



Date: Tuesday 28 November 2023
 Time: 18:00-20:00
 Venue: Hybrid/South Wing G14 Committee Room

Finance Committee Minutes

Chair: Shaban Chaudhary, Education Officer

Members:	P	AP	AB
Beth Beasant, External Trustee (UCL Staff)		✓	
Mary McHarg, Union Affairs Officer		✓	
Shaban Chaudhary, Education Officer, Chair	✓		
Mariya Kachwala, Student Trustee (MK)		✓	
Aria Shi, Activities & Engagement Officer	✓		
Serena Tedros, Student Trustee (ST)	✓		

In Attendance:
Dorota Dominiczak, Director of Finance
John Dubber, Chief Executive
Rebecca McLoughlin, Minutes

1. Welcome and Introductions

The Chair welcomed members to the first meeting of Finance Committee for this academic year and members introduced themselves.

2. Terms of Reference & Membership

RECEIVED

3. Minutes and Matters Arising from the meeting on 23 May 2023

The Committee noted that the UCL East convenience store is still under performing and the Chief Executive confirmed that the Union is having a meeting with the UCL East Team to discuss options. The Chair asked if the Finance Committee could be kept updated as to the outcome of this meeting.

The Committee discussed The Hanger expansion and why the online shop has closed. The Chief Executive responded that this was due to the current upgrade of the payment and stock system to ensure they are inline. The Committee requested a paper for its next meeting on the Union's future retail strategy to cover the UCL East shop and plans for continued development of the Hanger, including its online offering.

ACTION: Director of Operations to submit an update on our retail strategy for the next Finance Committee meeting.

The Committee approved the minutes of the meeting on 23 May 2023 as a true and accurate record.

APPROVED

4. Statutory Financial Statements 2022/23

The Director of Finance gave an overview of the Statutory Financial Statements. They highlighted that the Union made a statutory surplus in all funds of £723k before accounting for unrealised losses on investments and an increase in pension provision. At the end of 2022/23, the Union is in a strong financial position with growing grant funding from UCL, increased commercial income and good return on investments.

They went through the Trustees Annual Report and gave a brief summary of the Structure, Governance and Management highlights from the report. They noted that the Trustees Annual Report gives an overview of what the charity has achieved over the past year. The Director of Finance went on to highlight what the Union has achieved over the past year. They gave an in-depth overview of the Statement on Financial Activities and the Balance Sheets.

The Committee asked if the cheaper food options would be re-introduced into some outlets. The Chief Executive responded that this was introduced last year at a loss to the Union financially. The take up was not very high. We now offer various price points to meet students' budgets such as higher end priced food and cheaper options like the meal deal which has been very popular. The Committee discussed the possibility of having food banks on campus. It was noted that this would create an issue with food storage especially with perishable items. The Chief Executive highlighted that any discussion around having a food bank at the Students' Union needs to include the Director of Operations. They went on to state that the Students' Union is concentrating on sustaining the Hardship Fund for students and are looking at ways to keep this going, such as fundraising which is the most impactful way to support students in financial need.

The Director of Finance asked the Committee to note the audited financial performance for the year ended 31 July 2023 and the Annual Report including the statutory financial statements and recommend to the Trustee Board for approval.

The Committee received the Financial Statements and Annual Report for 2022-23 and recommended them to the Board of Trustees for approval.

RESOLVED

5. Post-audit Management Report for Financial Year 2022/23

The Director of Finance confirmed that the 2022/23 audit highlighted five recommendations to be addressed by management which included:

- Completeness of payroll documents: all casual contracts must be signed before commencement.
- Put in place a disaster recovery plan for the Union including IT critical incident recovery plan.
- Treasury management to protect high cash amount held with one bank that has recently been highlighted in the financial news.
- Confirm arrangements for Cybersecurity with UCL.
- Obtain the Cyber Essential certification

However, they noted that there was nothing outstanding and were happy to recommend this to be presented to the Board.

The Committee asked for further information regarding the cybersecurity arrangements and UCL. The Director of Finance confirmed that our Head of IT & Digital was currently working on

this with UCL. Progress on these recommendations will be reviewed by the Risk and Audit Committee in May 2024.

The Committee received the Post-audit Management Report for Financial Year 2022/23.

RECEIVED

6. Management Accounts (Quarter 1)

The Director of Finance summarised the Quarter 1 highlights and noted that at the end of Q1 of 2023/24, the Union's cumulative financial position remained strong. The main contributors to the financial position are good commercial performance, control over overhead expenditures, and significant underspending notes across departments. The Director of Finance stated that the Quarter 1 results show a cumulative surplus achieved in the first three months of £137k against a budgeted deficit of £33k.

The Director of Finance outlined the performance for each area and highlighted that commercial outlets performed well against ambitious budgeted targets, with a mixed performance noted across all outlets. They noted that the East convenience store continues to struggle as footfall has not improved despite the opening of the Marshgate campus and the increased number of students in the accommodation block. The store continues delivering 25% of budgeted turnover and £12k loss each month. The Committee discussed ideas on how to increase turnover at the UCL East convenience store. The Chief Executive confirmed that they had set up some meetings with UCL to discuss options going forward. The Committee noted that the George Fahra Café is also underperforming so the Union is looking at ways to increase revenue such as introducing bubble tea. The Activities & Engagement Officer confirmed that they were working with the Head of Commercial Services on this.

The Chair asked if the Director of Finance could include in the Management Accounts the snapshot slide which outlines each of the outlet's performance.

ACTION: The Director of Finance to include in the Management Accounts a snapshot of each outlets performance.

RECEIVED

7. Treasury Report (Quarter 1)

The Director of Finance gave a brief overview of the Treasury Report. The Chief Executive commented that the Students' Union were concerned about keeping high volumes of cash in Metro Bank and were looking at other sustainable options but noted the importance of using robust financial institutions.

The Director of Finance asked the Committee to

1. Retrospectively endorse the move of the Union's cash from Metro Bank to Barclays and keep it in Barclays until the options to invest money are recommended by Buzzacott and considered by trustees.
2. To discuss the current banking provision with Metro and give a steer to management addressing short-term and longer-term arrangements.
3. To approve the engagement of Buzzacott Financial Services for the services as outlined in their Engagement Letter dated 24 October 2023.

The Committee approved the following:

1. Retrospectively endorse the move of the Union’s cash from Metro Bank to Barclays and keep it in Barclays until the options to invest money are recommended by Buzzacott and considered by trustees.
2. To discuss the current banking provision with Metro and give a steer to management addressing short-term and longer-term arrangements.
3. To approve the engagement of Buzzacott Financial Services for the services as outlined in their Engagement Letter dated 24 October 2023.

RESOLVED

8. Investments Report

RECEIVED

9. Debtors Report (Quarter 1)

RECEIVED

10. Insurance Renewal Report (for financial year 2023/24)

RECEIVED

11. Any Other Business

There was none.

Minutes approved as a true and accurate record	
Chair:	MUHAMMAD SHABAN CHAUDHARY
Signature:	Shaban.
Date:	21/02/24