (paper B)**

The financial report was discussed. The project was reported to be on schedule but was still thought to be ahead. However, it was unlikely that it would be possible to break through into the existing LRC at Easter due to the extra costs involved in relation to the potential savings. Following discussion, *the report was noted.*

###### **b) Hockey Pitch (paper C)**

The financial report was discussed. The pitch had been officially opened on 23<sup>rd</sup> November by the captain and coach of the England Hockey team. Following discussion, *the report was noted.*

###### **c) Holcot retail developments (paper D)**

The financial report was discussed. The outlets were helping to maintain the Garden Centre income. Following discussion, *the report was noted.*

### **08/189 Capital Development Programme (agenda item 6)**

Davis Langdon would make a short presentation to the Board next week. The application for planning permission may go to the Committee in December, if it was possible to overcome the problems with the Highways Agency. The Application in Principle for capital support funding was not likely to be considered by the National Property Committee until February. However, there was less concern over the availability of capital than previously. All work by the consultants, other than on the new houses, had been stopped. Following discussion, *the report was noted.*

### **08/190 Long term development in the context of the South Midlands expansion (agenda item 7)**

No active discussions were taking place at present. Following discussion, *the report was noted.*

Gerald Davies left the meeting.

### **08/191 Unity School/Academy (agenda item 8)**

There were a lot of consultants working on the project. It could only proceed if the County Council decided to close the existing school and this decision would not be taken until later in the academic year. The Principal designate may be appointed in December. Following discussion, *the report was noted.*

### **08/192 Management Accounts for October 2008 (agenda item 9, paper E)**

The accounts were discussed. The surplus to date was £1,653,548 compared to a budget of £1,440,572. The payment profile had now been received from the LSC so the budget could be properly adjusted. The College was in financial category A and rated Good under the Framework for Excellence. Following discussion, *the accounts were approved.*

### **08/193 Quarterly Consolidated Accounts (agenda item 10, paper F)**

The accounts were discussed. Levels of trading were as expected. Following discussion, *the report was noted.*

### **08/194 Quarterly Budget Update (agenda item 11, paper G)**

Proposed changes were outlined and discussed. The forecast surplus was projected to increase by £51,605. Following discussion, *the changes were approved.*

### **08/19 Draft Annual Accounts (agenda item 12)**

#### **a) Moulton College (paper H)**

The surplus for the year was £1,200,000 compared to £891,000 in 2006-7. The FRS17 pension adjustment included in the accounts was £272,000, to meet the liabilities over a 20 year period. The pension deficit on the balance sheet had

increased from £1.6 million to 3.5 million during the year due to a decrease in the performance of equities and an increase in life expectancy. The College's contribution rates were set to rise over the next 2 years to provide for this. Tangible assets had increased by a net £2 million after depreciation, from the final stages of the Pitsford Centre developments. The net inflow of cash during the year was £2,680,000. Following discussion, *the accounts were approved for recommendation to the Board.*

**b) Moulton College Developments Ltd (paper I)**

Turnover had fallen as fewer projects had been completed last year. It would fall further next year as little construction work was currently underway through the company. A loss of £42,739 had been recorded after payment of a deed of covenant to the College to remove the taxable profit. Following discussion, *the report was noted.*

**c) Moulton Trading Ltd (paper J)**

Turnover had increased from £263,709 to £299,103 during the year. The deed of covenant of £7,461 had reduced the profit to zero. Following discussion, *the report was noted..*

**d) Lineobject Ltd (paper K)**

There was a small profit of £65 but a taxable loss so no deed of covenant had been required this year. Following discussion, *the report was noted..*

**e) Thomas Harrison Trust (paper L)**

A deficit of £11,790 had been recorded. There had been a realised loss of £7,122 during the year following the change in the investment policy. The remaining funds were now in fixed-term cash deposits with the Bank of Scotland. The College had absorbed the acquisition costs of the new land. Following discussion, *the accounts were approved for recommendation to the Board.*

**08/195 Janet Strang Memorial Trust (paper M)**

A deficit of £206.86 had been recorded for the year following the change of investment policy, as the funds had been invested along with those from the Thomas Harrison Trust. Following discussion, *the report was noted.*

**08/196 Review of Operating Statement 2007-8 (agenda item 13, paper N)**

This was an analysis of which items in the plan had been completed during the year. Any incomplete or partially complete items would be carried over to this year. Following discussion, *the report was noted.*

**08/197 Operating Statement 2008-9 (agenda item 14)**

This item was not ready. It would be considered by F&GP in December and the Board in April.

**08/198 Fees 2009-10 (agenda item 15, paper P)**

The LSC recommended rate for full-time students for 2009-10 was £1,180.

However, in light of the current economic climate, a modest increase of 5% was proposed for 2009-10. The part-time rate had been increased from £1.75 to £2.00 per hour to move towards the LSC rate. Infill rates had been frozen and residence fees increased by around the rate of inflation. Following discussion, *the fees were approved for recommendation to the Board.*

**08/199 Recruitment 2009-10 (agenda item 16, paper Q)**

There had been a dip in applications, particularly in Construction and Sport. Marketing activity was to be stepped up. The current project with Dataforce was discussed. Following discussion, *the report was noted.*

**08/200 Term dates 2010-11 (agenda item 17, paper R)**

The start date in September would be 1 week later than usual due to a very late Easter in 2011. Following discussion, *the dates were approved for recommendation to the Board.*

**08/201 HE Bursaries (agenda item 18, paper S)**

The payment rates had been revised to keep them in line with those of the University of Northampton. Following discussion, *the bursary rates were approved.*

**08/202 Study Tour requests (agenda item 19)**

**a) Rugby Tour (paper T)**

The Principal's decision to approve the tour to France *was ratified.*

**b) Rural Skills (paper U)**

The annual residential trip to Lincolnshire *was approved.*

**c) Pathways to Progress (paper V)**

The residential trip to Mablethorpe *was approved.*

**d) Paris Agricultural Show (additional item)**

The trip by National Diploma in Agriculture students *was approved.*

**08/203 Freedom of Information Act (agenda item 20, paper W)**

The College was required to adopt a new publication scheme from 1<sup>st</sup> January 2009. It was proposed to adopt the model scheme. Following discussion, *the report was noted.*

**08/204 Date of next meeting (agenda item 22)**

Thursday 18<sup>th</sup> December 2008 at 9.30am in the Principal's Office.

## 08/205 Any other business

### a) **Thomas Harrison Trust**

There had been an unprecedented level of applications for bursaries this year and the £25,000 of allocated funds had been used up. The feasibility of fundraising activities, possibly through an alumni association, was discussed. Following discussion, *it was agreed to establish a College hardship fund, to be administered by the THT Managing Trustees, and to allocate £13,000 from the budget for the current year.*

### b) **Vocational Skills Academies**

It was proposed to diversify the curriculum by establishing a First Diploma in Animal Care at both East and South Northants. Building and Construction courses would also move to 4 day attendance next year. This would require some capital investment. The lease at Daventry was due for renewal in summer 2009. A decision would be required on whether to renew for 2 years or seek alternative accommodation, possibly at Badby Road. Following discussion, *the report was noted.*

Part 1 of the meeting concluded. Jamie Mair left the meeting