



PKF FRANCISCLARK
SHAREDAMBITION

31 August 2021

AUDIT COMPLETION REPORT

**PENAIR
SCHOOL**





AUDIT COMPLETION REPORT

PRIVATE AND CONFIDENTIAL

FAO: Those Charged With Governance
Penair School
St Clement's Hill
Truro
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Audit Completion Report

We are pleased to attach our Audit Completion Board Report for the year ended 31 August 2021. This report summarises issues that arose during the audit and the conclusions reached.

This report is intended solely for the information and use of the Board of Trustees, the Academy's management and the Department for Education, in their monitoring role. It is not intended to be and should not be used by anyone other than these specified parties.

This audit completion report meets the requirements of ISA 260 – 'Communication with those charged with governance' and ISA 265 – 'Communicating deficiencies in internal control', since we are required to communicate matters arising during the audit of the Academy Trust to you.

It also complies with the requirements on management letters as set out by the Education and Skills Funding Agency in the Academies Accounts Direction 2020 to 2021.

Finally, we would like to take this opportunity of expressing our thanks to your staff for their assistance during the course of our audit.

Yours faithfully

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The contents of this report are subject to the terms and conditions of our appointment as set out in our engagement letter.

This report is made solely to the Board and management of Penair School in accordance with our engagement letter. Our work has been undertaken so that we might state to the Board and management of Penair School those matters we are required to state to them in this report and for no other purpose.

To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Board and management of Penair School for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



SECTION 1

AUDIT APPROACH AND STATUS REPORT

Scope of the audit and approach

The scope of our work, as set out in our engagement letter, is to provide an independent opinion as to whether the financial statements give a true and fair view, and whether they have been prepared in accordance with the Companies Act 2006 and the Academies Accounts Direction 2020 to 2021. We also provide a limited assurance report as Reporting Accountants in accordance with the regularity requirements of the Education and Skills Funding Agency (ESFA).

Our audit work is planned to provide the necessary level of assurance that the financial statements are free from material error, and to enable us to have a reasonable expectation of detecting material misstatements in the financial statements as a result of irregularities or fraud. However due to the inherent limitations of an audit, our work is not a comprehensive report covering all the systems and controls in place.

When planning our audit work, we assessed the inherent risk of a potential misstatement in the financial statements, as well as the control environment of the Academy Trust. We then used this assessment, together with our understanding of the Academy Trust and the environment in which it operates to develop an appropriate approach to the audit.

Based on our assessment, we identified the following areas as significant risks:

- Fraud in revenue recognition
- Management override of controls
- Regularity

Whilst our audit work was planned to cover all material areas of the financial statements, there was an increased focus in our audit testing on the significant risks set out above.

Materiality

In carrying out our work, we apply the concept of materiality to evaluate the effect of unadjusted misstatements. Overall materiality was set at £90,000 for the year ended 31 August 2021.

In general, misstatements are considered to be material if, individually or in aggregate, they would reasonably influence the decisions of those using the financial statements.

Materiality is a matter of professional judgement, and therefore different levels of materiality may be appropriate for different aspects of the financial statements. However we assessed the overall materiality for the audit by considering the income level of the Trust, together with other indicators such as the level of gross and net assets.

STATUS REPORT

Status of audit fieldwork and expected auditors' report

Our audit fieldwork is now complete, and we have issued an unqualified and unmodified audit opinion on the financial statements and an unqualified limited assurance report.

Key audit and accounting matters

We draw your attention to key audit and accounting matters which are explained more fully in section 2 of our report.

Adjustments to the financial statements

There were certain adjustments made to the accounts of the Trust during the course of the audit, and these are documented within section 3 of this report.

Unadjusted audit differences

During the course of our audit procedures we have identified certain audit differences, which at this stage remain unadjusted. A summary of these adjustments is provided in section 4 to this report. The impact of these adjustments, if all such adjustments were to be made to the financial statements would be to reduce the deficit by £3k.

Internal control findings

Section 5 of our report summarises our findings in respect of internal financial controls.

We did not identify any deficiencies in internal control which we would consider to be material weaknesses, however other observations are discussed.

Overview of the audit

The audit process generally ran smoothly with all information provided being of a good quality and supplied on a timely basis.

