



Board Minutes – September Board 2014

Date of Meeting	17/09/2014
Location	Beazley
Present	Chair, CEO, P Abrahams, T Cadman, J Campbell, C Halsted, G Paul, G Palmer, J Troiano, W Pitt (by video link), A Orge (by phone)
In attendance	J Magill, D Moseley, G Palmer, K Robinson, P Smith (by phone)

1. Introductions & Apologies

1. The Chair welcomed everyone to the meeting, with a special welcome to Gill Palmer, the newly appointed Independent Board Director. There were apologies from Hilary Philbin and Marie Liston.

2. Declarations of Interest/Risk Management/Catch-up

2. CH declared that her son Laurence would be competing again.
There were no new Risk Management items.
There were no urgent catch up items.

Actions from last meeting

The CEO confirmed that she would be bringing in temporary resources to help the Safeguarding and Equality Manager Liz Behnke in accordance with the minutes and actions of the August Board meeting.

CEO confirmed that she was looking at the publication of Grow and CEO Reports.

3. CEO Report

The report represented a two week update from the last report. Points to note were;
- Gabby, Development Director, will be focusing on reviewing the Deloitte report and presenting the strategy at the next Grow meeting.





- The Committee Chair reports are now quarterly to coincide with the quarterly Board Meetings.
- This month a member has been taken to Small Claims Court.

JT noted that the World Class Programme Webinar was important and very informative and the Performance Director had worked hard to set it up. JC also noted that she found the webinar very informative.

The Chair commended the CEO on the efficient process of the Operation Report.

ACTIONS

KR to resend the webinar dates.

4. Finance

JT reported on several points following the earlier AGRC meeting, based upon the four documents circulated related to finances;

1. LOR, Letter of Representation
2. The Final Accounts for British Fencing (BF)
3. The Final Accounts for Copperdale
4. BF Audit Findings Report.

1. The Board agreed to the **LOR**. DT will sign as Chair.

2. **BF Accounts**. The accounts showed an improved financial result made up of a small operating surplus of £2,132. In the year we have had a gain of investment after tax, which was a result of realising an investment held in Guernsey. The balance sheet showed the debtors situation had improved partly due to treatment of sponsorship and the fact that BF hold a high cash balance, again due to the realisation of an investment. JT was not worried about holding the cash in the bank currently.

A surplus has been generated at the end of the first quarter of this year. We are aiming to break even again this year without the benefits of the one offs from last year. We also have an undervalued asset in reserves. PA asked if there were plans to rebuild reserves or just break event. JT confirmed that we are at the upper end of what was planned and we do not need to try and rebuild.





JT drew attention to the Audit Findings Report which outlines areas of risk. Points to note were -

- a) Self-Employed staff should declare that they pay income tax. GU pointed out that we have a high proportion of non employees.
- b) Credit card expenditure – DM to deal with the timing of credit card payments.
- c) Accounting Journals – action already taken to address position.
- d) Back end of Audit Findings report, the benchmark analysis – DM made the point that this report was less than comprehensive. JT noted in terms of the reserves, cash balance, staff costs compare favourably, no measure stands out as unsatisfactory.

(Peter Smith, observer, joined the meeting at 17:52).

3. Copperdale JT explained that Copperdale was set up to deal with an event that BF ran and the AGRC (Audit Governance & Risk) had recommended BF should wind up Copperdale. This was agreed by the Board.

ACTIONS

Chair to sign LOR.

CEO/JT to implement winding up of Copperdale

DM to organise publication of accounts.

DM to manage credit card payment changes

AGRC to review investments/reserves.

4. Auditors Report

Jeremy Beard of Hays McINTyre joined the meeting to present on the Audited accounts. He confirmed that BF accounts were moving in the right direction and his task was much easier than last year, which was also HM's first year. The Audit Findings Report was based on observations. It was important to note that the external audit was not an in depth review of financial controls.

In the Financial Summary, there was nothing causing concern. Next year there should be a discussion on how to improve the format of the Audit Findings Report.

JT questioned the depreciation charge on page 4 of the document. JB confirmed there was an error in the report which would be corrected.

JB pointed out that there was question as to the ongoing purpose of the value of Copperdale. The Chair confirmed that the Board had agreed to wind up Copperdale.





Pages 6-8 dealt with the risks and where there was room for improvement. JB encouraged the Board to raise these points at the next Board meeting to check what had been done to minimise any risks identified.

Concerning Taxation, JB commented there were no comments different to prior years. In answer to a question from JT, JB agreed to check how the freehold property might be treated, if sold, with regards to tax.

The benchmark section at the back of the report was simply for guidance, to prompt thinking and questions. It only used publicly available information from 2013.

JB identified points to note – grant income to total income had increased due to additional grants in the year; there was a slight fall in membership and sponsorship income; the LOR was standard and contained nothing unusual.

GP asked how the overall summary compared to last year. JB said this year was a smoother process and all problems identified last year had been dealt with within the last year.

JT asked for guidance on what level of reserves should BF have and what is normal. JB responded that BF should consider its reserves policy and level of reserves, looking at core activity and the appropriate level of reserves, given grant income; did BF need a buffer in terms of WCP, legal fees etc? JB had no figure to recommend for the reserves, but gave the view that the current position was healthy.

JC noted that it was good to see that BF acted on the commitments made at the 2013 AGM.

Chair thanked JT and DM for work done on accounts, supported by the CEO and on behalf of the Board gave warm thanks to JB, who then left the meeting.

ACTIONS

- Directors to complete Bank documentation.
- CEO/AGRC to reflect on benchmarking points.

5. Disciplinary Update

Chair asked TC to update the Board on his review of the disciplinary system and recommendations. TC drew the Board's attention to two issues - the Code of Conduct Sanctions table, which he was streamlining and which should be available shortly; - the





Disciplinary and Grievance policies. The proposal was to have no distinction between the Disciplinary and Grievance codes and to have them under one process. TC planned to shorten the documents. He will bring formal recommendations to the Board for October.

PA asked if part of the process was the publicising of the results. TC confirmed that it was. CEO pointed out that we were bound by special considerations for minors.

CEO informed the Board that she was not automatically putting every complaint straight through to grievance, they will be looked at by her first, she tries to clear them up by speaking to the complainant in the first instance. The articles also give the Board the ability to discipline a member.

Actions

TC to bring proposals to Board.

6. Self-assessment Part 2 (BF Governance)

GU informed the Board that as a result of part 1 of the self-assessment there were outstanding items circulated;

A. Board Induction: Gill Palmer as a new Director is “test driving” the process.

B. Delegated Authority: the document has been worked on by DT, TC and GU, it sets out how authority works between the Board and the Executive. Chair is looking for Board approval on the documents but is also open to amendments. Specific comments were made by Directors, all to be confirmed to the Chair if possible by the weekend, and by latest Sept 26, so that a further draft can be produced for Board approval in writing.

CEO briefed the Board on the strategic planning section of the self-assurance process; the BF operational plan awaited completion of the forward strategy. This was a Board task. Chair noted that the Board would complete the strategy at the next away day with facilitator David Sales. He proposed to fix the dates for the away day in January and spend 75% of the time working on strategy and the other 25% updating Sales’ work on Director profiles. Chair asked the Board how they felt about two days, say a Friday and Saturday, which was agreed. CEO and KR will look at dates and venues.

The HR documents have been reviewed by JC who had no real concerns about the document. *The Board approved the HR documents.*

The CEO noted that plans were in place for Board and Chair performance appraisals.





BRITISH FENCING

Actions

CEO and KR to look at dates and venue for the Board awayday.

Directors to give Chair written comments on the draft documents by deadlines agreed.

AOB – Matters arising

GU informed the Board that Tracey Crouch MP will visit Lea Valley on the 23rd September and will meet the athletes. Any Directors able to get involved should let her know.

CEO raised the possibility of increasing the membership levy, noting the many years since there had been any increase. During discussion PS advised the Board on the terms of the Home Countries' agreement. It was noted there is provision for the AGM to be informed of Board decisions to increase the levy, which had to be within defined parameters. GU expressed concern that we might regret missing the opportunity to make an announcement at the forthcoming AGM. TC pointed out asking the members to note or approve an increase might need another resolution, and the documents were now ready to go out. PS said that the authority to raise the levy by 10% does not need the approval from anyone else. However, he argued the new membership scheme was a better road to go down, which was strongly supported by JT. The CEO accepted that the key need was to bring forward the new membership scheme. The Board concluded that was indeed an important priority; therefore for now no action should be taken on the levy.

On TC's and the Chair's recommendation, *the Board approved the AGM announcement.*

The Chair reported on an interview he had with the Sport England Chair Nick Patel. The message for all NGBs was that, going forward, lottery income was forecast to reduce which might force Sport England to make cuts in funding.

DT announced – to the CEO, and everyone - that the Board had decided the CEO should be confirmed in her post. He and Directors congratulated GU.

The meeting closed at 20:12 DT thanked everyone for coming – and Beazley for the excellent hospitality.

Date of next Board Meeting – Wednesday, 15 October, at Beazley, at 5pm

