



Verdala
INTERNATIONAL SCHOOL

**Virtual Annual General Meeting 2021
Verdala International School
29th March 2021 at 19:00.**

Board Members:

David Nyheim (Board Chair)
Ian Howard - IHO (Parent Director)
Ben Brown - BBR (Parent Director)
Willem Steenkamer - WST (Parent Director)
Corinne Borg - CBO (Staff Director)
Stephen Crichton - SCR (Staff Director)
Totty Aris - HOS (Head of School non-voting)
Ivan Camilleri - FC (Financial Controller non-voting)
Mark Patanella - MPA (Board Director US Embassy)
Josanne Ghirxi - JGH (Board Director, Maltese Government Rep.)

Guests: Noel Micallef (Ernst and Young)
Chris Balzan (Ernst and Young)
Andy Davis (Parent on Governance Committee)

Attendees: 113

The Chair welcomed everyone to the Virtual AGM 2021. The Chair introduced the panelists and explained the webinar and voting protocol to all attendees. Due to GDPR obligations the Chair reminded all attendees not to record the webinar.

Session 1: An online AGM, is it legitimate?

The Chair informed the community that the Board had taken legal advice. The legal advice has affirmed the legitimacy to conduct this AGM on a virtual platform and that includes the voting arrangements as they have been crafted. The Chair reminded the

community that each parent had one vote per child and each teaching staff member had one vote. The voting on motions had been open for 24 hours and this honours the proxy vote modality that is captured in the VIS statutes.

Session 2: Approval of the 2020 AGM minutes (Appx. 1)

To be voted on during session 4

Session 3: Presentation of audited accounts (Financial Year 2019-2020) + Q&A

Presentation of audited accounts for the year 2019-2020 (Appx. 2)

Mr Chris Balzan (Partner E&Y) was invited by the Board Chair to give an overview of the Annual Report and Audited Financial Statements for the year ended 31st August 2020.

The Chair thanked the Auditors for their presentation and invited questions from the Community.

Q- A Community Member asked the Auditor to clarify note 11 on the income tax sheet, wherein it was indicated that there was an under provision of the prior period tax charge of Euro 12,663, and furthermore noting that this takes the income tax expense for 2020 to over 50% of the surplus for the year.

A- The Auditor explained that the income tax for the year effectively amounted to Euro 39,000 and in that figure there is provision of Euro 12,000 which was an under provision of the previous year. At the time when the financial statements were prepared, and prior to the preparation and submission of the tax return, in last year's figure there was an under provision for the taxation charge of Euro 12,000 which was subsequently reflected in this year's income tax charge. Therefore the amount of Euro 27,000 relates to the surplus generated by the school this year and Euro 12,000 which is the under provision of the previous year and was actually paid by the school this year.

The Community Member asked for further clarification regarding the under provision in 2019. The Finance Chair invited the member for a more detailed explanation after the AGM. The Community Member agreed to contact the Finance Committee directly.

Session 4: Vote:

The Chair set the 5 minute timer for the community who have not yet voted on the following motions:

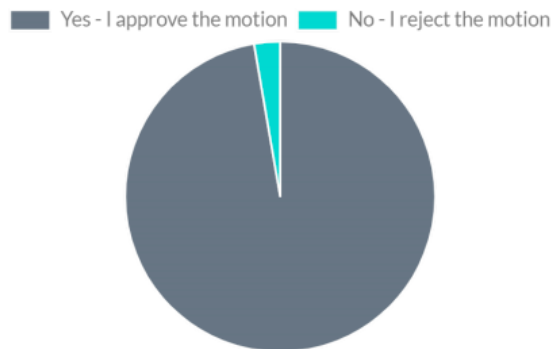
- I. Approval of AGM 2020 minutes
- li. Approval of Audited accounts for 2019-20 Finance Year
- lii. Approval of Auditor's for 2020-21

After 5 minutes the votes were closed on electionbuddy and Mr David Miles shared the results with the Community:

I. Approval of AGM 2020 minutes;

The 2020 AGM Minutes were approved with 97.3% of the votes

Session 4(a) We approve the minutes of the 2020 Annual General Meeting.	
PLURALITY	
Yes - I approve the motion	144 votes (97.3%)
No - I reject the motion	4 votes (2.7%)
Yes - I approve the motion wins with 97.3% of the vote.	
148 votes tallied and 39 abstentions from 187 ballots	



ii. Approval of Audited accounts for 2019-20 Finance Year

The Audited accounts 2019-20 were approved with 98.6% of the vote

Session 4(b) We approve the audited accounts for the financial year 2019-2020.

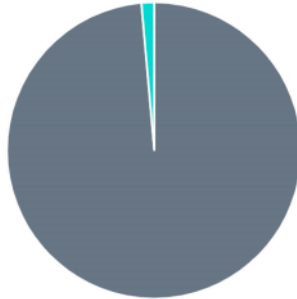
PLURALITY

Yes - I approve the motion	141 votes (98.6%)
No - I reject the motion	2 votes (1.4%)

Yes - I approve the motion wins with 98.6% of the vote.

143 votes tallied and 44 abstentions from 187 ballots

■ Yes - I approve the motion ■ No - I reject the motion



lii. Appointment of auditors for the Financial Year 2020-2021

The re-appointment of the audit firm Ernst and Young Malta Ltd as the Auditors for VIS for the financial year 2020-2021 was approved with 97.3% of the vote

Session 4(c) We approve the re-appointment of the audit firm Ernst & Young Malta Limited as the auditors for the school for the financial year 2020-2021.

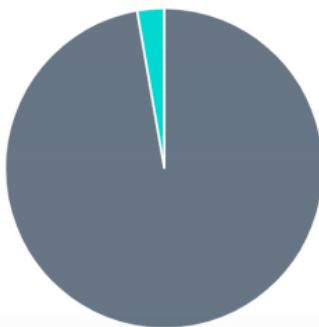
PLURALITY

Yes - I approve the motion	142 votes (97.3%)
No - I reject the motion	4 votes (2.7%)

Yes - I approve the motion wins with 97.3% of the vote.

146 votes tallied and 41 abstentions from 187 ballots

■ Yes - I approve the motion ■ No - I reject the motion



Session 5: Report by the Board Chair (previously posted and shown at 19:00) (Appx. 3)

Session 6: Report by the Head of School (previously posted and shown at 19:00) (Appx. 4)

Session 7: Current financial picture (Appx. 5):

The Board Chair thanked the Auditors, Head of School, Financial Controller, Graziella Agius (Accounts) and the Finance Committee for their work on the audit and personally thanked Willem Steenkamer and Claire Sheasby for their efforts and contribution to the Board and the Community.

The Chair of the Finance Committee and Financial Controller were invited to give an update on the current financial picture. BBR told the community that VIS was in a healthy financial position despite the current circumstances. Student numbers were at their highest, with a school population of 538 in Quarter 4 and thus school income is in a good position.

Session 8: Q&A from the Community to the Board

The Chair invited the Community to an open Q&A to the Board

Q1: A Community Member asked about the substation and wanted to know with regards to the timeline for its completion.

A1: IHO (Facilities Chair) replied that Ene Malta have agreed in principal to this development and that a location for it's housing has been identified, we now await the final permit. Once the Board has further information it will be shared with the Community.

Session 9: Other motions: Adjusted interpretation of the Statutes (Appx. 6) + Q&A

The Chair informed the community that we had one motion carried forward from last year's AGM which is the interpretation of Statute Clause 8 (Appx. 6). The Chair invited Andy Davies who sits on the Governance Committee to present the motion.

Andy Davies thanked Commander Brian Durand (US Embassy) for his initial work on creating the document that was available online and linked to the voting page for this motion.

Andy Davies then explained the context of this motion. The Foundation Statute is the highest set of rules governing the running of our non-profit Foundation. It was written many years ago, when the school was much smaller and technology was very different. No one ever imagined that we would be adapting to work arounds in the middle of a pandemic, let alone that alternatives to posting a letter would be available!

All good governance practices require their procedures to adapt and grow, however such measures must be carefully controlled and certain core values must be preserved. Clause 8 of the Statute allows for this and it sets out how amendments should be implemented. For many years, Clause 8 had been interpreted as requiring a positive vote from at least 75% of the whole community who are resident in Malta, to vote-in a change – something that has never been achievable. A point in case is the trial vote earlier this week, which reached a record 58% response, but would still not have been sufficient to pass a change under that interpretation.

During the AGM 2 years ago (2019), this issue was brought to the attention of all Foundation Members and it was unanimously resolved during the meeting, that the BOD should look into ways of enabling a revision of the Statutes to take place. The BOD tasked its Governance Sub Committee to look into this and a legal ruling of the interpretation of Clause 8 was sought.

Dr Ian Spiteri Bailey LL.D., an Employment and Social Policy Lawyer who is also an Accredited Workplace Mediator was contacted, and he gave the following interpretation of Clause 8:

- The statute can be amended or altered.
- In order for such amends and or alterations to come into effect, there need to be a minimum of 75% of total votes cast in favour of such amends and/or alteration.
- All members of the Foundation may cast their vote, but only the votes of those who are resident in Malta are taken into consideration in determining the 75%.

This ruling was discussed and agreed by the Sub Committee and put forward to the BOD where it was also accepted by the Maltese Government and the US Embassy, both of whom offer independent advice to the School and have representatives on the BOD.

Voting for this Motion now asks the Community – All Foundation Members – to accept this interpretation and I would like to assure you that we are only voting to accept this interpretation (which requires a 50% majority at this AGM) and we are not voting for any changes or amendments to the wording of Statute itself.

So, how will the statute be protected should you vote to accept this interpretation:

- The BOD will identify certain Clauses – or parts thereof – that are so integral to the core values of the school, that they may only be changed by a 75% majority of all Foundation Members who are resident in Malta (i.e. the old interpretation of the clause). Such items – for example the relationship with the Maltese Government and that of the US Embassy, or the balance of power on the board (needed to ensure that no faction has a majority) – will become “ring-fenced” to afford them ultimate protection. These clauses will be presented at the 2022 AGM (or EGM) by the BOD.

- Amendments to all other, non-ring-fenced clauses may be proposed to the BOD by any Foundation Member. Such proposals will be considered in open session and may be tasked to the Governance Sub Committee for deliberation. Once a draft amendment has been approved by the BOD it will be put to the entire community for an indicative survey using Election Buddy. This will establish the Foundation Member's feeling towards the proposed amendment and, if it received at least 75% majority approval on this survey, it will be put on the agenda for the next General Meeting. At that General Meeting, the motion to adopt the amendment will be put to the vote. If at the General Meeting, at least 75% of all votes cast are in favour of the motion, the amendment is adopted, otherwise it is thrown out.

The Chair thanked Andy Davies for his presentation and invited questions from the Community.

Q- A Community member asked, why are you looking to change the interpretation, rather than lower the percentage of the vote? Do you know how many of the community are Maltese residents and how many are expats? What will this mean in terms of Maltese residents? How often can decisions be changed?

A - Mr Davies answered the Community Member's question

The issue for now is that we need to interpret clause 8, to enable us to make changes to the Statute. Moving forward, if we don't interpret it, then we cannot make changes because we can't get 75% and that in part will answer the first part of what we are trying to achieve. If everybody is in agreement with the interpretation to allow the 75% of the people that vote, it will enable us and the Governance Committee or anybody else to suggest those changes. When this Statute was put together VIS was smaller and most of the families who were sending their children were resident in the full form of being a resident. Looking forward, do we need to maintain that residency clause or do we just revert it back to Foundation members? If we don't find a mechanism to allow us to make a change to the Statute, we can't change it and we are stuck in a situation where we are unable to change or do anything

Mr Davies told the Community that he personally would not recommend lowering the percentage because this is the most important document that the school has so he thinks it should be more than 50% and he also thinks it should be fairly standard in Statutes, Foundations and Constitutions across the board.

Mr Davies added that before it would only be Community Members resident in Malta to attend the AGM but now due to technology and Zoom more Community members can attend and participate in the AGM.

Q- A Community member asked- If we accept the motion then how many people you assess with 75% will amount to after it is accepted? What is a resident in Malta?

A - Mr Davies clarified that within the school community, those with a residence permit in Malta will theoretically be counted and can vote, however he said we need to take further legal advice of this interpretation. Arguably everybody can vote but by determining the 75% threshold you only take Maltese residents, so arguably its saying the cut off point might be the Maltese residence but all votes would count for upping the percentage but from the threshold point of view it is only those people who are residents. Mr Davies suggested that if it goes through that one of the first things to look at is to revise Clause 8 in its entirety. Clause 8 would then be put to the vote at the next AGM to something that we could all understand .

Q- A Community member addressed the AGM. In the past the Community has not been good at participating in presentations the VIS has provided or surveys etc. If a lot of people don't participate in the vote for which clauses to ring-fence. If only 50 people vote and only 75% of votes that count then it's not going to be a big part of the school that has a say.

A- The Chair pointed out that the Governance Committee considered the spirit of the Statutes into how we went about this interpretation. The spirit of the Statutes is consultation, openness and transparency and this is reflected in how this proposal is tabled. The Chair thinks this spirit is one that underpins VIS and its values and will be upheld throughout the process, which is why we have put these safeguards in.

Mr Davies concurred that it is very important that we have this openness within the Community, giving everybody the opportunity for their input. The Statutes are clearly in need of being revised. We have a reputable Board and leadership team, together with the Maltese Government representative and U.S. Embassy representatives who are involved with this and would not allow the statutes to be run away with. Mr Davies understood the concerns of the Community member from a point of view of what a small group could do, Mr Davies is doubtful that anything will go down that route and to encourage the community to participate in votes.

Q- A Community Member asked how we are going to get more of the VIS community involved in the voting process.

