

## The Federation of Abbey Schools Academy Trust

### Audit & Finance Committee

#### Minutes

**Date & Time:** 5.30 pm on Thursday 1<sup>st</sup> October 2020

**Directors who took part via virtual meeting:** Dr L Bryant, Mr M Fryer, Mrs R Hall and Mr P M Willson.

**Also in Attendance:** Mr J Briggs, Mrs C Hurworth (Avec) and Mrs L Hawksby (Clerk to the Governing Body).

<u>ITEM</u>	<u>DESCRIPTION OF DISCUSSION</u>	<u>ACTION BY</u>
	<p><b>Note: Employees of the Trust are not involved in audit matters, considerations or recommendations, however the Accounting Officer (Head Teacher) attends to provide information and participate in the discussions.</b></p>	
1.	<p><b>Election of Chair for the ensuing Academic Year</b></p> <p>The Clerk to the Governing Body opened the meeting in the absence of a Chair. Nominations were sought and received for the position of Chair for the ensuing Academic Year.</p> <p><b>RESOLVED:</b></p> <p>That Dr L Bryant be appointed Chair of the Audit and Finance Committee for the ensuing Academic Year.</p> <p><i>(Note: Dr L Bryant in the Chair for the remainder of the meeting.)</i></p>	
2.	<p><b>Election of Vice-Chair for the ensuing Academic Year</b></p> <p>Nominations were sought and received for the position of Vice-Chair for the ensuing Academic Year.</p> <p><b>RESOLVED:</b></p> <p>That Mr P. Willson be appointed as Vice-Chair of the Audit &amp; Finance Committee for the ensuing Academic Year.</p>	

<p>3.</p> <p>4.</p> <p>5.</p> <p>6.</p>	<p><b>Apologies for Absence and Format of the meeting</b></p> <p>There were no apologies for absence for the meeting. The Directors participated in a virtual Board meeting due to current Covid 19 social distancing considerations.</p> <p><b>Notification of Items of Other Business</b></p> <p>There were no items of any other business</p> <p><b>Declarations of Interests:</b></p> <p><b>Declaration of personal or pecuniary interests in any matters arising from the Agenda of the current meeting.</b></p> <p>There were no declarations of personal or pecuniary interests declared.</p> <p><b>Declaration of any updates for the Register of Business Interests.</b></p> <p>There were no updates for the Register of Business Interests.</p> <p><b>Approval of Minutes</b></p> <p><b>a) Approval of Pay Review Sub-Committee Minutes – Monday 14<sup>th</sup> September 2020</b></p> <p><b>RESOLVED:</b></p> <p>That the Minutes of the meetings of the Pay Review Sub-Committee held on Monday 14<sup>th</sup> September 2020 be approved as an accurate record.</p> <p><b>b) Matters Arising –</b></p> <p>There were no matters arising.</p>	
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<b>STANDING ITEMS OF THE COMMITTEE: AUTUMN TERM (Items 7 - 18)</b>	
<b>7.</b>	<p><b>Financial monitoring: Budget /Management Accounts/Cash flow</b></p> <p>Mrs C Hurworth (Avec) reported on the August Management Accounts. The Directors noted there was a deficit of £62,000 which had been projected and was as expected. The reasons for the deficit had previously been reported to the Board on 14<sup>th</sup> September 2020 (Minute 11 refers Full Governing Body 14<sup>th</sup> September 2020.)</p> <p>Other key areas of financial performance such as debtors, creditors, reserves and the cashflow forecast were noted to be in a positive position.</p> <p>It was noted that the trial balance was due to be forwarded to the external auditors (Clive Owen LLP) this week with everything as forecast.</p> <p>Mrs C Hurworth advised that the After School Club going forward was full and income had increased, although there were some extra staffing costs as more staff, currently employed by the school, were required due to additional Covid measures. The Head Teacher advised there would be an increase in the number of places made available after the half term.</p>
<b>CQ</b>	<p>The Committee questioned what the Covid catch up funding would be spent on? The Head Teacher advised that the school was looking at where the biggest impact would be. Each teacher TLR (Teaching &amp; Learning Responsibility) were currently putting together a list of their largest areas and priorities of need. The amount per year group may vary depending upon the identified needs. Some of the biggest gaps were noted to be in years 3 and 4, with less so in year 6.</p> <p><b>RESOLVED:</b></p> <p>That the Management Accounts be noted and current impacts on the budget due to the Covid pandemic.</p>
<b>8.</b>	<p><b>Review the trust's budget forecast returns to ensure they are accurate and compliant with funding criteria.</b></p> <p>Mrs C Hurworth advised that the 2020/21 budget &amp; medium term financial plan had been considered and approved by the Board on the 2<sup>nd</sup> July 2020 (Minute 6 refers Full Governing Body 2<sup>nd</sup> July 2020).</p> <p><b>RESOLVED:</b></p>

