

**Audit Committee  
DRAFT Minutes**

**Held on Thursday 7<sup>th</sup> December 2023 at 10 am  
via TEAMS**

**Present:** Dominic Course (Chair)  
Sarah Cox  
Graeme Scott

**In attendance:** Nicky Dunford (CEO)  
Matt Matthew (DCEO)  
Nathan Coughlin (Bishop Fleming)(Item 8)

**Minutes:** Charlotte Roe (GP)

In line with the Terms of Reference ('At least once a year, the Committee will meet with the External Audit Service and with the Internal Audit Service without officers present') the CEO and DCEO were asked to leave the meeting. The Trustees met with the Bishop Fleming Officers independently.

No	Item	ACTION
1.	<b>Welcome and Apologies</b> The Chair opened the meeting with a welcome. There were no apologies.	
2.	<b>Declarations of Business Interests</b> The CEO is a trustee of the Bearnas Education Foundation. Dominic Course is Chair of Governors at South Dartmoor Community College and a director of DACORS Ltd. Sarah Cox is a shareholder of S Cox & Co, and Naked Sprout Ltd, a trustee of The Fryer Welfare Trust and The Fryer Recreational Trust and a trustee of Drake's School PTFA. Graeme Scott is Executive Chair of The Mario Framework.	
3.	<b>Any Other Business</b> There was no other business brought forward.	
4.	<b>Minutes of the previous meeting</b> The minutes of the meeting held on 10 <sup>th</sup> May 2023 were <b>accepted</b> as a true record and <b>approved</b> .	
5.	<b>Matters Arising</b> 5.5.10.3.5 – Confirmation from DCEO that a reminder was sent around to schools to not make arrangements with other parents to transport pupils. The DCEO confirmed that a reminder had been sent to all the schools around parents transporting pupils. The DCEO reported that the Trust had decided not to have a pool of parents with DBS checks. 8.1.5 – Confirmation that pupil recruitment was discussed at Board of Trustees level. It was confirmed that pupil recruitment was discussed at Board of Trustees on 7 <sup>th</sup> July 2023. The DCEO added that he had met with the Trustee responsible for this strategy plan area and it had been discussed and minuted at F&GP on 24 <sup>th</sup> November 2023. These minutes would be circulated with the Board of Trustees' agenda for 11 <sup>th</sup> December 2023. The CEO added there was a section about the national picture on pupil numbers in her CEO Report to Trustees.	
6.	<b>Governance</b> Annual review of constitution and Terms of Reference to check: <ul style="list-style-type: none"> <li>• Membership was appropriate</li> <li>• Duties remained relevant</li> <li>• All duties had been covered during the year and it aligned with Scheme of Delegation</li> </ul> The Terms of Reference were circulated before the meeting. <i>The Trustees raised some comments.</i> 6.6 – it was <b>agreed</b> to update the wording to reflect the new risk register	

	<p>structure. 6.8 – The Trustees asked for the GP to convert the list into a table with a tick list to ensure that the Committee were making the necessary checks. The Trustees <b>agreed</b> to recommend the ToR with the amendments to the Board of Trustees’ meeting on 11<sup>th</sup> December 2023 for approval.</p>	GP
7.	<p><b>Internal Audit</b>  The internal audit programme was circulated before the meeting. The following comments/questions were raised:-</p> <ul style="list-style-type: none"> <li>• <i>The Trustees looked why due diligence was not included in the Audit plan.</i> The DCEO said that this could be added to the governance and risk section. <i>The Trustees asked about the timeline for reporting the outcomes.</i> The DCEO said the reports should be shared within 2 weeks and he would ensure they were available in line with the Audit Committee Meetings. It was agreed to add the expectation of the delivery of reports to the contract with Westcotts so that they were available prior to future Audit meetings.</li> </ul> <p>The Trustees <b>agreed</b> the internal audit programme with the above amendments for 2023-2024</p>	DCEO
8.	<p><b>External Audit</b>  8.1 To accept the year end accounts and audit from Bishop Fleming.  Nathan Coughlin made the following comments from the reports circulated before the meeting:-</p> <ul style="list-style-type: none"> <li>• It was a clean audit and ready to be signed off. NC thanked the Trust’s team for their input.</li> <li>• Due to not having a Finance Manager in place, it was noted there were more issues raised this year than normal. These discrepancies had now been identified and resolved accordingly. It was felt it was a circumstantial issue and no reflection of the team. It was agreed that in the next meeting the DCEO would give an update on how the Finance Team.</li> <li>• At the audit clearance meeting, attended by the Audit Chair and F&amp;GP Chair, discussions were held with regard to the reserves and designating funds. These were reflected in the final audited accounts. Sparkwell had been brought into the accounts from their audited accounts which had been a smooth transition. The loan for the Diptford build had been recorded in I/E rather than the balance sheet which had then had to be journalled out but was not considered a material issue. Whilst doing so, it highlighted that Diocesan property had been recorded on the FAR over a number of years that had then required reversing in the accounts.</li> </ul> <p><i>The Trustees asked if the issues were related only to Month 11 and 12.</i> NC responded that predominantly the issues had arisen during these periods and that the Year End was an important time when concluding preparations for the audit. <i>The Trustees asked the DCEO for his opinion.</i> The DCEO expressed that he was not happy with the outcome of the audit but every effort had been made to ensure issues had been addressed. He explained that historically the Trust had undertaken the audit early to fall in line with the auditor's programme. This had been a very busy period with the Finance Manager role vacant and managing several significant capital projects. He suggested that, with the size of the Trust growing as well, he would engage with the auditors early to set a more realistic audit programme that allowed capacity in the team to meet the demands of the audit. <i>The Trustees asked where the deadline originated from particularly considering the extra pressure.</i> The DCEO said that it was agreed between the Trust and Bishop Fleming and had discussed having a delay of two weeks at one stage, but the team had worked extremely hard to provide the audit evidence and had therefore stuck to the original audit timeline. The Chair said that historically the Trust tried to be one of the earlier MATs to complete their Year End. The DCEO said that now the new Finance Manager was in role he did not foresee this being a problem again. In hindsight, it was felt that in future, the Trust need to be more mindful of the scheduling if needed.</p> <ul style="list-style-type: none"> <li>• Last year’s medium risk issue around Sports Premium had been resolved. The DCEO updated the meeting on the outcome of the EFSA question around the Sports Premium breakdown. <i>The Trustees asked whether the Trust should be concerned.</i> The DCEO said that in his opinion the Trust’s spending was compliant</li> </ul>	DCEO

