

**Hope Valley College
Audit Findings Report**

Year ended 31 August 2014

**Presented to the Finance Committee
by Baker Tilly UK Audit LLP
on 24 November 2014**

Contents

1	<i>Introduction and coverage</i>	2
2	<i>Audit, Regularity and accounting issues identified at planning stage</i>	3
3	<i>Audit, Regularity and accounting issues identified during the audit and regularity work</i>	6
4	<i>Unadjusted/adjusted misstatements</i>	7
5	<i>Significant deficiencies in internal control</i>	10
6	<i>Significant accounting policies, disclosures and estimates</i>	13
8	<i>Qualitative aspects of accounting practices and financial reporting</i>	14
9	<i>Fees</i>	15
10	<i>Independence</i>	15
	<i>Appendix A – Draft letters of representation</i>	16
	<i>Appendix B - Updated regulatory update</i>	21

Our Report is prepared solely for the confidential use of Hope Valley College and solely for the purpose of explaining the scope of the audit, our proposed audit approach, and to highlight the key risks that we will be focusing our audit work upon, forming part of the ongoing communications we are required to make under International Standard on Auditing (UK and Ireland) 260 – Communication of audit matters with those charged with governance. Therefore, the report may not, without our express written permission, be relied upon by Hope Valley College for any other purpose whatsoever, be referred to in whole or in part in any other external document or made available (in whole or in part) or communicated to any other party. Baker Tilly UK Audit LLP neither owes nor accepts any duty to any other party who may receive our Report and specifically disclaims any liability for any loss, damage or expense of whatsoever nature, which is caused by their reliance on our Report.

1 Introduction and coverage

This report summarises our key findings in connection with the audit of the financial statements of Hope Valley College and regularity assurance engagement of Hope Valley College in respect of the year ended 31 August 2014.

The scope of our work has already been communicated to you via our Audit Plan document dated 5 November 2014.

A summary of adjusted and unadjusted misstatements identified during the audit and regularity assurance engagement has been prepared and is included in Section 4.

We consider that the approach adopted will provide the trustees with the required confidence that a thorough and robust financial statement audit has been carried out, together with a thorough and integrated regularity assurance engagement.

We can confirm that, at the date of this report, we anticipate no modifications to either the financial statements audit report or the regularity assurance report from our pro-forma audit and regularity conclusion report provided in the Audit Plan previously communicated to you.

2 Audit, Regularity and accounting issues identified at planning stage

Key area of focus	Our approach	Resolution
<p><u>General annual grant</u> There is a restriction within the funding agreement on carried forward balances in relation to the general annual grant (GAG), therefore there is a risk that excess unspent funds will be subject to clawback or affect future funding and therefore that its recognition could be materially misstated in the accounts.</p> <p>The GAG is restricted funding and therefore there is a risk that the restricted fund could also be materially misstated and incorrectly recognised and disclosed.</p>	<p>We will review underlying records to ensure that GAG expenditure is separately allocated from other expenditure and that it is appropriately accounted for in restricted funds and the appropriate carried forward amount is recognised.</p> <p>We will ensure that management have given appropriate consideration to the amounts carried forward in line with current guidance from the Education Funding Agency and that disclosure notes on the GAG balances carried forward, are appropriate and comply with the requirement included in the Academies: Accounts Direction 2013/14.</p>	<p>We have reviewed the funding agreement and can confirm that no restrictions apply to GAG carry forward.</p> <p>Review of GAG expenditure has been carried out as planned with no issues arising.</p>
<p><u>FRS 17 – Retirement Benefits</u> The FRS 17 pension liability is a significant balance sheet item and represents the Academy’s share of the Local Government Pension Scheme. The amount recognised is based on a valuation undertaken by an actuary. The actuary also provides the disclosure for inclusion in the financial statements.</p> <p>There is a risk that the amount may be materially misstated where the data and assumptions used are not appropriate.</p>	<p>We will obtain and review a copy of the FRS 17 actuarial valuation prepared by the actuary and undertake procedures to determine our ability to rely on their work.</p> <p>We will undertake a review to ensure that the Academy’s management have checked the data and considered the assumptions used by the actuary in preparing the FRS 17 valuation. We will also review the disclosures in the financial statements.</p>	<p>A copy of the FRS17 actuarial valuation has been obtained and the adjustment has been made to recognise both the opening position and the movement in the year.</p> <p>We have reviewed the assumptions applied in the valuation and compared to data from other Academies of a similar size and can confirm that the assumptions used appear to be consistent.</p>

Key area of focus	Our approach	Resolution
<p><u>Income recognition</u> The Academy receives significant levels of grant funding and this should be recognised in accordance with the SORP 2005 recognition criteria and per the underlying funding agreement.</p>	<p>The accounting policies adopted by the Academy will be reviewed, considering the guidance available in SORP 2005 and the recognition criteria of entitlement, certainty and measurement.</p> <p>A review of grant funding agreements will be performed to determine whether the associated income has been recognised when appropriate.</p> <p>Through discussion with management and review of minutes we will identify any unexpected one-off sources of income, and ensure associated treatment is appropriate.</p>	<p>The EFA funding has been reconciled to the allocation and remittances with no issues to note.</p> <p>A detailed review of income recognition has been undertaken, a couple of specific issues have been identified and explained further in section 3.</p>
<p><u>Going Concern</u> It is the responsibility of Governors' to assess the ability of the Academy to continue as a going concern for a period of not less than 12 months following the anticipated date of sign off.</p> <p>Given the current economic climate and in particular the pressures on government spending this is a key area of focus.</p>	<p>We will review the considerations of management including cash flow forecasts in relation to the going concern assumptions made and conclude on whether the considerations support their assessment that the Academy is a going concern.</p>	<p>The forecast deficit for the 2014/15 year is £284k, this is a large loss and is assuming a significant reduction income due to no capital grants being forecast. The college are looking to undertake significant cost saving exercises over the coming year, and has built up funds in prior years to ensure they have sufficient funds to continue as a going concern for a period of at least 12 months.</p> <p>We do expect the academic year 14/15 to be a more significant challenge due to changes in pension and national insurance levels.</p>

Key area of focus	Our approach	Resolution
<p><u>Management override of internal controls</u> As for all control systems, there is the unavoidable risk that control systems can be by-passed by those senior members of the management team with the ability to initiate and execute transactions and accounting entries without the need to follow the established control systems and procedures.</p>	<p>We will assess the overall control environment of the Academy including the arrangements for staff to ‘Whistle-blow’ inappropriate actions, and interview senior management.</p> <p>We will examine the significant accounting estimates and judgements relevant to the accounts for evidence of bias by management that may represent a risk of material misstatement due to fraud.</p>	<p>We have reviewed journals posted during the year and we have not identified anything that appears unusual either in nature or value.</p> <p>We have reviewed areas where significant accounting estimates and judgements are required for evidence of bias by the directors and based on our testing, no issues have been identified.</p>

3 Audit, Regularity and accounting issues identified during the audit and regularity work

Issue	Resolution
<p><u>School fund account</u></p> <p>School fund account has still not been absorbed into the financial accounting system. Since the account is an asset of the Academy Trust, it should be included on the balance sheet.</p> <p>This results in time consuming reconciliations and adjustments being required by the finance team and the potential for irregularity and issues.</p> <p>This also results in a statutory accounts adjustment each year to gross up the income and expenditure for the year.</p>	<p>An internal control recommendation has been raised in section 5.</p> <p>Adjustment has been raised in section 4.</p>
<p><u>Capital fund</u></p> <p>Capital grant income and expenditure has been included within the same nominal code, to try and control the capital spend. However as this is netting off the income and expenditure, there are adjustments that are required to post these to the correct income and fixed asset categories in the financial statements</p> <p>Capital income and capital expenditure should be accounted for within separate nominal codes to correctly account for them as income and fixed asset items.</p>	<p>Adjustments have been raised in section 5.</p> <p>Internal control recommendation has been made in section 5.</p>
<p><u>Allocations to codes</u></p> <p>There were various other amounts that were found to be mis-posted to nominal codes – often with income and expenditure being allocated to opposite codes.</p> <p>While the amounts are not material individually or in aggregate, it would demonstrate an issue arising with the controls around posting to nominal codes.</p>	<p>An internal control recommendation has been raised in section 5.</p>

4 Unadjusted/adjusted misstatements

A summary of the unadjusted/adjusted errors identified during the course of our work is set out below, analysed between errors of fact and differences in judgement.

We have not disclosed below those items that we consider to be “clearly trivial” in the context of our audit. For this purpose we consider “clearly trivial” to be any matter less than £x individually and £y in aggregate.

