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MEMBERS OF SHARE MULTI ACADEMY TRUST

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Minutes of the Annual General Meeting of the Members of SHARE Multi Academy Trust held at 8.30am at Shelley College on Tuesday 5th December 2017.

PRESENT

Mr N Wilson (Chair), Mrs A A Cooper, Mr M Dunkley, Mr V White,

In Attendance

Mrs H Tones, (Minute Clerk)
Ms S Aaron-Abel, Headteacher, Millbridge Junior Infant and Nursery School
Mr D Butterworth, Partner, Wheawill & Sudworth
Mr M Day, SHARE Multi Academy Trust Director
Ms M Guest, SHARE Multi Academy Trust Director
Ms J Newson, Executive PA to the CEO
Mr J McNally, CEO, SHARE Multi Academy Trust, Chief Accounting Officer
Mrs C Potterton, Director of Finance, SHARE Multi Academy Trust

Meeting commenced at 8:38am.

17. APOLOGIES FOR ABSENCE AND DELEGATION OF VOTING RIGHTS

- (a) Apologies had been received from Mr T Kitching (Director, consent), Ms M Lee (Director, consent), Mr N Siraj (Member, consent).
- (b) Ms M Lee had delegated her voting rights to Mr V White, Mr N Siraj had delegated his voting rights to Mr N Wilson.

18. DECLARATIONS OF INTEREST

- (a) Mr N Wilson declared his company Pink Pig International was a supplier to SHARE Multi Academy Trust.
- (b) Mr M Dunkley declared his partner was an employee of Shelley College.
- (c) Mr J McNally declared he was a paid employee of SHARE Multi Academy Trust.

19. REPRESENTATION OF MEMBERS OF SHARE MULTI ACADEMY TRUST

There were no reported resignations or appointments.

20. NOTIFICATION OF ITEMS TO BE BOUGHT UP UNDER ANY OTHER BUSINESS

- (a) Audit & Risk Assurance committee membership ratification.

21. APPROVAL OF THE MINUTES OF THE ANNUAL GENERAL MEETING OF SHARE MULTI ACADEMY TRUST HELD ON TUESDAY 6TH DECEMBER 2016

RESOLVED: That the minutes of the Annual General Meeting of SHARE Multi Academy Trust held on 6th December 2016 be approved.

22. ANNUAL REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2017

Brief introductions were held.

Mr D Butterworth spoke to the Annual Report and Financial Statements that had been circulated to all Members prior to the meeting. Copies of the Annual Report and Financial statements were circulated in the meeting.

Mr D Butterworth advised that the report and statements had been reviewed by the Audit & Risk Assurance committee on 30th November 2017. A copy of the letter sent by the Chair of the Audit & Risk committee to the Chair of the trust had been circulated prior and copy was available in the meeting. Mrs C Potterton had confirmed by email that any amendments that had been identified prior to the meeting had been done.

Mr D Butterworth advised members that the Annual Report and Financial Statements had been drawn up as required. There had been no change to the reporting standard (FRS102) applied to the 2016-17 accounts that had also been used in the previous year. The accounts presented were consolidated for all schools in the trust. The accounts included a full year in respect of Cowlersley Primary School (compared to seven months in 2015-16 from the date they joined the trust).

The Members reviewed the Annual Report and Financial Statements.

(a) Key points included:

- a. A clean report had been made by Mr J McNally, Accounting Officer.
- b. The independent auditors had submitted an unqualified report on the financial statements.
- c. A full year of accounts were submitted for Cowlersley Primary school.
- d. Total income for 2016-17 was £12.4m vs £16.2m for 2015-16.
- e. Total expenditure for 2016-17 was £14.1m v £13.1m for 2015-16.
- f. Pension – there had been a £1.976m actuarial gain over the previous financial year.
- g. Net movement in funds was £205k (surplus) vs £503k (surplus) for 2015-16.
- h. Total funds carried forward were £22.6m.
- i. The trust had £24.6m of Fixed Assets.
- j. Stock values were lower than last year due to catering at Shelley College which had been outsourced during 2016-17 and ICT stocks which had reduced during the financial year.
- k. The net current assets were reported as £949k. This was a measure of the trust's short term liquidity.
- l. Pension liability had reduced from £4.4m in 2015-16 to £2.9m. The change was due to the actuarial valuation having been updated in March 2016. The previous valuation had been done in March 2013.
- m. The trust was deemed a going concern. i.e. the trust has enough resources to meet their obligations.
- n. Mr D Butterworth informed members that the independent auditors had found no material changes that needed reporting as part of the Independent Auditor's report in the financial statement. Mr D Butterworth congratulated Mrs C Potterton and her team on the work undertaken.

- o. An external issue had been identified with regards to the West Yorkshire Pension fund and Aon. Mrs C Potterton advised that eleven months of contribution had been used by Aon to calculate the final valuation (as is normal practice). However, the resultant figure was out by the equivalent of one month's contribution. Mr D Butterworth advised that the Actuary had stated that from their point of view this variance was not material.
- p. There was no issue that would preclude the trust meeting financial reporting deadlines.
- q. Mr M Dunkley circulated copies of the Report to Management letter from Wheawill & Sudworth dated 5 December 2017. No reportable issues had been identified.

(b) Internal Audit

Mr D Butterworth gave a verbal report on the Internal Audit work undertaken during the financial period.

A separate team from Wheawill & Sudworth had undertaken the internal audit work. The audit had been on the fixed assets and had been reported back to the Audit & Risk Assurance committee. Nothing material had been identified. Mr D Butterworth suggested that an audit on systems and processes meeting GDPR requirements be undertaken at some stage.