SECTION 2

KEY AUDIT & ACCOUNTING MATTERS

KEY AUDIT & ACCOUNTING MATTERS

The following pages outline the significant auditing issues and qualitative aspects of the Academy Trust's accounting practices and financial reporting that were noted during the course of our audit. In line with the Academies Accounts Direction these matters have been categorised by level of importance/ risk as:

HIGH	Areas where the risk of potential material misstatement in the financial statements is high. This may reflect sector wide issues, the control environment of the Trust or transactions outside the normal course of business.
MEDIUM	Areas where the risk of potential material misstatement in the financial statements is moderate. This may reflect sector wide issues, the control environment of the Trust or transactions outside the normal course of business.
LOW	Areas where the underlying significant risks are addressed by the control environment or other factors, reducing the risk of potential misstatement in the financial statements.

KEY AUDIT & ACCOUNTING MATTERS

(SIGNIFICANT
AUDIT RISK)

Approach to fraud (LOW)

Description of risk

ISA 240 requires the auditor to consider the risk of fraud due to (i) management override of controls and (ii) in relation to revenue recognition. This includes the risk that management may override controls or present revenue inappropriately in order to manipulate the financial statements.

How we addressed the risk

Our audit work in this area has included:

- Testing the appropriateness of journal entries made during the year, and in adjusting the management accounts to produce the final accounts;
- Reviewing material provisions at the balance sheet date (if any) to ensure that they are included on a consistent basis with FRS102;
- Reviewing accounting estimates for potential biases;
- Review of accrued and deferred income at the year end date; and
- Reconciliation of all material grant income streams to funding remittances.

Conclusion

No material issues were noted in these areas.

(SIGNIFICANT
AUDIT RISK)

Regularity (LOW)

Description of risk

There is a risk that 'public' funds – in the form of grants and other restricted incomes are not used appropriately and/or for the purpose intended.

How we addressed the risk

Our procedures have focused on:

- Reviewing unrestricted income streams and ensuring that costs have been appropriately allocated to these funds;
- For all significant restricted income streams, the funding conditions have been reviewed and allocation of costs to these funds has been reviewed for reasonableness; and
- Specific testing has been performed on areas carrying a higher regularity risk including credit card expenditure, expense claims, restructuring payments, transactions with connected parties, procurement etc;

Conclusion

No material issues were noted in relation to regularity and so no exceptions will be included in our report.

KEY AUDIT & ACCOUNTING MATTERS

Going concern, including impact of the Covid-19 pandemic (LOW)

Description of risk

In approving the financial statements, it is the Trustees' responsibility to consider whether the Trust is a *going concern*. This conclusion needs to extend to a period of at least 12 months from the date of approval of the accounts and consideration will include review of budget forecasts and cash flow projections.

How we addressed the risk

Our audit work in this area has included:

- Reviewing the current year budget and future cashflow projections to assess financial viability;
- Reviewing the reasonableness of key assumptions applied in preparing the above projections, including consideration of the impact of the Covid-19 pandemic;
- Review of the latest management accounts and comparison to forecast position per budget;
- Discussions with management in relation to the impact of Covid-19 on governance, activities and the financial position, along with mitigations and actions taken to reduce the impact;
- Review of the relevant disclosures made in the Trustees' Report and accounts and
- Discussion with management as to future plans and how financial viability will be maintained.

Conclusion

From the testing performed, we concur that the Trustees' assessment of the going concern basis is appropriate. At year end the Trust retains a £687k cash balance, having generated a positive cash-flow of £230k in year. Excluding the fixed asset fund and actuarial losses, the Trust achieved an underlying revenue surplus of approximately £227k in 2020/21, and a surplus position is forecast for 2021/22.

In addition, the disclosures relating to Covid-19 and going concern in the Trustees' Report adequately reflect our understanding of the situation and the Trustees' assessment of the position and are in accordance with the ESFA guidance on going concern. The Trustees should minute their consideration of the going concern basis when approving the accounts.

KEY AUDIT & ACCOUNTING MATTERS

Government Pension Scheme ('LGPS') liability (LOW)

Description of risk

The projected net liability for the LGPS is included on the balance sheet of the Trust and represents a significant balance that is calculated by the actuary, based on a number of assumptions. There is a risk that the actuarial assumptions are inaccurate which could lead to a material misstatement of the liability.

