



Committee (subject to Trust Board approval to form this Committee). Under term 5 it was noted that the figure of £50K should be £100K. The Trust Secretary will make the required amendments, so it was **resolved** that the Terms of Reference be **approved**.

JBridges

## 7 2018/19 Year End Outturn

The report shows the unaudited outturn figures for the Trust for the year ended 31 August 2019. The Trust has performed better than budget but overall there has been a reduction in reserves to the value of £26K which has been expected given that much of the funding for in-year expenditure was taken into reserves at the end of the preceding financial year. At the end of the 2017/18 year, the reserves increased by £383K.

It was noted that the initial (and majority) of the commentary in the report for figures relate to One Sixth Form College since it represents 97% of the finances in the reporting year. The reporting figure of £85K on the One income and expenditure account reflects the outturn position including premises and IT spends approved in the previous year along with the disbursement of the Free School Meals balance from 207/18.

The Chair requested that the Committee considers consolidated accounts rather than the individual position of each Academy in the Trust. As a compromise it was agreed in addition to the consolidated SAT accounts that commentary would refer to the academies and the separate accounts be appended.

JRaffel

The Committee asked if there were any lessons learned from the reported likely outturn position in June 2019 to the actual outturn achieved at the year end. There were a number of lines where predicated outturn was lower and/or higher than the actual outturn position now. These were explained and quantified. The only area where we predicted a lower outturn was on rates where we were expecting these not to come through and then after reporting the income was realised.

The Abbeygate PDG report shows a figure of £132K which sat in the ringfenced Restricted Reserves. This is a requirement of accounting convention and means that expenditure during the 2018/19 academic year will appear to be unfunded but was in fact funded by these reserves.

The overall year-end balance for Abbeygate Sixth Form College is a deficit of £18K. This comprises £24K spend from GAG offset by the remaining balance of the PDG at £6K. As a consequence the PDG line will be spent and no longer accounted for in the accounts.

The Trust Central Report shows that this is funded by a recharge of £135K (1.3% of income) from One Sixth Form College per year. Overall for the year there is a surplus balance of £39K.

At the end of the year the total bank balance was a total of £2.1m which consists £1.1m in the current account and £1m held on deposit. During the month of August 2019 £500K was returned to the current account from the deposit account earning £4.5K interest. A 32day deposit account was opened with the £500K being placed on deposit here.

In summary the Trust has performed within and better than budget for the 2018/19 financial year. One Sixth Form College has an increased reserve position at the year-end despite the investment in both the IT and Property strategies.

## **8 Finance Report and KPIs – September 2019**

The report now provides 3 separate financial statements; One Sixth Form College; Abbeygate Sixth Form College; and the Central SAT costs.

During this first period of the academic year (one month), all areas have performed as expected. One Sixth Form College is currently showing YTD deficit of £58K due to the intercompany charge being fully accounted for in the first period of the year; the year-end forecast is a predicted surplus of £80K. Abbeygate Sixth Form College has a YTD surplus of £51K mainly due to the majority of Leadership Grant being received at the beginning of the year; the year-end forecast is on budget at £83K surplus. The Committee asked if funding would be clawed back due to the low student numbers and therefore if the forecast would need to be re-forecast. We are awaiting confirmation from the ESFA although if clawed back it is unlikely that this would have a deficit impact on outturn position.

The Academies Financial Handbook 2019 clarifies that the management accounts should include a balance sheet along with the income and expenditure, variance and cashflow information. A balance sheet therefore was provided to the Committee which is further shared with all in the Trust.

## **9 KPI Reporting Proposal**

The Committee was asked to consider a revised presentation of the KPI report in order to recognise and report separately on the KPIs of both One Sixth Form College and Abbeygate Sixth Form College and in turn provide the Committee with a consolidated report for the Trust and to revise the individual KPIs produced to a smaller set of 10 metrics.

The proposed 10 KPI metrics have been selected from the existing 14 metrics and the ESFAs Top 10 Planning Checks for Governors. The 10 proposed metrics proposed would cover; Cash Reserves, YTD Actual Income as a % of YTD Budget, YTD Expenditure as a % of YTD Budget, Forecast Surplus/(Deficit) for year compared to Budget, Staff Pay as a % of Total Income, Actual Staff Costs as a % of YTD Budget, Pupil to Teacher Ratio, Current Student Numbers, Year 12 student applications for the following year and Total Student Numbers Forecast for the following year.

The Committee questioned if the Pupil to Teacher ratio was an appropriate metric for the Committee to monitor, or was this a curriculum measure that should be monitored by an LGB. The Committee agreed to keep this metric in focus as it could be a useful measure of utilisation. Furthermore it was agreed that we would determine the source of the data behind this metric which would determine the frequency of reporting. The Committee accepted this approach and agreed to receive consolidated KPIs where relevant and to adopt the new presentation of the KPI reports as proposed.

To supplement the KPIs reported at each meeting the Chair asked that the Committee also receives the ESFA KPI data dashboard annually following approval of the Financial Statements and uses these as benchmarks to compare our performance against other Trusts although it was unknown at

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this stage if there is a data dashboard for a Multi Academy Trust and how this could be demonstrated in future reports.

It was agreed that measures would be reported, last meeting, to present meeting, as opposed to last month compared to current.

JRaffel

**10 SAT Enrolments (One and Abbeygate)**

Abbeygate Sixth Form College enrolment numbers remain stable with a few late starts and early withdrawals. Current numbers on roll at 246. This represents a 60% conversion rate. Applications for 2020/21 are strong with 350 applications with 255 completed. It was noted that capacity at the new Sixth Form building is 1,700.

One Sixth Form College 2019/20 numbers are 1,962 applications submitted and 1,559 references received. Applications for One Sixth Form College for 2020/21 are 846 with 622 completed.

**11 Any other business**

The Committee was informed about the article in the press about County Lines that has promoted some interest in the Bury St Edmunds.

It was agreed that our meetings if hosted at One Sixth Form College will follow the business of West Suffolk College and vice versa if hosted at WSC.

**Date of next meeting**

Wednesday 4 December 2019 at 4.00pm. West Suffolk College - TG1.16

The meeting closed at 5.00pm