



Audit & Risk Committee Meeting
Monday 11 November 2024 at 17:00 – 19:30
via Teams

Director's present	Role	Initials
Gill Askew	Nexus MAT Director	GA
Tina Havenhand	Nexus MAT Director/Chair	Chair
Ray Palmer	Nexus MAT Director	RPA
Sue Shelley	Nexus MAT Director	SS
Also present		
Warren Carratt	Nexus MAT CEO	CEO
Joel Hardwick	Nexus MAT Assistant CEO: Corporate Affairs	JH
Karen Smith	Nexus MAT CFO	KS
Rebecca Horne	Governance Clerk	RH
Apologies		
James Kelly	Advisor to the Committee	JK
No Apologies		
Mark Greenwood	Nexus MAT Director	MG

1. APOLOGIES FOR ABSENCE	
1.1 Welcome & receive apologies for absence Apologies were received from JK.	
1.2 To accept apologies for absence. Apologies were accepted from JK. No apologies were received from MG.	
2. ITEMS OF URGENT BUSINESS	
2.1. Chair to determine any items of urgent business to be considered. None to discuss.	
3. DECLARATION OF INTERESTS	
3.1. Individual Directors to declare any personal, business or other governance interests on any item on the agenda. None to discuss.	
4. AUDIT & RISK COMMITTEE MEETING MINUTES	
4.1. To approve the minutes of the following meeting: Audit and Risk Committee held on 01 July 2024. The minutes of the Audit & Risk Committee Meeting held on 1 July 2024 were received and agreed as a true and proper record.	
4.2. REVIEW OF ACTION TRACKER The outstanding actions on the tracker were reviewed and updated. No further action required.	
4.3. MATTERS ARISING FROM THE MINUTES No matters arising were discussed.	
5. ITEMS TO BE CONSIDERED	
5.1 Pre-meet with Auditors (without officers in attendance) TH explained a meeting took place prior to this meeting with the auditors and feedback is that the audit had gone really well. It was noted that the organisation's systems and controls are robust.	

It was highlighted that KS, and the Trust finance team were commended for their hard work and dedication throughout the audit process. Their efforts were acknowledged in providing all necessary information promptly and to a high standard.

One recommendation focuses on the occasional retrospective raising of orders. In a test sample of 37 transactions, only 3 instances were identified, indicating that this practice is not common but occurs occasionally.

Another recommendation highlights a couple of instances involving expense claim forms. In one case, no evidence of an expense claim form was found, and in another case, authorisation was missing on the form.

The third recommendation highlights issues with employee timesheet records. In four cases, timesheets could not be obtained to verify authorisation before payment.

Further information is needed on how the timesheets are generated and stored.

ACTION – KS to look into how timesheet information is stored and for this to feature in the audit tracker at future meetings.

**KS
03/03/25**

It was mentioned that this year’s recommendations are quite similar to those from last year, indicating recurring themes in the audit findings. Not all schools are fully centralised within the Trust. However, it was suggested that if a centralised system were implemented, it could help reduce these recurring issues along with the Trust becoming VAT registered in April 2025.

It was also explained that next year will bring significant changes for the organisation, particularly with the proposed introduction of a trading subsidiary and VAT registration. The importance of ensuring that all procedures and controls are effectively extended to the subsidiary was emphasised to Directors.

RPA explained they were very complimentary to KS and her team, and – in the context of the size of our MAT compared to others - we are doing extremely well.

5.2 External Audit 2023-24 update

KS reported that the external audit plan and the pre-audit questionnaire were approved at the full Board meeting in October.

5.3 High Level 12-Month Delivery plan & Statutory Returns

KS explained that this is an updated version of last year’s plan, with no significant changes made. No further discussion was required, and the plan was approved by the committee.

5.4 Land & Buildings Return

JH provided an update to the Board and explained that the Land & Buildings return is an annual process that must be submitted through the pro forma to the department. This return summarises all land, buildings, and the tenancies associated with them. JH clarified that the work to complete the form has identified no new or additional risks, and the return this year is largely the same as last year.

SS – What questions do we get asked about as a result of this? JH – We have not had any issues raised from the previous submissions. It may be that the audit process only flags issues and our submissions have not triggered any response or it may be something the department only uses as and when an issue may arise in the future.

The Land & Buildings Return was approved unanimously by the committee.

5.5 Audit Tracker

KS provided a summary and explained that the audit tracker has been updated to include the most recent audit points. One point raised was the amber residual risk of non-compliance with the purchasing policy, specifically due to purchase orders not being raised. KS expressed the view that this risk should not be reduced, as it remains an ongoing effort.

5.6 Competent Person Termly Update Report

JH reported that we are in the early stages of the revised structure, which has been in place since September. The initial engagement with the new contractors providing consultancy services has been positive. JH outlined several audit outputs, noting that a few areas in the report have red columns. These are the issues identified in the previous audit that have not been addressed within the specified timeframe. However, these are currently being reviewed and should be resolved shortly.

GA – There are some acronyms in the report. If we are using these, can we just put a definition somewhere just so it is clear? JH – yes that can be done.

ACTION – JH to include definitions when using acronyms in the report.

JH
03/03/25

RPA – Fire Risk Assessments, who is responsible for completing these? JH – This is provided by Kevin Oxborough who has undertaken training in this area in order to be able to fulfil the role.

5.7 Review of final (3rd) Internal Audit Report for 23-24

KS explained that this is the third internal audit report from last year and Veritau was asked to review the new finance manual developed for the Trust. This review is particularly important given the significant effort involved in creating the manual. The result is a comprehensive, 30-page document that serves as a valuable resource for inducting new staff centrally.

There are now four different categories of recommendations, with the previous red, amber, green system updated. The 'moderate' category is now represented as orange, which was previously labelled as green. No amber points have been recorded. The overall summary indicates that internal controls are operating effectively.

KS provided a more in-depth review of each item in relation to the finance manual with the Board.

5.8 Proposed Internal Audit Plan for 24-25

KS explained that this report summarises the recommendations for areas to be covered in this year's internal audit process. Last year, the organisation transitioned to Veritau for internal audit services and the process has gone well with them. KS proposed continuing to use Veritau, as they effectively cover the areas of interest. The recommendation is to ask Veritau to focus on the bank reconciliation and general ledger reconciliations for this year's audit.

It was also suggested that Veritau look at the census and funding returns. Ensuring these are completed correctly is crucial for securing the funding.

A review of the RPA scheme's risk management is currently underway, with LS and JH working on this. Agreement has been received from the RPA, and the focus will be on examining the risk management strategies in particular.

GA – How much with these additional services, if we took them on and commissioned them from Veritau, how much will we be spending? KS – For this year, it was somewhere between £8-£10k.

TKS asked the Board if the above recommendations are broad enough and whether they are satisfied with the proposed areas of focus. The board all agreed and the plan was unanimously approved by the committee.

5.9 Trust Risk Register

The CEO reported that this was recently reviewed at the full Board meeting, and no major changes have been made.

5.10 Finance Risk Register

KS discussed changes made to the Finance Risk Register, particularly regarding some of the risks, including the VAT guidance received from Danes. This is currently rated as green. However, KS noted that with the Trust becoming VAT registered, a lot needs to happen in April and suggested that this risk may need to be rated as amber instead.

The Board unanimously agreed that this risk should be raised to amber.

5.11 ESFA Common Themes Report 2024

CEO explained this item was sent to the Finance & Infrastructure Committee Meeting earlier this term and papers were received by Directors. No further questions were raised.

SS explained that the document was very useful, especially having reviewed it just before the meeting with the auditors, as it served as a good benchmark.

5.12 Updates to the Academy Trust Handbook

Updates were provided, and no further questions were raised.

6. ANY OTHER URGENT BUSINESS	
6.1 To consider any other urgent business agreed by the Chair None raised.	
7. CONFIDENTIALITY & RISK	
7.1 To consider the confidentiality of any items discussed during the meeting None raised.	
7.2 To consider any areas of risk discussed during the meeting None raised.	
8. DATES OF NEXT MEETINGS	

Monday 3 March 2025	17:00 – 19:30	MS Teams	Audit & Risk
Monday 30 June 2025	17:00 – 19:30	MS Teams	Audit & Risk

Minutes approved

CHAIR	SIGNATURE	DATE
Tina Havenhand		