How we addressed the risk

Our procedures have focused on:

- Checking the accurate recording of the pension liability in the financial statements;
- Review of the reasonableness and consistency (with other Trusts) of the actuarial assumptions and
- Understanding the high level movement in the liability.

Conclusion

The assumptions used by the actuary have been compared and agreed as consistent with other Academy Trusts in the area. The movement in the pension liability is a £743k increase due to changes in actuarial assumptions (increases in the rate of inflation, increases in salaries and increases in pensions in payment), together with the service cost of £246k being in excess of the employer contributions of £149k for the year.

KEY AUDIT & ACCOUNTING MATTERS

Biomass Boiler (MEDIUM)

Description of risk

It was noted in a previous audit that the Academy had a biomass boiler that was not in use and did not appear on the FAR due to historical treatment as an operating lease. There is therefore a risk that this asset is not accounted for correctly in the financial statements of the trust.

Another point to note is the academy paid £165.5k for the boiler and as it is not in current use, it is questionable whether good Value for Money has been achieved.

How we addressed the risk

Our audit work in this area has included:

- Reviewing historic documents to ascertain the correct treatment of the asset;
- Considering the need to impair this asset; and
- Considering whether Value for Money has been achieved in the purchase of the asset.

Conclusion

Our review of historic documents concluded that the lease entered in to on initial acquisition of the asset was in substance a finance lease and as such the asset should have been capitalised and subsequently depreciated. Given that the biomass boiler is not in operational use however, and is thus impaired, this would not have a material impact on the financial statements at the present time.

We also understand that management have the intention of bringing this asset back in to operation. Clearly the longer the biomass boiler remains non-functional the more difficult it becomes for the Academy Trust to justify that Value for Money was achieved in the original acquisition of the asset. Therefore it would be appropriate for the Academy Trust to bring the biomass boiler back into operation, unless a strong justification exists as to why this would no longer represent Value for Money.

KEY AUDIT & ACCOUNTING MATTERS

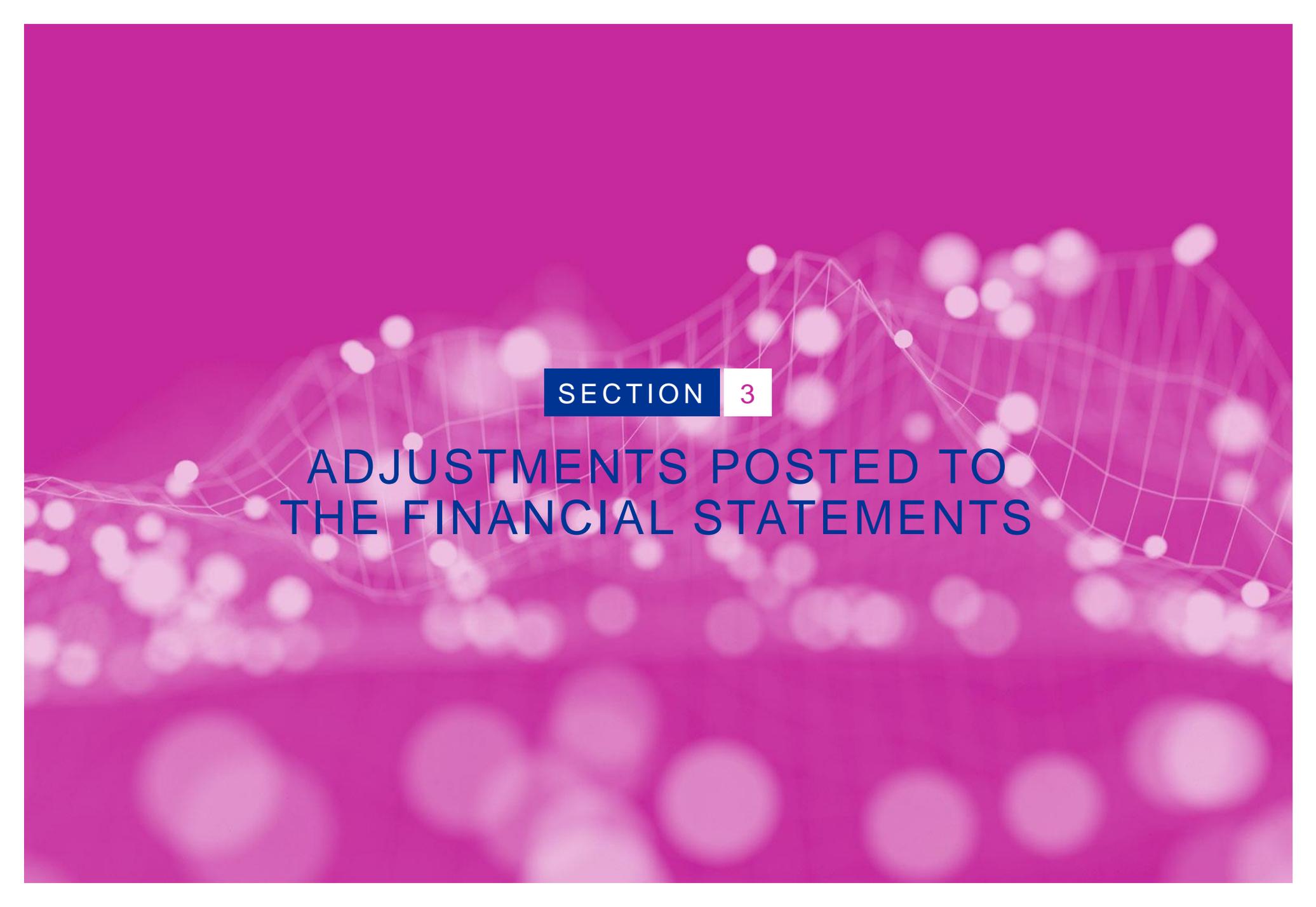
Valuation of land and buildings (LOW)

