

Waterton Academy Trust

Annual General Meeting Minutes

DATE:

5 December 2018

TIME:

6pm

LOCATION:

Walton Primary Academy

Attendees

Acting Chair:	B Cook	
Members:	A Buckley	A Kelcher
Directors:	D Dickinson (<i>CEO</i>)	L Harrison
	A Goudie (<i>from 6:10pm</i>)	H Mangham
	T Harpham (<i>Headteacher – Walton</i>)	
Attending:	L Beavis (<i>Finance Officer</i>)	L Greensides (<i>SIO</i>)
	G Bishop (<i>SSIO</i>)	C Holloway (<i>Headteacher – Crofton Infants</i>)
	V Collins (<i>COO</i>)	P Knox (<i>CFO</i>)
	S Gordon (<i>Headteacher – Lee Brigg Infants and Nursery</i>)	
GBAC Representatives:	Marie Lang	Pam Parker
Clerk:	L Clark (also E Davies (<i>Trust Admin</i>) providing IT/presentations support)	
Apologies:	P Beaman, S Johnson	

ITEM	ACTION
<p>1. Welcome</p> <p>B Cook welcomed all to the AGM of Waterton Academy Trust, explaining that in the absence of P Beaman (Chair) who has been called away with work, and in her capacity as recent Acting Chair of Directors she would be chairing the AGM – all were in agreement.</p> <p>The auditors from GBAC were welcomed to the meeting also.</p>	
<p>2. Apologies for Absence</p> <p>Apologies were received and accepted from Directors, P Beaman and S Johnson.</p>	
<p>3. Declarations of Interest</p> <p>The standing register of declarations of interest was noted. D Dickinson (CEO) recorded that his daughter has begun an ITT programme with the Trust.</p>	

ITEM	ACTION
<p>GBAC indicated that one of their staff has a daughter who works within the central Trust team.</p>	
<p>4. CEO Report</p>	
<p>The CEO drew attention to the Trustee's report and Governance Statement contained within the Financial Statements, summarising the key points including; the current governance structure and work undertaken to move towards the implementation of the new governance structure; the Trust growing to twelve schools; the Trust objectives and aims which are linked to the Articles of Association. The additional disclosure concerning Trade Unions facility time has been included to ensure the requirements of the ESFA's Accounts Direction are met. The Strategic report and performance of the schools were highlighted, and the CEO confirmed that outcomes for next year are anticipated to be very positive. A significant forensic review led by the School Improvement Team has taken place and areas identified to focus on. A School Improvement Officer for Maths has been appointed to address the low outcomes in maths last year which had not been anticipated. The CEO and SI team remain confident that outcomes will be vastly improved and the focus on this will be relentless. <i>(A Goudie arrived at 6:10pm).</i></p> <p>The successful Ofsted visits at Wrenthope (strong Good), Normanton Junior (strong Good with elements of Outstanding leadership), Normanton Common (Good – a section 8 inspection, with a strong possibility of achieving Outstanding upon inspection in 12-18months), Crofton Infants (strong Good – it was noted that given where the school was in the past, this was a significant achievement and the school had been transformed) were highlighted and commented on positively.</p> <p>The CEO concluded by highlighting that EYFS and KS1 outcomes were above national, and there were some positive results in KS2 but Maths outcomes had had a significant negative impact. It had been a successful year in many ways, and all involved were committed to improving outcomes in KS2 this year and work was being undertaken to ensure this is achieved.</p>	
<p>5. Questions relating to the CEO Report</p>	
<p>No questions were raised at this point.</p>	
<p>6 & 7 Auditors Report and Questions relating to the Auditors Report</p>	
<p>M Lang and P Parker of GBAC introduced this item providing an overview of the statutory audit process and the preparation of financial statements across the Education sector. All academy accounts are compiled in the same format in order for them to be consolidated and performance of the sector as a whole to be reported to the government.</p> <p>They presented a number of slides which began by providing background and context to the audit process, giving an understanding of the national picture and highlighting key updates from the Auditors Conference 2018.</p> <p>Points raised through the presentation, and key questions and discussion included;</p>	

