



Date: Wednesday 24 April 2024
 Time: 18:00-20:00
 Venue: Teams

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:
Deb Nichols, Director of Operations
Dorota Dominiczak, Director of Finance
John Dubber, Chief Executive
Matthew Hodge (Buzzacott auditor, item 7)
Rebecca McLoughlin, Minutes
Seth Dowley, (Buzzacott auditor, item 7)

1. Welcome and Introductions

The Chair welcomed members to the third meeting of Finance Committee for this academic year.

2. Minutes and Matters Arising from the meeting on 8 February 2024

The Chair noted that the Head of Commercial Services will be looking into the possibility of providing a merch ordering service for Clubs and Societies but at the moment they are organising the takeover of UCL merchandises for the next 2 years.

The Committee approved the minutes of the meeting on 8 February 2024 as a true and accurate record.

APPROVED

3. Management Accounts (Q2)

The Director of Finance gave an overview of the Management Accounts up to the end of seven months of 2023/24. They noted that the Union's cumulative financial position remained strong. They highlighted that the main contributors to the financial position are good commercial performance, control over overhead expenditures, and significant underspending notes across departments. The February YTD results show a cumulative surplus of £261k against a forecast surplus of £155k i.e. £106k better financial position for the Union. The block and SLS grants from the University have been received as budgeted, and an additional £53k has been secured to support unbudgeted salary increases caused by UCL's increase to the London allowance for

permanent staff. The Director of Finance highlighted that the George Fahra Café had exceeded target in March and in April.

The Chair asked about the £53k from the University to secure unbudgeted salary increase as they thought the amount received was higher than this. The Director of Finance confirmed that we were given £80k per annum and the £53k is the allocation for this year (December to July).

The Committee asked if there were any plans for the forecast surplus. The Director of finance confirmed that the surplus can be used to cover the write-off from the closing of the UCL East Convenience Store.

The Committee received the Management Accounts (Q2).

RECEIVED

4. Banking Arrangements Update

Matthew Hodge and Seth Dowley, the auditors from Buzzacott, joined the meeting to go through their current account cash report. They gave an overview of the report and went through the factors that they considered when looking at possible institutions:

- Fees, account limitations & functionality
- Credit/counterparty risk & protection
- Ethical/sustainable considerations
- Reputational Risk
- Administration

They noted that the number of UK institutions that offer current account banking facilities for charities is limited in comparison to deposit accounts. Overall they considered a total of 45 institutions and believe that 11 of these would currently accept current account applications from the Union. Due to the credit and counterparty risks in cash markets, at present they confirmed that they would only be comfortable considering institutions with credit ratings and only 8 of these 11 institutions have ratings.

The auditors went through the 8 institutions and concluded that overall, having analysed and considered in detail the available options, they recommend that currently the most appropriate course of action is for the Union to remain with Barclays as their current account provider to ensure financial sustainability and functionality. There would be some reputational risk associated with students and stakeholders viewing the use of Barclays as not being consistent with the Union's sustainability policy. They suggested that the banking arrangements be reviewed annually in case a more suitable option becomes apparent.

The Committee asked if a date could be set that this is reviewed annually. The Chair confirmed that it could.

ACTION: The Director of Finance to confirm an annual date that the Banking Arrangements are reviewed.

The Committee suggested that a communication plan should be put in place as to why we are still banking with Barclays. The Chair agreed and suggested that they meet with the Head of Marketing & Communications to discuss this.

ACTION: The Chair to meet with the Head of Marketing & Communications to put in place a reactive comms plan regarding the Union’s Banking Arrangements.

The Committee asked the auditors how long they thought the high street banks would take to move towards having a better ethical consumer rating. The auditors responded that there is a huge lack of consistency in ethical consumer ratings, but they would expect these ratings to improve over time.

The Committee received the Banking Arrangements Update.

RECEIVED

5. Review of Depreciation Policy

The Director of Finance gave a brief summary of the Depreciation Policy.

RECEIVED

6. Review of Reserves Policy

The Director of Finance gave an overview of the Reserves Policy.

RECEIVED

7. Treasury Report (Quarter 2)

RECEIVED

8. Debtors Report (Quarter 2)

RECEIVED

9. Any Other Business

The Chief Executive thanked the Finance Team for their work on the Debtors Report.

Minutes approved as a true and accurate record	
Chair:	MUHAMMAD SHABAN CHAUDHARY
Signature:	Shaban.
Date:	28/05/24.

Action List

Actions	
The Director of Finance to confirm an annual date that the Banking Arrangements are reviewed.	Director of Finance

The Chair to meet with the Head of Marketing & Communications to put in place a reactive comms plan regarding the Union's Banking Arrangements.

Chair & Head of
Marketing &
Communications