

*The meeting will be conducted online using MS Teams due to the Covid pandemic*

**Present:** Mr Dominic Course (Chair)  
Miss Sarah Cox (SC)

**In attendance:** Mrs Nicky Dunford – Chief Executive Officer (CEO)  
Mr Matt Matthew – Deputy Chief Executive Officer (previous title Trust Business Manager TBM)(DCEO)  
Mr Nathan Coughlin Audit Partner, Bishop Fleming – External Auditor (NC)  
Mrs Elaine Clarke - Clerk

**Welcome:** The Chair welcomed the Trustees and Mr Nathan Coughlin to the meeting

**Apologies:** Mr Jason Hayward-Jones - sanctioned

**Declaration of Business Interests:**The CEO is a Trustees of South Dartmoor Multi Academy Trust and a Trustee of Bearnas Education Foundation. Mr Dominic Course is a Trustee of South Dartmoor Multi Academy Trust, Director of DACORS Ltd and Chair of Governors and South Dartmoor Community College. Miss Sarah Cox is a Shareholder of S Cox & Co Ltd and a Shareholder of Naked Sprout

**1. Bishop Fleming – External Auditor**

The Committee agreed to go into Part 2. The CEO and DCEO left the meeting.  
The Committee agreed to return to Part 1. The CEO and DCEO returned to the meeting.

NC presented the following documents on screen which he talked through as follows:

**The Key Issues for Discussion Document Year ended 31 August 2021**

- The Trust is to be given both a clean audit opinion of the financial statements and a clean regularity opinion which was reflected in the summary and there were to be no modifications in the audit.
- There are some items of work in progress noted ie review of pension valuations – now complete - and still some final checks to complete up to final signing however essentially all the audit work was done.
- Small issues to raise this year:
  - the tail end of the South Dartmoor negotiations – a final £49k has been added to this year’s financial statements as agreed at last year’s audit
  - journal analysis – nothing unusual, in fact good practice in terms of timeliness of when journals posted
  - control points – low priority recommendations carried over from previous years – register of interests on the website which had not been updated (now corrected) – and a point on technical accounting around year end transactions.

**Financial Overview Summary Page**

After explaining the income and expenditure NC advised that the underlying financial results are showing a carry forward position of mostly free reserves of £1.32 million plus some restricted reserves carry forward eg unspent PE Grant.

### Statement of Financial Activities and Balance Sheet

NC explained the movements of finances detailed for the year including pension valuation and cash reserves.

### Financial Statements Opinion

NC advised that the audit opinion was that the accounts give a true and fair view of the Trusts affairs and that the audit had not identified any issues of going concern regarding the Trust. He also advised that areas of fraud risk had been considered under new auditing standards for academies. He then highlighted the Reserves Policy as the trust has exceeded its reserve level of £750k and advised that an explanation had been added to the report for this – ie to mitigate against funding uncertainties and to allow for capital investment.

Following the presentation NC took questions. DC asked benchmarking-wise how these reserves compared to other academies of a similar size? NC responded that some academies calculate in a similar way, four to eight weeks revenue expenditure being common. CEO reported calculation of the reserves had been discussed at the F&GP meeting last week resulting in a proposal for an increased reserve of £850k (due to possible expansion) be taken to the Full Board, however reserve policy is reviewed annually. Trustees had felt that a figure rather than a percentage would be easier to monitor. DC also asked whether the reserves should be separated or ringfenced for capital projects – NC advised this could be done but could also be done in the narrative around the reserves. DCEO reported that Trustees were currently discussing projects to spend the reserves – to be reviewed at next week's Full Board meeting.

NC advised that a letter of representation was included with the audit to be signed by the Board, alongside signing off the financial statements, to confirm that all information given was correct to the best of their knowledge and there were no ongoing claims or litigation against the Trust.

The Chair proposed thanks to DCEO for his excellent audit preparation, particularly considering the challenges of Covid over the last year. DCEO noted that he was supported by a good team.

The Chair thanked NC for attending. NC happy to accept further queries via emails if required.

NC left the meeting at 17.37.

## **2. Minutes of the previous meeting**

The minutes of the meeting 12 May 2021 were agreed as a true and accurate record.

## **3. Matters Arising**

- 3.1 6.2 Risk Register – DCEO was unable to feedback on the suitability of Every software risk register capability for Trust use as today's demonstration was cancelled. This has been rescheduled for next Friday. To be carried forward to next meeting. DCEO presented the H&S compliance matrix on screen as an example of what Every software can provide. DC requested a print out of this before every Audit Committee meeting as this falls under the committee's remit. **Action Clerk /DCEO**
- 3.2 9.1 To note – Risk Management Policy amended by Clerk

4. **Governance**

Trustees reviewed the Audit Committee Constitution and Terms of Reference. It was agreed that the term 'Trust Business Manager' (TBM) required amendment as Matt Matthew, formerly the TBM has stepped up to the role of DCEO. It was agreed that 'Chief Financial Officer' (CFO) would be appropriate as the DCEO will be retaining financial oversight of the Trust and attending the Audit Committee meetings even when a new Finance Manager is appointed.

