

The Geological Society of London

## MANAGEMENT AND FINANCE COMMITTEE

### Minutes of the meeting held 4 September 2008

PRESENT: L Frostick (Chair), A Fleet, E Derbyshire and N Rogers

APOLOGIES: I Bartholomew, M Culshaw, A Law, D Manning and A Watts

With: E Nickless (Executive Secretary), M Kyriakides (Finance Director), N Marriott (Director of Publishing), and S Culver (PA to Executive Secretary)

#### 1. APOLOGIES

Apologies had been received from I Bartholomew, M Culshaw, A Law, D Manning and A Watts

#### 2. MINUTES OF THE LAST MEETING HELD 5 JUNE 2008

These were agreed.

#### 3. MATTERS ARISING

##### 3.1 *Development and Fundraising Committee*

The Executive Secretary reported that the inaugural meeting of this Committee had taken place on 26 June and agreed to prepare a brochure highlighting the role of the Society and its future aims. An initial draft has been prepared by the Executive Secretary and the Conference Manager and is with the chair of the Committee for comments.

The Executive Secretary also reported that he is awaiting written confirmation from Shell that they will be funding a series of 6 university lectures per year over 3 years at a cost of £50k + VAT/year. The payment will allow the Society to purchase equipment to record and broadcast the lectures.

##### 3.2 *Fire Risk Report*

The Committee noted that all outstanding actions had been completed. It noted that Fire Risk will continue to be kept under review and agreed that this item may be discharged from the agenda.

##### 3.3 *Operational and financial risk assessment*

The Finance Director reported that this is a working document which will be reviewed regularly. He confirmed that its existence is a requirement of the Charity Commission and that he will also bring it to the attention of the Society's auditors.

##### 3.4 *Draft Management Letter*

The Committee asked the Finance Director to discuss the responses with the Society's auditors to ensure that they are content with them before the year end. He was asked to do this as soon as possible and in any event before the Audit Panel meeting

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scheduled for 29 October.

The Director of Publishing confirmed that he is content with the responses relating to the Publishing House.

#### 4. REPORT ON PUBLISHING (MFC/23/08)

The Committee noted that some progress has been made in identifying possible actions against a range of publishing scenarios and noted the annex to this paper giving details of how the Society will handle the transition to electronic delivery to Fellows.

The Director of Publishing reported that there are a number of areas which will require new approaches in the future. These mainly concern the migration from primarily print to electronic. The paper set out the cycle of events from 2009 to 2011:-

- In 2009 Fellows will have the option for the first time to stop taking the print version of journals and having access to online-only. Fellows will have to say positively that they do not want print copy.
- In 2010 Fellows will be offered the option of online-only on an opt-out basis (i.e. Fellows must actively choose to take print if they want it) with no price differential.
- From 2011 all Fellows' subscriptions will be online-only with a print copy available at additional charge.

The Committee noted that the net financial impact is very much in the Society's favour but that there are disadvantages:-

- Potential loss of the Society's visibility.
- Reduction in sales of advertising space.
- Loss of promotional opportunity for items such as book titles and conference events.

The Finance Director said that there are still financial advantages in spite of VAT being payable on online access at 17.5%. He also said that he has kept the VAT inspector informed and will be covering this issue in his closing letter to the inspector.

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The chair asked about printing books on demand. The Director of Publishing replied that this is an area which is being addressed as part of looking at the wider issues. The Secretary of the PMC, Nick Rogers, was advised that this committee would like to be kept abreast of developments. Nick Rogers will also talk to colleagues at the Open University about exploring engagement with younger groups to find out their preferred ways of getting information. It was suggested that this could be a joint project with the IMC.

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#### 5. GEOLOGISTS' ASSOCIATION (MFC/24/08)

This is reported in the confidential annex.

#### 6. HEALTH & SAFETY (MFC/25/08)

The Committee noted that:-

6.1 There have been no accidents or near misses reported since the last meeting of the Management & Finance Committee.

6.2 BBi Alternative Solutions, the Health & Safety consultants, are currently compiling a new Health & Safety manual. They will also be carrying out a risk assessment on 2

October 2008.

- 6.3 The five-year test on fixed wire circuits has been undertaken by Powerplus and their report was marked unsatisfactory. The recommendations have been implemented.
- 6.4 The counter terrorism session organised by the Royal Society of Chemistry was postponed due to an insufficient number of attendees. The matter will be discussed at the next meeting of the Courtyard Secretaries on 2 October.
- 6.5 A fire drill took place on 25 June involving a mass evacuation of all the Courtyard Societies. It was agreed that it was both successful and instructive.
- 6.6 There was a positive response from staff both at Burlington House and the Publishing House to recruit additional First Aiders. Training will take place during September.

