

GOVERNORS & VOTING MEMBERS PRESENT: Roger Bridgeman [Chair], Uzo Agyare-Kumi, Doug Jennings, Phillip Berry, Nicholas Ogborne [5]

ATTENDING: Shane Blackshaw [Executive Finance Director], Leanne Sowersby [Governance Professional], James Godsmark [Validera– Internal Auditor] (part), Mark Powell [Moore – External Auditor]

APOLOGIES: Elisa Williams [1]

ABSENT WITHOUT APOLOGY: None [0]

CIRCULATION: All Governors, & Governance Professional unless CONFIDENTIAL.

ITEM	ISSUES RAISED IN DISCUSSION	ACTION
1. Welcome	1.1 Welcome: RB welcomed everyone and opened the meeting with prayer.	
2. Declarations of Interest	2.1 Declaration of Pecuniary Interest: There were no fresh disclosures.	
5. Minutes Previous Meeting	5.1 Open Minutes of Previous Meeting - 19 March 2025: The Minutes were agreed to be a true and accurate record of the meeting and were passed for personal signature and for publication on the College website.	
6. Actions & Matters Arising	6.1 Actions Report: See actions report – no actions outstanding. 6.2 Matters Arising: None	
9. Committee Business	9.1 Committee Terms of Reference: Discussion around voting for co-opted committee members. There is no written prescription on co-opted committee members, but this could be clarified in the terms of reference. Otherwise, terms of Reference Approved.	LS
3. External Audit [Moore SSW]	3.1 External Audit Planning Letter Year Ended July 2025: MP talked through the key points of the audit summary. MP noted thanks to SBk and the team for a smooth process and the audit has gone smoothly. MP highlighted the audit risks and talked through these. There is nothing to report on the first two of these. There was a discussion around the risk relating to going concern. The risk relating to the previously loan breach has been resolved, and the cash flow issues of the previous year has also been resolved. Are comfortable with the college being a going concern. Issues arise relating to the plans for the college to become part of a MAT and the impact this might have on the going concern assumption – it could create a material uncertainty. There is still information / further discussion required around this that would help the college to make such a decision, and it was noted that the college funding is different from a school. There are too many unknowns at present to have a clear view of what the future will hold. It is clear that there is a potential issue around the going concern assessment due to the uncertainty around this issue, and it should, therefore, be included in the financial statements. There was further discussion around the proposal and the current situation / planned timelines. If the college were to join a MAT, the current legal entity ceases to exist, and a new one is created, which is part of the issue relating to the going concern judgement. Discussion around due diligence relating to joining the MAT, how much of this has been completed and the impact. Governors supported this being noted as a risk in the accounts.	

	<p>Had the decision been made, the accounts would be drawn up on a non-going concern basis. As the decision has not been made, it is noted as a risk and uncertainty and the readers’ attention is drawn to it.</p> <p>Q – Would being declared as a non-going concern caused issues for our ongoing commitments etc? This would only be an issue if a decision had been made, and then we would need to discuss with the bank to ensure there are no issues.</p> <p>MP talked through the management letter points, there were no major points. MP also talked through the accounting adjustments. SBk noted some key points from the accounts. The expenditure surplus for the year was £686k overall, £600k excluding the £86k pension adjustment. The EBITDA was £1,066K, around 8.5%, slightly higher than forecast in the budget due to the various adjustments. Actual cash has increased significantly; with just over £1m at the end of the year which is 32 days. This is a significant improvement from July 2024, where the year end cash balance was £372k / 12 cash days. The solvency ratio is increased from 0.61 to 1.39 over the 12 month period.</p> <p>It was also noted that there was nothing in the budget announcement about unrecoverable VAT, which would be worth £240k over the 12 month period if we were able to reclaim this as academies can.</p> <p>We are at a “good” rating, as forecast. We had a few issues with the fixed asset register which have now been resolved, and the register is being updated for 2025-26 for purchases since 1 August; SBk is confident the register will be up to date for this process next year.</p> <p>There will be a further version of the accounts sent out before the Board of Governors meeting to be signed off.</p> <p>Q – There was a point about the loan being unsecured, has this been resolved? Yes, the bank have confirmed that the loan is unsecured.</p> <p>Q – Are there any thresholds to consider in order to invest cash? Since we drew down the loan for the pitch, we have invested it into a savings account and actively switching between this and the current account and achieving over 4% interest and have earned over £70k in interest. There is a wider issue around whether we seek to invest in a longer term fixed account, and the Treasury Management policy was written earlier this year to set out a framework for this. There is a need to be sure that we are confident that the cash recovery is stable before tying up large sums of cash in long-term savings accounts.</p>	
<p>7. College / Financial Matters</p>	<p>7.1 Draft Accounts and Financial Statements 2024/2025: Covered in item 3.1</p> <p>7.2 Finance Updates: Covered in item 3.1</p> <p>7.3 FOI/GDPR/SAR Report: The report was shared, there were no points of note.</p> <p>7.4 Cyber Security Briefing: SBk talked through the key points. This is the highest rated risk on the risk register and we are making progress in addressing this. SBk will be working on a cyber-security strategy. We still need to update the disaster recovery infrastructure, as well as continuing to roll out the training. There is a proposal to have all students to complete the training, although this is a huge undertaking. This could be part of the student on-boarding process.</p>	

