

## BOSTON COLLEGE

### MINUTES OF THE MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE HELD ON TUESDAY 3 MAY 2011

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#### 1. PRESENT

Mr S McCracken (chair), Mr P Cropley, Ms S Daley and Mrs L Ladds.

Also in attendance Mrs J Hemmant (Clerk to the Corporation) and Mr N Walford.

Apologies for absence were received from Mrs P Smith.

#### 2. MEMBERSHIP

It was reported that Chris Baron had resigned from membership of the Corporation. Members of the committee felt that it was desirable for the Corporation to appoint someone with an accountancy background who might join the Finance and General Purposes Committee in Chris Baron's place. A couple of accountancy firms in Spalding were identified as potentially being able to suggest suitable candidates and the Search Committee was asked to consider this.

#### 3. MINUTES

The minutes of the meeting of the committee held on 26 January 2011 were reviewed and approved.

The Director of Corporate Services updated members of the committee on the situation relating to a significant unpaid debt for a partner organisation. The potential impact on the accounts of the partner's failure to settle this debt was discussed.

#### 4. FINANCE REPORT

Members received a report from the Director of Corporate Services on the College's accounts to 28 February 2011. A number of specific points were discussed in detail:

- a) the College's commitment to the Red Lion Street development which had not yet been paid over
- b) the potential for an end of year loss on the profit and loss account as a result of the repair works being carried out under the Renewal Grant funding. It was noted that, other than this expenditure, the College's position was in line with forecast
- c) the cash flow effects of the Boston investments were still being estimated as a result of contracts not being let for all of the works
- d) the impact on the accounts presented of income paid on profile but not yet earned being moved to deferred income was noted
- e) the poor anticipated performance of refectories was identified as needing a strategy to turn around
- f) the financial reviews being carried out on partners was noted

**5. PROPERTY**

The Director of Corporate Services reported on property developments.

The committee was advised that following a meeting of the Steering Group, Lindum had been appointed to carry out the design work and potential improvement works to the Peter Paine Centre. This decision had been taken on the basis of urgency and advice being provided by the College's consultants on the costs to be incurred being appropriate. The committee noted that this was being treated as an exceptional item within the scope of the College's Financial Regulations.

A discussion took place about the lease issues relating to the Peter Paine Centre and specifically about the potential for the College to be given notice to quit the premises during the lease. Members of the committee were concerned about the potential impact on the College and how it might be compensated for loss of use of the facilities. It was suggested that the Council be asked to include a developer provision for replacement of the facilities on a like-for-like basis within any planning agreement which might lead to the College being given notice on the premises. Members of the committee were also advised of other concerns relating to the negotiation of the Peter Paine lease.

Other elements of the renewal works were noted to be on schedule with the new building having commenced on site and the roofing, heating and electrical works to take place in the Summer vacation period. Costs were noted to be within the agreed budget.

**6. NEXT MEETING**

It was noted that the next meeting of the committee would be in the 2011-12 academic year on a date to be agreed by the Corporation.