Academy	Adjusted misstatements		Unadjusted Misstatements Factual		Unadjusted Misstatements Judgemental	
	SOFA effect Dr/(Cr) £'000s	Balance Sheet effect Dr/(Cr) £'000s	SOFA effect Dr/(Cr) £'000s	Balance Sheet effect Dr/(Cr) £'000s	SOFA effect Dr/(Cr) £'000s	Balance Sheet effect Dr/(Cr) £'000s
DR Fixed asset additions CR Capital funding Being adjustment to correctly account for additions and capital income.	(343)	343	-	-	-	-
DR F&F additions DR IT additions DR Motor Vehicle additions CR Income <i>Being the adjustment to recognise additions</i>	(19)	8 5 6	-	-	-	-
DR Depreciation charge CR Accumulated depreciation <i>Being the depreciation charge</i>	4	(4)	-	-	-	-

	Adjusted misstatements		Unadjusted Misstatements Factual		Unadjusted Misstatements Judgemental	
	SOFA effect Dr/(Cr) £'000s	Balance Sheet effect Dr/(Cr) £'000s	SOFA effect Dr/(Cr) £'000s	Balance Sheet effect Dr/(Cr) £'000s	SOFA effect Dr/(Cr) £'000s	Balance Sheet effect Dr/(Cr) £'000s
Academy						
DR Costs of generating funds	182		-	-	-	-
CR Activities for generating funds	(175)					
CR Other support costs	(7)					
<i>Being recognition of school fund account</i>						
DR Educational supplies	20		-	-	-	-
CR Sundry income	(20)					
<i>Being the recognition of PFTA income</i>						
DR Salaries and Wages	20		-	-	-	-
CR Accruals		(20)				
<i>Being the recognition of redundancy costs</i>						
DR Governance costs	11		-	-	-	-
CR Accruals		(11)				
<i>Being the accrual of audit and accounts fee</i>						

	Adjusted misstatements		Unadjusted Misstatements Factual		Unadjusted Misstatements Judgemental	
	SOFA effect Dr/(Cr) £'000s	Balance Sheet effect Dr/(Cr) £'000s	SOFA effect Dr/(Cr) £'000s	Balance Sheet effect Dr/(Cr) £'000s	SOFA effect Dr/(Cr) £'000s	Balance Sheet effect Dr/(Cr) £'000s
Academy						
DR Bank	59		-	-	-	-
CR OTSS		(46)				
CR Other creditors		(13)				
<i>Being the removal of OTSS & pension from the bank rec</i>						
DR Actuarial losses	332		-	-	-	-
CR Pension liability		(416)				
DR Finance costs	36					
DR support sta	48					
<i>Being FRS17 adjustment</i>						
Totals	<u>148</u>	<u>(148)</u>	≡	≡	≡	≡

5 Significant deficiencies in internal control

We have set out below significant deficiencies in internal control which came to our attention during the course of our audit and regularity work. This does not constitute a comprehensive statement of all deficiencies that may exist in internal controls or of all improvements which may be made and has addressed only those matters which have come to our attention as a result of the procedures performed. The audit and regularity assurance engagement are not designed to identify all matters that may be relevant to you and accordingly they do not ordinarily identify all such matters.

Fact and potential consequence	Possible action	Management response	Timing of implementation and responsibility
<p>School fund account has still not been absorbed into the financial accounting system. Since the account is an asset of the Academy Trust, it should be included on the balance sheet.</p> <p>This results in time consuming reconciliations and adjustments being required by the finance team and the potential for irregularity and issues.</p> <p>This also results in a statutory accounts adjustment each year to gross up the income and expenditure for the year.</p>	<p>School fund should be accounted for within the finance system and academy bank account as with any other income.</p>	<p>The College is unwilling to place school fund in with the general college monies, this is unrestricted income and is used solely for the purpose of school trips etc. Although we appreciate it may seem to be timeconsuming for us actually it is not – we can see at a glance where we are with all monies spent and received in this account. It is included in the Sage accounts and the auditors are provided with full breakdown of income and expenditure.</p>	