## 7 REPORT OF THE TREASURER

### 7.1 June and July Management Accounts (*MFC/26/08*)

The Treasurer reported that the apparent drop off in Fellow subscription income and a reduction in room hire receipts seen in earlier months are no longer of concern and income is on or ahead of budget. However, book sales income is still a concern mainly due to slippage between months in the publication of books. By August the number of books published to date is expected to be back on target. The Director of Publishing said that book sales in July and August were good including those in North America and there is also unbudgeted income from the electronic publication of the PGC5 proceedings.

The Treasurer said that in June and July the variance has been fluctuating in various areas but the total variance was in the right direction which gives comfort for the year-end forecast. This is in spite of the likelihood that the Publishing House will be under the projected budget.

The Finance Director reported that the year end is looking more positive and he is cautiously optimistic that the Society will break even. There will be more certainty in predicting this as the year progresses.

### 7.2 Remuneration Panel (*MFC/27/08*)

This is reported in the confidential annex.

### 7.3 Investment Panel (*tabled*)

The Committee noted the minutes of the meeting held on 22 July and noted the expectation that UBS will produce the annual return of £200k.

### 7.4 Catering for Standing Committees (*MFC/29/08*)

The Committee noted the disparity between catering for the various standing committees. It noted the minimum waiting staff fee of four hours levied by the caterers and that this is split between meetings but that when there is only one meeting it is charged the full waiting staff fees. The Committee agreed with the proposal that catering should be standardized with the Committee chair or Society staff member deciding whether offering lunch is essential and, where appropriate, using a service such as Marks & Spencer to deliver platters of sandwiches. Committees will also be encouraged to use the tea and coffee making machines set up in each meeting room. It was also noted that where necessary the Society staff member responsible for servicing that Committee will fetch from the catering kitchen and set up/clear away any biscuits, water or juice required.

7.5 Room Hire Rates 2009 (MFC/30/08)

The Committee agreed that these room hire rates will be effective from 1 January 2009 (not 1 October 2008 as shown on the paper) which represent rises of between 4 and 5% across the three categories of user and hire periods.

7.6 National Young Scientists and Engineers Fair (MFC/31/08)

The Committee noted that the President has received a letter from Sir Tom McKillop, President of the Science Council, requesting financial support for the first National Young Scientists and Engineers Fair to be held at the QEII Conference Centre in March 2009. The Committee agreed that the Society should offer a donation between £1,000 and £2,500 and asked the Executive Secretary to take this forward.

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8. PROGRESS AGAINST THE BUSINESS PLAN (MFC/32/08)

The Committee was pleased with the presentation of the business plan and approved the proposal that the costs of additional activities recommended by the review groups be provisionally included in the budget for consideration by Council on 17 September. However, during discussion on the next item the Committee decided that the £13.5 one-off cost to acquire Fellows' remote access to Elsevier back content (R-11) should be funded from within the library budget and that meeting programme development (R-12) should be reduced to £5k and be used for the Janet Watson Meeting. The Committee also suggested that when the paper goes to Council in September, review groups which have not formally reported or otherwise completed their work should be clearly identified, and recommendations made regarding whether and how these areas of activity are to be taken forward.

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9. BUDGET FOR 2009 (MFC/33/08)

The Committee noted the paper and made the following comments:-

Annex E – Council Room Refurbishment: the Committee agreed that this refurbishment should continue bearing in mind the importance of maintaining the fabric of the building.

Annex E – Student Scholarships: the Committee agreed that it is unlikely that sponsorship will be available in 2009 and there was also concern about the staff time that would be required. Agreed that it should stay but at a different time.

Annex F – should be Lyell “Centre” Development

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Annex G – impact of budget on free reserves (general and designated): the Committee was content with these figures and was pleased to see a more favourable impact on reserves.

Annex I – the Committee agreed all the items with the exception of R-11 (£13.5k one-off cost to acquire Fellows' remote access to Elsevier back content) which they suggested should be found within the library budget; and R-12 which they reduced from £10k to £5k to be used for the Janet Watson meeting. The Committee thought the larger budget requested should be against a clearer plan. The total cost of the R items detailed in this annex now totals £40k, a reduction of £18.5k.

The Committee agreed that the revised draft budget should go to Council in September stating that it is a progress report and asking for their comments. It should also be highlighted that a large piece of work has been done to look for savings and that the amount that will have to be drawn down from reserves, based on the current figures, is more favourable than it looked previously. This paper must also contain

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information about the 2009 Salary Review – see minute 7.2.

8. STAFF CHANGES (*MFC/34/08*)

The Committee noted that Sarah Day has joined the Society as Earth Science Communicator. It also noted that Daniel Milner, Website Administrator, left the Society.

9 ANY OTHER BUSINESS

There was none.

10. DATES OF FUTURE MEETINGS

11 November, 14 January and 1 April (please note that this has moved from 25 March)

Adam Law has given his apologies for the 11 November 2008 meeting.