

**Minutes of the Esteem Multi-Academy Trust Annual General Meeting
 Wednesday 4th December 2019 at Pure Offices at 6.30pm**

In Attendance	Role
Kevin Dean (KD)	Member/Trustee
Ian Coker (IC)	Member
Bernadette Hunter (BH)	Member
Julian Scholefield (JS)	CEO
Mandy Lee (ML)	COO
Ian Van Arkadie (IVA)	Trustee
Dawn Butler (DB)	Trustee
Christopher Griffin (CG)	Trustee
Craig Kennady (Chair)	Trustee
Mark Emly (ME)	Trustee
Carolyn Halpin-Rose (CHR)	Newly appointed FD
Liz Searby (LS)	Auditor- UHY Hacker Young
Louise Tawn (LT)	Auditor- UHY Hacker Young
Rebecca Bage (RB)	Clerk

Quorate

01-12/2019 Welcome and Introductions

KD welcomed attendees and positioned the meeting. RB explained the requirement to nominate a chair for the meeting and advised that KD had expressed that he was happy to be considered for nomination. No other attending members wished to be considered and KD was voted in as Chair. KD shared that later in the meeting there would be discussion around the position of chair in relation to audit feedback.

KD led introductions and welcomed the attending auditors, LS and LT, and CHR who had been recently appointed as Finance Director. CHR shared a brief overview of her background and expressed that she was looking forward to taking up her position when she joins the central EMAT team on 6th January 2020.

02-12/2019 Apologies for Absence / Declaration of Interest

RB advised that apologies for absence had been received from Peter Hamer (member) and Greg Longley (trustee). Apologies were accepted. There were no declarations of interest and attending members confirmed that there were no changes to report from the previously completed declaration of interest forms.

03-12/2019 Matters Arising / Items of Any Other Business

There were no matters arising and no items requested to be considered as AOB.

4.1 Presentation of Audited Accounts

KD positioned the item and handed over to LS and LT. A copy of the EMAT Draft Annual Report and Accounts for the year ending 31st August 2019 had been circulated to trustees ahead of the meeting and a copy was handed out to the other attendees. LS guided attendees through each page and drew attention to the following key areas;

Trustees' report - attendees were appraised of the reported total reserves and LS referred to note 19 of the accounts related to pension obligations.

Going concern – the accounts state that *“the Trust Board has a reasonable expectation that the multi-academy trust has adequate resources to continue in operational existence for the foreseeable future”*

Governance statement – review of value for money and evidence provided around how the Accounting Officer has delivered improved value for money during the year.

LS and LT advised that ,whilst it is reported within the accounts that the Trust Board has considered and appointed UHY Hacker Young to undertake external audit, internal audit and accounting services for the EMAT they are not involved with the internal audit.

Statement of trustee responsibilities – trustees were guided through the key requirements of them.

LS advised this was a positive, unmodified, unqualified report and auditors had not found anything that needed to be brought to the trustees' attention.

LS went on to discuss the figures contained in the Statement of Financial Activities including the income and expenditure account. **A trustee asked** a question with regards to the unrestricted income funds detailed on page 27 of the accounts and LS explained the background to the figure and difference to last year. She also provided an update in relation to the pensions deficit and explained the reasons for this. There was discussion and thoughts shared on actuarial assumptions.

LS positioned the Statement of Cash Flows and there was discussion with regards to the movement from last year, net cash and money received from capital items. LS drew attention to the narrative and figures on page 35 and 36 (critical accounting estimates and areas of judgement) and flagged that the figures may change as they are based on actuarial figures and assumptions. LS continued to highlight key figures contained in the 'Notes' and highlighted to attendees that all of the analyses are set out by the ESFA and reminded all that last year's figures were just based on one month due to the infancy of the EMAT.

There was discussion with regard to the notes related to tangible fixed assets (page 42) and LS moved on to focus attention of the balance sheets. LS qualified that that the figures referred to on page 43 were based on what monies are held in the bank at the time of calculation and went on to position the carried forward balances.

