



HOOPLE BOARD

Minutes of a meeting of the Board of Directors of Hoople Ltd held in the Committee Room 1 at the Shire Hall, Hereford, on Tuesday 24 September 2019 at 11.00am

Board Members present:

Cllr David Hitchiner (DH) Chairman and Non-Executive Director – Herefordshire Council
Andrew Cottom (AC) Non-Executive Director - Wye Valley NHS Trust

Officers Supporting the Board:

Nick Mather (NM) Chief Operating Officer
Audrey Clements (AEC) Head of Management Accounting, Herefordshire Council
Kerry Lawrence (KL) Company Secretary Support / Minute Taker
Andy Wood (AW) Bishop Fleming (Item 4 only)
Issy Cook (IC) Bishop Fleming (Item 4 only)

Invited

Laura Lloyd (LL) Commercial and Contract Manager – Herefordshire Council

1. Appointment of Chair

- 1.1 AC welcome Cllr David Hitchiner to the Board as a Non-Executive Director representing Herefordshire Council.
- 1.2 The Board elected Cllr David Hitchiner as Chair of the Board for a term of 12 months.

2. Apologies

- 2.1 Apologies of absence were noted from Richard Ball.

3. Declarations of Interest

- 3.1 There were no new declarations of interest.

4. Financial Statements 2018-19, Audit Management Letter and Annual Letter of Representation.

- 4.1 The Board welcomed Andy Wood and Issy Cook, auditors from Bishop Fleming to the meeting.



- 4.2 AEC reported that the 2018/19 financial position had not changed from the outturn position reported in June and explained the different make-up of the management and statutory accounts.

Audit Management Letter

- 4.3 AW and IC presented the audit findings and were not anticipating any revisions to the audit report.
- 4.4 AW highlighted the testing of risks around management override of controls and revenue recognition and confirmed that they were satisfied that these risks haven't materialised. AW noted that some invoices processed between 29-31 March, after closedown, should have been recognised as trade receivables. This did not impact the overall financial results.
- 4.5 AW drew attention to the major changes to the accounts as a result of the change in treatment of the pension liability, the principle of which had been agreed previously. AW confirmed that the auditors were satisfied that this change was shown appropriately in the financial statements.
- 4.6 AW noted two provisions was happy to accept these given the evidence provided.
- 4.7 AEC confirmed that plans have been made to brief stakeholders regarding the accounts prior to the accounts being published.
- 4.8 IC also stated that up to 13 people posted journals in 18/19 which is considered high. AEC explained that apprentices have access for training purposes and this increases the number with access but all journals are reviewed to ensure that errors and fraud are not committed.

Annual Letter of Representation

- 4.9 The Board approved the letter of representation and financial statements.
- 4.10 The Board thanked the Hoople audit team and thanked Bishop Fleming for carrying out the audit in a co-operative manner.

5. Minutes, Action Sheet and Matters Arising

- 5.1 The Board approved the minutes of the board meeting held on 13 June 2019.



6. Finance and Business Update

- 6.1 NM reported a small increase in the forecast profit. Schools' debt is high as is usual this time of year following the recent conclusion of the Schools' SLA buying season. Other debt is low.
- 6.2 A revised contract and SLA with the Herefordshire Council has been drafted. The contract has not been signed yet.
- 6.3 NM informed the Board that the Training and Education Manager has announced his retirement and will leave the company on 6 October.
- 6.4 NM updated the board on a change in the inspection regime introduced by Ofsted in September. As a result of Ofsted's change it is likely that there will be an inspection of the Training and Education service and the team have been asked to prioritise preparation for an inspection.
- 6.7 NM explained that the ESFA had identified that Hoople's apprenticeship completion rate has fallen below the minimum standards expected by ESFA; the pass rate is above the standard but too many of Hoople's apprentices do not pass in a timely manner. The team have taken steps to address this issue by improving the selection process before apprentices commence the training.

7. Treasury Management

- 7.1 AEC explained that Hoople currently receives little interest on its bank deposit holdings as treasury guidelines require that capital is not put at risk. AEC requested approval to seek accounts which were protected by the Financial Services Compensation Scheme (FSCS); the FSCS protects deposits up to £85,000. The board supported the approach.

Action: AEC

8. Business Planning Process

- 8.1 The Board acknowledged the budget process to ensure a final budget is recommended to the Board in March 2020.

9. Any Other Business

- 9.1 Cllr Hitchiner suggested he would like a tour of Hoople.