

**Suffolk Academies Trust**

**Company Number: 09702333**

**BOARD OF TRUSTEES – AUDIT COMMITTEE**

**Minutes of the meeting held at 4.00pm on 26 November 2015**

**Present:** C Gibson M Humphreys  
A Whatley

**In Attendance:** S Jones, Chief Financial Officer  
J Bridges, Clerk to the Trustees

Trustees confirmed that they had no conflicts of interest to declare in relation to the items of the agenda.

**1 Election of Chair**

Trustees deferred the appointment of the Chair to the next meeting of the Committee. In the absence of a Chair the Committee appointed C Gibson to act as Chair for the meeting.

**2 Apologies for Absence**

Apologies for absence were received from H Lay.

**3 Committee Terms of Reference**

Each Committee is asked at their first meeting in the new academic year to review and approve its Terms of Reference. The terms have been written in accordance with the requirements under the Academies Financial Handbook (September 2015) and also cross referenced against the Trust's Scheme of Delegation that the Board approved at the 2 September 2015 meeting. The Committee **approved** the Terms of Reference.

**4 Financial Management Governance Statement (FMGS)**

Academy Trusts need to complete their Financial Management and Governance Statement using the online form within 4 months of opening. The Committee had received the list of questions asked in the FMGS together with an indication of the current response, evidence and a RAG (Red Amber Green) status of compliance.

The majority of compliance areas in the assessment are green status. There are six yellow and one red area to progress. It is proposed that the six yellow status requirements will be met at the 14 December 2015 meeting of the Board of Trustees by introducing a Trust Financial Administration and Control Handbook that picks up the yellow compliance requirements of the FMGS. The Handbook will provide the Trust with a 'One-Stop' document that sets out the financial obligations and policies of the Trust and arrangements for Academies. Where duplications of policy exist at Academy level it is proposed that they are superseded by those set out in the new Handbook.

The one red rated compliance area relates to the requirement to publish the Academy Trust business and pecuniary interests of Trustees and Members. The website is under development but progress is slow. There is confidence however that development will be achieved before the FMGS compliance deadline of 31 December 2015.

**Action**

**5 Risk Registers of:**

**i. Suffolk Academies Trust**

The risk register of the Trust has been compiled and identifies the key risks to the Trust in the 2015/16 academic year. The register uses a 3 x 12 matrix and measures the level of Financial, Operational, Reputational and Compliance risk to determine the level of risk impact. Likelihood is measured on a level of 1 to 3. Overall risk rates scored 24 or higher are RAG rated Red and require immediate implementation of the controls to manage them. Amber rates are scores between 18 and 22, yellow 11 to 16 and scores less than 10 are residual rates, indicated green, and have a low impact and are less likely to occur. It is typical that green rated risks remain at this level on the register and just require regular monitoring.

The register currently identifies two high, three amber, six yellow and one green status risk. Trustees commented that there are commonalities between the Trusts register and that of Suffolk One. The Trust's register has been compiled by cross referencing risks from the Academy to the Trust and from drawing upon the experiences of managers and the register held by West Suffolk College. Trustees are keen to share the register of the Trust with the Academy to ensure that the strategic risks infiltrate onto the operational register of Suffolk One. The Chief Financial Officer will share the Trust register with the Principal.

SJones

The register of the Trust will be reviewed (as a minimum) each term and reported to the Committee and Board of Trustees. Should control measures or the level of impact or likelihood change an earlier review of the register will be carried out.

**ii. Suffolk One**

It was noted that the Academy uses a 5 x 5 matrix to calculate the total risk score. The principle of multiplying the impact by the likelihood level remains consistent between the registers of the Trust and the Academy and RAG rates are also applied. Red rated risks score 16-25, orange 10-15, yellow 5-9 and green 1-4. Trustees were comfortable with the differing matrix calculations.

**6 Any other business**

The Chief Financial Officer confirmed that Schools Choice will be undertaking a control review of the Payroll processes at Suffolk One on 7 December 2015.

**Date of next meeting**

Thursday 25 February 2016 at 4.00pm. Suffolk One

The meeting closed at 4.25pm.