



A MEETING OF THE BOARD OF TRUSTEES 2015-16 WAS HELD
AT 5PM ON 26 JANUARY 2016 IN THE BOARD ROOM

1 FEB 2016

BT-162-M1

MINUTES

Present: John Palmer, Luke Thompson, James Bowker, Max Crawford, Jess Excell, Rosie Harvey, Richard Taylor, Dan Leedham, Matt Gill (UAC Chair), Ashlea Prescott, James Rowe, Jonathan Ako, Doug Livingstone.

In attendance: Andy Parsons, Louisa Todd (Secretary).

Present for item 4 only: Chris Frostwick (Grant Thornton)

1. **Apologies:** Andy Doyle, Harish Pesala.
2. **Register of interests.**
Any updates please notify LT(S).
LT declared a conflict of interest for Item 8; he will leave the room for this discussion.
Members should note that items discussed at this meeting are commercially sensitive and confidential.
3. **To approve the minutes of the previous meeting and to deal with matters arising not elsewhere on the agenda – BT-161-M2.**
Minutes available for download on the papers website.
The minutes were approved.
4. **To receive the Audit findings and Year End Accounts for 2014-15 presented by Chris Frostwick of Grant Thornton.**



LSU Audit Findings
2015 - Final.pdf



LSU final
accounts.pdf



LSS final accounts -
full.pdf



LSS final accounts -
abbreviated.pdf

RT asked the Board to note that the university has not and will not give a formal commitment to underwrite the Union in the event of a serious financial event.

The operation of LSS "gift aiding" its profits back to the Union is a standard charitable/business practice. The shares of LSS are owned 'in trust' by AP and Paul Barlow – in effect this means the shares are owned by the Union. The issue with the Nursery trading with 'non-members' has been resolved by forming an HMRC-approved VAT group (we can make inter-company transactions without attracting VAT). In future the operations of the Nursery will be undertaken by LSS ltd with staff will continue to be employed by LSU but the costs will be recharged to the Nursery.

There is an amount owed to the university which has not yet been invoiced (c£96K). This has been accounted for on the basis that the university will bill for this due course.

GT have highlighted the risks of 'ghost' student staff employees being paid fraudulently though there is no evidence that this has occurred it has been highlighted as a substantial risk. There are sufficient checks and number of people involved in the chain to prevent

fraudulent additions to the payroll. It was agreed that controls might be improved by requiring staff to sign in electronically using their student ID cards, it was agreed to investigate implementing this additional control.

DLi queried the increase in VAT liability. AP stated that we have an informal reserve to match the VAT (an informal cash contingency) and this matches the figures stated. From next year we are making a formal provision to match the actual benefit (a change in policy where we will also be more conservative on which events are exempt). There is a guarantee that we are not increasing our liability. Over time some of our liability may drop out on the 4-year rule (the 4 years is from the date the tribunal rules against us). Any surplus can go towards building our cash reserve. We do not expect to lose the *entire* case. There are several cases running concurrently; we are in the group that is going to tribunal first. The first tier tribunal may occur in April/May. HMRC may of course appeal, as may we. There is no 'final amount' that we can be given. We have yet to see the Barrister's Opinion. **AP will chase up the Barrister.**

The Board is assured that the Union is a going concern for the next 12 months.

RT noted that he is concerned with non-UK students working across both organisations as this may exceed their permitted hours. It was suggested that the two bodies work together to ensure the latest regulations are followed. **LT and Sue Lucas to follow up.**

The Board approved Audited Accounts and they were duly signed by the Chair, VP Finance and VP Democracy. The Board noted that AP was signing the LSS Ltd accounts that were also presented to the Board for information.

5. **To discuss the Union long term finances and building options and to receive an update from the working group.**

[NB notes available for download from the Papers website]

The working group met before the Board meeting today. JP summarized the meeting. The next step is for the Union to commission a consultant to look at the commercial and income generation and future potential along the lines of the proposed options. This will allow us to analyze where the funding would come from and how successful it might be. This is scheduled to start asap and to be brought back to the March meeting – **AP and JP will begin the commissioning process.**

6. **To receive a financial report and management accounts to December 2015.**



Commentary on
December 2015 Man

JB presented the report.

The Nursery's fee structure has changed such that the days are split into full and half days rather than hourly slots. DLi is concerned that the Nursery does not seem to be performing any better. AP agreed that it is an area of concern and stated that the fee structure simplification was intended to bring in higher occupancy (constant figures), and it hasn't. RH stated that the timing of the restructure may have been a factor, plus the change in management since October. JP suggested this be a focus for the next meeting from a commercial context point of view.

The PRS payment is for our music licensing, which is paid at a slightly different time of year annually.

7. **To elect board members to the Board of Loughborough Student Services.**

2 student members – Luke Thompson and James Rowe.

1 lay member – Doug Livingstone.

Meetings will normally be scheduled to take place after LSU Finance and Management Committee meetings.

8. To receive a report from the Executive.



Exec Report 260116
(1).docx

JE presented the report. The VP Postgrad will not be going ahead this year due to funding. The other sport post is being revised and discussed and will be brought back to the next meeting.

9. To receive and approve a report from the Union Director - AP.



Union-Director-rep
orjan16-1.docx

AP presented his report and demonstrated Tableau (which the Executive will be using very soon to design queries etc). The current intern will be training permanent members of staff to use this software. DLe suggested a commercial training course; these are very expensive.

10. Any items referred to the Board from Union Affairs Committee and vice versa:

a) *Exec pay when re-running*



Exec Pay when
rerunning.docx

The Board approved the proposal of 5 days paid leave and any further leave to be unpaid.

b) *Changes to Executive job titles*



Exec Titles
Proposals.docx

Noted.

c) *President's job description*



President Job
Description.docx

The responsibility for Alumni has been added to the job description (and removed from the part time officer).
The Board approved the changes.

d) *Changes to Schedule VII (Action)*



SCHEDULE
VII.DOCX

Removal of some outdated institutions and inclusion of policy approved at the Action general meeting.
The Board approved the changes.

e) *NUS Delegates Candidates' Pack*



NUS Delegate
Elections 15-16.pptx

Two spaces are co-opted by the President and VP College.
The Board approved the pack.

11. **Institutions.**

- University: no items.
- College: no items.

12. **Any other business.**

- a) **FMSC meeting minutes will be forwarded in due course.**
Noted, to be approved offline. *[NB available for download from the Papers website]*
- b) **Template for Board papers**
A template for papers will be provided, to begin from the next meeting.
[NB available for download from the Papers website]
LT will circulate.

13. **Date of next meeting** – Tuesday 1 March 2016, to be preceded by Building Development Working Group.