

Meeting of the South Bank Academies Board

2.00 pm on Thursday, 11 October 2018
in 1B16 - Technopark, SE1 6LN

Agenda

<i>No.</i>	<i>Item</i>	<i>Pages</i>	<i>Presenter</i>
6.	Finance update <ul style="list-style-type: none">• Full year result: management accounts (August 2018)• Bank mandates• SBA Business Manager	3 - 8	NF

Date of next meeting
3.00 pm on Thursday, 6 December 2018

Members: Richard Flatman (Vice-Chair, in the Chair), Douglas Denham St Pinnock, Tony Giddings, Nicole Louis, Lesley Morrison, Richard Parrish, David Phoenix and James Stevenson

Apologies:

In attendance: Michael Broadway, Natalie Ferer and Joe Kelly

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Paper title:	Draft Full Year out-turn
Board/Committee	South Bank Academies Board
Date of meeting:	11 October 2018
Author:	Natalie Ferer
Purpose:	To Note
Recommendation:	The Board is requested to note the attached management accounts and draft full year out-turn

Summary:

The audit of the SBA accounts is underway and draft accounts have been prepared. These will be presented to the Board later in the year, and in the meantime full year management accounts are presented here.

Draft out-turn

Overall the draft out-turn for the year is £272k surplus which compares to a forecast surplus of £105k. There are two material items that are not yet included in these accounts:

- Pension adjustments relating to the Lambeth and Southwark LGPS
- Valuation of the Academy land and buildings

The pension report from Southwark has been received and journal entries are being prepared. We are still awaiting a report from Lambeth.

The Academy buildings valuation is undertaken by the DfE and guidance notes indicate that results will not be available until January, after the SBA accounts are signed. If we are able to make an adjustment before the accounts are signed, movement in land and buildings valuation go through reserves so will not impact on the overall surplus for the year.

Audit Process

The audit is underway and will continue until 26th October when a closing meeting is scheduled to take place between Trust staff and Kingston Smith. To date the following

matters have been brought to our attention which may require an adjustment to the accounts.

- Pension adjustment as detailed above
- Debit balances on some supplier accounts
- Reconciling items on the bank statement
- Academy land and buildings valuation as detailed above

Audit Committee will consider Kingston Smith's management letter on 13th November and the Board will meet to approve the accounts on 13th December.

Recommendation

The Board is requested to note the attached management accounts and draft full year out-turn

Management Accounts Report

Consolidated											
CURRENT PERIOD						YTD AND FULL YEAR					SPENT
	PY Actual	Actual	Commitments	ACA BUDGET 17-18	Variance	PY Actual	Actual	Commitments	ACA BUDGET 17-18	Variance	(%)
Income											
A0 - GAG funding	(950,219)	(833,684)	-	640,648	(1,474,332)	4,646,729	6,193,475	-	7,800,928	(1,607,453)	79%
A2 - Other Govt Grants	14,967	7,875	-	10,000	(2,125)	66,094	466,307	-	120,000	346,307	389%
A3 - Private Sector Funding	115,525	-	-	-	-	115,525	838	-	-	838	0%
A4 - Other Income	(146,689)	2,930	-	18,869	(15,939)	92,002	134,377	-	226,419	(92,042)	59%
Total Income	(966,415)	(822,879)	-	669,517	(1,492,396)	4,920,350	6,794,997	-	8,147,347	(1,352,350)	83%
Expenditure											
Staffing Expenditure											
B0 - Teaching Staff	478,288	246,567	-	232,633	(13,934)	1,642,962	2,622,353	-	2,831,603	209,250	93%
B1 - Educational Support Staff	(26,750)	70,505	-	29,262	(41,243)	156,951	579,419	-	351,144	(228,275)	165%
B2 - Premises Staffing	24,433	6,319	-	6,056	(263)	78,876	71,481	-	72,666	1,185	98%
B3 - Admin Staffing	359,946	68,518	-	45,930	(22,588)	623,335	662,204	-	551,160	(111,044)	120%
B5 - Agency Staff	26,691	17,498	-	31,125	13,627	586,631	573,581	-	372,508	(201,073)	154%
Total Staffing Expenditure	862,608	409,407	-	345,006	(64,401)	3,088,755	4,509,038	-	4,179,081	(329,957)	108%
C0 - Maintenance of Premises	(101,326)	(91,383)	-	12,020	103,403	164,241	226,657	3,097	144,240	(85,514)	159%
C1 - Other Occupational Costs	6,231	(1,131,474)	-	155,009	1,286,483	249,280	297,757	980	1,866,123	1,567,386	16%
D0 - Educational Supplies and Services	20,882	38,890	-	52,185	13,295	283,781	510,848	28,522	626,271	86,901	86%
E0 - Other Supplies and Services	(152,028)	63,373	-	51,387	(11,986)	483,760	761,690	1,348	906,220	143,182	84%
F0 - ICT Costs (Non Capital)	5,571	10,573	-	-	(10,573)	41,643	64,115	2,030	-	(66,145)	0%
G0 - Staff Development	7,956	13,046	-	6,251	(6,795)	83,413	103,131	-	75,004	(28,127)	138%

H0 - Other GAG Expenses	(45,664)	(27,452)	-	-	27,452	(45,469)	(480)	-	-	480	0%
I0 - Depreciation	262,685	49,906	-	-	(49,906)	262,685	49,906	-	-	(49,906)	0%
Total Other Expenditure	4,308	(1,074,521)	-	276,852	1,351,373	1,523,334	2,013,624	35,977	3,617,858	1,568,257	57%
Total Expenditure	866,916	(665,114)	-	621,858	1,286,972	4,612,089	6,522,662	35,977	7,796,939	1,238,300	84%
Surplus / (Deficit) excl. Capital	(1,833,331)	(157,765)	-	47,659	(205,424)	308,261	272,335	(35,977)	350,408	(114,050)	

	CONFIDENTIAL
Paper title:	Banking Arrangements
Board/Committee:	South Bank Academies Board
Date of meeting:	11 October 2018
Author(s):	Natalie Ferer, Financial Controller
Sponsor(s):	Nicole Louis – Chief Executive Officer
Purpose:	For Approval
Recommendation:	Approve changes to the Trust's bank mandate

1. Executive Summary

Due to changes in staff, it is necessary to update the Trust's bank mandate. The proposed changes are set out below.

2. Background

Currently the following are signatories to the Trust's bank accounts:

Nicole Louis – Chief Executive
Richard Flatman - Director
Natalie Ferer – Group Financial Controller
John Taylor – Principal
Dan Cundy - Principal
Kam Baines – Assistant Principal

All payments require the authorisation of any two signatories. Bank reconciliations are prepared for each bank account at least monthly and are reviewed by the University Financial Controller or a member of the University Finance team.

3. Changes to the bank mandate:

It is recommended that Clym Cunnington, who starts employment as the Trust's Business Manager in October, be added to the bank mandate.

The Trust is in the process of recruiting an Executive Principal and it is recommended that, on appointment, they also be added to the bank mandate.

4. Recommendation

The Board is requested to:

- Approve changes to the Trust's bank mandate