LS reported that the auditors had not found any non-disclosed related party transactions and concluded her report by going through each of the academies identifiable assets and liabilities transferred via conversions during the reporting year. **A trustee asked** if there was a limit that can be held in cash reserves and LS advised that there was not a defined limit but the ESFA required trusts to find a balance.

LS checked with attendees that there were no further questions and handed over to LT to present the Audit Management Letter which had been circulated to trustees ahead of the meeting and handed out for reference to the other attendees.

4.2 Presentation of Audit Management Letter (AML)

LT presented the AML positioning that it had been prepared for the trustees to bring attention to those charged with governance any matters arising as a result of the audit. She explained the scope of the audit, approach taken, reported on any identified risks and issues and set out the recommendations contained in the report. Both LS and LT expressed how positively the auditors had been received when speaking with EMAT staff and acknowledged the hard work carried out both prior to and during the audit in providing the required documentation and files and responding to queries. They thanked the members of staff present and asked trustees to pass on their thanks to all of the staff who had been involved within the EMAT. Trustees noted the significant risks and conclusions set out from pages 9 to 13 and LT drew attention to the status of issues raised in the previous year. She confirmed that **the auditors had not identified any significant deficiencies in internal control during the 2019 audit** and that some areas where minor improvements could be made had been identified and noted in the report.

Each recommendation was explained by LT and trustees noted that the report contained the management response provided on the recommendations. There was discussion around recommendations and views shared. **KD asked** for further clarification with regards to the recommendation on page 22 suggesting that the role of Chair of Trustees and Member be separated. Thoughts were offered on this and the trustees and members agreed that an appropriate way forward would be to refer the matter to John Walker, Flint Bishops, to consider and advise on.

Action(s) :

- ***RB to contact John Walker to ask for advice re audit recommendation related to dual role of Chair of Trustees and Member.***
- ***KD to advise trustees and members of outcome of advice and discuss any action required at July meeting with members.***

LT moved onto the detail contained in Appendix I and went through Appendix II confirming that there were no unadjusted audit differences to bring to the attention of trustees. Appendix III and IV were discussed and LT concluded her report. Views were shared with regards to benchmarking and **CHR asked** if the auditors could factor in a special school benchmarking report and they agreed to consider this further. ML shared that the ESFA has benchmarking data which will be considered at the next finance and audit committee meeting.

KD thanked LS and LT for their reports and all present agreed that the way in which the reports had been presented and the positioning of the data had aided understanding of the EMAT's financial position. Members and trustees gave positive feedback and expressed that it had been useful for the accounts and reports to be presented in this way and to be talked through the detail and findings.

Decision/Approval: Approval and formal sign-off of Annual Report and Accounts for the Year Ending August 2019

A break was taken at 19:35 allowing for the required formalities of **sign off by the CEO (Accounting Officer) and KD (Chair of Trustees)**. LS and LT left the meeting at 19:45.

The meeting reconvened and KD handed over to JS to present his CEO update.

5.1 Trust Achievements 2018 – 2019

JS discussed with members what he felt were the key achievements over the last 16 months which included;

Growth – JS shared that the MAT has grown from a trust of 7 academies to a trust of 10. He explained that starting with 7 meant that there was a lot to do from the very start and reported that the MAT;

- started with 650 pupils, now we have 1055
- started with 582 staff, we now have 650
- started with an overall income of about £15m now we have £22m

Central capacity – JS reported on the infrastructure development that has been required to efficiently manage a growing trust. He shared an example of this related to finance explaining that initially the organisation structure started off with an FD and a finance assistant but now there is a COO, with an FD and 1.5 finance administrators. JS explained that the central team had been built incrementally, but not in an ad-hoc or unplanned way. He shared that he and his senior team have built capacity in advance of need, as not to do so would have caused difficulties. Some temporary seconded roles were used to test whether or not they were required permanently. These included the Finance assistant, HR manager, Early help manager and School Improvement advisor.

Governance – JS advised that priority had been given to developing a governance structure that was both strong and reflects the ethos of what brought the schools together to form a trust. He explained that the approach had always been to keep as much autonomy with the individual schools as possible, whilst ensuring that the Trust was accountable for financial viability and educational performance. The approach taken was to avoid directing schools too much in how they do things, so long as the outcomes are good. There was discussion and JS shared an example of when a school had had to be supported more directly.