ITEM	ACTION
<ul style="list-style-type: none"> • The importance of ensuring a high quality audit and the value of an audit; to act as a deterrent to actions not in the public interest and underpin stakeholder confidence. Also to drive continuous improvement. • An update on the national Counter Fraud and Investigations team including instances in the sector of irregularity, falsification of data, and abuse of position. • Key facts from the academies sector on the number of qualified and unqualified opinions provided. In response to questions from Directors, the Auditors provided further clarity on what the term ‘qualified’ or ‘unqualified’ audit opinion referred to and the range of potential reasons given for such opinions. There was a discussion surrounding ‘emphasis of matter’ and ‘going concern’ and what that means in practice. • Confirmation that GBAC were providing an unqualified and unmodified opinion with no emphasis of matter; nor had they seen anything to report on regularity. • A summary of the Management Letter was provided, confirming that WAT had performed well. • An update that at the Auditors Conference the government had highlighted the role of Trustees and gave appreciation for the time, commitment and expertise that Trustees provided for Academies. • Key areas of improvement across the sector including the role of an Audit Committee – it was noted that WAT is not at a size that an Audit Committee is necessary or mandatory. GBAC highlighted that there were no real issues for WAT. <p>GBAC referred to the Auditors report set out in the accounts explaining the opinion provided and the statutory requirements (set out on p.19); the work undertaken to review internal control; testing of income and expenditure; calculating materiality (£145k) using the value of net assets and the sampling of income (it was confirmed that the sample was close to 100% of income). It was also reported that 73% of expenditure is wages, and that the pension scheme liability only relates to the West Yorkshire Pension Fund (WYPF) for support staff, as a defined benefits scheme. The scheme actuary provides an updated valuation for the accounts each year. Other key audit matters included assets and liabilities (on conversion) and Related Parties transactions. It was noted that Trustee expenses were very low.</p> <p>The review of the year – inherited assets slide was considered in detail including the adjustment based on the ESFA Land and Buildings valuation process. This resulted in an additional £3m adjustment to the fixed assets register, the most significant being Cherry Tree. There will be further adjustments next year relating to the WCAT transfers; Kings Meadow and West End. The fixed asset valuations were provided too late to be included the accounts and estimates were provided for. The CEO summarised how those two schools had identified WAT as preferred Trusts during the re-brokerage process following the well-documented collapse of WCAT. The schools were brought into the Trust as ‘balanced budget’ transfers i.e. without any reserves, as were all schools from WCAT. A significant amount of work is required to improve the buildings / premises, particularly at Kings Meadow. The CEO updated all that at Kings Meadow teaching and learning was poor, as was leadership, and behaviour extremely challenging. A new leadership team is now in place, teaching and learning has improved significantly, and there are now positive relationships with parents and the community. Directors welcomed this update and commented positively on the</p>	

ITEM	ACTION
<p>transformation of the school, noting that this adds context to the numbers contained within the accounts.</p> <p>Total income and staff costs broken down by school were presented, as well as funds and fund policy. A point of clarification regarding the fund balance of Central Services was highlighted by the CEO, explaining that the balance included capital funds relating to the WCAT schools. As part of the DfE's re-brokerage deal, a Capital grant has been awarded and there is a plan in place to spend these funds. The pension fund accounting was also raised. GBAC invited questions relating to the accounts, and asked if anyone would like to go through specific sections of the accounts in more detail – there was a consensus that any questions had been covered by the comprehensive and clear presentation provided.</p> <p>It was highlighted that in the Letter of Comment that in 2017 there had been five areas of comment and this has now been reduced to two. The first of the areas was salaries and the recommendation for an appropriate HR system to be implemented to retain all personal data in one place. This will include a range of benefits including ensuring data protection requirements are met, and that benchmarking can be undertaken. The COO gave an update that system improvements are already in place and quotes for a new IT system are being sourced currently – it is important that the new system meets the needs of the Trust and can demonstrate value for money. The second area related to VAT returns and the Trust are now implementing monthly VAT returns rather than quarterly – this has been a significant piece of positive work for the Trust. It was noted that training is ongoing within the central finance team, improvements are already being made, and the team is working very well.</p> <p>Unadjusted errors stand at c£58k but this is largely around the WCAT figures being unclear at present.</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.</p> <p>Q: Is there a time limit on how many times/years a firm can audit the Trust? A: For a listed public company the time limit is 20 years, and whilst there are no specific regulations for MATs, it is good practice to follow these same rules.</p> <p>There was a discussion about the time and work involved in an audit tender process. GBAC confirmed that they are also audited by the FRC and results of this are published.</p> <p>The Chair thanked GBAC for their thorough and detailed report and the work they had undertaken, and thanked the CFO and Trust team for their hard work. Members and Directors welcomed the audit and the assurance is provides, and approved the accounts.</p>	
<p>8. Appointment of Auditors</p>	
<p><i>(At 7:00pm GBAC were asked to leave the meeting for the discussion to take place).</i></p> <p>All were in agreement and happy to reappoint GBAC as the auditors for 2018-19. There were no concerns with GBAC. The CFO commented that GBAC are supportive yet challenging, they provide a good level of assurance, the audit had</p>	

ITEM	ACTION
<p>been robust, and that there were training opportunities available through GBAC which were beneficial for the finance team. A Director commented positively that the reduction from five areas of comment to two areas, shows that the auditors are working well with the Trust. It was agreed to reappoint, and consider again at next year's AGM.</p> <p><i>(At 7:05pm GBAC were welcomed back into the meeting and given the positive feedback).</i></p>	
<p>9. Any other business</p>	
<p>The CEO gave thanks from himself and the Trust team, to Members, Directors and Governors who had contributed throughout the year and gave their time freely to support the Trust.</p> <p>No other items of business were identified.</p>	
<p>10. Identification of confidential items</p>	
<p>None.</p>	
<p>11. 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 including the excellent Ofsted reports, and the continuing positive trajectory of the Trust.</p>	

MEETING CLOSED 7:15pm

SIGNED:

DATE: