**Broughton Jewish Cassel Fox Primary**

**Finance and Premises Committee**

**Meeting Minutes**

**School: Broughton Jewish Cassel Fox Primary School**

**Quorum**: **3 + Principal (met)**

**Chair: Izzi Rosenberg**

**Clerk: Nicola Barrett**

**Date and Time of Meeting: 17 December 2024 at 5.30pm**

**Venue: Broughton Jewish Cassel Fox Primary School**

**Attendance**

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| **Name** | **Governor Type** | **Term of Office Expiry Date** | **Present (P)**  **Apologies (Ap)**  **Absent (A)** |
| David Bondt | Foundation | 31.07.27 | P |
| Steven Graff | Foundation | 06.06.28 | P |
| David Mechlowitz | Foundation | 29.07.25 | P |
| Rabbi Yehuda Pearlman\* | Principal | Ex-officio | P (via Zoom) |
| Izzi Rosenberg | Foundation | 29.07.25 | P |
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| Dani Mechlowitz | Foundation | 29.07.25 | Ap |

*\* joined remotely*

**Others present**

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| **Name** | **Role** |
| Rachel Baker | School Business Manager (SBM) |
| Nicola Taylor (Deputy Headteacher) | Staff Governor |
| Helen Green | Chief Finance Officer (CFO) |
| Michael Krebs | Observer |
| Leo Lachs | Observer |
| Joseph Burns\* | Auditor |
| Michael Whitehead\* | External Business Support Consultant |
| Nicola Barrett | Clerk, One Education |

*\* joined at 6.07pm*

**Agenda Items**

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| **1** | **Welcome and Apologies** |
| Governors had convened timely however the meeting start time was delayed due to waiting for the auditor and External Business Support Consultant to join the meeting.  Governors agreed, after some time had passed, to commence the meeting, whilst waiting for the auditor and External Business Support Consultant to join, due to the time constraint of a second meeting taking place immediately after this one.  The Chair opened the meeting at 5.58pm. Apologies for absence had been received from Dani Mechlowitz. | |

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| **2** | **Verbal declaration of interests and changes to annual declarations** |
| There were no declared interests relating to the agenda or changes to annual declarations. | |

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| **3** | **Notification of confidential items or items for AOB** |
| There were no notifications under this item. | |

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| **4** | **Chair Election** | | |
| Governors re-appointed Izzi Rosenberg as committee chair for the ensuing year. | | | |
|  | **Actions (A) or Decisions (D)** | **Owner** | **Timescale** |
| D | Governors re-appointed Izzi Rosenberg as Finance and Premises Committee chair for the ensuing year. | Committee | Annual |

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| **5** | **Minutes of last meeting** | | |
| The minutes of the previous meeting held on 22 July 2024 were shared in advance of the meeting. The minutes were approved as an accurate record of the meeting. A copy will be signed, for retention in the school.  Matters arising  There were no matters arising. | | | |
|  | **Actions (A) or Decisions (D)** | **Owner** | **Timescale** |
| D | Governors approved the minutes of the meeting held on 22 July 2024. | Committee |  |

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| **6** | **2023-24 Year End Financial Statements** |
| Governors agreed to come back to this item once the auditor and External Business Support Consultant had arrived. | |

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| **7** | **2024-25 Budget/Management Accounts** | | |
| Governors received the Annual Report and Accounts for the year ended 31 August 2024 in advance of the meeting.  The document was shared on the whiteboard to accompany this item.  The School Business Manager highlighted the sections in the report and it was agreed that the trust is a going concern.  Q. What is a going concern?  The Chair explained that this refers to the probability of an entity being able to continue operating into the future. The Chair added that school is low in terms of cash and they now have a significant cumulative deficit, however state schools cannot go under as such because that would put at risk the schools provision in the area; so something will effectively happen to support the school and departmental discussions are ongoing.  Governors looked at the fixed assets and noted no virements. Section 4 of the management report that refers to significant weaknesses in systems and internal controls is RAG (red, amber, green) rated. The School Business Manager advised that this time last year there were 13 management action points and that this had reduced to only 4 this year with no red points. A governor commended leaders for having managed to reduce the number of action points from previous years.  The School Business Manager highlighted each of the 4 action points, and the Chief Finance Officer expanded on those points.  Governors heard that the “dear accounting officer” letters from the DfE highlighted in the management letter were going to be discussed under AOB at the end of the meeting.  It was noted that some governors had not completed their declaration of business interests. The School Business Manager circulated forms for completion of this information.  *Q. Is this an action from the auditors?*  Yes, it is an action point.  The School Business Manger highlighted that she had tried to register the 3 trustees with Companies House however this has so far been unsuccessful; the School Business Manager will continue to try and complete the registration.  *\* Joseph Burns and Michael Whitehead joined the meeting at this point (6.07pm).*  The School Business Manger invited questions for Joseph Burns, auditor and Michael Whitehead, External Business Support Consultant.  A governor commented that a number of years ago, there was almost a book of issues, and therefore well done must be conveyed to the School Business Manager and Chief Finance Officer for their work in getting the structure organised.  Governors were advised that the website, due to being offline, was not able to be tested by the auditor in terms of statutory information that must be published online.  Ther auditor highlighted the management letter points; governors were happy with this update. The External Business Support Consultant advised that there are 2 regularity modifications; the website and cashflow. Governors heard that there is a 3-year plan in place and it is anticipated that it could take 3 years to move the school into a break even position. The deficit was highlighted.  *Q. What is the depreciation based on?*  Buildings, equipment and furnishings and fittings.  The External Business Support Consultant advised governors of the cumulative deficit position, which was now £485,000, and it was noted that the large movement was largely due to an accounting adjustment to account for the recent CIF bids and work carried out.  *Q. What is the trust’s cash deficit?*  The trust is still cash positive but it is known that over £450,000 is owed to creditors (the largest creditor being Salford LA) so technically the trust is insolvent however the business case to the ESFA requesting extra funding is still being worked on. It is unlikely the trust will be able to make any payments until January/February 2025 and this will be after further funding is received, the trust cannot currently pay the local authority for staff on-costs. The External Business Support Consultant advised that the position has been explained to the local authority and the trust remains solvent because it has been possible to work this way with the local authority.  It was noted that no extra SEND funding for the fiscal year 2024/25 has been received as yet, and the trust is yet to submit its full claim to Salford LA, and it is recognised that this will not be enough to satisfy the outstanding creditors. | | | |
|  | **Actions (A) or Decisions (D)** | **Owner** | **Timescale** |
| A | Governors are to complete financial and pecuniary business interest forms, and the School Business Manager will update records with Companies House. |  |  |
| A | Governors noted that the latest accounting officer letter will be shared at the next meeting. |  |  |

