

Present:	Hugh Murdoch	President
	Alex Munyard	Vice President Academic Affairs
	Nadia Mehdi	Vice President Societies & Activities
	Kirsty Haigh	Vice President Services
	Aurora Adams	Student Trustee
	Jeanie Hyslop	Student Trustee
	Parsons	
	Hona-Luisa Cohen-Fuentes	Student Trustee
	Lucy Eskell	Student Trustee
	Douglas Blackstock	External Trustee
	Stewart Goldberg	External Trustee
	Melissa Highton	External Trustee
In Attendance:	Conrad Jones	Commercial Director
	Euan MacLean	Finance Director
	Sarah Purves	Acting Director Representation, Student Support & Activities
	Julie Sanderson	Executive Assistant
Guest:	Gavin Black	Baker Tilly

1.	<p>Welcome/Apologies/Introductions</p> <p>HM welcomed everyone and opened the meeting at 132pm. There were no apologies. HM also welcomed Lucy Eskell to her first Trustee meeting. HM added that it was with regret that Mike Shaw had withdrawn from the University and, as a result, was no longer a trustee.</p>	
2.	<p>End of Year Accounts</p> <p>HM welcomed Gavin Black from Baker Tilly to the meeting who presented the Draft Audit Findings Report. GB reported the document was half the size from last year, and was comforted by the improvement that has been taking place over the year which is partly due to having a Senior Management Team in place. (AM left the meeting at 140pm). GB highlighted that the Going Concern for EUSA and EUSACO was regarding confirmation of the University funding:</p> <p><i>“Our approach: We will review forecasts (income and expenditure and cash flow) and supporting assumptions for a period covering at least 12 months from the approval of the 2012/13 accounts. This will include a request for confirmation from the University as to funding levels for this period and consideration of bank facilities in place. Resolution: We have reviewed the budgets for 2013/14 and 2014/15 and given consideration to the post year end performance, secured future funding and agreed banking facilities. In addition we have reviewed the cash flow forecast through November 2014. While we understand the financial position of the group is not strong at the moment the group appears to be remain a going concern with the continued support from the University and the bank. We have requested a letter of support from over the University confirming their support over the coming 12 months. We have also received a copy of the agreed overdraft agreement confirming the facility available to the group. On this basis we are satisfied that the financial statements have been prepared on the going concern basis.”</i></p> <p>GB drew the Board’s attention to the section on Audit and Accounting Issues Identified During the Audit which highlighted issues regarding tax:</p> <p><i>“Issue:</i></p>	

	<p><i>Basis of Management Charge: Our consultation with a tax specialist has highlighted that the current basis for the management charge and equipment hire charge from EUSA to EUSACO does not constitute a shared service charge. This results in a risk that the charge between the two entities could be considered taxable income on EUSA's part.</i></p> <p><i>Resolution:</i></p> <p><i>During the audit fieldwork this was discussed and agreed that this is not necessarily required any longer given costs are now recharged through the internal recharge system. However, it was also noted that the number of recharges are likely to be scaled back in future years. It was agreed with the Finance Director that the management charge and hire of equipment charge would be considered in the financial period to 30 March 2014. "</i></p> <p>SG queried the issue regarding the VAT with EUSA and EUSACO. EM reported that he was awaiting formal confirmation that EUSA would not receive any penalties (in relation to 2012/13). HLCF queried who was responsible for the issue. DB stated that the situation was very complex and a common problem in students associations due to commercial activity for students. EM explained he had until 5 December to go back to the Inland Revenue to establish what position EUSA are in. HLCF enquired as to what the penalty would be. EM responded that the penalty would be dependent on a number of issues which would count in EUSA's favour however the penalty can be up to 100%. EM explained EUSA's band is 15-30% of the VAT over-recovered (which is £37k) but this may not be applied due to our cooperation with HMRC over the matter. The Trustees will be notified and updated on progress. GB continued to highlight that pages 8-12 on the report focused on adjustments, and pages 12-15 covered internal controls. GB highlighted that EUSACO should be minuting Gift Aid declarations in order to ensure a clear audit trail, and proposed doing this going forward. GB stated there was a significant improvement on the previous year, although not with regards to the actual numbers, and the auditors were happy with the audit. EM will be looking into the bars audit with regards to stock values and insurance in reference to the Festival. KH requested that the Board saw the Management response to the audit. EM will circulate to the Board. JS to add to the agenda for discussion at the Trustee Board meeting in January. DB requested acknowledgement on behalf of the Trustee Board on a great improvement to the audit and thanked the SMT for their efforts. LE requested a brief session on the difference between EUSA and EUSACO in order to understand the differences. EM confirmed he would be happy to do this for anyone who would be interested. KH questioned why the issue on Gift Aid had not been picked up previously. EM stated it was important that had been picked up now. KH raised concerns that a number of issues are being discovered on a regular basis. GB responded that it was due to EM being in place that such matters are now being discovered and being addressed which was important to remember, adding that EUSA should be in a much stronger place in a year. GB stated that EUSA was a very complex organisation which includes charity, student trading, festival etc. DB reiterated that he took great comfort with the management that was in place, that those issues have and continue to be picked up, and they are being dealt with correctly. GB offered to assist EM with the EUSA and EUSACO briefing. DB queried whether the University internal auditors had been involved. EM confirmed he had invited them to look at the purchase payment invoices, and they issued a report with recommendations without any charge to EUSA. EM to ensure the Finance Subcommittee see the report. HM thanked GB for attending the meeting, and GB left at 210pm.</p>	<p>Agreed</p> <p>EM JS</p> <p>EM</p> <p>EM</p>
3.	<p>Minutes from previous meeting, 18 September 2013</p> <p>AA highlighted that her request for the Board to see any EUSA policy, which had been discussed and actioned, be included in the minutes from 18 September. The minutes were approved.</p>	<p>JS</p>
4.	<p>Standing Business</p> <p>4.1 Conflict of Interest</p> <p>There were no conflicts of interest declared.</p>	
5.	<p>President's Update</p> <p>HM updated that he had been working with the University with regards to the buildings for the central area. HM will be attending the University 2025 Estates Planning meeting. HM has also been involved in the audit process.</p>	
6.	<p>CEO Update</p> <p>HM confirmed that Stephen Hubbard had been the successful candidate for the CEO role. He will be starting part-time in February, then full time from April. HM expressed disappointment with the recruitment agency, HM thanked DB for handling the final negotiations with the successful candidate. Negotiations also took place with the University to secure funding for a relocation package. AA expressed concern that HM was disappointed with the agency who were NUS recommended. HM requested everyone involved in the process to let him know their thoughts so he can feedback to the agency. EM confirmed that the agency had already been paid so withholding payment would not be an option. Following discussions regarding using an agency for the search MH reminded everyone that the Board made the decision to recruit in this way and, if anything similar was to happen in the future, the HR department should be increased in order to deal with such matters. DB stated there was very</p>	

	<p>strong feedback in the voluntary sector during the process regarding EUSA's reputation which could have contributed to the issues surrounding the recruitment.</p> <p>KH expressed her concerns that the decision that was made should have come back to the Board. HM responded that the Board had previously agreed to elect the group to deal with the recruitment process and therefore were delegated with making the final decision. HM continued by explaining that the interviews took place on the Wednesday and Thursday, the negotiations with Stephen Hubbard were over that weekend, which including discussions with the University on the additional funding. HM informed people as best he could within the timeframes as he was aware the Board needed to be informed of the final decision. CJ reminded everyone that the Board delegated the authority of the whole process and final decision making to the group and it had been agreed they would act on the Board's behalf. HM clarified that the group selected was not the HR Subcommittee but a separate group which consisted of HM, JHP, NM and DB. The Board agreed that, for any future senior level appointments, there would be clear parameters with endorsement from the Board.</p> <p>Clarification was sought on the role of the University Secretary on the panel given this was a EUSA appointment.</p>	<p>Agreed</p>
<p>7.</p>	<p>Role of the Trustee Board</p> <p>Prior to discussions taking place regarding the role of the Trustee Board KH requested a conversation about filling Mike Shaw's post as a Trustee. KH offered the following options:</p> <ul style="list-style-type: none"> • The post could potentially be co-opted to the person who was runner-up in the Bye Elections however the post would only be until the March elections; • Be added as a position in the main elections in March; • Or run an additional election prior to March. <p>JHP commented that she was unsure that co-opting would be wise as the elections are only 4 months away.</p> <p>Following discussions it was agreed to add the post in to the March elections and leave the Board set up until then.</p> <p>HM to express his thank you to Mike Shaw on behalf of the Trustee Board for his contribution.</p> <p>HM opened up discussions on the views of what the Trustees thought the role of the Board should be across various aspects. MH stated that if the Board are working well together then any issues should be aired prior to the meeting rather than allowing the meeting to become too operational and detailed. DB added that the various officers who sit on the subcommittees assists with reporting to the Board. KH expressed her concern that minutes from each subcommittee were not circulated to the full Board immediately after the subcommittee meetings had taken place. SP reminded the Board that the Trustees had agreed the Subcommittees and Delegation of Authority decisions.</p> <p>AA stated her view of the Board was that she was elected under the impression that the Board was non-political and any views expressed by the individual were to be put aside. In addition, she was aware that she was liable and accountable to the Board on behalf of the organisation. DB proposed looking at amendments to the Code of Conduct. JHP added she was keen to have a transparent Trustee Board to communicate to the student body. Following further discussions the Board agreed that HM and JHP would review the minutes before putting them online.</p> <p>(DB left the meeting at 3pm/NM left the meeting at 310pm and returned at 315pm).</p> <p>JS to circulate the Staff Newsletter to the Trustee Board in future.</p>	<p>Agreed HM</p> <p>HM/JHP</p> <p>JS</p>
<p>8.</p>	<p>Subcommittees Update:</p>	
	<p>8.1 Strategic Review</p> <p>SP presented her paper on Strategic Review update and presented two options on the process and timescales:</p> <p><i>"Option 1 suggests a high level Strategic Plan could be developed and presented for approval by the Board at its meeting on 21 May 2014. It will require speedy student consultation, and then significant internal work to take place at a challenging pace at the same time as developing new budgets for use from 1 April, and working towards more successful elections. However, it would enable us to communicate our approach to students at the start of the academic year 2014-15.</i></p> <p><i>Option 2 suggests an alternative whereby a more detailed plan could be presented for approval by the Board in November 2014. It will enable more extensive communication with our members about why we are seeking their views, more time to gather this in a range of ways, and to explore this in more depth. It will enable us to include and involve the new sabbaticals and trustees in shaping the plan, and wider communication and presentation of the plan before it is launched in the New Year. The pace of option 2 perhaps means less conflict with other significant and time consuming activity later this year such as budgeting."</i></p> <p>SG stated it should be the shorter version. HLCF added her concern regarding how the handover from current sabbs to new sabbs would be handled in the process.</p> <p>(AM returned to the meeting at 327pm).</p> <p>CJ advised that the process should not be rushed and it was important to engage as many stakeholders as was possible. It was about the organisation, not the individuals. In reply to a question regarding which option might be the most feasible to deliver in a practical sense SP added that semester 2 will be challenging due to budgeting and engaging students with elections so choosing option 1 would be difficult.</p>	

	<p>Following lengthy discussions the Trustee Board agreed to option 2 under the pre-requisite that the University contribute financially to the student research.</p> <p>KH stated her discomfort that a University representative would be sitting on the Strategic Planning subcommittee. AA stated that the Board need to be aware of bringing in the University for advice if there are no other options. The Board agreed to include Tracey Slaven (Deputy Director/Director of Planning) for advice in setting up the initial plan only.</p>	<p>Agreed</p> <p>Agreed</p>
	<p>8.2 HR Subcommittee</p> <p>NM presented the minutes from the HR Subcommittee meeting which took place 30 October. With regards to the Sabbatical Disciplinary Procedure the External Trustees had agreed that DB would supervise the procedure and would take it in turns on an annual basis.</p>	<p>Note</p>
	<p>8.3 Trading Committee</p> <p>KH tabled the minutes from the Trading Committee meeting which took place on Thursday 16 October, and apologised the delay in presenting them to the Board.</p> <p>KH highlighted the key decisions agreed at the meeting.</p>	
	<p>8.4 Subcommittee Membership</p> <p>HM highlighted that the following positions were available for the subcommittees and requested volunteers from the Board, all of which were agreed at the meeting:</p> <p>Nominations Subcommittee:</p> <ul style="list-style-type: none"> • 1 External Trustee – Stewart Goldberg • 1 Student Trustee – Aurora Adams • 1 Sabbatical Trustee – Kirsty Haigh <p>Trading Committee:</p> <ul style="list-style-type: none"> • 1 Student Trustee – Hona Luisa Cohen Fuentes • 1 External Member – clarify Sue's position <p>Strategic Planning:</p> <ul style="list-style-type: none"> • 1 Student Trustee – Lucy Eskell 	
9.	Director Reports:	
	<p>9.1 Commercial Director Report</p> <p>CJ presented his report to the Board. There were no queries.</p>	
	<p>9.2 Acting Director Representation, Student Support & Activities Report</p> <p>SP presented her report to the Board and highlighted that The Advice Place assessment for the Matrix standard has been delayed until February.</p>	
	<p>9.3 Finance Director Report</p> <p>EM presented his Finance Report. The accounts have not been finalised however EM will email them to the Board for review prior to sign off. EM, HM and DB are meeting on 17 December to go over the accounts in detail. The Board agreed they were happy for the accounts to be signed off by HM and DG after this, without a further meeting of the full Board taking place.</p>	<p>Agreed</p>
10.	<p>EUSA's Approach to Planning Round 2014-15</p> <p>AA raised concerns regarding unpleasant email exchanges surrounding the conditions of the Block Grant from the University, adding she had been previously unaware of the terms. JHP stated the University behaved appallingly by pressurising the new sabbatical officers in such a way. EM stated that any funder of an organisation does have the right to apply conditions.</p> <p>Following discussions regarding such email exchanges amongst the Trustees, it was agreed that any future correspondence sent to the Trustees would be open cc rather than bcc. HM stated he would not be responsible for chairing those email threads however will intervene and bring to a full meeting of the board if required. JS and HM to discuss further.</p> <p>The Block Grant letter should in future be circulated to the Trustees and be signed off at the Trustee Board meeting.</p> <p>Discussions took place regarding which approach to take regarding Block Grant submission:</p> <p><i>"1. A conservative approach:</i> <i>Secure the 2% increase. Show the early stages of the good progress we are making on our financial recovery plan, and submit a cautious application that maintains current provision, although this will be challenging to achieve if we are also to achieve a further £100k saving in 2014-15 budget.</i></p> <p><i>2. An ambitious approach:</i> <i>We could aim to secure a much more significant increase to the grant. We can show the early stages of the good progress we are making on our financial recovery plan, but highlight some of the risks we face in meeting that, and some of the sacrifices we have already made and the impact of those – some of these are outlined below, but include significant risks to commercial success, student participation and future development. A number of potential things have emerged that we need to invest in but to do so would represent deviation from our current financial plan. We can highlight our desire to continue to work alongside the University in contributing equally to the student experience, and our ambitions to develop key areas that impact on the student experience (rather than standing still). We could outline</i></p>	<p>JS / HM</p> <p>Agreed</p> <p>Agreed</p>

	<i>the current financial restraints on our ability to do that should we secure just the anticipated 2% increase.”</i>	
	The Trustee Board agreed to option 2, the ambitious approach.	Agreed
11.	Student Council Policy The Board discussed the fact that only some of the policies that had been passed by Student Council had come to the Board. HM clarified that expenditure requests would come to the Board.	
12.	EUSACO Ltd	
	12.1 An Introduction As discussed earlier in the meeting EM will hold a separate session on EUSACO.	
	12.2 EUSACO Gift Aid Transfer The Board agreed that this item would be discussed in a separate meeting following the close of official business on the Board.	Agreed
13.	Buildings Update CJ updated that progress was continuing and the Estates 2025 plan had been re-balanced from a EUSA perspective, and it was the beginning of a 2 year process. There will be an additional EUSA shop in DHT in 2014.	
14.	Ernst & Young Financial Assessment EM updated that the Universities Superannuation Scheme had requested that Ernst & Young carry out a financial health check on a selection of USS member organisations, and the document presented was the output in respect of EUSA.	Note
15.	Legal & Risk Update EM confirmed there were no legal updates, and highlighted that, as discussed earlier, HMRC were looking into EUSA's VAT.	
	HM requested the Board to send agenda items for the next meeting to JS, and that the meeting would return to the full duration of 3 hours. HM thanked everyone for attending and closed the meeting at 405pm.	

Signed: _____ Date: _____
(Chairperson)

Minutes of a meeting of the Trustee Board for EUSACO held on Wednesday 20 November 2013.

1.	Introduction HM welcomed everyone and opened the meeting of EUSACO at 405pm, and noted there were apologies from DB.	
2.	EUSACO Gift Aid Transfer The Board agreed that all taxable profits relating to 2013/14 are to be transferred to EUSA via Gift Aid.	Agreed
	HM thanked everyone for attending and closed the meeting at 407pm.	