**CHARLES DARWIN ACADEMY TRUST**

**GOVERNANCE STATEMENT**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Charles Darwin Academy Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance as well as the Academies Financial Handbook (now known as the Academy Trust Handbook).

The Board of Trustees has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Charles Darwin Academy Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 8 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Trustee** |  | **Meetings Attended** |  | **Out of a possible** |  |
| M P Sharp (Vice Chair) |  | 8 |  | 8 |  |
| D Dilling |  | 7 |  | 8 |  |
| S Chotai (CEO & Accounting Officer) |  | 8 |  | 8 |  |
| H Hartley |  | 6 |  | 8 |  |
| P G Woolfenden (Chair) |  | 8 |  | 8 |  |
| Cllr J Bennington |  | 8 |  | 8 |  |
| J Ellis  |  | 6 |  | 8 |  |
| I Turner (CDS representative) |  | 7 |  | 8 |  |
| C Woods (BHPS representative from 01/11/2020) |  | 4 |  | 8 |  |
| H Freeman (Headteacher of BHPS) |  | 7 |  | 8 |  |
| A Smith (Headteacher CDS appointed 01/01/22) |  | 5 |  | 5 |  |

Trustees recognised that due to bereavement Mrs. Freeman was unable to attend all meetings.

The Board's main work focus has been the oversight of performance across both schools. It meets at least 6 times a year to receive reports from the two schools in relation to:

1. Academic performance

2. Safeguarding

3. Quality of governance

4. Financial situation

5. Impact of the Covid-19 pandemic

The Board has a particular focus on financial oversight. At a time of austerity in the educational sector this aspect of its work is vital in ensuring the health of each of its schools; ensuring that progress can be continued. Uncertainty surrounding government funding for the increase in energy costs and the teachers' pay award has been a focus for discussion.

For the reporting period much of the Board's focus was on the impact of the Covid-19 pandemic and particularly in relation to the students' education in catching up lost ground following remote learning during periods of lockdown/isolation and the support for students as formal examinations returned after two years of Teacher Assessed Grades. An additional meeting was called in January 2022 to introduce the new Headteacher at Charles Darwin School. The Board were also concerned to ensure that support was in place for the wellbeing of staff and students during and following the pandemic and particularly for the vulnerable.

The effect of the pandemic on the Trust's finances was also a focus area, particularly for Charles Darwin School where the enforced closure of the Darwin Leisure Centre resulted in a significant loss of income.

The Board's performance is reviewed by the Trustees from time to time, it is externally reviewed annually via a meeting with the Regional Commissioner's Office. The feedback thus far has been positive.

The Trust uses a range of data to judge the performance and the quality of provision at each of its schools, this includes:

1. Ofsted reports

2. Examination outcomes

3. Live progress updates

4. School self-evaluation reports

5. Parental feedback via Parent View and otherwise

**Charles Darwin School Local Governing Body (6 meetings)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Meetings Attended** |  | **Out of a possible** |  |
| S Chotai (CEO & Accounting Officer) - retired as Headteacher of CDS 31/12/2021 |  | 2 |  | 2 |  |
| A Smith (Headteacher appointed 01/01/2022) |  | 4 |  | 4 |  |
| I Turner (Chair) |  | 6 |  | 6 |  |
| S M Wade |  | 4 |  | 6 |  |
| S Wilson |  | 2 |  | 6 |  |
| M Botting |  | 4 |  | 6 |  |
| G Currie (staff) |  | 6 |  | 6 |  |
| T Warne (resigned 31/09/2022) |  | 5 |  | 6 |  |
| G Quinn Addison (staff)  |  | 6 |  | 6 |  |
| P Showell |  | 5 |  | 6 |  |
| J Sugarman |  | 3 |  | 6 |  |

Due to the Covid-19 pandemic some meetings were held remotely. Governors recognised that the personal circumstances of some Governors meant that they were unable to attend some meetings.

**Biggin Hill Primary School Local Governing Body (6 meetings)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Meetings Attended** |  | **Out of a possible** |  |
| H Freeman (Headteacher) |  | 5 |  | 6 |  |
| W Wolfcarius |  | 6 |  | 6 |  |
| K Lawrence (staff) |  | 6 |  | 6 |  |
| C Woods (Chair) |  | 4 |  | 6 |  |
| P Ridgewell |  | 6 |  | 6 |  |
| S Ace  |  | 5 |  | 6 |  |
| M Daley  |  | 5 |  | 6 |  |
| A Gregory  |  | 3 |  | 6 |  |
| L Tully  |  | 6 |  | 6 |  |
| Laura Horgan (staff) (appointed 20/01/2022) |  | 3 |  | 4 |  |
| Jenny Snelling (staff) (resigned 16/09/2021) |  | 0 |  | 1 |  |
| Tony Harknett (resigned 8/11/2021) |  | 0 |  | 1 |  |
| Chris Brocklehurst (resigned 20/01//2022) |  | 2 |  | 3 |  |
| David Jarred (resigned 12t/07/2022) |  | 2 |  | 6 |  |

Trustees noted that Mrs. Gregory was on maternity leave during the school year and that due to bereavement Mrs. Freeman was unable to attend all meetings.

The Trust has the benefit of some very committed and loyal Governors. The attendance of Governors at meetings (as illustrated above) is consistently good as is their grasp of key governance issues.

**Conflicts of Interest**

Members, Trustees and Governors are required to complete Business Interests forms and Related Party Questionnaires at the start of each academic year. In addition all Members, Trustees and Governors sign a Code of Conduct each year in which they agree to declare any business, personal or other interest. A register of Business Interests in held by the Company Secretary and details are also published on the trust website. Declaration of new business interests is a standard agenda item for all trust and governor meetings and any declarations are minuted. If a conflicted matter arises in a meeting the Trustee or Governor will offer to leave the meeting for the duration of the discussion and any subsequent vote.

**Governance review**

A review of the governance structure took place to ensure that the responsibilities of the Trustees and Governors are in accordance with the 2022 Academy Trust Handbook. In particular arrangements have been put in place to ensure that the increased responsibilities at Trust level are managed effectively at Board level. The need to streamline the governance structure has been agreed at all levels and Trustees are confident that once finalised this structure will enable the academy trust to ensure it continues to function to a high standard.

The review of governance including a review of the Scheme of Delegation is anticipated to take place at the end of each year. The Scheme of Delegation was last reviewed in November 2021 and is regularly reviewed in order to reflect the requirements of the Academy Trust Handbook.

As part of the governance review, the Trust's Finance & Audit Committee was split into two Committees, one focusing on Finance and the other on Audit and Risk. The new Committee structure was effective from January 2021, however it has since been decided to amalgamate the two Committees with named Trustees looking into matters pertaining to Audit and Risk on an ad hoc basis and reporting back to the Finance Committee. The Finance Committee operates across both schools, each having representation. During the reporting period both Committees, as a sub-committees of the CDAT Board, had oversight of the work of both schools in the trust.

With regard to the Finance Committee, membership comprised 5 Trustees, including the CEO & Accounting Officer, and the Chief Financial Officer. Representatives from both schools, including the Headteachers, are invited to attend. Membership of the Audit and Risk Committee is two Trustees, who also sit on the Finance Committee.

The Finance Committee will be quorate with two members or where greater any one third. Its purpose is to oversee all matters with a financial impact and report on such to the full Board of Trustees. The Committee also liaises with and receives reports from the Local Governing Bodies and makes recommendations to those Committees regarding the financial aspects of matters being considered by them. During the year ended 31 August 2022 attendance was as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Audit and Risk** |  | **Meetings attended** |  | **Out of a possible** |  |
| M P Sharp (Chair) |  | 2 |  | 2 |  |
| J Benington |  | 2 |  | 2 |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Finance** |  | **Meetings attended** |  | **Out of a possible** |  |
| D Dilling (Chair) |  | 5 |  | 5 |  |
| S Chotai (CEO & Accounting Officer) |  | 5 |  | 5 |  |
| M P Sharp |  | 5 |  | 5 |  |
| J Benington |  | 5 |  | 5 |  |
| W Everest (Chief Financial Officer) |  | 5 |  | 5 |  |
| H Hartley |  | 4 |  | 5 |  |

During the 2021/22 academic year the Finance Committee has focused on:

- Funding - ensuring the academy trust's funds are spent appropriately, managing effectively the very tight funding context

- Some alignment of finance practices between the two schools in the trust, including the embedding of a centralised accounting system

- The continued development of the Darwin Leisure Centre and its profitability - enforced closure of the Centre during lockdowns has significantly impacted on the trust's revenue. A staffing restructure took place in order to support the development of the Centre.

- Managing the school more effectively with reduced levels of funding and increased expenditure relating to the Covid-19 pandemic as well as the uncertainty regarding government funding for energy costs and the teachers' pay award.

- Ensuring that much needed ICT development and building improvement is effectively prioritised

- Ensuring all audit findings were reviewed and appropriate action taken

**Review of Value for Money**

As Accounting Officer the CEO has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- Staffing economies

- Scrutiny of budgets and comparison with actual performance

- The efficient and timely management of resources for teaching and learning areas

The pressure on school budgets is making it increasingly difficult to provide the same quality of education and it is to be hoped that additional funding becomes available in the near future as there are limits to what may still be reduced without causing harm to the life chances of our students.

**The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Charles Darwin Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the charitable company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The board of trustees has reviewed the key risks to which the charitable company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The Risk and Control Framework**

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;

- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;

- setting targets to measure financial and other performance;

- clearly defined purchasing (asset purchase or capital investment) guidelines;

- delegation of authority and segregation of duties;

- identification and management of risks.

During the year the Board of Trustees appointed Azets to carry out the internal audit function. McCabe Ford Williams remain the Trust's external auditors.

The internal auditors' role included giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- Testing of payroll systems;

- Testing of purchasing/payment systems;

- Checking the tendering process in accordance with internal regulations;

- Review income receipts;

- Review bank reconciliations and control account reconciliations;

- Review procedures used to prepare reports to trustees and other financial returns;

- Check procedures for staff expense claims and petty cash claims;

- Review information reported to trustees.

- Review of the trust's website

The internal auditors report to the Board of Trustees three times a year, through the Finance / Audit and Risk Committee, as appropriate, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The Board of Trustees confirms that the review by the external auditor has been fully delivered in line with the ESFA's requirements and all recommendations have been implemented.

**Review of Effectiveness**

As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the results of the external auditor's additional checks;

- the work of the external auditor;

- the work of the internal auditor

- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 12 December 2022 and signed on its behalf by:



P G Woolfenden - Trustee



S Chotai - Accounting Officer