

<p>3. Agreed that the Operational Risk Register will need to be completed in accordance with the revised Strategic Risk Register, to run parallel pending Board Approval. Both documents live and revised additions to come to the next meeting.</p> <p>Action 3: MM to submit revised Strategic Risk Register at next Board meeting and then new Operational Risk Register to be submitted to the next Finance & Resources meeting.</p> <p>Item 6 – Management Accounts</p> <ol style="list-style-type: none"> 1. Noted that Forecast for January was accurate and that expenditure was up in April. 2. Phasing issues have been observed in April due to early Easter and this is expected to balance out in the May accounts. Noted that this was predictable and will be accounted for in next years' budgeting process. 3. Net Surplus YTD remains £117,850 ahead of budget (£426,069). 4. Retails sales were under budget for the month but are expected to recover in May. 5. 3 old minibuses were sold, with an expected additional income of £4,600. 6. It is anticipated that the previously highlighted risks attributable to Marketing income are due to be fully realised. 7. MM highlighted a strong balance sheet summary (P.8) displaying £2.5Million in cash reserves. 8. Leadership has incurred additional training costs of (£3,051) due to being budgeted elsewhere (Away day training). 9. Administration incurred additional Maintenance costs of (£1,218) attributable to the removal of the flagpole above the main Beit Quad entrance. This was removed as it had fallen into disrepair, presenting an H&S hazard. 10. Premises Equipment costs in the Systems budget are attributable to the new EPOS System, which will now be accounted in this area. 11. The Minibus budget shows that this area is back on track, with income up on the beginning of the year. The (£834) cost under 'other' were due to auction costs for the sale of three minibuses. 12. Income for Beit Venues was slightly down on the month due to one regular client reducing booking in April. Work to investigate capacity for space rental for venue hire is currently ongoing. The area remains ahead of budget by £19,575 YTD. 13. CX Bar wet margin is at 32% as this was understated in April due to stock being understated. We were unable to obtain a stock valuation report while Carl was away on holiday. Training gap has been identified and steps taken to remedy. 14. CX Bar dry margin is at 105% as it is a single line product range (pizzas) and GM% is proving quite volatile on a month by month basis, due to low stock values, and the 	<p>Head of Finance & Resources</p>
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<p>impact of promotions, free stock, staff usage, and wastage. Overall, it is trending 25-28% on an annualised basis.</p> <ol style="list-style-type: none"> 15. H Bar was anticipated to be under budget in April (£2,745) due to reduced trading days during extended Easter closure. This was missed in the original budget but adjusted in the mid-year forecast and is now coming through. 16. By contrast, SK bars displayed a strong performance despite reduced trading days. 17. Costs for temporary staffing in Catering were slightly understated for April (there were an increased number of functions for the period). A second Catering Assistant has now been recruited to the team, which will see a reduction in these costs. 18. MM gave reassurances that Retail income from May is significantly improved on April. 19. Noted that Membership income is low in Student Activities in April but that increased income in May is anticipated. 20. <p>Item 7 – Foundry Accounts</p> <ol style="list-style-type: none"> 21. Income in April was £225K YTD. Mm highlighted that the bar has already hit target for the year. 22. The committee gave thanks to the Foundry team for their hard work in this area. 23. JO updated that there is no further news on the future of the Foundry from College Services at present. <p>Item 8 – Events Budgets</p> <ol style="list-style-type: none"> 1. Noted that no large events of concern are noted since the last meeting. <p>Item 9 – Budget 2017/18 and Capital Plan.</p> <ol style="list-style-type: none"> 1. EB presented this years' budget recommendation to the Board, based on a current position of a projected £65K - £75K surplus with strong commercial performance across almost all areas, with positive free reserves. 2. The new Strategy and Operating Plans are all reflected in the budget which includes capital investment to underpin strong continued commercial performance, with a proposed new cash investment strategy, and a new role in the Systems team. 3. For Social Enterprises, an increase in income of 8% is proposed, with a 9% increase in gross margin. There will be a break-even budget, owing to investment in service provision and equipment. 4. The staffing model is holistic, and incorporates flex between permanent and temporary staffing to allow the teams to respond to demand to maximise profits at peak times. Permanent staffing remains the preferred model but the budget addressed this occasional need. 5. This flex will be addressed in guidance included as part of the new People Management Strategy 6. Planned core growth is between 2-5%, with 6% in functions assuming a growth in client base. 	