	<p>and this had been discussed with the auditors on several occasions. <i>Following a question from the Trustees</i>, it was confirmed that capital spending limit had been increased.</p> <ul style="list-style-type: none"> <li>• NC shared the financial statements, and it was reported the revenue fund had reduced due to the Diptford build however due to the healthy reserves, the Trust was in a strong financial position. It was noted that these statements were scrutinised in the clearance meeting. NC reported that the Trust had a good balance between reserves being kept and future spending.</li> <li>• There was a discussion around the pension charges where there was a significant adjustment. NC explained that that this was due to a service charge reduction. Following a discussion about alternative ways of reporting this budget line it was <b>agreed</b> to keep it in its current form.</li> <li>• The Trustees asked about the agency costs. The CEO said it was due to recruitment difficulties which was a national picture. To mitigate this the Trust had 4 floating teachers to cover staff absences. The CEO shared with the committee about the staff wellbeing and how the Trust was supporting the current staff. NC said that nationally, agency spending had increased for most Trusts/schools.</li> <li>• The meeting discussed reserves and GAG pooling as the Trust increased in number of schools to ensure that all the academies were supported fairly. <i>The Trustees asked questions on how this could affect new schools joining the Trust</i>. It was noted that it should not have an affect as individual reserves would still be internally maintained. The CEO added that schools looking to join were now more interested in the services the Trust offered rather than cost especially with Local Authorities provision reducing.</li> </ul> <p>The Trustees formally thanked Bishop Fleming for their support with the audit.</p> <p>The Trustees formally <b>accepted</b> the Year End Accounts for 2022-2023 and <b>agreed</b> to recommend them to the Board of Trustees for final approval.</p> <p>NC left the meeting.</p> <p>The Audit Committee agreed to report to the Board of Trustees and to the Members in accordance with paragraph 4.15 of the Academy Trust Handbook the following: The Members appointed Bishop Fleming LLP for a period of 3 years to conduct the external audits for the years 2022-23, 2023-24 and 2024-25.</p> <p>The Audit Committee felt that Bishop Fleming’s service continued to be appropriate and of high standard.</p> <p>In the light of this the Audit Committee recommended to the Board to recommend to the Members to endorse the appointment of Bishop Fleming to conduct the external audit for the year 2023-24.</p>	
9.	<p><b>PE and Sports Grant</b> This was discussed in Item 8.</p>	
10.	<p><b>Health &amp; Safety</b> The Health &amp; Safety report was circulated before the meeting. It was noted there were no major issues for discussion. It was noted that in addition to obvious H&amp;S and estates improvements a number of these projects were having a positive impact on pupil and staff experience and had enhanced the learning environment. <i>The Trustees asked about the Hennock outside blackboard</i> – The DCEO said it was a one-off and had been removed. The DCEO said the Estate Manager was continually reviewing all schools, and if required eliminate any identified potential risks. <i>The Trustees asked about the state of some of the schools and how it was being addressed</i>. The DCEO reported that the risk of school closures existed for Harbetonford and Hennock as the roof at Harbetonford had worsened further, whilst the ageing heating loop at Hennock was showing increased signs of corrosion and deterioration. Patch repairs were providing</p>	

