



Draft

Hanley and Upton Educational Trust

Annual General Meeting

Minutes of the Annual General Meeting of the HUET

23 January 2025 at 5.30 pm

Chair: HUET Chair Tim Sinden (TS)

Company Secretary: Michelle Snape (MSA)

Academy Trust Members Present: Marian Walters (MW), Barry Unwin (BU) and Steven Price (SP).

Also Present: Mark Stow (MCS) – HCHS Headteacher/HUET Chief Executive Officer, Elaine Wilkins (EW) – HUET Chief Finance Officer, Sue Adeney (SA) – HUET Trustee, Adrian Pratley (AP) – Headteacher HSP, Paul Bundy (PB) – Deputy Headteacher – HSP, Liz Reece (LR) and Beulah Pope (BP) – ASC Members HCHS, Bryony Baynes (BB) Headteacher - KPS, Shaun McInerney (SM) – Kempsey ASC Member, Margaret Smith (MS) – Headteacher Welland Primary School, Kate Gosling (KG) – ASC Member Welland Primary School, Gareth Williams (GWI) – Acting Headteacher Welland Primary School, Peter Saunders (PS), Kate Taylor (KT), Sarah McDermott (SM) and Gail Black (GB) HUET Trustees and Derek Valentine (DW) WDAT Representative.

The meeting was quorate with 4 out of 5 Academy Trust Members present.

1. Welcome and Introduction

TS welcomed everyone to the meeting.

TS explained that the formal purpose of the meeting was to present the Trust's Annual Report and Financial Statements for the year ended 31st August 2024 to the Members of the Academy Trust, and for the Members to appoint the auditors for 2024/25.

2. Declarations of interest:

None were raised.

3. Apologies: Gideon White (GW) – Chair HCHS ASC and Nigel Morgan (NM) – ASC Member.

MSA pointed out that she had received confirmation that 1 HCHS parent would be attending the meeting. She confirmed that no questions had been received in advance of the meeting from the parent.

4. Minutes of the AGM held on 25 January 2024

4.2: No Actions carried over.

4.3: Matters arising: None

Proposed by KT and seconded by GB the minutes were approved.

5. Chair of Academy Trust's Review including Hanley and Upton Educational Trust Annual Report and Financial Statements for the Year Ended 31 August 2024– (Appendix 1)

5.1 Overview (TS)

TS mentioned that it was very important to start with a reminder of the scope of the Board of Trustees' responsibilities.



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Scope of Responsibility

TS explained that trustees acknowledge that they have overall responsibility for ensuring the Trust has an effective and appropriate system of control, financial and otherwise. He said that such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

TS stated that the Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, and indeed via the CEO to the Chief Finance Officer for all finance related matters.

Governance

TS confirmed that the Board of Trustees has formally met 4 times during the year. (Attendance table illustrated on page 17 –Appendix 1)

TS explained that membership of the Board of Trustees has changed throughout the year. He mentioned that Jeff Robinson had resigned from the Board following many years' service and added that Gideon White, Kate Walker and Sarah McDermott were welcomed as new appointees who bring strength and breadth of experience.

TS stated that despite the personnel changes the structures and processes in place had ensured that the Board of Trustees has continued to focus its activities on the three core governance functions:

- It has ensured that the clarity of vision, ethos and strategic direction as documented for the HUET underpin all its discussions and decision making.
- It has held executive leaders to account for the educational performance of the organisation and its pupils through detailed assessment of the high quality descriptive and data driven reports provided by the CEO and headteachers, and for the performance management of staff through the responsibilities delegated to the pay and performance committee; and
- Through review of the equally high-quality financial reports provided by the CFO, it has overseen the financial performance of the HUET and ensured, in extremely challenging financial times, that its funds have continued to be well spent.

Governance Review

TS mentioned the quality of governance remained a central part of the HUET SEF and in self-evaluation procedures using the Ofsted framework. He explained that the outcomes of this self-evaluation are also recorded in each academy's SEF.

TS stated that the Trustees had continued to provide appropriate challenge and support regarding senior leadership, teaching and learning and outcomes. He said that the Trustees were assured that the Trust's financial position remained stable with contingency plans in place for the anticipated failure to increase income against unavoidable expenditure.

TS explained that the HUET Audit Committee is a sub-committee of the main Board of Trustees, and its purpose is to assist the Board of Trustees in fulfilling its responsibilities with financial reporting, internal control, risk management and external audit.

The Review of Value for Money

TS mentioned that as Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the HUET delivers good value for money in the use of public resources. He said that the Accounting Officer understands that value for money refers to the



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educational and wider societal outcomes in return for the taxpayer resources received.

TS stated that the Accounting Officer considers how the HUET's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate.

TS confirmed that the external auditors have been very complimentary about the financial management of the trust.

The Purpose of the System of Internal Control

TS stated the system of internal control has been in place in Hanley and Upton Educational Trust for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

TS said that the members should be assured from the internal and external auditors' findings. He reiterated that the HUET are operating at a high level in an effective way.

Capacity to Handle Risk

TS explained that the Board of Trustees have reviewed the key risks to which the HUET is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. He said that the Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating, and managing the HUET's significant risks that has been in place for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

Conclusion

TS said that he wished to pay tribute and give thanks to MCS and EW. He said that they provided good leadership of the Trust. He also added his thanks to the Headteachers for their remarkable work in 2023/24 on behalf of the HUET. He added that he wanted to pay special thanks to all staff in the HUET and asked MCS to ensure that they receive grateful thanks from the Board for the extraordinary commitment they made to the HUET and its pupils throughout 2023/24.

ACTION:

MCS to ensure that all staff are thanked for their commitment to the HUET and its pupils throughout 2023/4.

TS asked if there were any questions relating to the information presented in his report.

No questions were received.

5.2 HUET Achievements and Performance (MCS)

TS asked Mark Stow (MCS) if he would highlight the achievements and events for 2023/24.

MCS thanked all for attending and formally thanked all those that had contributed to the HUET during 2023/24.

5.3 Objectives and Activities (MCS)

MCS mentioned that broad themes were agreed for the HUET development plan for 2023-2024 (detailed on page 7 – Appendix 1). Priorities identified included:



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- The quality of education
- Leadership and management
- Governance

He added that each school had its own individual development priorities for 2023-24 details of which are available from each school.

5.4 Achievements and Performance (MCS)

MCS referred to pages 8 and 9 – Appendix 1 and listed the achievements highlighted. He commented that this has been a very successful year for the pupils across the HUET Schools which demonstrates that high standards were maintained in all schools.

MCS formally congratulated the Headteachers, staff and ASC members of all schools for their success.

5.5 Personal development and welfare (MCS)

MCS commented that safeguarding is an overarching priority for the HUET and all four of its schools. He said that regular training for Members, Trustees, ASC members and staff is compulsory, and the pace of change in this area has made training sessions and follow up essential to ensure that knowledge is kept up to date through accredited sessions.

MCS pointed out that the HUET attendance levels at the schools continue to be above average. He commented that the HUET attendance and safeguarding officer has engaged with the new DfE Attendance Hubs to continue to support attendance of all students, but particularly those who are persistently absent from school.

5.6 Governance

MCS mentioned that the HUET Continues to show strong governance through the broad range of skills, knowledge and expertise evident at all levels. He confirmed that the HUET Board is experienced and is supported by a well-qualified chair, providing strong strategic oversight, challenge, and support.

5.7 Leadership and Management (MCS)

MCS confirmed that the benefits of the HUET remain obvious, with collaboration and good practice being shared at both senior and middle leadership level.

TS summarised by stating that the HUET has demonstrated that it remains educationally strong and has good financial management.

At this point TS invited EW (Chief Finance Officer) to report on the financial position. EW presented as follows:

5.8 Accounts

EW said that the draft accounts for the HUET for the year ended 31st August 2024 were prepared in September then shared the HUET Board before external audit by BF which took place in October 24.

EW explained that the final accounts together with the management letter were presented by Bishop Fleming at the Audit Committee in November and then to the HUET Board in December.



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EW stated that the management letter confirmed a clean and unmodified audit report and there were no significant matters to report on either audit materiality or internal financial controls. She added that BF were very complimentary of the finance team and said we were a well-run trust.

EW confirmed that the accounts have been published on the HUET website and submitted to the ESFA by 31 December 2024.

5.9 Annual Report and Financial Statements

EW explained that the financial statements highlight the financial position and performance of the HUET and the 2 key documents are:

- The SOFA (page 29 – Appendix 1) - is a record of income and expenditure split between restricted and unrestricted funds and shows amounts b/fwd. from previous year, income and exp in year and amounts c/fwd to the next year.
- The Balance Sheet (page 30 – Appendix 1) - provides a snapshot of the HUETs financial position or worth at 31 Aug 24 showing the various assets and liabilities and reconciling these to the value of funds in the SOFA.

EW said that these primary financial statements are then followed by the notes to the financial statements which provide information on financially significant issues to aid the readers understanding of the accounts.

5.10 Overview of the SOFA for 2023/2024 (P29)

EW explained that Restricted Funds are separated between General £11.1m and Fixed Asset Funds £0.1m. She said that Restricted General Funds of £11.1m represent income and expenditure which can only be spent for particular purposes and include

General funding for the financial year 23/24 is driven by pupil numbers from the school census in October 2022 (1730) and this equates to £9.2m of the total of £11.1m, £8.1m Y7-Y11 and £1.1m 6th form.

| | |
|------------------------------|-------|
| Pupil premium | £0.3m |
| SEN top up funding | £0.5m |
| Pay and Pension/ MSAG Grants | £0.5m |

(Further details in note 4 on p39 – Appendix 1)

Fixed Asset Income of £87k included devolved formulae capital and a generous donation from the Football Foundation towards the new tractor.

EW mentioned that Unrestricted Funds can be spent on any purpose at the discretion of the trustees within the objects of the academy and were £299k for the year. This included bank interest, trips, lettings, music, sports partnership, mentor, breakfast club and catering income. She pointed out that trips are run to breakeven and the income in unrestricted funds of £124k is offset by trip costs of the same in expenditure. EW noted that bank interest has increased by £21k compared to 22/23 due to use of interest-bearing deposit accounts and a new daily sweep facility at Lloyds.

EW said that the income of each school is top sliced by 5.6% to provide for Insurance, legal, HR/ payroll/finance costs, Audit fees/ Sims / IBS costs etc. She confirmed that the total top slice in the year was £529k.



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5.11 Expenditure

EW explained that the total expenditure in the year was £11.2m, £9.0m being staff costs.

EW mentioned that non-payroll costs of £2.2m includes premises costs, depreciation, catering costs, trip costs, insurance, exam fees, IT costs, educational equipment etc.

EW explained that the expenditure within fixed assets of £403k includes the annual depreciation charge of £277k and assets written off in the year at Hanley Castle and Hanley Swan of £126k as the land and therefore buildings are not owned by the trust. She said the transfer from revenue to fixed asset funds of £23k was used to support IT investment and other capital projects across the trust.

EW reported that the net movement in funds for the year amounted to £579k. After accounting for a movement of £488k in the LGPS pension reserve (resulting from a gain on financial assumptions) and a -£292k reduction in fixed asset funds, this results in an in-year surplus of £383k. This figure is significantly better than the budgeted deficit of -£81k, driven by a combination of additional SEN income, bank interest, the release of the H V B accrual, non-payroll savings, and a grant to support increased pension contributions.

| | |
|---------------------------|---------|
| Movement in funds in year | £579k |
| Fixed Assets | - £292k |
| Pension | +£488k |
| Free Reserves | +£383k |

EW confirmed the following:

- All schools reported an in-year surplus for the year and all schools ended the year with results better than both budget and forecast.
- Total funds carried forward to 24/25 £6818k
 - Fixed Assets £6129k
 - Pension Def -£288k
 - Free Reserves £977k 8.3%
- Final reserves by academy (see note 19 p56 – Appendix 1) are:
 - Hanley Castle High School £542k (7.2% of income)
 - Kempsey Primary £189k (9.2% of income)
 - Hanley Swan £92k (12.1% of income)
 - Welland £107k (12.2% of income)
 - HUET Top Slice £46k

5.12 Balance Sheet (Page 30)

EW explained that the Balance Sheet provides a snapshot of the HUET's financial position or worth at 31 August 24 showing the various assets and liabilities and reconciling these to the value of funds in the SOFA of £6,818k.

EW pointed out that Fixed Assets of £6,021k nbv relate to land and buildings at Welland and Kempsey, vehicles and IT equipment at all schools.

EW said that since academy conversion the trust has invested a significant of money in capital as follows:

- £3.6m funded from CIF bids – Science, new 6th form, sports hall, new roof, windows, IT infrastructure boiler work and fire alarm improvements.
- £3.8m funded from LA S106 monies for expansion HCHS, KPS and WPS and also BMA at HCHS
- £1.9m funded from reserves – LED lighting, IT, furniture etc at all schools and improvement in EY area at KPS



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EW also confirmed the following:

- Debtors of £354k include VAT, prepayments and accrued income (PP)
- Cash at year end of £1,733k.
- Creditors of -£965k includes purchase ledger creditors, payroll creditors and accruals

EW stated the deficit on LGPS pension scheme of -£288k is significantly lower than 2023 due to an increase in the investment return over and above that expected.

5.13 Going concern

EW explained that as part of the account's preparation trustees are required to prepare an assessment to include in the accounts as to whether the academy trust is a going concern. She mentioned that the term, 'going concern' is a view as to whether the trust will have sufficient funds to pay its obligations, such as payroll, trade creditors, and so on, as they fall due, over at least the next 12 months from the date of approval of the financial statements i.e., until December 25.

EW said that this assessment has been carried out and reviewed by the auditors and she confirmed that the trust has adequate resources to continue in operational existence for the foreseeable future.

EW said that the trustees are aware of the burden placed by both increased payroll and unfunded pay awards and that this will mean future financial management remains challenging for all schools unless funding increases.

5.14 Next steps

EW confirmed that once approved the accounts will be filed at Companies House by May 25 and the accounts have been sent to the ESFA and published on the HUET website. EW added that the AAR has been audited by BF and submitted to ESFA yesterday before deadline of 28 January 2025.

EW asked the HUET Members to formally accept and approve the 2023-24 HUET Annual Report and Financial statements.

DECISION: The Members of the Academy Trust unanimously approved the 2023-24 HUET Annual Report and Financial statements. Proposed by MW, Seconded by GB.

TS formally thanked EW for providing the detailed finance information and for explaining the information clearly in order for all to understand. Also, TS formally thanked EW and the finance team for their work.

No questions were raised in relation to the financial information provided.

6. HUET Developments 2024/25

MCS explained that the HUET continues to improve and develop educationally and financially and highlighted the following points:

- The HUET will continue to seek opportunities to strengthen its links legally and formally with partner schools to further improve the quality of educational provision for all children within the schools involved, whilst retaining the distinctive



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characters of each. This includes respecting and preserving the Christian ethos of Diocesan primary schools.

- The HUET will play a role in system improvement and is prepared to work with the DfE and Regional Schools Director to support those schools which are identified as underperforming.
- The HUET will continue to develop the scope of its work in initial teacher training in partnership with the University of Worcester.
- Both HSW and KPS are preparing well for the pending Ofsted inspections, working closely with the Diocese and an Ofsted inspector working as a consultant.
- There is a degree of uncertainty of the direction of travel in the education sector at the moment with a focus on:
 - Inclusive mainstream education for students with SEND
 - MATs are not the only answer for school improvement
 - Focus on 'Belonging' and 'Thriving' alongside achieving well
 - Reform to the curriculum and corresponding assessment
 - Reform to Ofsted, including MAT inspections and a new framework
- The structure of the new [Regional Improvement for Standards and Excellence \(RISE\)](#) teams has been announced; comprising 4-6 people for each region who will direct support for schools based on three tiers.
- A working group have met to finalise the vision / mission/values piece of work which involved representatives from all schools in the HUET and consists of CEO, 2 trustees, 1 headteacher, 1 ASC Chair and 1 deputy headteacher.

MCS referred to the Trust priorities 2024-26 which is listed on pages 14 and 15 – Appendix 1.

MCS asked if there were any questions relating to the information he provided. No questions were asked.

7. **Appointment/Retirement of Members/Directors**

TS confirmed that the appointments / resignations are noted on page 1 – Appendix 1

8. **Appointment of Auditors**

TS informed those present that under company law it is necessary to formally appoint an auditor each year once the accounts have been signed and audited. He asked PS to further explain for 24-25 and 25-26.

PS confirmed that he had recommended to the HUET Board that Bishop Fleming are re-appointed as the HUET Auditors a 2-year extension period as previously approved by the Audit Committee.

PS asked the HUET Members to formally approve the appointment of Bishop Fleming as its auditors for 2024-25.

DECISION: The Academy Trust unanimously approved the appointment of Bishop Fleming as its auditors for 2024-25. Proposed by MW seconded by BU.

9. **AOB**

No further items were raised.



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Appendices

Appendix 1: Annual Report and financial statements to 31 August 2024

SUMMARY OF DECISIONS

| <u>Item</u> | <u>Decision</u> |
|-------------|--|
| 1 | The Members of the Academy Trust unanimously approved the 2023-24 HUET Annual Report and Financial statements. Proposed by MW, Seconded by GB. |
| 2 | The Academy Trust has approved the appointment of Bishop Fleming as its auditors for 2024-25. |

SUMMARY OF ACTIONS

| <u>Item</u> | <u>Action</u> | <u>Responsibility</u> |
|-------------|---------------|-----------------------|
| | None | |

Next meeting – TBC – January 2026