

HADRIAN LEARNING TRUST

Minutes for Meeting of Board of Trustees

6pm, Wednesday 13 January 2021

Via Teams

In attendance: Graeme Atkins (GA), David Hartland (DH), Tony Brown (TB), Jonathan Holmes (JH), Barbara Hignett (BH), Sarah Kemp (SKe)

Also attending: Neil Seaton (NS, HoS), Sarah Sparke (SS, CFO), Charlotte Gaines (CG, Clerk to Trust Board)

Part 1 Classified Non-Confidential

1) Apologies

Apologies for non-attendance were received from Veryan Johnston and Kate Chaplin.

2) Declaration of pecuniary, business or personal interests

No declarations of pecuniary, business or personal interest were made in addition to those already recorded in the Register of Interests.

3) Minutes of meetings - approval and matters arising

Trustees agreed to hold over the minutes of the following meeting until the general Trust Board meeting scheduled to take place on Wednesday 20 January 2021:

- Hadrian Learning Trust Board – 9 December 2020 – Part 1 & Part 2

4) Annual Report and Accounts

Trustees discussed the previously circulated Annual Report and Financial Statements.

SS reminded Trustees that they are required to approve the accounts prior to their submission, and noted that the F&A Committee have met with the Auditors and discussed the Accounts and Audit Findings Report in detail. Once signed, the reports will be sent to the Auditor who will sign and register the accounts with the ESFA. The report must also be added to the school websites by 31 January 2021 and sent to Companies House by 31 May 2021.

SS highlighted an error in the report which will be amended prior to the accounts being signed – P10 (or P12 if PDF version) – the statement “total expenditure of £17,762,000 was in excess of recurrent grant funding” is being checked as income is in excess of expenditure.

SS highlighted some key points in the report:

- P26 (or P28 if PDF version) – income and expenditure results are broadly similar to last year except for a difference of £12.5m fixed asset income, which is the value of the new buildings at 31 August. This is offset by advanced depreciation, as buildings to be disposed of have been depreciated over 2 years. This is faster than usual but necessary to ensure there is no loss on eventual disposal. This has resulted in a higher overall net income before pension movements of £4.1m.
- SS advised that the actual reserves for both schools at the end of the year were £1.4m, with a £290k surplus for the year as reported in the August management accounts.
- –The decrease in the pension deficit recorded in the balance sheet, from £6.3m to

£5.0m, was queried by the auditors, as most MATs had an increased deficit, but the actuary has confirmed that the reduction is correct, and is due to assumptions made when the academy was founded which have now been revised.

DH asked whether factors such as depreciation and pensions come as part of the headline report and expressed concern over questions from interested parties. SS advised that someone who isn't an expert could misinterpret the accounts, but that any misconceptions could be easily explained.

The Trust Board approved the accounts. SS noted that these will be signed by GA and DH.

5) Audit Findings Report and Internal Scrutiny Annual Summary Report

SS highlighted the summary of results in Section 3 which shows key financial movements during the year and audit work done in Section 4.

Section 5 of the Audit Findings Report shows adjustments for the LGPS deficit valuation, and to depreciation. The correction to depreciation is due to an error in previously depreciating the Hydro Building which will remain after the new build. No other material issues were identified in the Audit Report.

Section 6 lists other audit matters, and Section 7 identifies internal control recommendations. This is the first year that no control matters were identified. SS advised that of 45 trusts audited by Clive Owen, HLT is the only one with no control recommendations.

TB suggested that finance team should be congratulated on the fact that there were no control recommendations. Trustees agreed.

SS highlighted that the summary in the Internal Scrutiny report shows that all issues identified in termly internal assurance reviews during the year have been addressed and procedures are being implemented.

Urgent business with agreement of the Chair

None.

Close and confirm date of next meeting

Part 1 of the meeting was concluded.

The next Part 1 meeting will take place on Wednesday 20 January 2021.