	<p>temporary fixes, but these were becoming more frequent. Also, the increase in pupil numbers at Cheriton Bishop (20 in Sep 23) now meant the school was 30% over capacity in buildings that had life expired. and were under the CIF funding. The CEO updated the meeting on recent works which had not been done properly in one school – the Trust had addressed the issue as much as possible. There was a discussion around responsibility – reporting had been done in line with guidelines. <i>The Trustees advised that the Trust approached the insurance company.</i> The CEO <b>agreed</b> to update the Trustees at the Board meeting on 11<sup>th</sup> December 2023.</p> <p>The Trustees commented that the report was informative and clear and thanked the Estates Manager and H&amp;S Officer.</p>	CEO
11.	<p><b>Data Protection</b></p> <p>The data protection report from the DPO was circulated before the meeting. It was noted there were no major issues for discussion and that all the breaches reported on the report had been addressed. The Trustees asked for more details on two of the breaches which the CEO gave. The Trustees commented that the report was informative and clear and thanked the DPO.</p>	
12.	<p><b>Cyber Security</b></p> <p>12.1 Trustees to discuss the Cyber Response Plan – The DCEO said that the purpose of the plan was to prepare for the event of a major cyber incident.</p> <p>12.2 Cyber Essential Scheme Accreditation (from Minutes – 10/05/23) – the DCEO said that some of the policies being presented to the Committee were in preparation to apply for the accreditation. The DCEO said that the Safeguarding Lead had met with himself and Limbtec to review how the Trust managed the Trust’s online safety – he added it was a robust and productive meeting.</p>	
13.	<p><b>Safeguarding</b></p> <p>The safeguarding audit with the autumn data was being prepared and would be ready for January 2024. GS reported that he met with the Safeguarding Lead regularly.</p>	
14.	<p><b>Risk Register</b></p> <p>14.1 Trustees to discuss the risk register process across the whole Trust. SC reported that a risk data matrix had been created to give the Trustees a clearer picture of the risk register procedure. Each committee would review the matrix and risk register to agree whether the information was correct. The Trustees commented that this procedure was clearer. <i>The Trustees asked about the individual schools reporting risks</i> – it was noted that the DCEO was robustly supporting the Academy Heads on ensuring that the registers were being completed correctly. The DCEO said that he was also reviewing areas of the Risk Register with the CEO as part of their rolling checks.</p> <p>14.2 Trustees to consider the DCEO overview report of the risk register – the report was circulated before the meeting. The Trustees thanked the DCEO on his report adding that it gave them a clearer understanding of the risks of the Trust.</p> <p>14.3 Trustees to review report on the following risk register categories:</p> <ul style="list-style-type: none"> <li>• Cyber Security</li> <li>• Regulation and Compliance</li> <li>• Legal</li> </ul> <p>The report was circulated before the meeting however it was agreed that in the additional meeting about the risk register these categories would be scrutinised closely.</p>	
15.	<p><b>Strategy Plan</b></p> <p>Trustees to update the meeting on:</p> <ul style="list-style-type: none"> <li>• Communication and IT – Dominic Course – DC said that he would speak to the DCEO separately to arrange who he needed to approach in order that he was able to complete this section of the Strategy Plan.</li> </ul>	Chair
16.	<p><b>Policies</b></p> <p><b>16.1 Health and Safety Policy (to be approved at Full Board)</b></p> <p>The Health and Safety policy circulated before the meeting. The Trustees reviewed and discussed the policy and it was <b>recommended</b> to send it to Board of Trustees for approval.</p> <p><b>16.2 DBS disclosure</b></p> <p>The DBS disclosure policy was circulated before the meeting. The Trustees reviewed and <b>accepted</b> the policy.</p>	GP

	<p><b>16.3 Minibus policy</b>  The Minibus policy was circulated before the meeting. The Trustees reviewed and <b>accepted</b> the policy however asked the GP to send the policy to Chris Norman (fellow Trustee) to review. If CN had any significant amendments, then the minibus policy would come back to the Audit Committee to be reviewed again.</p> <p><b>16.4 Public interest disclosure (Whistleblowing Policy)</b>  The Whistleblowing policy was circulated before the meeting. The Trustees reviewed the comments that had been made and <b>accepted</b> the policy incorporating the comments.</p> <p><b>16.5 Mobile phone and screen with film</b>  The Mobile phone policy was circulated before the meeting. <i>The Trustees asked whether this policy was complied to by the schools across the Trust.</i> The CEO said that this policy should have come to Academy Heads' meeting for reviewing. This policy was postponed until the next meeting once the schools had reviewed it.</p> <p><b>16.6 Access Control Policy</b>  The Access Control policy was circulated before the meeting. The Trustees reviewed and <b>accepted</b> the policy. The DCEO discussed with the committee the origins of this policy and that it was part of the cyber security accreditation process.</p> <p><b>16.7 Change Control Policy</b>  The Change Control policy was circulated before the meeting. The Trustees reviewed and <b>accepted</b> the policy. The DCEO discussed with the committee the origins of this policy and that it was part of the cyber security accreditation process.</p>	<p>GP</p> <p>GP/ CEO</p>
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**The meeting ended at 12.05 pm**