



School Address:
 Waterton Academy Trust
 The Grove
 Walton
 Wakefield
 WF2 6LD

Waterton Academy Trust

ANNUAL GENERAL MEETING MINUTES

DATE:	TIME:	LOCATION:
11 December 2019	6pm	Walton Primary Academy

Attendees

Chair:	B Cook (<i>Member and Trustee</i>)	
Members:	A Warboys	A Kelcher
Trustees:	S Bates	S Johnson (<i>arrived late</i>)
	D Dickinson (<i>CEO</i>)	J Shaw
Attending:	L Beavis (<i>Finance Officer</i>)	Laurabeth Kilkenny (<i>Deputy Head – Lee Brigg Infants and Nursery</i>)
	R Cochrane (<i>Headteacher – Kings Meadow Academy</i>)	P Knox (<i>CFO</i>)
	V Collins (<i>COO</i>)	S Nunns (<i>Governor</i>)
	K Greensides (<i>Governor</i>)	A Perry (<i>Governor</i>)
	L Greensides (<i>AEO</i>)	J Smith (<i>Central Finance Officer</i>)
	S Gordon (<i>Headteacher – Lee Brigg Infants and Nursery</i>)	H Swainson (<i>Governor</i>)
	M Harper (<i>Governor</i>)	S Thornton (<i>Finance Assistant</i>)
	L Harrison (<i>Governor</i>)	S Yates (<i>Governor</i>)
	L Hawkins (<i>Governor</i>)	
	C Holloway (<i>Headteacher – Crofton Infants</i>)	
GBAC Representatives:	Marie Lang	Pam Parker
Clerk:	L Clark	

ITEM		ACTION
1.	Welcome B Cook welcomed all to the AGM of Waterton Academy Trust. The auditors from GBAC were welcomed to the meeting also.	
2.	Apologies for Absence Apologies were received and accepted from Member, A Buckley, and Trustees, P Beaman and T Fitton. S Johnson would be arriving late.	

ITEM	ACTION
3. Declarations of Interest	
<p>The standing register of declarations of interest was noted. There were no further declarations of interest made.</p>	
4. CEO Report and Questions relating to the CEO Report	
<p>The CEO drew attention to the Trustee’s report and Governance Statement contained within the Financial Statements, summarising the key points including; the implementation of the new governance structure including the Local Hub Boards following the NGA review; the organisational structure and the positive impact of centralisation; and the Trust objectives and aims which are linked to the Articles of Association.</p> <p>The strategic report and performance of the schools were highlighted, including the strong KS1 outcomes. It was noted that although below national, Kings Meadow Academy (KMA) had made significant improvements since joining the Trust. On the whole, KS2 outcomes were good and there had been a vast improvement of maths outcomes following the focus of the School Improvement Team. However there were some disappointing results with regards to combined outcomes at South Kirkby Academy (SKA) and Cherry Tree Academy (CTA). SKA had recently received a Requires Improvement Ofsted judgement, however, this had been on the cusp of ‘Good’ and improvement plans were already in place for delivery of the improved outcomes. CTA outcomes had dropped significantly from the last assessment projection, and there had been leadership issues at the school. Improvement plans were now moving provision forwards at significant pace and the CEO is confident that the desired improvements will be made.</p> <p>No further questions were raised at this point.</p>	
5. Auditors Report and Questions relating to the Auditors Report	
<p>M Lang and P Parker of GBAC introduced this item with a presentation which began by providing an overview of GBAC and their relevant qualifications in order to meet statutory requirements and provide assurance that GBAC are qualified to audit the accounts of Waterton Academy Trust. An explanation of the engagement of reasonable and limited assurance was given, highlighting that reasonable assurance enables a positive form of conclusion and applies to the Financial Statements as a whole, whilst limited assurance focuses on matters of regularity. Attention was drawn to page 23 and 26 of the accounts with respect to reasonable and limited assurance.</p> <p>They presented a number of slides which gave an overview of the audit process and the approach of GBAC which included context of the Waterton journey, challenges within the sector, materiality, substantive testing and tests of control, and internal control issues. A range of graphs highlighted income and staff costs, funding and growth of the Trust.</p> <p>The CEO provided further context on how the Trust had maintained their Conditions of Care throughout the strategic growth of the Trust. He indicated how agency staff costs continue to be an issue but that a piece of work is being undertaken on this which should result in a saving in this area next year. Efficiencies continue to be achieved through the work of the central team.</p>	

