



Swift Academies

Success will inspire future triumphs

**Finance & Resources Committee
4:30pm, Thursday 26 November 2020**

a virtual meeting held via Microsoft Teams

Present

- **Directors**
Stuart Hargrove, Keith Bernstone, Dean Judson,
Michael Garmston, Geoff Liddle
- **also**
Glen Hart (Chief Finance Officer, Swift Academies)
Sarah Jones Trust Business Manager
Tracey Curtis (Governance Partner, Avec Partnership)
Chris Beaumont (Clive Owen LLP)

<u>ITEM</u>	<u>DESCRIPTION OF DISCUSSION</u>	<u>ACTION BY</u>
1	<p>Election of Chair</p> <ul style="list-style-type: none"> • to elect a Chair to serve until the first meeting of the Autumn Term 2021 <p>Directors RESOLVED that Stuart Hargrove was elected Chair of the Finance and Resources Committee of Swift Academies to the first meeting of the Committee in Autumn Term 2021.</p> <p>Stuart Hargrove in the Chair.</p>	
2	<p>Election of Vice Chair</p> <ul style="list-style-type: none"> • to elect a Vice Chair to serve until the first meeting of the Autumn Term 2021 <p>Directors RESOLVED that Geoff Liddle was elected Vice Chair of the Finance and Resources Committee of Swift Academies to the first meeting of the Committee in Autumn Term 2021.</p>	
3	<p>Welcome, introductions and confirmation quorum present</p> <p>Directors were reminded that three Directors were required in order that decisions could be taken during this meeting of the Finance and</p>	

Resources Committee of Swift Academies. Four Directors were present: Dean Judson joined the meeting later.

A round of introductions took place for the benefit of the recently appointed Directors present, and Chris Beaumont of Clive Owen LLP.

4 Apologies for absence and their acceptance

Directors were informed that the Heads of School, the Head Teacher and Trust ICT Manager would not be attending this meeting of the Finance and Resources Committee of Swift Academies.

Directors RESOLVED that the absence of the Heads of School, the Head Teacher and Trust ICT Manager were noted.

Directors were informed that the Chief Executive Officer would join the meeting shortly.

Directors RESOLVED that the information was noted.

5 Notification of items of urgent other business

- items that the Finance & Resources Committee of Swift Academies regard are of sufficient urgency to warrant consideration at the end of the agenda.

No items of urgent other business were notified.

6 Declaration of personal and pecuniary interests

a) complete / review the Register of Interest

Directors and those present were reminded that they should update the Register of Interest to declare any relevant business and pecuniary interest and close family relationships between members or directors and/or members or directors and employees. A register should be completed annually and updated during each academic year where circumstances change.

It was confirmed that all Members, Directors and Governors had completed the Register of Interest for the current academic year.

b) to declare any personal or pecuniary interests in any matters arising from the agenda of the current meeting

Directors and those present were reminded that they should declare any personal or pecuniary interest in any matters arising from the agenda of the current meeting. No declarations of interest were made.

7 Approval of Record of Approvals

- Finance & Resources Committee of Swift Academies June 2020
The draft Record of Approvals (June 2020) had been shared with Directors prior to the meeting. A copy would be retained on file. Directors RESOLVED that the circulated Record of Approvals (June 2020) was approved as an accurate record of the e-mail exchange between Directors. The Governance Partner would arrange for the Record of Approvals to be shared with the Chair for signature. The, signed, approved record would be retained by the Trust Business Manager and shared on the relevant area of the Swift website.

Trust
Business
Manager

PART B: Annual Report and Financial Statements

8

Presentation of annual report and financial statements for the period ended 31 August 2020: Clive Owen LLP

- a) audit findings report ended 31 August 2020
- b) annual report and financial statements for the year ended 31 August 2020
- c) report of the Directors and financial statements for the year ended 31 August 2020 for Longfield Trading Limited.

The Audit Findings Report, Annual Report and Financial Statements for the year ended 31 August 2020 in respect of Swift Academies, the Report of the Directors and Financial Statements in respect of Longfield Trading Limited had been circulated to Directors prior to the meeting. Copies would be retained on file.

Chris Beaumont (Clive Owen LLP) presented to Directors the content of the Audit Findings Report for the period ended 31 August 2020, Annual Report and Financial Statements for the year ended 31 August 2020 for Swift Academies and the report of the Directors and Financial Statements for the year ended 31 August 2020 for Longfield Trading Limited.

The Governance Partner would confirm directly with Chris Beaumont the resignation and appointment date for two Members of Swift Academies Trust

Directors RESOLVED that the content of the Audit Findings Report for the period ended 31 August 2020, Annual Report and Financial Statements for the year ended 31 August 2020 for Swift Academies and the Report of the Directors and Financial Statements for the year ended 31 August 2020 for Longfield Trading Limited were noted.

Directors further RESOLVED that the Annual Report and Financial Statements for the year ended 31 August 2020 for Swift Academies are recommended to the Board of Directors of Swift Academies for approval. The report of the Directors and Financial Statements for the year ended 31 August 2020 for Longfield Trading Limited would be presented to the Directors of Longfield Trading Limited.

The Chair (Finance and Resources Committee) commented that the clean balance sheet was testament to the work of the Chief Finance Officer and the Swift Academies team.

Dean Judson joined the meeting.

Directors commented on the content of the Financial Statements in respect of Longfield Trading Limited during an exceptional year and the impact in respect of the coronavirus pandemic. A Director asked, whether Swift Academies were currently supporting Longfield Trading Limited: Chris Beaumont responded by stating that it was likely the Charity Commission would be concerned about the arrangement, and would not want to see significant lending to a subsidiary company. However, Longfield Trading Limited is not registered with the Charity Commission. There is no lending arrangement in place.

Directors asked are the amount of reserves at a reasonable level. Chris Beaumont responded by stating, yes, I would class these as reasonable reserves.

It was reported that staff employed by Longfield Trading Limited had been furloughed during the partial closure of schools and would re-open again shortly. Directors raised concerns that if this arrangement continued Longfield Trading Limited could not be considered as a going concern. The Chief Finance Officer explained this was not the case.

Directors were informed that Longfield Trading Limited operates separately to Swift Academies with the premises, equipment and 3G pitch maintained as part of the company. In addition, the facilities are well-used by the community and students of Longfield Academy. Any profits made by Longfield Trading Limited are gift-aided to Swift Academies. Since March 2020 and the partial closure of schools to pupils other than those considered vulnerable and children of key workers, the sports facilities had also closed. Despite the period of closure, Longfield Trading Limited had generated £22k profit. Since the re-opening of the sports facilities at Longfield Academy in September 2020, it was reported that there were no booking slots available.

Chris Beaumont left the meeting.

9

PART C: Business Items for Discussion
Summer Term Internal Assurance Report

The Summer Term 2020 Internal Assurance Report had been circulated to Directors prior to the meeting. A copy would be retained on file.

Directors' attention was drawn to the content of the circulated Internal Assurance Report and recommendations contained in the report.

The Chief Finance Officer discussed with Directors the recommendation in respect of IT replacement strategy: the Trust should consider implementing an IT replacement strategy so that possible costs to be incurred can be incorporated into annual and medium-term financial plans. The Chief Finance Officer confirmed that the Trust had invested funds where possible at Longfield Academy and The Rydal Academy when the budget allowed. As part of future medium term financial plans, the implementation of an IT replacement strategy would be implemented in the form of a "live" IT Development Plan & Asset Register.

Directors RESOLVED that the content of the circulated Summer Term 2020 Internal Assurance Report was noted.

10

Management Accounts 2020-2021 update

The Management Accounts Report (October 2020) had been circulated to Directors prior to this meeting. A copy would be retained on file.

2020-2021 Outturn

Directors were informed that the outturn report was prepared during a time of great uncertainty regarding the coronavirus pandemic.

Financial issues which arise from operating in a different model and further updates will be shared with Directors.

It was reported that a claim for £44k had been submitted to the Education & Skills Funding Agency in July 2020 for exceptional costs associated with Covid-19. £30k has been received to date with a decision anticipated regarding the outstanding £14k. However, additional cleaning and premises costs of £7,346 have been incurred since the claim of £44k was submitted. Although it has been suggested that a second claim may be possible, nothing has been issued to date.

Directors were informed that income and expenditure had been analysed: information was included in the circulated Management Accounts Report in respect of significant variances for this period.

Directors sought clarification in respect of school transport and the cancellation of buses due to COVID-19 and funding support. The Chief Finance Officer reported no concerns in respect of the arrangements for school transport. In early September 2020, occupancy had increased to nearly 100% with few seats available on the school transport. To date, no year group has been required to be sent home as a result of positive Covid-19 testing. However, should this happen, the school transport arrangements would be managed appropriately. Directors were informed that seating plans were in place for the school transport and that this would support the identification of pupils required to self-isolate as a result of Covid-19.

Directors RESOLVED that the content of the circulated Management Accounts Report and information presented was noted.

11

Capital Tender

Directors were informed that five of six applications to the Condition Improvement Fund had been successful and that projects had been prioritised to deal with those that caused most concern.

Information was shared with Directors during the meeting in respect of capital tenders for works to the roof at Hurworth School and The Rydal Academy and boiler replacement at Longfield Academy. Directors' attention was drawn to each project and the following cost elements:

- roofing works
- contingency and provisional sums
- overall works costs
- professional and statutory fees
- total project costs

Directors were assured that the Trust Business Manager would work with the respective contractors throughout the projects to ensure that the final account for completed works was in line with the anticipated spend. Directors were informed that where the contracts are realised at less than the grant awarded by the Condition Improvement Fund, approval would be sought from the Education and Skills Funding Agency that the balance of the grant could be used to further improve the school environment.