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<ol style="list-style-type: none"> 7. There is a planned drop in margin from 76 to 73% attributed to increases in running costs for events. 8. There is a targeted additional stretch in functions for planned additional catering events (£9K increase planned). 9. Planned growth in Retail is limited pending the introduction of new ecommerce initiatives which require additional systems infrastructure to implement. 10. Planned stretch targets are being treated as potential risks (£C£30K in Retail and C£20K in Bars). 11. Noted that current risks attached to Reynolds Bar remain the same as income is largely linked to function frequency. 12. Planned catering growth is depended on increasing kitchen opening hours to 12-5pm daily and a targeted increase in dining functions. 13. A breakeven budget is planned for minibuses as there remain a number of highlighted risks attached. 14. Governance budget remains static at (£19,063) as two request new roles were reviewed and will not be implemented. 15. Costs of implementing new Wellbeing Network in Education & Wellbeing are spread across a number of staffing functions. <p>Action 4: EB to reflect this in the final budget, distributing the Wellbeing Network costs across the organisation.</p> <ol style="list-style-type: none"> 16. Marketing contains a new budget line for Careers Sales representing new income streams redirected from previous work on Careers Fair, which is a now defunct product. There is an associated start up risk to this income year1 but strong performance anticipated thereafter. 17. Budget for Fresher's fair is ambitious, with assumptions that there is space to grow income from increased space at the event. 18. Design capacity remains a risk as the proposed new Junior Designer role will not be implemented this year. 19. The increased budget in Student Development is largely attributable to increased staffing from the new Training Manager role (already in post). 20. The Student Activities budget contains planned growth in Associate Membership sales, and increased Life Membership sales to Alumni. There are also increased training costs associated with conference attendance and H&S training for CSPs. 21. There is a significant saving across commercial areas from reduced Credit Card Commission charges due to the change to Barclaycard this year. 22. There are increased permanent staffing costs in Catering reflecting the first year of operating a full staffing model. 23. The budgeted income for SK Bar represents the largest single source of income for the Union at £303,171 for the year. 24. A new budget line has been added to Student Activities income related to minibus advertising. 25. Transport is now a focus for Sport Imperial next year and this could potentially impact Union hires, which is an 	<p>Finance Manager</p>
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<p>6. Agreed that an effective communication and engagement programme will be required to ensure that CSPs adhere to new procedures coming out of the review.</p> <p>Item 12 – Internal Audit Report</p> <p>1. MM presented the latest KPMG Audit report, highlighting only three medium risks: new EPOS system, Strategic Risk Register and Operating Risk register. Action: 8: CSP Finances to be included in scope for next internal audit.</p> <p>2. JF recommended an earlier review date than May 2018 and will include in her report to the 29 June Board meeting.</p> <p>Item 13. – Committee Performance Review</p> <p>1. RMM presented a draft survey to committee members to review the effectiveness of each committee as best practice at the end of each year.</p> <p>2. Agreed that this is a good approach and should be implemented for all committees with the addition of a question on performance of Chair. Action 9: MM to update and circulate to Finance & Resources Committee.</p> <p>Item 14 - Any Other Business</p> <p>Action 10: Strategic Risk Register to be added as a standing item to the Finance & Resources Agenda.</p> <p>Action 11: CSP Board Report to be added as a standing item to the Finance & Risk Committee Agenda, to include Events Budget report.</p>	<p>Head of Finance & Resources</p> <p>Head of Finance & Resources</p> <p>Admin Support Manager</p> <p>Admin Support Manager</p>
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