Healthy Minds Finance Sub Committee Meeting

Videoconference

Wednesday 21st October 2020 12.00 - 1.50

1. Welcome, Present and Apologies

Present: Ann Dower, Jonny Glenn, Freda Davis, Jonathan Morrish (Chair), Paul Hunt

2. Minutes and Matters Arising:

Mandate: PH is to be added to the mandate (Action: AD)

VAT registration: The committee has asked Ann to compile a list of all outgoings where VAT is charged. (Action: AD)

Expenses policy: This action is outstanding from the last meeting. Diane and Peter have reviewed the policy and forwarded it to Ann. Peter and Ann will undertake a further review and forward the policy to JM for consideration at the next finance subcommittee meeting. (Action: AD/PB)

New bank account: Ann was in the process of opening a new instant access, interest bearing bank account. This would ensure that we do not hold in excess of £85k in any one bank account. A balance of £27k has now been transferred into the Shawbrook account with a further £23k to follow(Action: AD). The only account found to be open for new business is a Unity bank account.

Upper Valley Project: All income has now been received on this project.

Bearders Fund: Income had been received but it was held on behalf of an individual. JG proposed that the money should be offered back to the Bearders Fund (Action: JG)

MIND funding: The Mind funding application for £20k was superceded by a Lloyds application for £15k. An amount of £9k has subsequently been received from Lloyds which is to be used for the Welfare Rights project. MIND are apparently now revisiting our original application.

Christians Together: An invoice for £10k has now been received and paid.

Todmorden allotment: A written agreement is now in place so the action has been closed.

Unrestricted income: The £37.5k balance previously showing in unrestricted income has now been moved to grants.

3. Update on 19/20 final accounts and audit

The only outstanding item is a £500 discrepancy between the payroll and accounts. Ann stated that as the control account balances it must be a misposting. She will investigate the discrepancy but it should not impact on the audit as it is not sufficiently material (Action: AD) All committee members expressed their thanks to Ann for all her hard work in ensuring that the final accounts and audit process had been completed swiftly and accurately.

4. Latest financial position

The committee reviewed the latest profit and loss statement from Sage showing the half year position. Donations are not currently budgeted for so they have led to a welcome bonus so far this year of £28k. Ann commented that the funds balance brought forward is income that relates to 20/21 expenditure. JM queried

the large underspend on project worker costs and this is a consequence of delays in recruiting. Conversely there is an overspend on project manager costs and the conclusion reached was that the budget is probably understated. A review is required to ensure that the budget reflects anticipated actuals (Action: AD). There was a discussion about office rent which is currently showing a large underspend but this is due to the Henry Smith funding being applied to this budget.

5. Recent and future funding

JG reported that there is a shortfall in funding for the Todmorden project. This has arisen due to a misunderstanding over the level of matched funding to be received from the Community Foundation. The financial consequence is a shortfall of at least £15k to cover Q4 for Todmorden. JG mentioned that he has 11 different avenues to explore in order to secure additional funding and that unrestricted funds would only be utilised as a final resort. Funding streams would also need to be identified to ensure the viability of the Todmorden and Hebden projects beyond March 2021 (Action: JG). One potential source of funding is from the Winter Resilience monies for which the CCG is currently seeking applications. It was agreed that JG would notify staff of the Finance and Development Subcommittee recommendations and the issue would be discussed further at the November board meeting (Action: JG).

JG stated that proposals are going to cabinet in November 2020 to secure future funding for the Money in Mind and Roshani projects.

6. Funding strategy, priorities and risks

JG reported that he had recently attended a training programme covering funding strategies and income diversification. This requires trustee participation in an organisational maturity assessment exercise. JG agreed to circulate the funding strategy paper to all trustees and request their input and feedback into the process (Action: JG). Team leaders would also be invited for their feedback at a later date. JG mentioned that there has recently been a change in NHS commissioning strategy which may provide opportunities for the organisation. He would be presenting a paper on strategic direction to a future board meeting (Action: JG).

7. Standard financial reporting to Board meetings

There was a discussion about routine financial reporting that should be presented to each board meeting. JM suggested that the monthly profit and loss statement from Sage would be the most informative update for trustees. This clearly compares actual against budget for all income and expenditure lines and shows the overall position on the bottom line. There are currently a few anomalies that require adjustment which Ann agreed to address (Action: AD). However it was agreed that the latest half year statement, which has been attached to these minutes, should be taken to the November board meeting (Action: JM). An adjusted statement showing the 7 month position would then be taken to the December board meeting following initial review by JM (Action: JM).

8. Review of financial controls

The committee agreed that this was a large agenda item and most of the next meeting should be devoted to discussing it in detail. PH suggested that all committee members should review the CC8 paper on financial controls and also a paper acquired from the Women's Council and identify 3 key controls that should be implemented by Healthy Minds. JM agreed to forward the two documents to all committee members and arrange another subcommittee meeting prior to the December board meeting (Action: JM).

9. Matters to take to Board meeting

JM to table minutes with cover note at next meeting of the board (Action: JM).

10. A.O.B.

JG reported that the landlord has accepted our proposal for a new 3 year lease on the existing terms. It is £19k and has an 18 month break clause.