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| **6** | **2023-24 Year End Financial Statements** | | |
| Governors returned to item 6 on the agenda.  Governors heard that because the pupil numbers have fallen in school, the income has fallen. The auditor talked through the accounts explaining the figures. Governors noted that the expenditure is greater than the income.  The auditor explained the balance sheet to governors. Governors heard that there is a deficit on the restricted income which is shown in the restricted general funds. The auditor explained that the restricted income is the GAG income from the ESFA which means there are restrictions on what it can be spent on, compared to the unrestricted funds which are by definition not restricted e.g. donations and trips income.  The auditor commented on the breakdown of funds, explaining the figures. Governors heard that that there are accounting restrictions in terms of what can be carried forward when in a deficit position and some figures have been moved between funds so as to present a consolidated position.  A governor commented that it is not great reading however there appeared not to be any surprises because the issues were known.  *Q. If both of the extra fund incomes had been received would there not have been a deficit?*  The deficit is an accounting deficit.  *Q. Is the position the same in other schools.*  Many schools are running in year deficit budgets although some have cumulative surpluses and/or funding in unrestricted funds that they can call upon to offset this. A governor commented that school was previously in that position.  A governor commented that other schools must be running out of funding in their unrestricted funds. The Deputy Headteacher advised that other schools can have different amounts of extra funding income, i.e. pupil premium and SEN funding. It was noted that there is not much pupil premium funding received by school.  External Business Support Consultant advised that when any extra funding incomes are received they will be absorbed into the overall position and will go some way to offset the cumulative deficit; but in the short term the overall negative accounting position will not change due to the reduction in pupil numbers and income associated with the reduced numbers.  Governors thanked the auditor and External Business Consultant for their update. | | | |
|  | **Actions (A) or Decisions (D)** | **Owner** | **Timescale** |
| D | Governors approve the annual reports and accounts, which will be signed by the Chair of Governors on behalf of the board. |  |  |

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| **8** | **Budget Virements** |
| There was no separate discussion under this item. | |

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| **9** | **3-Year Budget Projections** |
| It was noted that a comprehensive 3 year recovery plan is currently being developed. | |

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| **10** | **Cashflow Forecast** |
| There was no separate discussion under this item as it had been discussed earlier. | |

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| **11** | | **Service Level Agreements List 2024-25 (SLAs)** | | |
| There are only a small number of administrative SLA’s with the LA and these are currently bein reviewed. | | | | |
|  | **Actions (A) or Decisions (D)** | | **Owner** | **Timescale** | |
| A | SLAs to be presented at the next meeting. | | Commtitee | Spring 2025 | |

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| **12** | **Financial Management and Governance Self-Evaluation (FMGS) (if applicable)** |
| There was no separate discussion under this item. | |

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| **13** | **School/Academy/Trust Strategic Plan – Financial Aspects** |
| There was no separate discussion under this item. | |

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| **14** | **Staffing Update** |
| There was no separate discussion under this item. | |

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| **15** | **Premises, Health and Safety Update** |
| There was no separate discussion under this item. | |

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| **16** | **HR Update including Staff Absence** |
| There was no separate discussion under this item. | |

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| **17** | **General Data Protection Regulation (GDPR) Update** |
| There was no separate discussion under this item. | |

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| **18** | **Policies** |
| There was no separate discussion under this item. | |

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| **19** | **Gender Pay Gap** |
| There was no separate discussion under this item. | |

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| **20** | **Academy Trust Handbook Updates** |
| There was no separate discussion under this item. | |

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| **21** | | **Any Other Business (AOB)** | | |
| Education and Skills Funding Agency (ESFA) “Dear accounting officer” Letters  The External Business Support Consultant advised that one management point highlights that the letters from the ESFA should be shared with governors.  The key points from each of the following previously issued ESFA letters were read out to governors:   * 29 May 2024 * 31 July 2024 * 11 September 2024   *Q. Are there fewer pupil numbers nationally?*  Governors heard that there is an argument that the funding ought to be allocated in terms of ensuring the core needs are accommodated and then additional funding added on top to support the additional needs, however it is not apportioned like that. Governors noted that the low pupil numbers are an issue for many schools and that this then has a detrimental impact on the lagged funding income received. | | | | |
|  | **Actions (A) or Decisions (D)** | | **Owner** | **Timescale** | |
| D | Governors noted the ESFA letters from 29 May 2024, 31 July 2024 and 11 September 2024. | | GB | N/A | |

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| **22** | **Confidential Items** |
| There were no confidential items.  The meeting closed at 6.45pm. | |

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| **Date and time of next meeting:** | **To be confirmed** |