ITEM	ACTION
<p>A summary of the challenges in the Academy and Charitable sectors was explained, including funding which may be affected by changes in Government and the uncertainty of this.</p> <p>Materiality and Key Audit Matters were also highlighted including confirmation that no issues of materiality were found.</p> <p><i>(S Yates arrived at 6:25pm)</i></p> <p>GBAC explained the discussions they had had with management and the reasoning behind Waterton Pre-School being included within the consolidated accounts. In response to a question it was confirmed that the Pre-School is part of the Trust and the Trust are the sole Member and therefore control the Pre-School, but that funding is ring fenced and whilst no financial benefit is received it is part of the wider strategic plan, includes the name and acts as a feeder for pupils to the school. Based on all of the above, it was concluded that the Waterton Pre-School should be included within the accounts and the preparation of the accounts were amended to reflect this.</p> <p>Context regarding the reserves policy was provided. It was highlighted that the Trust uses one month's current employee payroll cost as a KPI to enable Trustees to assess the use of, and manage funds. In response to a question about whether this was the correct KPI or whether this should be lower given the funding challenges facing some of the schools within the Trust, the CEO and CFO explained that it is a reasonable and appropriate KPI to use, and due to the timing of funding and spending there will be times when the KPI will be either exceeded or not. Cash flow and funding challenges are met via Access to Reserves applications. Should there be a situation where access to reserves were proposed then this would be considered by the Trust Board and appropriate repayment plans put in place.</p> <p>The CEO and CFO discussed the ESFA budget forecast regards the predicted future deficit. The CFO explained that it had been a measured decision by the Trust to not initially include certain revenue sources due to the uncertainty of funding, and the Trust was not the only MAT not to do so. However, following discussions with the RSC (regional schools commissioner) and having taken advice from GBAC it was agreed future forecasts will be constructed of future funding around probability and not simply certainty.</p> <p>Attention was drawn to the pension liability and an explanation provided of the change in government policy which resulted in a reduction of the discount rate. It was noted that this was likely to change again due to the political and economic climate. In response to a question, GBAC explained that the government acts as the global fund manager for pensions. Attendees were reassured that the trust is acting in accordance. with pension regulations</p> <p>The Audit differences with respect to unadjusted errors (-2.89%) and trivial differences (below £8,275; -1.22%) were explained and will be shown on next year's accounts. These were judged to be very small and neither were significant in terms of the set of accounts. The test for regularity and the review of the processes and documents to ensure that regularity, propriety and value for money is considered when performing a transaction were also explained.</p>	

ITEM	ACTION
<p>GBAC highlighted the report which was available on WES completed by a third party consultant entitled 'Internal scrutiny report; review of the internal control framework.' This provided comprehensive detail on the matters of internal control and sets out key risks, recommendations and management response. This report will be used by the finance team to strengthen internal control. GBAC provided feedback that even those risks classified as medium within the report would not have significant impact on the Trust.</p> <p>Attention was also drawn to the letter of comment and an overview provided on the areas which had been identified as requiring improvement. It was noted that the anticipated project timelines for the implementation of the new HR system had not been achievable and the system was not fully utilised at present. However work was ongoing and management had a detailed plan in place to achieve the improvements required. The internal control environment for Waterton Pre-school will be strengthened with balance sheets provided for Trustee meetings. The previous matters identified regarding VAT returns have all been addressed. The CFO indicated that she was confident that any process issues identified are being addressed and improved.</p> <p>In conclusion, GBAC confirmed that they were providing an unqualified and unmodified opinion with no emphasis of matter; nor had they seen anything to report on regularity.</p> <p>In summing up, GBAC thanked P Knox (CFO) and her team for their collaboration on securing a positive audit. They invited any further questions. No further questions were received.</p> <p>Members and Trustees welcomed the audit and the assurance it provides, and approved the accounts.</p>	
<p>6. Appointment of Auditors</p>	
<p><i>(At 6:50pm GBAC were asked to leave the meeting for the discussion to take place).</i></p> <p>The CEO and CFO both explained that GBAC are supportive yet challenging and it is important for the MAT to have this challenge in order to mitigate against potential reputational risk. GBAC are robust and work very well with the team; all schedules and deadlines were met and as the MAT has grown the process has remained logistically good. There have been no concerns or issues with GBAC. Both the CEO and CFO commented very positively on the assurance that is provided through the work of GBAC and recommended reappointment.</p> <p>In response to questions it was confirmed that the total number of years allowed for reappointment had not been met, and that the increase in fees was commensurate with the growth of the size of the MAT, and still presents as value for money. The CFO highlighted that she is part of a networking group and that these audit fees are good value for money compared with other MATs and SATs (single academy trusts) which she knows of.</p>	

ITEM	ACTION
<p>All were in agreement to reappoint GBAC as the auditors for 2019-20 and consider again at next year's AGM.</p> <p><i>(At 7:00pm GBAC were welcomed back into the meeting and given the positive feedback, and the decision to reappoint).</i></p> <p>The Chair thanked GBAC for their thorough and detailed report, and work to date, and also thanked the finance team for their hard work.</p>	
<p>7. Any other business</p>	
<p>The CEO thanked the Trust team for their continued efforts and hard work, and all the staff within the Trust, in what is a very challenging climate. He also gave thanks from himself and the Trust team, to Members, Trustees and Governors who had contributed throughout the year and gave their time freely to support the Trust and all its schools.</p> <p>No other items of business were identified.</p>	
<p>8. Identification of confidential items</p>	
<p>None.</p>	
<p>9. Chair's closing remarks</p>	
<p>The Chair thanked all in attendance, and formally thanked the staff across the Trust for the successes throughout the year, and for the positive impact this has on all the pupils within the Trust. She reiterated thanks to the GBAC, and to the CEO and central team.</p>	

MEETING CLOSED 7:05pm

SIGNED:

DATE: