



FINANCE COMMITTEE

Monday 5 November 2018 from 12.00 noon to 1.30 p.m.
in the Council Room, G12 South Wing, Gower Street, London WC1E 6BT

MINUTES

PRESENT:

Mr Philip Sturrock (*Chair*)
Professor Lucie Clapp
Professor Patrick Haggard
Dame DeAnne Julius
Ms Sarah Whitney

In attendance: Mr Phil Harding (Director of Finance and Business Affairs);
Dr Marguerite Nolan (Secretary to Finance Committee); and Mr Matthew Swales (Director of
Finance, Services and Reporting).

Apologies for absence were received from Professor Michael Arthur, Dr Andrew Gould,
and Mr Rex Knight.

Preliminary Formal Business

1a. Welcome and apologies

1a.1 The Chair welcomed members to the meeting. Apologies were reported as noted above.

1b. Declaration of interests

1b.1 There were no interests declared by members.

2. Minutes of the previous meeting

2.1 **Approved:** The Committee approved the minutes of the last meeting of the Finance Committee held on 27 September 2018, subject to minute 3.1b being moved to the confidential business section of the minutes.

3. Matters arising from the Minutes

FC 2-1 (18-19)

3.1 **Received:** The Committee received and noted the report on Matters Arising since the last meeting at FC 2-1 (18-19).

Items for Discussion

4. **Annual Report and Financial Statements for the year ended 31 July 2018** **FC 2-2 (18-19)**

4.1 **Considered:** The Committee considered the Annual Report and Financial Statements for the year ended 31 July 2018 at FC 2-2 (18-19). The Finance Committee was required to review the annual financial statements, particularly in relation to financial strategy and performance. The Chair, as Treasurer, would present the Financial Statements to the Council for approval.

4.2 The Chair congratulated the Finance Division on the high quality of the Annual Report and Financial Statements for the year ended 31 July 2018. The Committee was also impressed with the range of activities being undertaken by UCL as included in the Operating and Financial Review.

4.3 The Committee reviewed each section of the report. The Director of Finance and Business Affairs and the Director of Finance, Services and Reporting provided clarification to the Committee on the reporting requirements. They also gave feedback on a number of questions from members concerning the wording of the paper. The following suggested minor amendments were noted in the discussion of this item:

- In the Committee Membership table, to check when Baroness Diana Warwick's membership of Council came to an end.

- In the section on Theme 4, to refer to the status and cumulative nature of the total campaign funding raised by June 2018.

- In the section on Theme 5, to refer to the grant received from the Government for UCL East.

- To highlight the one-off elements of the financial surplus for the year ended 31 July 2018 in the Financial Review.

- To review the wording of the reported scheme deficit in the section on the USS Pension Scheme and check what was stated in the USS Valuation Report.

- To indicate that the Managing Risk section refers to the top three risks on the UCL Risk Register.

- To amend the first line in the source of funding column in the financial review to Funding Councils.

- To review the section on related party transactions to ensure that it was up to date.

4.4 **Resolved:** The Committee recommended to Council for approval at its meeting on 16 November 2018 the Annual Report and Financial Statements for the year ended 31 July 2018 at FC 2-2 (18-19), subject to a number of minor amendments put forward by members.

5. **Office for Students (OfS) Annual Accountability Return: Financial Commentary** **FC 2-3 (18-19)**

5.1 **Considered:** The Committee considered the Office for Students (OfS) Annual Accountability Return: Financial Commentary at FC 2-2 (18-19). As part of the Annual Accountability Return

to the Office for Students (OfS), UCL was required to provide financial commentary to support the statutory accounts. The paper and annexes, which had been prepared in OfS format, compared the forecast for 2017-18 submitted to the OfS in August 2018 and the actual outturn for 2017-18.

- 5.2 Feedback was sought on the cash variance at Table 2: Consolidated balance sheet. It was noted that Forecast 2 had assumed a drawdown against the EIB credit facility within the 2017-18 financial year which would now be incorporated into a full drawdown in November 2018.
- 5.3 **Resolved:** The Committee recommended to Council for approval at its meeting on 16 November 2018 the Office for Students (OfS) Annual Accountability Return: Financial Commentary at FC 2-3 (18-19).