



# SOUTH DARTMOOR ACADEMY

## Directors Annual General Meeting

### Annual General Meeting – Part I Minutes

Date/Time	06 December 2017 at 18:30	Location	The Atrium Studio School				
<b>Attendees</b>	<b>Initials</b>			<b>Attendees</b>	<b>Initials</b>		
Rachel Shaw	RS	Executive Headteacher	Arrived at 18:55	Peter Brown	PB	Ashburton Representative	
Chris Elliott	CE	Widcombe Representative		Nigel Gore	NG	Atrium Representative	
Hugh Bellamy	HB	Executive Principal/CEO		Andrew Faulkner	AF	Illesington Representative	
Sarah Parker-Khan	SPK	Vice Chair/ Foundation Director		Dominic Course	DC	Moretonhampstead Representative	
Graeme Cock	GC	Chair/SDCC Representative					

Apologies	Initials	Reason (Category of Governor)
EDEN		Prior Engagement
Paul McCormick	PM	Prior Engagement
Matt Messias	MM	Personal Commitments
Beverley Garland	BG	OFSTED
David Ray	DR	Personal Commitments
Richard Bence	RB	Personal Commitments
Jan Hillman	JH	OFSTED

Absent without Apology	Initials

In Attendance	Initials	(anyone who is not a governor/associate)
Laura Dudman	LD	Clerk
Sam Tse	ST	Head of Finance
Paul Collins	PC	SDCC Head of School
Des Stokes	DS	Widcombe Head of School
Louise Lee-Gammage	LG	Ashburton Headteacher
Tammy Docking	TD	Illesington Head of School
William Bentall	WB	Moretonhampstead Headteacher
Judith Morgan	JM	Member

Minutes to
Attendees
Apologies
School Website
Members



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Sharon Austin	SA	Francis Clark Representative
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	Agenda	Led by
1	Welcome and Apologies	GC
2	Declaration of Interests	GC
3	Minutes from the Last AGM i Minutes Agreed ii Actions iii Matters Arising	GC
4	Chair's Bring Forward Items	GC
5	Annual Financial Report i Auditors to Present ii Questions iii Signing of Accounts for 2016-2017 iv Approve Dissolving of Audit Committee	ST/SA/GC/DC
6	Future of the Trust	RS
7	Enhanced DBS Certificate Checks	LD
8	Date of Next Meeting i Agree AGM Date	GC

Agenda Number	Details of discussion	Decision or Action
1	<p><b>Apologies</b></p> <p>Apologies were received from BG, MM, PM, JS, DR, RB, JH and DC which were all sanctioned.</p> <p>Sharon Austin, the representative from Francis Clark, was welcomed to the meeting.</p>	
2	<p><b>Declaration of Interests</b></p> <p>There were no new declarations pertaining to items on the agenda.</p>	
3	<p><b>Minutes from the Last AGM</b></p> <p><u>i Minutes Agreed</u> The minutes of the AGM held on 14/12/16 were agreed as a true and accurate record and signed by GC.</p> <p><u>ii Actions</u> There were none.</p> <p><u>iii Matters Arising</u> JM has agreed to be a Member. A Members' meeting took place prior to this meeting and JM was appointed as Chair. They formally appointed CE and PB as Directors.</p> <p>The Members were outlined. EDEN's representative may change to somebody more local.</p>	

	Discussion around recruiting additional appropriate Members needs to happen.	
4	<p><b>Chair's Bring Forward Items</b></p> <p>There were none.</p>	
5	<p><b>Annual Financial Report</b></p> <p><u>i Auditors to Present</u></p> <p>SA explained that the audit work falls into two parts - the audit on the financial statement and assisting in preparation of the financial statements. The audit work is complete and there are no expected changes. There are some outstanding points for the accounts. The trustees report needs to be included so Directors will not be in a position to sign this today. GC said it is useful to have time to reflect before signing. The accounts will need to be filed with the EFSA by 31/12/17.</p> <p>A copy of the presentation will be uploaded to the EFSA. SA went through this. 1.6 outlines outstanding matters. The first two items are standard. An update is also required on the solar panels.</p> <p>Audit approach and materiality was explained. The approach is to look at key risks for the organisation that are usually sector specific rather than unique to specific schools. Significant risks were outlined as regularity of reports and management overrides of control. The materiality level was set at £132,000; this means there could be audit differences without the differences affecting the accounts. It is how much the accounts can be wrong by in layman's terms. Amounts throughout the report are much smaller than that.</p> <p>Significant audit and accounting issues are outlined as a traffic light system regarding importance. SA went through the areas. There were no concerns around the Approach to Fraud although it is high risk for the sector. Journals were looked at and there were no anomalies. Local Government Pension Scheme (LGPS) deficit is also high risk for the sector. Regularity was flagged as high importance. There are concerns across the sector. Allocation of costs against funds is amber. There were no concerns identified.</p> <p>Adjusted audit differences were explained. The deficit presented for audit was £80,000 and included everything including the LGPS deficit. Most numbers are fairly small. The property sale has moved to a restricted fixed asset fund as the funds were ringfenced.</p> <p>Unadjusted audit differences are where the numbers should be different. A running total is kept. These have been discussed with ST and agreed. The difference is £26,000. This does not have to be adjusted within the accounts but Directors could opt to adjust them. Reasons to leave them unadjusted are practicalities of the impact on this year's accounts. They are mainly things spent to manage budgets that have been moved to this year. GC asked how it could be 0 as the figure. SA said if the adjustments are made.</p> <p>Internal Control Findings have traffic lights for risk specific to the organisation. The points do not lead to regularity concerns.</p>	



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	<p>A high risk is the income on the solar panels. SDMAT are carrying a debtor of £50,000 at the end of the year and this has not been resolved yet. Leasing payments are still being made so there is a cashflow implication.</p> <p>A first draft of the report was sent to ST so there is a proposed response to each point.</p> <p>Production of Management Accounts information was picked up on in the minutes and raised on the internal risk register. Dates checks have been made. There are accounts expected for every month except August which was minuted in October 2016.</p> <p>A medium risk is that there is no automated till system in year at South Brent but this has been addressed post year end. There is also a teacher shortfall for Maths and leavers on payroll being paid after leaving.</p> <p>There is still a deficit but it is moving in the right direction so has moved from high to medium risk.</p> <p>The Expense Claims Policy was raised as needing authorisation for claims.</p> <p>A further low risk is that personnel files do not contain signed contracts for all employees. There was also a trip debit card expenditure with no evidence of receipts.</p> <p>Companies House and Get Information for Schools updates need addressing.</p> <p>The tendering process was raised as needing to have evidence of three quotes being asked for even if three are not received.</p> <p>Publishing business interests and attendance at meetings on the website was also highlighted. LD queried this as she has put them on there and they have been there throughout the year. SA will communicate with her around this.</p> <p>Previous issues which were raised last time were compared.</p> <p>The Master Funding Agreement has not been found. RS asked if SDMAT should default to the original version.</p> <p>Independence was confirmed. ST is informed management who can look at the accounts.</p> <p>Appendix B outlines the financial highlights.</p> <p>Appendix C is Benchmarking. Average staff costs have reduced by 0.3% year on year. CE asked if the benchmarking figures were close enough. Sharon explained a way to make statistical comparisons online with other MATs.</p> <p>Key management personnel costs per pupil were explained. It depends how you regard management personnel and how many there are within the MAT. This figure comes out as medium to average.</p>	
Page 4 of 6		<p><b>LD to follow up on query around business interests and meetings registers.</b></p>
		<p>Signature of Chair</p>