The Chair thanked Mr D Butterworth for his report.

- RESOLVED:**
- (i) That the members approve the Annual Report and Financial Statements year ended 31 August 2017 (Unanimous)**
 - (ii) Mr N Wilson, Mr J McNally and Mr D Butterworth be authorised to sign the Annual Report and Financial statements year ended 31st August 2017 (Unanimous)**

23. SHARE MAT STRATEGIC RESTRUCTURE – APPOINTMENT OF DIRECTORS

The CEO spoke to his proposal that had been circulated beforehand. Copies were circulated in the meeting. The proposal was to appoint new directors, independent of governing bodies. The proposal has been brought to the directors meeting on 7th November 2017. It had been a contentious meeting but the directors had voted in favour of the proposal.

The CEO advised that directors should be separated from governors. Reasons for the proposal were:

- (a) The trust looked to grow further and had grown from three schools to four. Two further schools were interested in joining in the trust. One decision was anticipated next week, the other school would be allocated a sponsor by the RSC but the LA and governors were supportive of SHARE MAT.
- (b) The CEO felt that to ensure fairness, schools joining the trust should either all be represented or directors should be independent. The former proposal would be unwieldy if the trust grew significantly.

- (c) Workload of directors who were also local governors, local committee members, trust committee members and members. Focus on areas was therefore diluted as a result.

The skills of individuals had been looked at against the requisite director skills required and consultation had been undertaken. The result was a proposed list of directors for members to consider.

The CEO felt that there was also a need longer term need to look at members structure, so it too was separated from directors and governors.

The recommendations proposed were:

- (a) Recommendation 1:
To vote in favour of our proposal to appoint the following directors to the board: Mark Day, Michael Dunkley, Marie Guest, Prof Jeanne Keay, John McNally, Adele Poppleton, Nick Wilson (possibly for an interim period of 3 months), ANO: community links with HTFC / University of Huddersfield.
- (b) Recommendation 2:
The above named directors to become directors independent of single schools within the trust.
- (c) Recommendation 3:
Future recruitment to the board should be primarily based on the skills identified in the competency framework, with directors recruited through advert or approaches to academy ambassadors.
- (d) Recommendation 4:
One of the directors should also be a member.
- (e) Recommendation 5:
Chairs of governors should meet annually to elect or select a single representative onto the board.
- (f) Recommendation 6:
To increase the number of directors' meetings from 3 to 6 annually, supported by Audit & Risk, Teaching & Learning and Health & Safety sub-committees.

The members discussed the proposal and recommendations.

The chair felt that as he was also a governor at Shelley College, this could be a conflict of interest as the Chair of the Board has the casting vote. The chair said that he supported proposal.

Mr V White was also supportive as he was placed in a similar situation for Heaton Avenue as he was Chair there as well as Vice Chair of Directors. Mr V White had a concern that primary education knowledge was not reflected in the current proposal. He felt that it was essential someone on the Board has primary knowledge.

The CEO felt that knowledge of education was key. Mr C White's concern could be addressed in that the Board can invite specialists to the board meetings. The CEO has observed the same principles apply for primary as secondary education.

Mr V White also raised the subject of succession planning.

Q: When would this change be effective from?

A: From 1st January 2018.

Q: What was the number of Directors being proposed?

A: Seven. The CEO had looked at Outwood Grange Academies Trust that had six directors with over thirty schools in the trust.

It was noted that under the current Articles of Association the Chair of Directors was a Member.

The proposal included a proposed meeting structure as well as increasing the number of meetings from three to six per academic year. The recruitment process to the board would be managed by directors. Members appointed the Directors.

Mr M Day felt that the board needed an independent primary education specialist to provide challenge. Ms S Aaron-Abel suggested that if this a concern that maybe the Board look to using primary education consultants for input.

Mr M Day said that on paper there seems a gap in experience in primary education. The CEO said that governors don't necessarily have education experience but are not stopped from being governors.

Mr M Dunkley felt that by asking the right questions and questioning techniques, this would provide independence to challenge and to get answers from specialists.

Ms M Guest felt it was key to having the right people at the board meetings with the requisite base knowledge.

Ms S Aaron-Abel said that the Directors are responsible for holding the local Governing Bodies to account.

Mr M Day raised that in business that employed business specialists headed up specific functions and knowledge areas. In response to Mr M Day, Mr N Wilson advised that he used various sources of expertise in his own business that were not necessarily employees of the company.

The CEO said that the trust currently use external consultants such as Rob Jones and for safeguarding.

Mr M Dunkley suggested that for specific Director meeting agenda items that reports from experts would be sought.

It was noted that the difference between trust directors and schools were that the directors were strategic and held to account, whereas schools dealt with the detail.

Q: Have the proposed directors been asked?

A: Yes

RESOLVED: That the proposed recommendations 1-6 be approved.
(Unanimous)

ACTION: Mrs C Potterton to produce a resolution document to reflect the recommendations approved.

24. ANY OTHER BUSINESS

(a) Audit & Risk Assurance committee ratification


It was agreed that this item should be deferred to the first meeting of directors in 2018.

(b) The Chair thanked Mrs C Potterton and her team for their sterling work on the production of the Annual Accounts.


25. AGENDA, MINUTES AND RELATED PAPERS – SCHOOL COPY

RESOLVED: That no minutes of the agenda, minutes or related papers be excluded from the copy to be made available at the School, in accordance with the Freedom of Information Act.

Meeting closed at 9:33am.



Chair



Name

Signature

Date