A- Mr Davies reminded the member that we are trying to amend the 75% of the total community to 75% of the community that has voted on changing statutes, The HoS added that it is the votes cast but it is also about how we engage the Community. She informed the AGM that we have seen huge improvement in engagement this year and comparing that to past AGM's where we had maybe 20 parents and 15 staff members. It's not that people aren't interested because the AGM is held on a cold winter evening. The HoS mentioned that parents evenings participation has improved, and this year it

was common that 30 parents joined and this was unheard of in the past. HoS believes we should look at the Statutes with 21st Century eyes. The Statues were written in 1985 by a team who didn't have the same values and now we want to change the statutes to reflect and represent VIS. The HoS informed the AGM it will take a few years to change the Statutes and it will be a step by step process and the HoS and the Board are committed to that.

Session 10: Vote: Adjusted interpretation of the Statutes

The Board Chair set the 5 minute timer for the community who have not yet voted to take part in the vote on the statute motion.

The adjusted interpretation of the Statute was approved with 98.1% of the vote

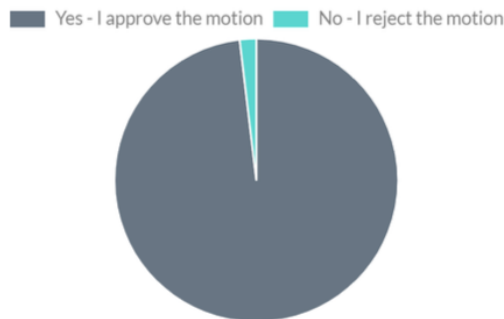
Session 10: We approve the legal interpretation of Clause 8 of the Statutes as accepted by Ian Spiteri Bailey LL.D., the US Embassy and the Maltese Government. This interpretation states that the statute may be amended in the future, if approved by 75% of those voting at a General Meeting (AGM or EGM).

PLURALITY

Yes - I approve the motion	157 votes (98.1%)
No - I reject the motion	3 votes (1.9%)

Yes - I approve the motion wins with 98.1% of the vote.

160 votes tallied and 27 abstentions from 187 ballots



Session 11: Long-serving staff awards and appreciation to VIS staff for COVID management.

The Head of School introduced and thanked the staff being honoured for their long-serving at the school. This was the third year that the school has acknowledged long serving staff members.

Mark Cachia and Ana Acevedo Nistal celebrating 10 years of service and Kristina Depasquale celebrating 15 years of service.

The Head of School gave a special mention to Ms Wendy Mistruzzi who is retiring this year. She had retired from VIS but two years later returned as Elementary Principal for a

further 3 years. The HOS thanked her for her dedication and the support to both the HoS and to VIS, especially during this pandemic.

The Chair added his appreciation of the Covid management and the robust and effective way VIS has managed the pandemic guided by the Ministry of Education and the Health Authorities of Malta. The Chair thanked the Leadership Team and VIS staff on behalf of the Board and parents for going to extraordinary lengths to enable the children to stay at school and to be safe during the second COVID wave. He also thanked the teaching staff for an effective distant learning approach for children who had to stay at home.

Session 12: AGM Board election:

On behalf of the Board, the Board Chair gave a special mention to our VIS School Nurse, Odette Micallef Eynaud, who has gone above and beyond the call of duty both as a nurse and as the VIS Covid Officer, to support staff and families with their queries, specific cases and school contact tracing.

The Board Chair thanked the outgoing members of the Board, Claire Sheasby and Willem Steenkamer, for their contributions and dedication to VIS.

The Chair thanked the 2020-21 Sub-Committee members and encouraged the community to volunteer and contribute to the Board sub-committees to use the talent we have in the parent and teaching body to support the Board's work. He then called upon the Election Adjudicator, Ms Josianne Ghirxi to present the incoming Board members for the next Board year 2021-22.

Board of Directors 2021-22

Voting:

Ian Howard - IHO (Parent Director)
Ben Brown - BBR (Parent Director)
Laura Keurhorst- LKE (Parent Director)
Corinne Borg - CBO (Staff Director)
Stephen Crichton - SCR (Staff Director)
Mark Patanella - MPA (Board Director US Embassy)
Josanne Ghirxi - JGH (Board Director, Maltese Government Rep.)

Non-voting:

Totty Aris - HOS (Head of School)
Ivan Camilleri - FC (Financial Controller)

Session 13: Close of the AGM

The Chair thanked the Community for participating in the AGM and governance of our School. This year we had a record number of participants. The Chair also thanked the panelists for their contribution in the presentations of the motions and for supporting the vision of VIS as the school of choice in Malta.

AGM 2021 Meeting closed at 21:20