	<p>Surplus/deficit as a percentage of total income and average cash balances were explained. Cash balances look lower than average.</p> <p>The last couple of appendices are updates from the handbook.</p> <p>SA will send an electronic copy of the document to LD for circulation. SA asked whether it was better to circulate the accounts electronically which GC agreed.</p> <p><i>DC asked about the staffing being 80% against a benchmark of 70% and what the outliers were.</i> SA said it varies from 65-88% so SDMAT are getting near the top.</p> <p>Materiality was queried as a percentage. SA said it is 1%.</p> <p>Outsourcing of staff will reduce the staffing costs as it is not reflected in the statistics in the same way. Staffing costs depend on why those decisions are being made. SPK asked if this was against all income. SA said yes. HB said it depends on CIF bids and funding being higher within other types of school such as those in London. The EFSA figures for benchmarking are very out of date which makes it difficult. It will be useful to see these when they are updated in January.</p> <p><u>ii Questions</u></p> <p>GC requested all Directors and School Leaders to look through the audit.</p> <p>It was agreed to sign in principle subject to checking queries and completion of the trustees' report.</p> <p><u>iv Approve Dissolving of Audit Committee</u></p> <p>DC explained that there has been an audit committee following issued raised in a previous audit report. In the last year reports have been received from SA and internal audit that have all been positive. The cost of internal audit is significant, being quorate was difficult and material was being repeated. It was agreed to dissolve the committee.</p> <p>It was agreed to appoint a Responsible Officer, Emma Dixon (ED). She will fulfil the role and report to the Directors' Finance and HR Committee on a termly basis. ED is a qualified auditor. DC has had a formal meeting with her and an informal one. She is getting to grips with the role and will model her checks on previous internal audits before it is tailored. There will be key areas for checks: currently the solar panels and management accounts.</p> <p>The minutes of the previous meeting were agreed as a true and accurate record and signed by DC.</p> <p>It was agreed that audit could be a separate core function of the Directors' Finance and HR Committee if it became needed again. The role of responsible officer is to give the accounting officer confidence that the systems are in place. GC said internal audit is a core function.</p>	<p><b>LD to circulate the audit report once she has received it.</b></p> <p><b>Directors and School Leaders to read the audit report and feedback any questions to ST.</b></p> <p><b>It was agreed in principle to sign the audit report subject to queries being addressed.</b></p> <p><b>It was agreed to dissolve the Directors' Audit Committee.</b></p> <p><b>It was agreed to appoint Emma Dixon as the Responsibly Officer.</b></p>
6	<p><b>Future of the Trust</b></p> <p>RS would like to book an away day as she and SPK went on a conference that recommended doing a MAT review looking at vision and culture, teaching and learning, people in the organisation and accountability amongst other things. The review provides an overview through rag rating which would be useful. The conference leaders were looking for Trusts that could meet again following this who</p>	



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	<p>could then be pooled together by the end of January. It would take a day to get through the task as there would need to be discussion around the statements. There are 12 elements and 70+ questions to consider.</p> <p>RS suggested finding a date. She is trying to get an electronic copy of the document and it could be issued prior to the day. This could then be considered alongside the MAT Improvement Plan. It was agreed that it would be a useful exercise. RS would like Members, Directors, Heads, CEO and HR and Finance leads to be involved.</p> <p>16/01/18 was agreed as a tentative date. RS will organise this. NG said there is advantage to having an independent facilitator. SPK said this is not affordable and RS said it is self-evaluation against criteria.</p>	<p><b>It was agreed to hold an away day on 16/01/18 to do a MAT review.</b></p>
7	<p><b>Enhance DBS Certificate Checks</b></p> <p>DC and GC need to locate their certificates but these were completed recently. PB showed his certificate to LD. SPK showed her certificate to NC a couple of weeks ago.</p>	
8	<p><b>Date of Next Meeting</b></p> <p><u>i Agree AGM Date</u></p> <p>It was agreed to hold the next AGM in December 2018 with a date to be agreed nearer the time.</p>	<p><b>It was agreed for the next AGM to take place in December 2018.</b></p>

The meeting closed at: 19:40.

Detail of next meeting			
Date/Time	Monday 8 January at 18:00	Location	The Atrium Studio School