



FINANCE COMMITTEE

29 MARCH 2012

Any member of the Finance Committee who had (or who knew of a family member who had) a material, personal, financial or other beneficial interest in any item on the Agenda was requested to declare that interest at the beginning of the meeting

Preliminary Formal Business

43 **MINUTES**

Approved

- 43.1 The Minutes of the meeting held on 26 January 2012 [*FC Minutes 26-42, 2011-12*] were confirmed by the Committee and signed by the Chair.

44 **MATTERS ARISING FROM THE MINUTES**

[*See minutes 51-52 below*]

Matters for discussion

45 **FINANCIAL UPDATE 2011-12**

Received

- 45.1 APPENDIX FC 4/41 (11-12) – the financial update 2011-12 (March 2012).

Reported

- 45.2 The overall forecast showed an overachievement against budget of £1.4m, with some further improvement expected by the end of the year. This was regarded as a particularly strong result in light of unexpected cost increases over the past 12 months.
- 45.3 Academic areas had improved against budget; research income overheads were predicted to increase by £1.7m, and tuition fee income was forecast to be £23.7m higher than in 2010-11. The inclusion of the School of Pharmacy in the accounts since January 2012 had resulted in an increase in revenue of approximately £12m. It would be necessary to absorb a £2m clawback from RCUK following the Wakeham review; for accounting purposes this was shown in the update as a cost.
- 45.5 An adverse variance was currently forecast in respect of Corporate Support Services, principally due to unbudgeted costs relating to the Stratford development, an agreed overspend on the Smart IT project, and a scaling down of the forecast of release of deferred capital grants following a review of the fixed asset register.
- 45.6 Capital expenditure was currently below budget as several Bloomsbury Masterplan projects were behind schedule.

- 45.7 There had been an improvement in the debtors' position, with total net debt down £16m over the last year. A substantial payment of NHS debt was expected in the coming days.

Discussion

- 45.8 FC members suggested that the chart of .s10.98 1 sugghesugTae18s(t)5(o009 Tc

lack of historical precedent for universities going bankrupt, and the ongoing process of change in the USS, were also noted.

46.6

It was clear that UCL's OFFA targets remained challenging. UCL had experienced a greater than average decline in applications from those groups to which it was committed to seek an increase in intake over the period 2012-2017. Conversion rates remained uncertain. The inevitable increase in competition for applicants from these groups with grades AAB+ was noted.

46.7

The Senior Management Team had reaffirmed its commitment to 4 year PhDsgrades