



**Minutes of the Risk & Audit Committee Meeting
Held on Tuesday 20 January 2015 – Staff room area**

Present:	Bob Gildie (Chair)	Alex Dobinson	Chris Humpage
In attendance:	Bruce Balicki (DP Finance & Resources)	Nick Cattini (Baker Tilly)	Hannah Catchpool (Baker Tilly)
	Theresa Cope (Clerk to the Corporation)	Paul Goddard (Scrutton Bland)	Lisa Smith (Baker Tilly)(from 10.30 am)
	Nick Spenceley (Principal)	John Revill (Vice Principal)	
Apologies	Linda Maynard		

17/14 Apologies for Absence

Action

The apologies were received and noted.

The Chair advised that LM's term of office was nearing its end and she has decided not to seek re-election to the Board of Governors. The Chair extended his thanks to LM for her support and work during her time as a governor and whilst a member of the Risk & Audit Committee.

18/14 Eligibility & Quoracy

All members were eligible and the meeting was quorate.

19/14 Declaration of Interests

No declarations of interests had been received.

20/14 Minutes of Previous Meeting (7 October '14) & Progress Against Matters Arising

The minutes of the previous meeting held on 7 October '14 were agreed and signed by the Chair as an accurate record.

There were no matters arising.

21/14 Report of Actions Taken by the Chair on Behalf of the Corporation

There were no actions to be reported.

22/14 Funding Assurance Review

[Taken as agenda item 7]

LS (of Baker Tilly) presented to the Committee details of the SFA Funding Assurance Review for 2013/14. She began by extending her thanks to JTR and the MIS team for

their assistance and co-operation during the audit which had gone very smoothly.

The opinion submitted to the SFA/EFA, by Baker Tilly, was that they had no comments to make as a result of their work on the 2013/2014 final returns.

LS proceeded to give an overview of the report and summarised the various management letter points that had been raised during the review/audit.

23/14 External Audit Finding Report

[Taken as agenda item 6]

HC and NC (of Baker Tilly) presented to the Committee their Final Audit Findings Report for the year ended 31st July 2014. At the time of presenting these findings their audit work has not yet been fully completed.

HC and NC reported the detail of the final AFR.

Baker Tilly extended their appreciation to BVB and the finance team for their assistance during the audit process.

The draft letters (Letter of Representation (Financial Statements) and (Regularity)) attached at Appendix A and B **were recommended to the Corporation for approval at the extraordinary meeting to be held on 3 February 2015.**

24/14 Principal's Report

A brief report had been provided and given that some time had elapsed since the report had been compiled, NS provided a verbal update.

Austerity would continue. However, the overall message from the EFA was that they hoped to provide stability in funding rates for 2015/16. This stability would only apply to 2015 (election year) and the recommendation received from the AoC was to prepare for a 2% cut in funding.

The College still needed to tackle the effects of increased NI contributions and increased Teachers' pension contributions.

Applications are very encouraging. The current level of applications is at the highest level for 6 years although caution is advised. Management is quietly confident that the learner target would be achieved, if not exceeded.

The complaint to Ofsted had been partially upheld although the report remained unmodified. Inspection results were currently showing an unprecedented amount of institutions graded 3 or 4 at 76% with only a small proportion being graded 1 or 2.

A full inspection of the NCB Studio School was expected to take place in the Spring term.

25/14 Internal Audit Progress Report

Referring to the summary report, PG gave a verbal update as the report had been written in anticipation of the meeting being held in December 2014.

The Assurance Mapping, Learner Progress Monitoring and Performance Management reports are currently with College management. There are no concerns to be reported.

The reports will be presented to the next meeting on 10 March 2015.

26/14 Committee Annual Report to the Corporation

The Annual Report was considered and approved.

The report was recommended to the Corporation (17 March '15).

27/14 Terms of Reference for Risk & Audit Committee

The Clerk had updated the ToR in line with the requirements of JACOP.

The ToR were approved and recommended to the Corporation (17 March '15).

28/14 Sector updates

A new statement of financial recommendations will be implemented in July 2016.

Governor training was recommended to understand what the implications of this might be.

Fraud is very prevalent in the not for profit sector and the auditors encouraged everyone to be very vigilant.

DSAT software was released in December 2014. To be aware of new testing regime. No changes in SFA but changes to EFA.

29/14 Urgent AoB

There were no items of AoB for consideration

30/14 Confidential matters

There were no confidential matters for consideration.

The meeting finished at 11:25am

The next meeting will be held on Tues 10 March 2015