



**An Daras Trust**  
Igniting Curiosity Growing Capabilities

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CEO: W. T. Hermon

25/11/19

## Minutes

### Audit Committee Autumn 2019

Monday 25<sup>th</sup> November 2019 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:** Graeme Barriball, Carol Green, Peter Hague, Will Hermon

**Apologies:** Trudy Rudge, Bex Couch, Sally Cooksey, (Jo Callow)

**In Attendance:** Governance Officer

#### 2. Declarations of Interest/Pecuniary Interests relevant to this Agenda

None declared.

#### 3. External Auditor Report

Nathan Coughlin from Bishop Fleming briefed the Directors on the results of the external audit.

NC noted that having staff available at year-end to ensure the audit process is efficient; Directors discussed that this will be looked at next year but stipulated that BF should begin the audit process later in the Autumn term which will allow more time for preparation.

NC talked through the control points and observations from the audit. There are 0 red, 4 amber, 6 green and 3 grey (control issues successfully rectified from previous years audit) in terms of risk ratings. The CFO corrected the comment regarding the accrued income being overstated and confirmed that this has been resolved.

NC talked through the accounts and noted that the action taken previously on Trust wide staffing levels has now had a positive impact, and the Trust was right to tackle this issue early. There is still an issue with Coads Green funding levels and Directors noted the reserve levels in some schools that seem to vary. NC noted the differences between forecast and actual, and it was agreed that employment of CFO and monthly management accounts has helped with the control of the finances.

NC talked through elements of the financial statement of which there are no major issues.

#### 4. Confirm Minutes of previous Audit meeting Spring (10<sup>th</sup> June 2019) and matters arising

- Look at options and obtain quotes for DPO functions (WH). *The DPO capability is provided by ICT4. WH noted a few minor data errors but no reportable data breaches to date. On advice from the DPO, the data protection policy has been updated and new privacy notices will be issued before the end of term.*

Committee agreed the minutes and the Chair signed a copy.

5. **Confidential Agenda Items**

A staffing matter is recorded at the confidential minutes.

6. **Review Risks, Improvement and Documentation**

a. **MAT Risk Register (particularly finance and strategy risks)**

WH noted one of the main risks is premises maintenance and premises improvement. NP sewage issue is being dealt with. However, NP now has an oil leak that has contaminated the ground and will cost an estimated £38K to resolve but all bar £1K of that will be covered by insurance. WH then noted the boilers at SSCA that are very old and now 2 out of 7 boilers have broken; quotes of £37K per boiler have been received but the system is so old (45-50 years old) and it might be better to replace the complete system than each boiler. Some temporary wall mounted electrical heaters are being purchased in the meantime to heat areas where boilers are no longer working, and a new CIF bid has been submitted for the boiler (or heating) replacements. **Directors agreed that a property condition survey, by the independent property surveyor, should be commissioned for all schools to produce a MAT 3-year premises condition plan.**

WH noted the work underway regarding improving IT capability and the financial risks involved in this provision. An ICT4 full Trust audit has shown that significant investment is required to ensure the IT infrastructure across the MAT remains fit for purpose. The issue is that it is needed but parents, children and other stakeholders do not necessarily see what is gained from this expenditure.

b. **Oversight of risks at each school**

Overview of school top 3 risks:

School	Risk 1	Risk 2	Risk 3
NP&W	Data	Finance	Pupil numbers
SSCA	Falling below DfE expectations	Failure to provide broad, balanced curriculum	Support to mental & health needs of children and families
SC	Finance	Falling standards	Loss of staff/staff well-being
WHA	Data	Finance	Uncertainty stemming on political climate
LT	Falling standards	Poor Ofsted result	Loss of staff
PT	Achievement & progress	Pupil numbers	Staffing (linked to finance)
CG	TBC	TBC	TBC

Directors discussed pupil numbers and that numbers are predicted to be fairly static.

c. **Review MAT Improvement Plan**

Updated improvement plan has been issued; the priorities have moved along but there are still some gaps. Next years improvement will need to focus on reading across the MAT, maths in some schools, curriculum implementation across the MAT, raise attainment for SEND and disadvantaged children. WH noted the background behind these priorities and that we need to invest in education again now that the finances are under control. **CG challenged that it is important to know why reading standards have dropped in each school so provision can be targeted and not used as a blanket provision across the MAT.** Directors discussed the requirements including staffing, time, resources and whole school schemes such as accelerated reader. WH noted the 3-year costs of accelerated reader; Directors discussed this including resources, links with Launceston library, staffing implications and parental engagement.

