



## An Daras Multi Academy Trust

Central Office  
Unit 4 Tamar Business Park  
Pennygillam Way  
Pennygillam Industrial Estate  
Launceston PL15 7ED

Central Office Tel: 01566 777503  
E-Mail: [clerk2@andaras.org](mailto:clerk2@andaras.org)  
Chief Executive Officer – W Hermon

22/02/18

### Minutes

#### Audit Committee Spring 2018

Thursday 22<sup>nd</sup> February 2018 at 9.30am at ADMAT Central Office

**Note that actions are highlighted in bold and red, and will be carried forward to the next meeting and questions or challenges during the meeting are highlighted in bold and blue**

1. **Welcome and Apologies**

**Present:** Amanda Jefferies, Bex Couch, Will Hermon

**Apologies:** Claire Paul, Brian Jennings

**In Attendance:** Clerk, Jo Callow, Marg Basford

2. **Declarations of Interest/Pecuniary Interests Relevant to this Agenda**

WH and JC are employees of ADMAT. BC declared a new interest and will amend her pecuniary interest sheet.

3. **Confirm Minutes of previous Audit meeting Autumn (3<sup>rd</sup> November 2017) and matters arising (Clerk)**

- Add LGAB Review to Full Board agenda (Clerk). *The Directors agreed that it is time for a review of LGAB committees as they haven't been considered for at least 2 years. The structure, skills required, responsibilities, effectiveness and scope will be considered. WH updated the Directors.*

Committee agreed minutes and the Chair signed a copy.

4. **Confidential Agenda Items**

See at confidential minutes.

5. **Review Risks**

a. **MAT Finance Risks**

WH highlighted predicted pupil numbers and the risk to funding with the lower numbers. St Catherine's nursery numbers have been low and the intake numbers are lower than expected. NP numbers are lower than hoped. WH highlighted that the fairer funding formula will result in funding for the MAT being no worse and no better than before. MB talked through the figures and confirmed that the figures will be static.

WH discussed the funding and numbers for pre-schools. He said that options for sharing funding, staffing and expertise between the nurseries across the ADMAT have been discussed at previous meetings. AJ offered ideas for attracting new children and this is important to feed through to the schools, and also suggested researching what parents actually want, and offering that. The committee discussed

the issues involved in attracting children and how the nurseries are staffed. Audit committee agreed that nursery provision needs to be looked at and JC is the lead on this work.

**b. Individual School Risk Indicators**

No changes to previous iteration.

**6. MAT Improvement Plan**

WH has provided regular updates on the improvement plan. WH highlighted C3 regarding wider school partnerships – moderation is being completed with another MAT. The Directors have no questions at this time.

**7. Review Findings of External Auditors**

WH mentioned the previous audit from Bishop Fleming and highlighted the recent benchmarking document. BC noted that the size of ADMAT isn't comparable with some of the much larger MATs in the benchmarking data. **BC challenged the staffing costs data** and WH confirmed that this appears to be an error and will be clarified. **BC also challenged that the pupil to teacher ratio seems much lower but that is likely to be the small schools that brings that down. BC questioned the pension figures comparison.** WH and MB explained the pension figures.

WH talked through a Bishop Fleming briefing on financing recommendations including (1) Centralised finance function with as little purchasing at school level is possible, (2) software that is fit for purpose, (3) experienced finance committee, (4) standard monthly reporting pack, (5) qualified CFO, and (6) proper internal audit looking at risk. WH updated the committee on options for CFO and that a part time appointment will need to be made. Pupil teacher ratios are rising and our number of Directors is roughly in line with the average. Regularity issues found across MATs include (1) IR35 issues (people contracted are paying appropriate tax), (2) leases, (3) procurement at school level liable to fraud, (4) Overseas travel is not to be funding by a MAT, (5) deficits should be properly considered, (5) gifts for outgoing heads should be appropriate and (6) contentious transactions. WH highlighted the changes to auditing for 2017/18.

**8. Responsible Officer**

LA Responsible Officer has moved and awaiting a new responsible officer to provide the report. This service is cheaper than previously but it is not a satisfactory service. MB requested permission to return to Bishop Fleming for responsible officer checks. The Directors agreed, that although more expensive, it is important that it is done properly.

**9. Payroll Expenditure**

MB briefed that coding issues for December have been worked on. Employer pension contributions overall are in line at year end but some of the individual school figures seem a little high. MB talked through the staffing costs and the fact that pension costs, sickness cover etc has to be factored in.

**10. Review Risks to Internal Financial Control**

None.

## 11. Investigate Areas Highlighted by BoD that may threaten or adversely affect:

### a. Accomplishment of MAT Vision and Aims

No threats and is always being developed. Recruitment of Directors will be looked at to include more church ethos input and perhaps someone from the local community.

### b. MAT Assets

WH updated the Directors on the new build at WHA and highlighted some of the upcoming issues such as heating systems that will need replacing/fixing in the near future across most schools. Bids are in for funding and waiting for results. GB has visited all schools, less LT, to discuss priorities.

### c. Reliability of Record Keeping

None. WH highlighted how data protection will be managed and the issues surrounding data management were briefly discussed.

### d. Compliance with Relevant Laws, Regulations, Policies and Governing Instruments

The lease at Coads Green is unlikely to be beyond 15 years which is far from ideal. The annual rent is approx £12K and the use of the playing field needs to be confirmed. The TUPE documentation for Coads Green staff is in hand; the measures letter has gone to the LGAB, the staff and the unions. The conversion date is due as 1 May 18. **BC challenged what plan is in place to cover staff absence** and WH stated that this will need to be carefully considered during the change over.

## 12. Policy Review

- a. Asset Control and Accounting – approved.
- b. Write Off and Disposal – approved.

## 13. DONM

Date of next meeting in Summer Term 2018 is Mon 11<sup>th</sup> June 18 at 9.30am at ADMAT Central Office.

Meeting closed at 11.40 am

TJH Martin

Clerk to Board of Directors

### Distribution List:

W. Hermon – CEO Director B. Jennings – Chair of Board of Directors C. Paul – Director A. Jefferies – Director	B. Couch – Director M. Basford – Trust Business Manager
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