Directors queried whether credit checks had been undertaken on the proposed contractors: it was confirmed that checks had been completed and identified the contractors to be low risk.

Directors sought clarification whether there was any evidence that the respective contractors had been successful with contracts of a similar size: it was reported that Everlast Waterproofing Limited had been appointed and successfully undertaken work on the Hurworth School site. The project management company had confirmed that all three contractors were known to them and had successfully delivered and completed similar projects.

Directors sought clarification regarding the tolerances on each project and could the spend be pooled together. The Trust Business manager replied that we are hoping to deliver all projects on budget. We are unable to class the projects as one and they remain 5 individual projects.

Directors considered the evaluated tenders received in respect of the three prioritised projects. Directors RESOLVED that discussions commence with the respective approved contractors for works as follows:

- Hurworth School roof: NRA Roofing
- Longfield Academy boiler replacement: Parson's Contracting (Chesterfield) Limited
- The Rydal Academy roof replacement: Everlast Waterproofing Limited

12 **Appointment of Internal Auditors**

The Chief Finance Officer reminded Directors that from September 2020 it was no longer possible to engage the same company for internal and external audits.

Directors were informed that six companies had been approached, who had either been recommended or were known to the Trust. A summary of four viable options were shared with Directors.

Directors RESOLVED that Anderson Barrowcliff were appointed as internal auditors for one year (2020-2021). A detailed work programme would be shared with Directors for a decision in respect of Spring and Summer Term 2020 audit focus.

13 **Finance Policy**

The Swift Academies Finance Policy (November 2020) had been shared with Directors prior to the meeting. A copy would be retained on file.

Directors were advised that the Finance Policy had been reviewed to ensure it continued to be fit for purpose and reflected the requirements of the Academies Financial Handbook.

Directors RESOLVED that the content of the Finance Policy was noted. The Policy was approved and adopted with immediate effect.

14

Treasury Management and Investment Policy

The Swift Academies Treasury Management and Investment Policy had been shared with Directors prior to the meeting. A copy would be retained on file.

Directors RESOLVED that the content of the circulated Treasury Management and Investment Policy was noted. The Policy was approved and adopted with immediate effect.

15

Risk Registers

- a) Hurworth School
- b) Longfield School
- c) The Rydal Academy
- d) Swift Academies

The Risk Registers for Hurworth School, Longfield School, The Rydal Academy and Swift Academies had been shared with Directors prior to this meeting. Copies would be retained on file.

Directors were informed that the Risk Registers had been circulated as part of the Local Governing Body meetings during Autumn Term 2020.

Directors were advised that the Swift Academies Risk Register contained those items on the respective schools Risk Registers identified as high risk. All the registers included references to Covid-19. Guidance in respect of Covid-19 changed daily and was also reflected in associated risk assessments.

Directors queried whether there were other risks to be included on the risk registers: I was reported that school transport had been identified on respective risk registers. Directors were informed that balanced budgets had been set for each school across Swift Academies and that savings in respect of supply costs had been realised in 2020 due to the coronavirus pandemic. It was reported that the overall reserves position had improved at the end of August 2020.

Directors were informed that announcements in respect of Key Stage 2 and Key Stage 4 examinations were anticipated shortly: Key Stage 4 examinations had been postponed by three weeks and it was likely that Key Stage 2 examinations would be cancelled. If exams were to go ahead performance tables would not be published as the entering of students for examinations had not been equitable.

Directors RESOLVED that the content of the circulated Risk Registers were noted.

PART D: Business Items for information only – previously circulated

16

Chief Finance Officer Report

The Chief Finance Officer Report had been circulated to Directors prior to the meeting. A copy would be retained on file.

Directors RESOLVED that the content of the circulated Chief Finance Officer was noted.

17 **Letters to Accounting Officers in academy trusts (copied to Chairs of Trustees)**

- a) July 2020
- b) August 2020

Letters to Accounting Officers in academy trusts (copied to Chairs of Trustees) had been shared with Directors prior to the meeting. Copies would be retained on file.

Directors RESOLVED that the content of the circulated letters to Accounting Officers were noted.

PART E: concluding items

18 **Any urgent other business raised under item 5**

No items of urgent other business had been raised.

19 **Approval of documents for inspection**

Directors RESOLVED that the agenda, supporting documents and approved minutes be made available for public inspection

20 **Dates, times and venue of future meetings (all from 4:30pm)**

- Thursday 4 March 2021
- Thursday 1 July 2021

These Minutes were approved by the Finance & Resources Committee of Swift Academies as follows:

Mar 10, 2021 _____ (date)

signature (chair): 
SAHargrove (Mar 10, 2021 11:48 GMT)

name: SAHargrove _____


Swift Academies finance and resources minutes 26 November 2020

Final Audit Report


2021-03-10

Created:	2021-03-10
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