	<p>SBk talked through the cyber statistics report.</p> <p>Q – How is the severity determined? SBK does not know the background behind how the data sets are created, they are provided by JNRS. SBk will obtain further information around the data. It was noted that much of the cyber risk is behavioural, and therefore the actions we can take to address these risks include the training, test phishing emails etc that are already being undertaking. Discussion around how to make this information more useful in future, and agreed to assess the value of it at the next meeting.</p>	
<p>8. Risk Management</p>	<p>8.1 Review Risk Register: RB talked through the key points. Concern raised around whether the full board are able to address which risks are the most important and the severity of these. SBk noted that the point of the risk dashboard was to allow governors to quickly see which areas of risk were high residual risks. What is missing is sufficient challenge and scrutiny of what is happening to reduce those risks: governors could be asking what actions are being completed and what progress is being made towards actions that have not been completed. Governors can also discuss what they can do to support these actions.</p> <p>Further discussion around the cyber security risk, actions that can be taken to support this and actions that are being taken. SBk noted that anything in red is updated from the previous version. There are four new risks added, as well as a new column, which is the potential time in which risks might occur. This is a first attempt, as there is not always clarity around this.</p> <p><i>MP left the meeting</i></p>	
<p>4. Internal Audit [Validera]</p>	<p>4.1 Internal Audit Progress Report 2024/2025: JG noted that page four outlines the work conducted this year, the other elements that we take into account when we're considering our annual assurance opinion and finally our annual insurance opinions. An adequate and effective opinion for risk management, governance and control was given.</p> <p>Q – When we adopt the recommendations, do we have a plan of action around what we will prioritise? Yes, as soon as the each of the reports are issued, invariably these are adopted and will then appear on the internal audit tracker and will be prioritised based on the rating that the auditor has given; whether it's best practice or urgent etc.</p> <p>4.2 Internal Audit Review – Core Financial Controls: JG talked through the key points. There was a substantial assurance rating, with three low level recommendations.</p> <p><i>DJ left the meeting</i></p> <p>4.3 Internal Audit Review – Commercial Activities: JG talked through the key points. There was an adequate assurance rating, with three low level recommendations.</p> <p>Discussion around generating income and other possible ways to do this. Concern was expressed that diverting too much management resource to looking to generate additional income may not be the best use of resources. There could be a role for governors here. It was also noted that there might be other organisations within the college that could support. SBk has been trying to balance the need to optimise income generation and the resources available and noted that recommendations will be pragmatic.</p>	

	<p>4.4 Internal Audit Review – Learner Records: JG talked through the key points. There was a substantial assurance rating, with one best practice recommendation.</p> <p>Q – What is the policy in terms of information retention? SBk will find out. There is a document retention policy.</p> <p>4.5 Internal Audit Progress Review / 4.6 Internal Audit Strategy & Schedule 2025/2026: JD talked through the audit plan for this year. Progress against these areas is in page four of the progress report.</p> <p>Q – How easy is it to assess these areas, and for the collage to understand actions? We highlight the key risks, consider expected controls and then discuss with management the controls that are in place. We then sense check what is actually happening.</p> <p>4.7 Internal Audit Recommendation Tracker: SBk talked through the latest version of the tracker. This is a live document. Anything in red is an update. There are a number of additions which reflect the audits that have been discussed.</p> <p>We now stand at 49 actions completed, 8 in progress and 9 outstanding (previously 31, 6 and 21). At the previous meeting, a number of actions had gone past the completion date. This has largely been caught up and SBk is confident we will stay on top of this.</p> <p>Q – How frequently is this reviewed and maintained? It is only formally published three times a year for this committee, but SBk reviews once per month to ensure actions are being completed.</p> <p>Discussion around some red areas where there has been insufficient time to address, and the risk of improvements being suggested that may not always work within a college setting. It is important that the number of actions are realistic and achievable.</p>	
8. Risk Management	8.2 Safeguarding/PREVENT – Committee Duty Review: Nothing directly relevant	
10. Report Items to Board of Governors	<p>12.1 Report Items to Board of Governors: Annual Accounts will be seen by the Board</p> <p>12.2 Committee Briefing Next Meeting: Potentially some progress reporting on the cyber security strategy</p> <p>12.3 Audit Committee Annual Report: RB will draft and share with the committee.</p>	
13. Other Business	13.1: None	
14. Next Meeting	Wednesday, 25 February 2026 at 16:00 hrs	
Minutes Agreed	<p>Minutes agreed as true and accurate record Wednesday 25 February 2026</p> <p>Signed: _____ Committee Chair</p>	