

MINUTES OF OUTWOOD GRANGE ACADEMIES TRUST

Minutes of Audit Committee Meeting held at Outwood Grange Academy on 13th December 2016

Present:

Martyn Oliver (MO) OGAT CEO
 David Earnshaw (DE) OGAT Director
 Roland Harden (RH) OGAT Director
 Andrea Wooffindin (AW) OGAT Group Accountant
 Alison Robinson (AR) Saffery Champness
 Emma Verity (EV) Saffery Champness

Apologies:

KB attended the audit committee

Comments	Action by
Introductions were made and the yearend accounts were presented by AR. The audit approach was discussed and explained that it was carried out on a risk based approach.	
It was agreed that the date on the accounts would be as at 13 th December.	AW
Spend on auditors and on Wrigleys was requested to be provided by DE.	AW
AR brought the directors attention to page 40 of the accounts which showed the pension liability of £38m. It was discussed that this was a very large number but that we had little control over it.	
<p>Reserves Policy</p> <p>The reserves policy was discussed and the relation it has to the actual level of unrestricted reserves in the accounts. The “cash” reserves are talked about as being £8m so the unrestricted reserves should match this or the wording should reflect how this would be achieved. It was agreed that the reserves policy was an action to be worked on by the new FD once he was in post.</p>	FD
<p>Income Allocation</p> <p>Another important area of the audit and the presentation of the stat accounts was to ensure that income was allocated in the correct “buckets”. There was not found to be any material misstatements in this area of the accounts although some minor re-categorisations had taken place.</p>	KB
<p>Newco</p> <p>A discussion took place about the possibility of creating a “newco” within the Trust structure to record the transactions for the “servicing of the system” via consultancy work. However, this was in the future development of the trust and nothing as certain at this point.</p>	
<p>Related Party Transactions</p> <p>This area was discussed as being increasingly in the public domain and high on the EFA’s agenda. OGAT needs a “red list” of suppliers to be checked against before suppliers are set up. AW explained that any related party suppliers can be set up with a specific code in the system to easily identify them, once the relevant list had been</p>	

obtained from the directors and senior staff members. Roland and Sir Michael had o/s declarations of interest but this was being dealt with by Laura Calton.	LC
PFI The PFI documentation to fully determine whether the land and buildings needed to be brought onto the balance sheet was still o/s for the audit. This was with the solicitors Wrigleys and was being chased.	KB
Carry Forward Reserves 12% GAG The issue with the carry forward reserves for ADW and OGA was discussed. A letter from the EFA was expected to resolve this issue, but going forward this needed reviewing regarding the Master Funding agreements.	FD/KB
Restricted reserves The Civica money that was released when the contracts ended regarding the capital reserves for IT purchase was discussed and it was agreed that this should be shown as restricted reserves rather than restricted FA reserves.	AW
Unadjusted items There were no material items to be adjusted for. The holiday pay accrual was calculated and reviewed and determined not to be material and so was not adjusted in the accounts. The Sug A transfer to FAR was also not adjusted.	
It was agreed that the management responses would be drafted and sent to EV.	AW
It was agreed that the Declarations of interest would be scanned and sent to EV.	AW
It was agreed that the audit had gone smoothly and subject to the last couple of issues highlighted above and the letter from the EFA the accounts could be signed off in plenty of time before the deadline of the 31 st December.	