**Action Clerk**

The Chair went on to query whether the Audit Committee had completed a due diligence review of Morchard Bishop when it joined the Trust. CEO believes this was done at the outset of the process and before DC became a Trustee. SC asked that this be checked and if there could be a checklist compiled to be used in future. DCEO to organise this. SC also queried the term 'periodic testing', what it involved and the Audit Committee responsibilities in Section 6.8. DCEO explained the checks carried out by the External Auditors (Bishop Fleming) and Internal Auditors (Griffin Accountancy). Also that some of the checks listed are covered by Devon County Council (DBS checks), and internally by HR Officer (SCR) and DPO (data protection). CEO and DCEO agreed that there was no satisfactory audit for online safety and some other areas. DCEO agreed to look at this issue including to identify what was not being satisfactorily checked and identify an auditor best equipped to carry out these checks. It was suggested that Limbtec be approached to carry out some initial IT and data protection/cyber security audits on how Trust staff are working. DCEO to action this.

**Action DCEO**

5. **Internal Audit**

DCEO reported that no report was yet available from Griffin Accountancy who are in the process of auditing the Trust at present. DCEO is hoping for an indicative report tomorrow.

6. **External Audit**

6.1 DCEO advised that Bishop Fleming have been appointed external auditors into 2023 on a five year contract from 2018. SC asked whether the external audit was based on the Risk Register? CEO responded that the external audit was purely financial and based on ESFA guidelines around the year end accounts. SC followed by asking how the internal auditors Griffin decide on areas for audit? CEO and DCEO responded that there are standard items that the internal auditors have to cover, but also the Trust had identified other items through the Risk Register - however Griffin had been unable to action some of these additional areas particularly around IT as they didn't have the expertise to do so. DCEO suggested that going forward Griffin be invited to the last Audit Committee of the year and to decide then the next year's audit program at that meeting. This would also enable the committee to have a direct conversation with the internal auditors. The Chair advised that he felt an audit of payroll and awarding of contracts was required. DCEO suggested alternating areas of audit annually.

**Action DCEO**

6.2 DCEO advised that Bishop Fleming would produce a benchmarking report for the Trust alone and also a comparison to other Trust of similar size. He expects this report to be available around February 2022. DCEO suggested the committee may like to have a set of benchmarks they would like to see presented.

**Action Chair**

DC thanked DCEO for producing the Data Dashboards with the KPIs which were useful to look at.

**7. Health & Safety**

CEO advised there were no issues to report. DC asked about any H&S reviews CEO advised of Safeguarding Audits happening in three schools; Moretonhampstead, Drakes and Broadhempston, carried out by Babcock. Alex (Waterman) SSL attends with Babcock then carries out another three herself in three further schools with the intention to continue this cycle to cover all Trust schools. CEO to ask Alex to send copies of the Babcock audits to DC.

**Action CEO**

CEO reported that this term the DPO Susan (Stansfield) has started and had some deep training and is doing well in role. DCEO reported that the H&SCo Claire Slee has started to use the compliance monitoring matrix on the Every software, she also coordinates external H&S contractors/audits and carries out her own H&S visits to schools. The Chair requested the DPO and H&S reports provided to the Audit Committee as this would help to cover the committee's compliance testing.

**Action DCEO**

DC asked for further information about the Babcock Safeguarding Audit. CEO explained the OSHENS risk assessment system used by Babcock. Template risk assessments from this system are used by the Trust. The Babcock audit includes includes fire drill procedures, site security and asking the children their understanding of their safety. CEO advised that she thought the Audit Committee should have access to all this documentation.

**Action CEO**

**8. Risk Register**

The Chair advised that the R and LC tab falls under the Audit Committee and is due for review September 2021. DC has looked through the risks listed which still appear ok, compliance being a major risk. CEO advised that one year the RPA insurance provider carried out an inspection and asked who 'checked the checks' which is why now the Every compliance software is being used so that the H&SCo can evidence this. Regarding compliance of the schools websites DC has sourced a checklist of what has to appear on the websites to be Ofsted compliant. CEO advised that Sue Howard audits this every term, chasing up schools that are not compliant. DC and SC agreed to double check school websites between them. The Chair to speak to Sue Howard about the latest website that have been done. Review of website compliance to be added as an agenda item for the next meeting.

**Action Chair/ SC / Clerk**

**9. Data Protection**

Covered previously in the meeting.

**10. Safeguarding**

The Chair advised that he finds Safeguarding Update emails received very useful. CEO reported use of Safeguarding 'pocket cards' in several schools to be shared across the Trust.

CEO informed the committee that she believes there has been a failure of MASH to pick up an issue reported and it has been only tenacity of the AH that got action on the case. CEO is considering a formal complaint to OFSTED as she feels this is not an isolated incident. CEO is

positive that Trust staff are doing a good job but have nowhere to take it further as MASH appear to be over capacity. The Chair asked how Trustees could help and feels there should be a proposal for Trustees to put through a separate communication to MASH and copy in local MPs.

**Action CEO / Chair**

11. **Policies**

11.1 Health and Safety Policy

11.2 Public Interests Disclosure Policy

The committee agreed to the tracked changes and once amended agreed to recommend the Health and Safety Policy and the Public Interests Disclosure Policy to the Board of Trustees for approval.

**Agreed**

12. **Dates of future meetings**

19/01/22 – DCEO confirmed he should have the internal audit report from Griffin for that meeting and the Chair asked that it be arranged for Griffin to attend the meeting as Bishop Fleming had attended at the start of this meeting. CEO to compile a set of reports as requested by DC during the meeting and to compile a calendar of when reports would be available throughout the year.

**Action DCEO / CEO**

11/05/22

Meeting closed at 18.31