TCAT

THE CHALLENGE ACADEMY TRUST

Audit and Risk Committee Meeting Minutes

Thursday 4th December 2025, 4:30-5:30pm

Venue: TCAT Professional Development Centre

Chair: Howard Platt

Clerk: Melissa St. Clair m.alexander@tcat.uk.com

Committee Members		Term Ends	Present	Apologies
John Cartwright (JC)	Trustee	23/06/2025	√	
Howard Platt (HP)	Trustee (Interim Chair)	11.01.2028	√	
John Warren	Trustee	11.01.2028	√	
Stephen Whatmore (SW)	Trustee	01.07.2029	√	
In Attendance				
Siobhan Archibald	Internal Auditor		√	
Phillip Dyke (PD)	Associate			x
Adrienne Laing (AL)	Operations Director		√	
David Halsall (DH)	Chief Finance Officer		√	
Andrew Moorcroft (AM)	**CEO**, Trustee		√	
Nicola Tucker (NT)	External Auditor		√	

Documents Shared Prior to the Meeting:

Item 7. Minutes from the previous meeting 26/06/2025
Item 8a. TCAT Annual Report Update and Overview 2425
Item 8b. The Challenge Academy Trust FY25 Financial Statements 27.11.25
Item 8c. T219- TCAT Educational Outdoor Services Limited FY25
Item 9a. T193 - TCAT Audit Completion Report FY25
Item 9b. TCAT Academy Trust Letter of Rep 2425
Item 10. TCAT - Annual Plan 2025-26
Item 11a. ICO Audit Action Plan Update Nov 2025
Item 11b. ICO Executive Summary
Item 11c. ICO Audit Action Plan Updated 21.11.25
Item 12. TCAT Whistleblowing Policy October 2025

	Agenda Item	Allocated time
1.	**Welcome:** MS welcomed the Committee to the first meeting of the academic year.	**MS**
2.	**Any items for AOB/ Part Two – Confidential:** MS confirmed that there were no items for AOB or Part Two.	**MS**
3.	**Absence / Apologies / Non-Attendance:** MS shared that PD had sent apologies in advance of the meeting. PD's apologies were accepted by the Committee. This meeting was quorate.	**MS**
4.	**Register of Interests:** There were no Registers of Interests declared.	**MS**
5.	**Declaration of pecuniary interests in relation to agenda items:** There were no declarations of pecuniary interests in relation to the agenda items.	**MS**
6.	**Membership and Organisation:** MS shared that HP volunteered to Chair the first Audit and Risk meeting in the interim, whilst a new Chair is appointed. HP added that Phil McEwan has expressed his interest in becoming Chair of the Audit and Risk Committee, and that a formal vote and appointment will be made at the next meeting.	**MS**
7.	**Minutes of the Audit and Risk Committee meeting which took place on Thursday 26th June 2025:**	**Chair**

	a) Approval of the Minutes: The minutes were approved by the committee who confirmed that the minutes were an accurate depiction of the meeting. b) Matters arising: c) ***A Trustee queried*** the status of the contract with Niche. ***AL confirmed*** that there has been an external contractor that has carried out an investigation who has determined the pipe work across five TCAT academies is insufficient. AL added that a Expert Witness has visited all required sites and is in the process of finalising their report. AL confirmed the Expert Witness has concluded that the work is "sub-standard" and the pipework connecting the borehole and pumproom will require replacement. AL added that Hill Dickinson (solicitors) will be submitting a claim against Niche. AL confirmed that the adjudicator will make the final decision regarding the covering of the work that will be required. ***A Trustee queried*** if there is heating in the affected academies in the interim. ***AL confirmed*** that temporary heaters are in place for all five academies who have been impacted. ***The interim Chair*** queried why there are interim heating in five academies. ***AL confirmed*** the recommendation from the contractor and Expert Witness was that the pipes were replaced in all five academies. ***A Trustee asked*** if Niche are still operating. ***AL confirmed*** Niche are still operating. ***A Trustee asked*** if the affected academies are being negatively impacted the investigation work. ***AL confirmed*** that the rectification work will begin to prevent any further delay with the heating. ***The interim Chair*** asked if Niche were given the opportunity to rectify the work. ***AL confirmed*** this option was given but the required works were not completed which led to the implementation of an Expert Witness and adjudication process. ***A Trustee asked*** how much money is involved in the rectification of the works. ***AL confirmed*** that the cost will be up to one million pounds that we expect to recover from Niche, but will need to cashflow initially. d) Action log:	

	Action Log: All actions were reviewed, and the following items were discussed: 10. MS to ensure safeguarding audit report has been circulated to the Safeguarding Panel. 10. DH shared that academy contracts are being collected to support with procurement going forward. DH explained that IT and facilities are costing the Trust a significant amount of money which is being analysed to support with the opportunities to improve procurement processes. DH added that the Financial Regulations has been reviewed in the Finance Strategy. AL added that procedures are being updated and are being welcomed by academies.	

Minute Reference	Action to be taken	By Whom	Completion Date
8.	Set up a subsidiary to channel non-primary purpose income and manage VAT and corporation tax exemptions. (David)	DH	ASAP
6.	Appointment of new chair at the next committee meeting.	MA	04/12/2025
10.	Circulate the safeguarding audit report to the safeguarding panel via GovernorHub.	MA	ASAP
10.	Further considerations relating to improved procurement procedures.	DH/ AL	On going
14.	MA to amend the timings for next year's Audit and Risk Committee meetings to ensure meetings are two hours long.	MA	ASAP

8.	**TCAT Annual Report:** A Trustee congratulated NT and DH for the production of the annual accounts. DH was complimented for his fantastic efforts and positive impact, adding the reports are very clear. NT added that DH has been ready at every stage that has been required by the external auditors. NT presented a verbal overview for each section of the audit. NT delivered an overview to the Committee as follows: • Section 1: NT confirmed that the Trust have received a "clean audit" opinion. • Section 2: NT referred to the key risks identified at the planning stage, accompanied with risk details, recommendations and conclusions. NT added that there were no significant issues identified in key risk areas such as management override of controls, revenue recognition, consolidation, creditors, staff costs, pension scheme, and going concern.	**DH 20 minutes**

	- Section 9: NT referred to the Trust's financials and the consolidated figures which showed an overall income of £131.9 million compared to £79.4 million the previous year, largely due to the addition of two schools and associated capital grants, resulting in a reported surplus of £41.6 million. NH added accompanying detail has been added relating to underlying surplus and adjustments which and explained that anomalies such as transfers in, capital grants, depreciation, and LGPS adjustments have been stripped out. NH concluded the underlying surplus for the year was £150,000, a significant improvement from the previous year's deficit. - Consolidated Balance Sheet: NH explained that Land and buildings values increased due to two new schools joining the Trust. NH added that bank balances overall, including short term investments have raised by almost £2 million. Net current assets have increased to £6.4million, putting the Trust in good financial position. - Academy Financial Positions: NT referred to the financial positions of individual academies across the Trust, with acknowledgment to academies who have increased surplus as well as deficits. NT highlighted the largest deficit has been the Central Resources. - Cash Flow: NT confirmed that the Trust generated £500,000 across the academic year. NT added that some money had been withdrawn from the investments, money had been received via Capital Grants and transfers of money from school conversions. NT concluded that the Trust's bank balance has risen by £2.8 million due to the factors outlined. - Section 4: NT confirmed there was no evidence of fraud or breaches relating to communications. - Internal Controls and Recommendations: The audit recommended that when replacement or improvement works are undertaken, there should be consideration of what assets are being removed, with a low-level recommendation to improve documentation and asset register accuracy. ***The Interim Chair queried*** if there is an Asset Register. DH explained that the fixed asset register for existing assets wasn't always detailed enough to separately identify individual components of a building, but we would endeavour to make an appropriate estimation going forwards. NH added that this is not significant but worth considerations for future. - The second audit recommendation was relating to purchase authorisations. NT explained that some	

	purchases were not fully compliant with the scheme of delegation. DH confirmed that this has addressed by refining thresholds in the Financial Regulations update, with further control coming form the Purchase Order System roll out. DH also noted that some of the items identified reflected impractical thresholds, such as requiring CEO approval for a £6k item, and that the updates to Scheme of Delegation will rectify this position, appropriate approval for the organisation's size. • Material Misstatements: NT confirmed that there were no material misstatements or issues of regularity identified, and the figures were described as very clean, with no fraud or regulatory breaches detected. NT concluded that the completed report is "clean". The Interim Chair thanked and praised both DH and NT for their efforts. **Statutory Accounts:** NT confirmed the statutory accounts were ready for approval, with only minor typographical amendments outstanding. NT outlined the process for electronic approval and submission to the DfE following the upcoming Trust Board meeting. ***A Trustee queried*** the difference between restricted and unrestricted funding. NT explained unrestricted funds is income received whereby there is no restriction on the spending such as lettings income or interest from the bank. NT added that grants, such as funding, such as DfE or Local Authority is restricted. NT explained that the Letter of Representation is required to go to the full board for approval. ***The Interim Chair asked*** if this letter is for the protection of Murray Smith. NT confirmed that this was correct and that the Letter of Representation is required to go to the full Trust Board for their approval. NT explained that the TCAT Educational Outdoor Services accounts has been audited due to this being a subsidiary company of TCAT. NT added that the income is minimal, with the figures being £70k per year.	

9.	**TCAT Audit Completion Report:** ***DH sought clarification*** from NT regarding the signing of the Letter of Representation. ***NT confirmed*** that one the letter has been taken to Trust Board for approval, a letter can be sent via 'DocuSign' the following day that can be signed electronically that can then be submitted. NT shared that the deadline for the Annual Accounts Return (AAR) is scheduled for the end of January 2026, adding a questionnaire will be sent in due course in preparation for this. ***The CEO asked*** if this process can be completed electronically. DH and NT stated that they would explore the possibility of this. ***A Trustee asked*** NT if the wording could be amended on pages 39 and 40 of the Audit Completion Report for greater clarity. A Trustee suggested the title 'Group Consolidated Accounts' would be more explicit. DH suggested 'Company Consolidated' could be used in replacement of 'Group Consolidated'. NT noted this recommendation. ***A Trustee asked*** NT if the wording could be amended to make it more explicit that and it was suggested 'Group Consolidated Accounts'. ***DH suggested*** 'Company Consolidated' could be used in replacement. NT noted this recommendation.	**NT/ MB 15 minute s**
10.	**Internal Audit Plan 2025-2026:** SA presented the proposed internal audit plan for 2025–26, developed jointly with the trust, with visits scheduled for February and May 2026. SA shared that there are five recommended areas for the internal audit which covers the following areas and checks: Financial Controls: - adequate controls - adhered to by staff - month end process - fixed assets - processing in relation to purchases - cash and banking Permanent Exclusions and Suspensions: - following statutory guidance - consistent approach - policies including explicit roles and responsibilities - analysis of robust systems	**SA 5 MINS**

	- effective communication Staff Grievance: - appropriate processes - support mechanisms to support staff - disciplinary cases and assurance that cases are being handed fairy and consistently - robust monitoring systems - effective communications Absence Management: - mechanisms to ensure correct policies and procedures are communicated and implemented - monitoring of staff absence - key roles and responsibilities - Line Management training to support with effectiveness of role Follow up review: - Follow up of actions from previous reviews and in line with recommended timeframes. SA shared that each audit area will assess the adequacy and consistency of policies, procedures, and controls, with a focus on compliance, effective communication, and timely resolution of issues. SA added that the eight-year plan and 'Audit Universe' have been included, illustrating the assurance levels across audit areas. SA concluded that TCAT are deemed 'strong' for most areas with minimal recommendations and added that all actions are followed up. SA asked the Committee if they had any questions relating to the Audit Plan. ***The Interim Chair asked*** TCAT requested the key areas to be included in the Audit Plan. SA confirmed that there is a collaborative process involved in the development of the audit plan, but not entirely. ***The Interim Chair*** commented that a wide variety of areas had been audited across the last eight years. ***A Trustee asked*** if all outstanding actions have been reviewed and closed. AL confirmed that there a small number of outstanding actions from last year's review, including recommendations in cyber which are currently being reviewed and actioned. ***The Interim Chair sought approval*** from the Committee to approve the Internal Audit Plan presented by WBG. ***The Committee approved*** the Internal Audit Plan.	

	The Interim Chair commented that the work carried out by WGB has been thorough and was very complimentary about the audits that have been completed. AL complimented WGB for their thorough audits. AL explained that the Internal Auditors are going out for tender next year, and the Trust will be required to implement procurement processes.	
11.	**Operations:** **ICO Audit** AL explained there was an ICO audit in May 2025 which assessed the policies and procedures across finance, HR, and operations. AL explained that policies and procedures have been updated or are pending approval, reflecting ICO recommendations to strengthen data protection and contractor management. AL referred to the audit action plan and explained that work has been completed to ensure recommended actions are being fulfilled. AL added that the action plan is detailed and relatively repetitive. AL explained there are a number of policies which have gone to Finance, HR and Operations for their approval on 04/12/2025. AL shared that a meeting is scheduled to take place on 16/12/2025 to provide an interim update. AL added that the target date for completion is April 2026. ***The Interim Chair asked*** if the Trust are welcoming this ICO audit. AL confirmed this audit is welcomed. ***The Interim Chair challenged*** that the ICO audit will not support the Trust with the Cyber Essentials accreditation. AL stated that this audit will enhance cyber security, specifically improving software installations and applications. The CEO added that the recommendations will support the Trust in tightening up their procedures and keep academies safe and secure. AL added that additional checks are being carried out before any implementation of services. AL added that this has added an additional layer of bureaucracy which has provided an additional level of security for the Trust. ***The Interim Chair asked*** if the Trust are recognised for the completion of the ICO audit. The CEO confirmed that there is no award that comes from the ICO Audit. **Cyber Essentials Accreditation:**	**10 Minutes**

	AL confirmed that the Trust have received the Cyber Essentials accreditation and added that the recommendations from the ICO audit is to achieve the Cyber Essentials Plus Accreditation which the Trust are going to pursue.	
12.	**Policies:** (For Approval) Whistleblowing Policy: AL explained that there was a review process in light of the updated KCSIE guidance. AL explained that the policy was reviewed to ensure compliance with new guidance. ***A Trustee highlighted*** that there is a link embedded on page 7 and recommended that the full link is included to aid users with screen users. This recommendation was accepted, and it was agreed that this will be ***AL sought approval*** for the Whistleblowing Policy. ***The Committee approved the Whistleblowing Policy.***	**5 Minute s**
13.	**AOB:** There was no other business discussed during this meeting.	
14.	**Date and time of next meeting:** The Interim Chair confirmed the next meeting is scheduled to take place on Thursday 12th March 2026, 4-5:30pm	
15.	**Part Two – Confidential** There were no Part Two Confidential Items discussed during this meeting.	

This meeting was closed by HP at 17:18. HP thanked attendees for their time and contributions.

Minute Reference	Action to be taken	By Whom	Completion Date
7.	Follow up with previous action to ensure Safeguarding Audit is shared with Safeguarding Panel	MS	ASAP
8.	Request approval from Trust Board for to sign the Letter of Representation and send to NT.	DH	12/12/2025
9.	Send a questionnaire regarding the AAR to relevant parties before Christmas in preparation for the end of January deadline	NT	ASAP

11.	Update GDPR policies where required following ICO meeting on 16/12/2025.	AL	W/C 22/12/2025
12.	Amend the whistleblowing policy to explicitly spell out web links for prescribed bodies, ensuring accessibility for partially sighted users.	MS	ASAP