

Finance Committee Minutes

Chair: Umair Mehmood, Welfare & Community Officer

Members:	P	AP	AB
Alice McNally, Appointed by Union Executive (AM)			✓
Beth Beasant, External Trustee (UCL Staff)	✓		
Deniz Akinci, Union Affairs Officer	✓		
Hamna Malik, Appointed by Union Executive (HM)	✓		
Hamza Ahmed, Education Officer		✓	
Julia Wojciechowska, Appointed by Union Executive (JW)	✓		
Maheem Imran, Student Trustee	✓		
Mary Mcharg, Activities & Engagement Officer		✓	
Nick Miao, Appointed by Union Executive (NM)	✓		
Seyi Osi, Equity & Inclusion Officer		✓	
Umair Mehmood, Welfare & Community Officer, Chair	✓		
Vaania Kapoor Achuthan, Sustainability Officer			✓
Xin Huang, Student Trustee (XH)		✓	

In Attendance:
Dorota Dominiczak, Director of Finance
John Dubber, Chief Executive
Katerina Alexandropoulou, Minutes

1. Welcome and Introductions

The Chair welcomed members to the Finance Committee meeting.

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2. Minutes from the meeting on 21 March 2023

The Committee approved the minutes of the meeting on 21 March 2023 as a true and accurate record.

APPROVED

3. Management Accounts (Quarter 3)

The Director of Finance gave an overview of the Management Accounts up to April 2023. They noted that the April results show a strong financial position with controlled costs and a positive variance compared to Forecast 2. They added that up to March good performance was demonstrated across the organisation, but April is different due to slow trading because of the Easter break; trading for the first 13 days in May show signs of recovery. The Director of Finance highlighted that:

- The UCL East store continues to struggle due to low footfall.
- UCL have successfully negotiated with Watford FC for the increase of rental income from the Shenley Sportsground.
- Gym daily income is up by 38%.

- Cannot predict if the current surplus would drop by the end of the year due to lower footfall on Campus but looking at trading projection and other departments of the SU to cover potential commercial under-performance.
- Forecast 2 showed a breaking even position, but overall we are ahead of this showing higher income and aiming to preserve what we have gained.

The Committee received the Management Accounts (to April 2023).

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4. Budget 2023/24

The Director of Finance presented the Budget 2023/24 and highlighted that:

- The budget is balanced, and we are building capacity across the organisation to deliver the first year of the Student Life Strategy.
- Commercial income is significantly increased.
- UCL Grant is increased including the base grant to cover operations, the Student Life Strategy first year injection and the increase at the UCL East campus funding.
- UCL East store projected loss would be helped by a UCL subsidy which we have requested; however, this might not materialise, so the budget has been built to incorporate this.
- Capacity of teams is restored next year to support the Student Life Strategy delivery; more investment is planned for student services and departments who support students such as the Societies & Media, Sport, Advice & Wellbeing teams.
- Volunteering are operating within the funding we get directly from UCL for that department. Most of the expense is for staff salaries to set up opportunities for students, connections with other organisations, risk assessment of activities, student led projects and finally marketing and promotion of the departmental work to increase visibility amongst the student body.
- For the first year of the Student Life Strategy an increased recruitment is planned for areas such as sport, community initiatives, events and other support staff roles.
- For the commercial operations, plans are in place for the units and gym to deliver £5.5m of sales: the Hanger is to expand at the ground floor of 25 Gordon Street with a refurbishment which will also increase the seating spaces for Gordons' Café and the Pizza outlet moved to the Lewis Building.
- The Gym recovery post-pandemic has been slow but is budgeted to deliver slightly more than in 2018/19, i.e. more than its pre-pandemic performance.

The Director of Finance concluded that there are some financial risks with the refurbishment at the 25 Gordon Street ground floor space, the move of the Pizza to the Lewis building, the performance of the UCL East Store and the pressure due to high inflation rates; however, work is put in to deliver a balanced budget for next year with our power based on the people we employ to deliver it.

The Chief Executive noted that the Hanger expansion will include online provision as it has recently been agreed to be the sole provider of the UCL merchandise on campus for students. They explained that the UCL grant is not big enough to cover all our student activities, so we need to balance where our costs and profits are and how we prioritise our income. The Chief Executive highlighted that:

- the UCL grant increase for next year is substantial.

- the Student Life Strategy would bring a huge expansion for our student activities enabling for stronger arts programme.
- the increase in the commercial income is based on investment in some of our outlets, e.g. the Gym, the Hanger, etc.
- the presented budget is a prediction, we need to keep an eye on our financial performance as there are always risks involved; a forecast is planned after 4 months to monitor performance and agree any amendments to the budget.

The Director of Finance and the Chief Executive commented regarding the biggest risks for delivering the budget:

- Footfall levels at UCL East will be important for the success of the UCL East store
- Building work planned for the 25 Gordon Street ground floor and the changing rooms at the Gym may not finish by the 1st week of September as planned which would have a negative knock-on effect on our income.
- Inflation rates are still very high affecting our suppliers' prices.

The Committee received Budget 2023/24 and recommended it to the Board for approval.

RESOLVED

5. Banking Arrangements Update

The Director of Finance confirmed that:

- Money banked with Virgin will be transferred to our new bank shortly as problem with signatories seems to have been resolved after much negotiation and effort.
- Shift to our new bank, Metro, is hoped to be finalised by end of June 2023.

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6. Debtors Report (Quarter 3)

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7. Treasury Report (Quarter 3)

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8. Any Other Business

There was none.

Minutes approved as a true and accurate record	
Chair:	Shaban Chaudhary
Signature:	Shaban
Date:	5/12/23