The freehold land and buildings which the school occupies have been included in the accounts at the value provided by an ESFA desktop valuation undertaken on conversion to an academy.

We feel that the costs to the school for obtaining any further valuation would be unnecessary as it would be for accounting purposes only and would thus not be considered Value for Money. As the valuation was provided by the ESFA and used various assumptions (e.g. area and size of building etc.) we have deemed it to be the best available valuation, and as such we have not performed any additional work.

Conclusion

We have thus relied on the Trustees' opinion that this valuation is sufficient for the purpose of inclusion within the financial statements.



SECTION 3

ADJUSTMENTS POSTED TO
THE FINANCIAL STATEMENTS

ADJUSTMENTS POSTED TO THE FINANCIAL STATEMENTS

Below is a summary of the adjustments posted during the audit that impact the Statement of Financial Activity ('SOFA') and have been reflected in the draft financial statements.

	Effect on surplus / (deficit) £'000
Net income per trial balance presented for audit	737
Fixed asset additions	32
CIF accrued income	(11)
Local Authority accrued income	135
Reflect depreciation charge	(487)
FRS 102 Pension movements – service cost	(97)
FRS 102 Pension movements – net finance charge	(37)
FRS 102 Pension movements – Actuarial gain	(609)
Accruals corrections	(5)
Provision for debtors	(19)
Correct loan balance	(59)
Net (deficit) per final accounts	(420)



SECTION 4

UNADJUSTED AUDIT DIFFERENCES

UNADJUSTED AUDIT DIFFERENCES

In the normal course of any audit, we identify differences between amounts we believe should be recorded in the financial statements and amounts actually recorded. These may be specific errors (a single error on a financial statement balance), extrapolated (a statistical projection of known errors in a sample), or judgmental differences relating to accounting estimates (e.g. provisions) and facts or circumstances that are uncertain or open to interpretation.

Our audit identified the following differences which have not been made on the basis that the Trustees do not consider them to be material to the financial statements, whether considered individually or in aggregate.

We have included all known amounts greater than triviality in our summary of audit differences.

	Effect on (deficit) £'000
Net expenditure per draft accounts	(420)
Corona energy debit balance to be written off	(9)
Recognition of donated fixed assets	24
Late Hopleys Coaches invoice not accrued	(7)
Depreciation of donated fixed assets recognised above	(5)
Net (deficit) taking into account unadjusted errors	(417)



SECTION 5

INTERNAL CONTROL
FINDINGS

INTERNAL CONTROL FINDINGS

Scope of work

As part of our audit of the financial statements, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed.

We are required to communicate to you in writing significant deficiencies in the design or operation of accounting and internal control systems which were identified during the course of our audit and which we consider are of sufficient importance to merit reporting to you.

Significant deficiencies in internal control

We did not become aware of any significant deficiencies in internal control during the audit which we would consider to be material weaknesses.

Other control findings

In performing our audit procedures we identified other observations which we hope you find useful. These matters are summarised in the following pages.

Priority Key

-  High: Issues that should be addressed immediately due to a risk of significant financial impact or where they refer to key or contentious regularity matters.
-  Medium: Issues that should be addressed as a matter of urgency due to a risk of moderate financial impact or where they refer to important regularity matters.
-  Low: Issues that relate to minor control deficiencies or enhancements in control efficiency. These should be addressed within an agreed timescale.

INTERNAL CONTROL FINDINGS

Other internal control findings

Deficiency / observation	Priority	Suggested improvement and benefit	Management response
We noted that the headteacher is a member of the Business, Audit and Risk committee which fulfils the functions of an audit and risk committee for the school. The ESFA states (via the AFH) that no employee should be a member of the audit and risk committee.	■	We recommend that the membership of each committee is reviewed with a view to meeting the requirements of the AFH.	The Headteacher is present during the Business, Audit and Risk meetings but does not contribute to the papers on audit and risk. The management have suggested to the clerk that these papers be moved to the end of the meeting and the Headteacher leave the meeting at that point.
We noted that the resignation of one governor (J Ashton) has not been reported on GIAS.	■	We recommend that all Governor appointments and resignations are promptly notified to the ESFA and Companies House to ensure compliance with the Academies Financial Handbook.	The management will ensure that GIAS is up to date and future changes are made in a timely manner.
We noted during our testing of staff expenses that in some cases these were paid without evidence of prior authorisation.	■	We recommend that in all cases staff expenses are authorised and this authorisation is evidenced before the expenses are paid in order to demonstrate appropriate oversight and control.	The management will ensure that prior authorisation is sought by all staff before incurring any expenditure.

INTERNAL CONTROL FINDINGS

Update on prior year matters

Deficiency / observation	Priority	Suggested improvement and benefit	Current year update
<p>It was noted that the Spring (visit 2) RO report was not shared with the B,A&R committee during the year and was not discussed at any meeting of the committee. We understand that this was due to the cancellation of the scheduled meeting due to Covid-19 lockdown restrictions, and that the Chair of Trustees was provided with a copy.</p>	■	<p>Per the AFH, the Trust must have in place a system for checking its financial systems and controls. We recommend that RO reports are distributed to the relevant Trustees and discussed on a timely basis such that any issues identified can be addressed immediately.</p>	<p>It is normal practice that the RO reports are presented to the business, audit and risk committee at the next calendared meeting after publication. The reports are circulated to trustees and filed in a shared area accessible to all trustees and members.</p>
<p>We noted that two of the three Members are also Trustees. The ESFA's view is that the most robust governance structures will have a significant degree of separation between the individuals who are members and those who are trustees. If members also sit on the board of trustees this may reduce the objectivity with which the members can exercise their powers. The Department's recommendation is for a majority of members to be independent of the board of trustees.</p>	■	<p>We recommend that you review the structure of the Board and seek to introduce separation between the Members and Trustees, as recommended by the ESFA.</p>	<p>One of the members resigned in December 2020. Now only one member is also a trustee. The trust will ensure there is sufficient separation between members and trustees when appointing a new member.</p>

INTERNAL CONTROL FINDINGS

Update on prior year matters

Deficiency / observation	Priority	Suggested improvement and benefit	Current year update
<p>Our audit work identified that a claim was made for exceptional funding relating to Covid-19. We understand that academies were only eligible to claim if they were forecasting a deficit, which we understand was not the case.</p>	■	<p>The ESFA reserves the right to clawback money if claims have not been made in accordance with the guidance, in order to protect public spending, and we recommend that the ESFA is contacted in respect of the incorrect claim.</p>	<p>Management have made contact with the ESFA regarding the Covid exceptional funding claim and they advised that if a claim was made based on the Trust's legitimate expectation at the time of the claim, the conditions of the grant are met even if, subsequently, the Trust unexpectedly shows an increased historic surplus at the end of the financial year.</p> <p>Whilst a deficit was originally forecast for the year, the management accounts prepared by the LFS team on 8/7/20 indicate an actual surplus in the year to date. This would indicate the conditions were not met at the time of the claim and this should be followed up with the ESFA and repaid as necessary.</p>
<p>We noted that the Clerk to the Trustees operates on a self-employed basis. However as there is a legal requirement to have a Clerk, the HMRC guidance considers them to be an officeholder.</p>	■	<p>As an officeholder, they should either be an employee of the academy and taxed through the payroll in the normal way, or alternatively treated as an employee for tax purposes, with payments being processed through the payroll and appropriate deductions made. We can provide further guidance on this as required.</p>	<p>From 1st April 2020, the clerk has been paid through the payroll using a worker invoice claim. Therefore PAYE is deducted at source.</p>

INTERNAL CONTROL FINDINGS

Update on prior year matters

Deficiency / observation	Priority	Suggested improvement and benefit	Current year update
It was noted that prior year audited accounts had not been shared with one of the Members of the Trust.		Under the Companies Act a copy of the audited accounts must be provided to every member. We recommend that procedures for communicating with Members are reviewed to ensure this requirement is met.	Year end audited accounts have been distributed to all members and trustees and made available in the governors shared area.
From a sample of 10 credit card purchases tested, we found 2 instances where the invoice/receipt for the goods/ services had not been provided and filed with the credit card statement.		Retaining evidence of purchases on credit cards is a key part of the controls for this system and helps to ensure that all expenditure is in line with educational purposes and is correctly recorded within the accounting system. These records should also be retained for VAT purposes. We recommend that this is reviewed as part of the monthly statement reconciliation.	No instances in the sample this year of missing invoices/receipts.
The year end bank reconciliation contained an unidentified difference of £229. Whilst this is trivial to our audit work any differences on the bank reconciliation should be fully investigated and corrected on a regular basis.		The bank is a key fraud risk area and it is important that controls including reconciliations are in place and working, so the Accounting Officer can sign off on regularity.	No unidentified differences in bank rec this year.

INTERNAL CONTROL FINDINGS

Update on prior year matters

Deficiency / observation	Priority	Suggested improvement and benefit	Current year update
Our testing identified that some staff personnel files do not contain ID or copies of contracts – most notably for long standing employees. From our sample of 12 employees we also found 1 instance where up to date salary information was not on file.	■	We recommend that personnel files are kept up to date and contain copies of key documents such as contracts and up to date salary information. This can then be relied upon as a complete record in the event of a HR or pay dispute, or as part of payroll assurance tests.	All key documents were present for the sample tested.
Our testing found that changes to the Board of Trustees were not always promptly notified to Companies House.	■	We recommend that all Governor appointments and resignations are promptly notified to the ESFA and Companies House to ensure compliance with the Academies Financial Handbook.	Companies House up to date.



SECTION 6

APPENDICES

APPENDIX A: INDEPENDENCE REPORT

We are required to comply with both ISA (UK) 260 “Communication of audit matters to those charged with governance”, as well as the revised Ethical Standard 2019 (December 2019) as issued by the FRC. In addition we communicate any matters or relationships which we believe may have a bearing on our independence or the objectivity of our audit team.

We have policies and procedures in place which are designed to ensure that we carry out our work with integrity, objectivity and independence. These policies include:

- On an annual basis all partners and staff are required to complete an annual independence declaration;
- Our trainee staff undertake an ethics training programme as part of their ACA qualification;
- Non audit services provided to audit clients are subject to approval before being undertaken. Such requests are made through an online portal which is sent directly to the engagement principal.

We have listed below what are considered to be the principal threats to the firm’s objectivity and independence in carrying out the audit, along with the safeguards that are going to be implemented to mitigate any such threats. We have also included reasons as to why these safeguards are considered to be effective.

Principal threats

Provision of non-audit services to the Trust during the year as follows:

- Preparation of statutory accounts
- Preparation of corporation tax computations
- Preparation of Academies Accounts Return
- Assistance in preparing the BFR/BFRO
- General accounting assistance
- Audit of the End of Year Certificate (‘EOYC’) for the Teachers’ Pension Scheme

Safeguards

- Gill Hakin is deemed to be informed management
- Quality control procedures, including ad hoc cold file reviews
- Standing instructions issued to cover the typical adjustments made during the accounts preparation process
- Evaluation of the significance of the non-audit engagement and its fee
- Surplus reconciliation provided – with all judgemental decisions undertaken by management

Conclusion

We are not aware of any relationships between PKF Francis Clark and the Trust that, in our professional judgment, may reasonably be thought to bear on our independence or the objectivity of the audit engagement team.

We are satisfied that we have adequately mitigated the principal threats on our independence arising from non-audit services.

We confirm that we have complied with the FRC Ethical Standard, and in our professional judgment, the firm is independent and the objectivity of the audit engagement principal and audit staff has not been compromised.

APPENDIX B: BENCHMARKING

Below we compare the Trust against average balances from our academy client base across a range of metrics. This is an interesting comparison as the data is geographically focussed on the South West and hence more relevant. We note however, that there are inherent limitations with these comparisons where our average data includes both primary and secondary schools and the Trust's 2021 data is being compared against average data from 2020. We note further that the metrics calculated are isolated pieces of financial information that do not take other factors into account. Notwithstanding these limitations, the analysis is presented for your information.

Metric	2021 Trust Data	2020 Benchmark data	2019 Benchmark data
Average surplus/(deficit) per school ¹	£226,914	£(120,541)	£(146,414)
Average payroll cost as a % of total expenditure	72%	79%	77%
Average payroll cost per member of staff ²	£40,462	£45,637	£44,186
Pupil : teacher ratio ³	o/s	15.5:1	16.1:1
Average cash balance per school	£687,143	£524,947	£549,906
Average unrestricted reserves per school	£223,920	£297,399	£326,236
Average free reserves per school ⁴	£223,920	£280,579	£297,891

1. Calculated after exclusion of all capital income and expenditure and exceptional transactions such as transfers in / conversions.
2. Calculated on FTE head count and after exclusion of any exceptional costs such as restructuring.
3. Pupil numbers have been sourced from pupil census information from government website <https://www.compare-school-performance.service.gov.uk/school>
4. Taken as year end unrestricted reserves, less any designated funds and any unrestricted funds held as fixed assets, divided by the number of schools in the trust.

APPENDIX C: TOPICAL REGULATORY CHANGES

Academy Trust Handbook 2021

From 1 September 2021, the new Academy Trust Handbook 2021 came into effect. Full details of the changes can be found at: https://assets.publishing.service.gov.uk/media/60c8d0318fa8f57ce8c4621e/Academy_trust_handbook_2021.pdf but a summary of the key changes is as follows:

- The Trust must ensure that existing members are not currently subject to a direction made under section 128 of the Education and Skills Act 2008, which prohibits individuals from taking part in Trust management and that they also do not appoint a new member whilst they are subject to the same direction.
- All Trusts should have reserved places for parents, carers or other individuals with parental responsibilities in their governance structure and elections should be held to fill these positions.
- From 1st March 2022 any newly appointed senior executive leader can only be a Trustee if the members decide to appoint them as such, the senior executive leader agrees and the Articles permit it. The DfE also expresses its strong preference that no other employees serve as Trustees nor for Trustees to occupy staff roles in order to retain clear lines of accountability.
- Emphasising the value of external reviews of governance for trusts.
- When the senior executive leader is planning to leave the Trust, for example through resignation or retirement, the Board should approach the Regional Schools Commissioner in advance to discuss their structure and options, including plans for recruitment.
- Replacing the term “clerk” with “governance professional.”
- Reminding Trusts of the requirement for DBS checks.
- The scheme of delegation should be reviewed annually and a review should also take place where the structure of the trust changes. The Handbook also states that the trust should have a finance committee to which the board delegates financial scrutiny and oversight and this committee can support the Board in maintaining the Trust as going concern.
- Where any special exit payment is made as part of a severance package of £100k or more, prior approval from the ESFA must be sought. Also any severance payments being considered where the employee earns over £150k must be approved by the ESFA in advance.
- Reminding trusts of the governance documents which need to be made available for public inspection.
- The chair of the audit and risk committee should not be the same person as the chair of the finance committee.
- Internal scrutiny must not be carried out by a member of the senior leadership team.
- Setting out when Trusts should re-tender for their external audit services.
- Trusts to provide the ESFA with authority to obtain third party information.
- Guidance on cybercrime.

Exeter 01392 667000	Plymouth 01752 301010	Poole 01202 663600	Salisbury 01722 337661
Taunton 01823 275925	Torquay 01803 320100	Truro 01872 276477	Bristol 01174 039800



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