

Minutes

TRUSTEES MEETING

Thursday 15th November 2018 at 8.30 am at Sandbach School

No.	Item	Action points
1	<p><u>Present and Chair's Welcome</u></p> <p>Present as Trustees: S burns, J Savage, G Merry.</p> <p>In attendance: J Barber, D Osborne, L Robertson, F Johnson (Howard Worth)</p> <p>Apologies: S Isherwood, L Dooley, J Cowell, J Hill, E Richards.</p> <p>LD had tendered her resignation, which was accepted by the board.</p>	<p>DO to:</p> <p>Update the records at the Charity Commission and Companies House.</p> <p>To write to LD on behalf of the board to thank her for service and wish her well.</p> <p>To consider any possible replacement.</p>
2	<p><u>Minutes of 13th September 2018</u></p> <p>Accepted as a true record.</p> <p>JS asked JB if he had anything to report back in respect of the teachers' pensions and Music Mark contacting the DFE. JB explained to the board for the sake of those who weren't aware that the employers' contribution for teachers' pensions was to rise over the next four years to 23%. Although it is expected that schools will receive funding to cover this increased cost, LMT is funded by the Arts Council and not DFE. Music Mark had contacted the DFE to explain to them the position of the music hubs and to enquire as to any funding available, there had been no response as yet. DO pointed out that the school had not received a response from the DFE on a similar point.</p>	

3

Howard Worth statutory accounts

The draft accounts had been circulated to all trustees prior to the meeting.

FJ explained that an independent examination had been suggested this year rather than an audit due to the accuracy and quality of LR's work. Previously they felt that the records could not be relied upon to such an extent and although an audit was not required under legislation, as a charity an audit should take place. This will save the charity two thousand pounds per year. The independent examination involved verifying all balance sheet items which were found to be correct, and reviewing income and expenditure.

JS thanked LR for her good work.

FJ then went through the main points of the accounts, starting with the statement of financial activities. A small surplus had been generated, it was difficult to compare income and expenditure streams with the previous accounting period as this was only a 5 months period due to the change of the accounting date, however nothing out of the ordinary was discovered during the examination. All reserves other than those represented by fixed assets are now shown as unrestricted, the Arts Council grant being expended fully and any reserves being generated by events and services. JS commented on how high the earned income had become, JB replied that the number of schools that the trust provided tuition for had continued to grow and he hoped that at some point the income would match that of the grant received. DO commented that it was due to LMT providing the schools with grants that caused the income for school tuition to rise. JB explained that receipt of the grant was not dependent upon the school contracting with LMT for the tuition, the schools can use any supplier, however LMT does ensure that the quality of the tuition remains high by conducting quality assurance visits to the schools.

JS congratulated JB and the team on generating this level of income.

JS asked what was included in the donations figure. LR explained that this included the donation from Taylor Wimpey of £1,000 and that the balance was from individuals. JS reminded the board that a patron scheme and increasing donation income had been discussed in the past.

LR said that she had started to work on the patron scheme in 2017 however legislation was being reviewed in respect of the benefits allowed as part of patron schemes and the effect on gift aid, these had been finalised at the start of this year. Discussions had then followed about what benefits could be given to potential LMT patrons, the value of which still remains minimal. She had also done work on content for a fundraising page on the web site, it had been decided that this be put on hold until the work required to implement GDPR had taken place. JB said that he would look at this again after the sixth form course had been launched.

FJ continued on to the balance sheet. There had been little movement on the balance sheet, the unrestricted reserves being £176,808 and the bank balance £285,312.

JS asked FJ what level of reserves in her opinion would be reasonable. She said that normally a few months running costs plus an amount for anything out of the ordinary that was expected. JS mentioned the potential capital spend that is expected on relocation of premises and DO pointed out the potential increased costs of employers pension contributions if additional grant funding was not received. LR pointed out that on previous business plans filed with ACE a reserves policy of four to six months was included, she had calculated what five months running costs would amount to including any project commitments such as 'Think 22' this is £141k. JS stated that the reserves held by the trust were reasonable.

DO pointed out a typing error which FJ said would be corrected.

The board was asked if there were any queries in respect of the statutory accounts, there were no

	<p>further questions and the trustees approved the accounts unanimously.</p>	
4	<p><u>Management Accounts</u></p> <p>LR had circulated these prior to the meeting.</p> <p>She explained that at this point in time the actual figures matched the budgeted figure for the two months. The surplus projected for the year was above budget due to an increase of income from schools, with additional schools signing contracts with LMT for their musical education.</p> <p>She asked if the board wished her to revise the 2018/19 budget to account for this increased income or to continue the year with high variances. It was agreed not to revise the budget</p>	
5	<p><u>Cash flow and investment policy</u></p> <p>The cash flow for the period ended 31st August 2019 had been circulated prior to the meeting. This showed a balance in excess of £200,000 throughout the year with the lowest point being £202,961 in March 2019.</p> <p>There were no questions raised on the cash flow.</p> <p>The investment policy had also been circulated prior to the meeting.</p> <p>The board approved the investment policy.</p> <p>LR then went on to say that she had reviewed a number of banks/building societies to see what savings accounts were available in which to transfer part of the funds held at Lloyds. Interest rates were all poor however Nationwide rates were slightly higher and there was a local branch. Splitting the funds provides more security through the Financial Services Compensation Scheme. She asked the board if they were happy to go ahead with this, to agree the amount to be transferred, whether to receive interest annually or monthly and to confirm that they were happy that the people included in the investment policy in respect of authorisation and power to act on</p>	<p>LR to open a Nationwide account in line with the investment policy.</p>

	<p>a day to day basis before she completed the relevant paperwork to open the account.</p> <p>The board agreed with opening an account with the Nationwide, receive interest on a monthly basis and approved the individuals to act on the trust's behalf.</p> <p>A discussion was had about the level of investment to be transferred into the Nationwide, LR suggested £100,000. GM agreed that £100,000 be invested as this splits the fund equally at it's lowest point and makes the most of the compensation scheme, This was agreed unanimously.</p>	
6	<p><u>Budget year ended 31st August 2020</u></p> <p>Three versions of the budget had been circulated prior to the meeting, worse case, mid case and best case.</p> <p>All of which show a surplus ranging from £10,486 to £27,530, the main variance being that in the best case the grants paid out to schools were based on an average of the actual grants paid out over the last 3 years compared to the maximum number of schools able to apply for the grants.</p> <p>It was agreed to approve the mid case budget with a surplus of £12,550</p>	
7	<p><u>Activity Report</u></p> <p>The activity report had been circulated prior to the meeting.</p> <p>JB highlighted the first access grant uptake which had increased 83 Primary schools accepted the First Access grant (based on numbers on roll for the academic year 2017/18). For September 2018 the forecast number of primary schools engaging with the programme is 89.</p> <p>He then went on to talk about continuation grants 80 of the 124 (64.5%) Primary Schools have claimed continuation grants (offered to all primary schools) for programmes that started in September 2018. As continuation grants can only be triggered following the delivery of a First Access programme, this equates to 96% of the schools who accept First Access grants opting to further the pupils' musical learning through the continuation grant.</p>	

He then pointed out that there had been a new appointment to the steering group, the head teacher of Whirley Primary School Amanda Edwards who is also on the eCAPH executive.
He finished by informing the board of events taking place over the next few months at which he would like to see them.

- The national Youth Jazz Orchestra (NYJO) will be performing and delivering workshops at Sandbach School on Sunday 25th November. Sandbach School Big Band, Poynton High School Swing Band and Knutsford Academy Jazz Band will be engaging in workshops with NYJO members between 1-3pm ahead of a 4pm concert. The school groups are playing in the first half with NYJO performing the second half of the concert.
- On 17th December the LMT has engaged Carrot Productions to run two performances of 'The Snowman' live with 30 world class musicians accompanying the film. Tickets have been subsidised for Cheshire East pupils to make the opportunity to observe live music as accessible as possible. The performances are taking place at 1.30pm and 7pm. Auditions for children performing a solo in the performances had taken place the previous Saturday.
- At 7pm on Wednesday 5th December the annual LMT Christmas Concert will be held at St Mary's Church, Sandbach. Free to enter, the concert will feature a wide range of LMT instrumental ensembles including the Big band, junior big band, Saxophone Orchestra, Guitar Orchestra and World Percussion Ensemble.
- On Thursday 13th December the combined forces of the LMT vocal strategy will be performing a Christmas Concert at Malbank School, Nantwich. Starting at 7pm the free concert will feature Nantwich Young Voices, Sandbach Young Voices, Nantwich Youth Choir, Cheshire East youth Choir and the Nantwich Singers.

DO informed the board that the pBone project that was taking place at St John's school in Sandbach Heath had been greatly praised by the school and that Mike Eccles the teacher had also been outstanding.

8	<p><u>Sixth form</u></p> <p>JB circulated the course information and went on to explain that the trust and Sandbach school will be going into partnership with RNCM to offer a 'Cheshire specialist music course'. This A-Level course is aimed at musically-gifted Year 11 students of Grade 7/8 standard who are aiming towards a future in which music plays a significant part. Based at Sandbach School and open to young musicians and vocalists from all over Cheshire, its focus is to facilitate the progression from A – Level to university or conservatoire. The trust will pay for the RNCM tutors at a cost of £4,500 per annum. He had been working on this project for many months producing course information and negotiating with the RNCM who at one point suggested a figure of £30,000 to cover their costs. JS and GM both thanked JB for all his hard work it had been a tremendous achievement.</p> <p>The course will be launched on Thursday 22nd November at which Grace Barber, SB and Manus Carey will speak, there will also be a flute quartet from the RNCM.</p> <p>JB had spoken to all the secondary schools who did not have a sixth form, the trust's partners and ensembles to make them aware of the course which will commence in September 2019 and to identify any possible students who would benefit.</p> <p>JS commented that schools in the area that already provide music A-Level may ask as to why this is happening at Sandbach school rather than their school, what would our response be?</p> <p>JB explained that it was the RNCM that had approached Sandbach school having recognised the high quality of pupils that had gone to the RNCM from the school. The course will be open to all pupils in Cheshire and there is nothing to prevent other schools setting up similar in their schools.</p>	

	<p>GM pointed out that it was the student's individual choice as to where they study their music A-Level and she hoped to attend the launch.</p>	
9	<p><u>Any other business</u></p> <p>JS stated that he had some other business. He asked if anyone had heard of AIMS (association of independent music services) JB replied that he was aware and that LR had attended a meeting in London and IM had attended a meeting by Skype as all the meetings were held in London. JB went on to say that they seemed a very useful organisation to be involved with, they will be charging £250 per annum membership fee.</p> <p>JS explained that one thing that AIMS were doing was to create a service for the procurement of instruments for their member hubs. Although hubs would like to provide this service themselves it is very time consuming, UCAN has gone into partnership with them, the agreement being that the hubs would promote UCAN as their recommended supplier of instruments and have a link on their Web site, UCAN in return would sell instruments to pupils at a preferential education rate and profits would be split with the hub involved. This results in a lower price to pupils and an income stream for the hub.</p> <p>JB thought this was a good idea and would look into joining AIMS. DO said that the related party activity would not cause a problem, any discussions or decisions made in regards to AIMS would take place with JS out of the room. Any transactions during the year would be declared in the statutory accounts, he agreed that it was a good idea and something that had been looked at in the past but as previously stated was highly time consuming.</p> <p>LR had set the dates for the 2019 trustees meeting and had asked DO to provide the dates for the business & resources meetings. Once this had been done the dates would be circulated.</p>	<p>DO to provide dates for business & resources meetings</p>

The meeting came to an end at 10.15 am

The next meeting will take place on 14th March 4.15 pm at 2a Bradwall Court