Directors agreed that minor extra non-budgeted funds (including listed Accelerated Reader costs) as listed by school on the draft Trust AIP20-21 Priorities document circulated can be used for additional targeted provision this year - but that there should be robust monitoring of impact at school level.

d. **Review Documents**

i. **MAT Improvement Capacity Framework**

Self evaluation tool for the Trust as prescribed by the RSC's office. The sections that haven't been addressed need to be looked at with a Director (CG), WH and Headteachers; meeting will take place prior to full Board. WH also highlighted the completed and now mandatory School Resource Self-Assessment Tool.

**Action: Add School Resource Self Assessment Tool to RSS & FSD agendas (TM).**

ii. **Academies Financial Handbook Update** – *note update document sent by Governance Officer by email on 30 June 19*

iii. **Funding Agreements**

Latest copies are on website and were analysed as part of the governance review in July 2019.

iv. **Latest ESFA Guidance Changes**

The latest direction on related interests was issued to Directors.

7. **Finance**

a. **Receive Finance Director's Report**

Finance Director produced his bi-annual report (with a checklist of items that are not covered in committee meetings) and this will be made available to Directors. No significant issues. Monthly management reports are produced for the Board.

b. **Debt Report**

WH highlighted the current debtors and that these are being pursued. However, some debts are unrecoverable to ensure children/families are not disadvantaged - but the levels are not high; some costs are nursery costs that are recovered later in term.

8. **Internal Audit**

a. **Programme of Internal Security**

Bishop Fleming will be used to complete Responsible Officer visits. Plan for internal risk for following year should focus on (1) The points on the external audit management letter to be followed up and rectified, and (2) RO visit checks should take place at school level also using a selection of schools.

Directors noted that Bishop Fleming is being used as auditors this year and in 2020. It would be prudent to seek best value for money quotes from other companies before appointing auditors for 2021.

**Action: Obtain 3 quotes for external auditor services in the Spring term to be discussed at Audit committee on 11 March 2020. After further consideration, final bids to be presented to Audit committee in Summer term (29<sup>th</sup> Jun 2020) for decision on recommendation that will be run past full Board on 8<sup>th</sup> July and then decision made on appointing the external auditor by Members on 14<sup>th</sup> July 2020 (WH, TM)**

b. **Appointment of Responsible Officer**

Bishop Fleming will carry out responsible officer duties.

c. **Prevent Fraud/Theft**

No issues of fraud, theft or irregularity found on external audit. Directors are aware of latest direction on this matter.

9. **External Audit**

a. **External Auditor Report**

Covered at beginning of meeting at item 3.

b. **Response to External Auditor's Findings**

WH and CFO will note responses to the management reports and feed back in preparation for the final accounts production.

10. **Policy Review & Approval**

- a. Best Value Statement
- b. Teachers' Pay
- c. Support Staff Pay
- d. Data Protection/GDPR (further amendments required)
- e. Admissions SC
- f. Admissions LT

WH explained the changes to the pay policies. All above policies approved.

11. **AOB**

None.

12. **DONM**

Next meeting will take place on Wednesday 11<sup>th</sup> March at 9.30am at Central Office.

Meeting closed 11.40hrs.

TJH Martin

Governance Officer

**Distribution List:**

W. Hermon – CEO Director B. Couch – Director (Chair) P. Hague – Director (Vice Chair) T. Rudge - Director G. Barriball – Director C. Green – Director	S. Cooksey - Director E. Gilbert – CFO J. Callow – Ex Officio Observer
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