Audit – JS reported that the MAT has successfully been through two sets of internal and external audits, as well as an additional audit last year by the ESFA.

Finance – JS shared that finances had been managed very carefully to ensure that the Trust remains viable and that there is full awareness of the financial risks involved in being the kind of MAT where there can be variabilities to pupil income. He explained the use of top-slice and which financial decisions were made at school level. He discussed how the Trust has and will continue to consider ways of using resources better to improve outcomes for pupils sharing 'Early Help' as an example of how pooling funds can be a way of providing something better for pupils than if schools did it on their own. He went on to share how operating as a MAT had aided financial negotiations with local authorities and that some success had been achieved e.g. agreeing higher top-ups and place numbers.

Education – JS advised that the focus this year had been on the Trust's educational offer, reporting that our schools are successful and solid foundations in governance and finance were put in place first. He shared that a school improvement lead was in place with a clear plan and systems for delivering school improvement. Work also continues with external partners i.e. Matrix Teaching School Alliance and Learners' Trust to deliver more school improvement as capacity increases.

5.2 Priorities for the year ahead:

JS shared that the following were priorities for the year ahead;

- **Additional schools joining the trust and the potential for opening free schools**
- **Developing the educational and school improvement offer to ensure that each school within the Trust is at least good by the next academic year, when Ofsted start inspecting our schools again**
- **Using resources to provide more services e.g. therapies**
- **Improvements to school buildings**

KD thanked JS on behalf of the members for his update and asked attendees if there were any questions they wished to raise. **A trustee asked** about the timescales related to the Free School applications and if there was an indication that we may be successful. JS and ML share their thoughts on this and advised that firm timescales had not been communicated. They shared that it could be likely that the upcoming election may impact on the timescales and advised that ultimately the final decision will rest with the Secretary of State. A trustee shared his thoughts on the progress of the EMAT and how far the organisation had come in such a relatively short time. Members and trustees also gave positive feedback and asked that JS pass on their appreciation and thanks to the staff.

06-12/2019 Resignation/retirement/election of Trustees or Members

RB advised members that Paul Brown had stepped down from his role as a trustee in April 2019 and Christopher Greenhough had resigned from his role as a member in September 2019. No new trustees or members have been appointed and there were no nominations for either role for consideration at this time. RB and KD appraised members that following a recent trustees skills audit there were two areas which it was felt the board could benefit from bringing in additional skills and experience. These were finance and estates management. They also shared that a new trustee was expected to be co-opted to the Trust Board in the coming months who had a strong financial background and financial qualifications. Another individual had also expressed an interest in finding out more about the EMAT and the role of a trustee and has been invited to meet with JS and RB in the new year.

07-12/2019 Questions from those in attendance

RB advised that there had been no questions sent to her from members ahead of the meeting. **KD asked** members if they wished to ask any questions and none were raised.

08-12/2019 Items of AOB

No items of AOB requested.

09-12/2019 Date of 2020 AGM / Meeting Close

KD discussed with members the required frequency of members meetings. Members agreed that two meetings per academic year would be preferable holding one meeting around June/July time (to meet before a Trust Board meeting) and an AGM between December and February. The next members meeting will be scheduled for **5.30pm on 8th July** and will be held at the Esteem central offices.

KD brought the meeting to a close thanking all attendees, on behalf of the members, for their contributions and open discussions and the clerk for organising and planning the meeting.

Summary of Actions

Agenda Item	Action	By whom	By when
4.1-02/2019	<i>RB to contact John Walker to ask for advice re audit recommendation related to dual role of Chair of Trustees and Member.</i>	RB	31/12/19
4.1-02/2019	<i>KD to advise trustees and members of outcome of advice and discuss any action required at July meeting with members.</i>	KD	31/01/20

Governance Requirement: Minutes signed as true and accurate record by Chair of Members.

<p>Signed: <i>Benedetto M. Thunke</i></p>	<p>Date: 08/07/20</p>
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