	<p>That it be noted by the Committee that this had been considered and approved by the Board on the 2<sup>nd</sup> July 2020.</p> <p><b><i>(With the permission of the Chair minutes 9 to 11 below had been brought forward on the Agenda in order to allow Mrs C.Hurworth to report on.)</i></b></p> <p><b>9. Comment on the annual report and accounts for the previous academic year prior to their finalisation and submission for audit</b></p> <p>The Committee gave consideration to the draft annual report. It was noted there were a few more Covid related issues to be added, however it was largely complete. The accounts had previously been discussed and noted at Minute 7 above.</p> <p><b>RESOLVED:</b></p> <p>That the annual accounts and report for the year ending the 31<sup>st</sup> August 2020 be noted with no additional comments to add from the Audit &amp; Finance Committee.</p> <p><b>10. Financial Procedures – Annual review.</b></p> <p>The Head Teacher and Mrs C Hurworth reported on the Academies Financial Handbook 2020 key updates and how they affect the Federation of Abbey Schools.</p> <p>It was noted that this report had already been to the Board on the 14<sup>th</sup> September 2020 (Minute 11 Full Governing Body 14<sup>th</sup> September 2020 refers).</p> <p>The appointment of Mrs C Rochester (Business Team Manager) as the Chief Financial Officer (CFO) was approved by the committee as she was a current employee of the Trust in line with the requirements of the new Financial Handbook updates, and was appropriately qualified and experienced for this role.</p> <p><b>RESOLVED:</b></p> <p>a) That the report be noted.</p> <p>b) That the appointment of Mrs C Rochester as the new Chief Financial Officer (CFO) be approved.</p>	<p><b>Head Teacher/ Clerk</b></p>
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11.	<p><b>Review of Terms of Reference and Standing Items for the Audit &amp; Finance Committee and Pay Review Sub Committee</b></p> <p>The Committee reviewed and to considered whether any amendments are required in the light of new responsibilities for the Audit and Risk committee regarding the Academies Handbook 2020.</p> <p>Amendments were made which would be updated by the Clerk and the committee requested further changes be made following the appointment of the internal auditors including a review of the terms of reference.</p> <p><b>RESOLVED:</b></p> <p>That a further report be brought back to the Audit &amp; Finance Committee, updating the terms of reference and standing items further.</p>	<i>C.Hurworth /Clerk</i>
12.	<p><b>Risk Register</b></p> <p>The Committee reviewed the current Risk Register and requested that a new pandemic heading be created which referenced all areas of risk affected.</p> <p><b>RESOLVED:</b></p> <p>That the Risk Register be updated to effect the above change and be brought back to the Full Governing Body scheduled for the 14<sup>th</sup> December 2020.</p>	<i>Head Teacher</i>
13.	<p><b>Agree a programme of work to deliver internal scrutiny that provides necessary coverage across the year, using the trust's risk register to inform the programme. Agree who will be responsible for carrying out elements of the programme of work.</b></p> <p>It was noted that the procurement process was currently being undertaken for the new internal assurance provider to ensure these services are provided independently in 20/21 to the current external audit providers. Once the new internal auditors had been appointed and reported back to the Board a suggested list of a programme to deliver internal scrutiny would be brought back to Directors and this Committee. The current Risk Register would be used to help inform areas for review and future audits would not include solely financial risks to the Trust.</p> <p><b>RESOLVED:</b></p> <p>That a draft programme of work be brought back to the Committee for consideration once the new internal auditors were in place.</p>	<i>Head Teacher</i>

14.	<p><b>Review the trust's Summer Census returns to ensure they are accurate and compliant with funding criteria.</b></p> <p>It was noted there had been no summer census data return and that the next school census return had just been completed today. The Head Teacher advised the Committee that numbers in Reception were good and that the school would be holding a Covid safe open day for potential new Reception parents just before half term.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p>	
15.	<p><b>To undertake an annual review of the Individual School Range (ISR) of the Academy</b></p> <p>The Head Teacher verbally advised that the School was within its ISR range and was in line with the Unions recommendations.</p> <p><b>RESOLVED:</b></p> <p>That the ISR remain the same.</p>	<p><i>Audit &amp; Finance Committee/ HT</i></p>
16.	<p><b>Internal Assurance Report</b></p> <p>This report had already been to the Board on the 14<sup>th</sup> September 2020 (Minute 27 Full Governing Body 14<sup>th</sup> September 2020 refers). The Committee noted there were no recommendations for improvement relating to this audit.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p>	
17.	<p><b>Premises Report</b></p> <p>The Head Teacher provided a verbal premises report. He advised that all works had been completed during the summer, with some small snagging issues to complete. He further advised the CIF bid had been successful.</p> <p>Further investigations were also being undertaken into the provision of the caretaking due to impending retirements and any new provision was hoped to allow for someone on site full time. The Committee enquired whether this would involve more money? The Head Teacher advised it would and costs would be brought back to the Directors. It was noted this money was not yet accounted for in the current accounts.</p>	<p><i>HR/ Head Teacher</i></p>

CQ

<p>18.</p>	<p><b>RESOLVED:</b></p> <p>That the report be noted</p> <p><b>Report from Human Resources</b></p> <p>The Head Teacher updated the Committee from September 2020 with regards to:</p> <ul style="list-style-type: none"> <li>• Staff that had left</li> <li>• New appointments</li> <li>• Maternity leave</li> <li>• Changes to contracts</li> </ul> <p>It was noted there was no long term sickness to report.</p>	
<p>19.</p>	<p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>Service Level Agreements</b></p> <p>A list of the Service Level Agreements (SLA's) and their costings were presented to the Committee.</p>	
<p>20.</p>	<p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>School Improvement Plan Financial Implications</b></p> <p>The Head Teacher advised that at the last Board meeting the plan had been renamed to 'School Development Plan' to better reflect its ethos. A total of £10,000 was allocated to the School Development Plan with costs and financial implications listed on the plan.</p>	
<p>21.</p>	<p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>Agenda Items for the Next Meeting :</b></p> <p>Standing Items and Policies due for review.</p>	
<p>22.</p>	<p><b>Approval of Documents for Public Inspection</b></p> <p><b>RESOLVED:</b></p>	