Fact and potential consequence	Possible action	Management response	Timing of implementation and responsibility
<p>Capital grant income and expenditure has been included within the same nominal code.</p> <p>Capital income and capital expenditure should be accounted for within separate nominal codes to correctly account for them as income and fixed asset items.</p>	<p>Capital income should be accounted for within an income nominal code.</p> <p>Capital expenditure should be included within fixed assets or if not possible within the accounting system a separate expenditure code.</p>	<p>A breakdown is given to the auditors with full explanation at the end of the audit, this allows the auditors to decide which items we should capitalise.</p> <p>In future we will decide what items need to be moved to the Balance Sheet prior to the Audit/</p>	<p>This will be correct at end of year.</p>
<p>There were various other amounts that were found to be mis-posted to nominal codes – often with income and expenditure being allocated to opposite codes.</p> <p>While the amounts are not material individually or in aggregate, it would demonstrate an issue arising with the controls around posting to nominal codes, and could result in a material error in future.</p>	<p>Postings of income and expenditure should be reviewed to ensure that they are being made to the correct nominal codes.</p>	<p>These were not errors but we will adjust the way in which we account in future and all income and expenditure accounts will be posted appropriately.</p>	<p>This will be adjusted from 1.9.14</p>
<p>Management accounts currently provided to Trustees do not entirely comply with the requirements of Annex C of the Academies Financial Handbook.</p>	<p>Management should review the format of and information presented in the management accounts against the requirements and ensure compliance is prioritised.</p>	<p>Management receive a full breakdown regularly of all income and expenditure. They do not receive a Balance Sheet for every meeting as it felt unnecessary as it does not change, they do however get a full breakdown of sage accounts which match the balance sheet and agree with the audited accounts.</p>	

Fact and potential consequence	Possible action	Management response	Timing of implementation and responsibility
A Register of interests is not currently shown on the Trust's website, as is required by Annex C of the Academies Financial Handbook.	Register of interests should be uploaded to the Trust's website.	This will be done	December 14
A Value for Money Statement is not currently shown on the Trust's website, as is required by Annex C of the Academies Financial Handbook.	Value for Money Statement should be uploaded to the Trust's website.	This will be done	1 Nov 14

6 Significant accounting policies, disclosures and estimates

Accounting policies and estimates

The long leasehold buildings occupied by the Trust will continue to be depreciated over 30 years, being the Trustees best estimate of the useful economic life of the buildings.

The capitalisation policy is currently set at £1,000 – this is below average for an academy of this size, and it may be more appropriate for the Trustee's to consider revising this upwards.

Accounting disclosures

During the course of our audit, we reviewed the adequacy of the disclosures contained within the financial statements and their compliance with both the relevant accounting standards, including the Statement of Recommended Practice – Accounting and Reporting by Charities 2005, the requirements of the Companies Act 2006 and the Academies: Accounts Direction 2013/14 issued by the Education Funding Agency (EFA). There are no disclosure matters which should be brought to your attention.

8 Qualitative aspects of accounting practices and financial reporting

Set out below are those matters that we have identified in respect of the above, during the course of our work, that we consider should be brought to the attention of the trustees.

Pension accounting

The staff at the school are either members of the National Teachers' Pension Scheme or the Derbyshire County Council Local Government Pension Scheme. The financial impact of the latter is reflected in the Trust's financial statements.

As in prior years, a position at the year-end was obtained and this has demonstrated an apparent deterioration in the position and a further £416,000 has been recognised. The basis of valuation is driven by market developments and the reduction in the discount rate applied to future liabilities has had a particular impact on many valuations.

The pensions note discloses that the current service cost of the pension is estimated at £194,000 and the contributions in the period were £146,000.

9 Fees

We confirm that the fees charged during the year in respect of services performed for Hope Valley College are consistent with those contained within our Audit Plan submitted to you and dated 5 November 2014.

10 Independence

In accordance with International Standard on Auditing (UK and Ireland) 260 “Communication with those charged with governance”, there are no changes to the details of relationships between Baker Tilly UK Audit LLP and its related entities and Hope Valley College that may reasonably be thought to bear on Baker Tilly UK Audit LLP’s independence and the objectivity of the audit principal, Philip Coleman and the audit staff and the related safeguards from those disclosed in the Audit Plan dated 5 November 2014.

Appendix A – Draft letters of representation

Draft Financial Statement letter of representation

Baker Tilly UK Audit LLP
Suite A, 7th Floor
City Gate East
Toll House Hill
Nottingham
NG1 5FS

Dear Sirs

AUDIT OF FINANCIAL STATEMENTS – YEAR ENDED 31 AUGUST 2014

This representation letter is provided in connection with your audit of the financial statements of the Academy Trust for the year ended 31 August 2014 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view, in accordance with the applicable financial reporting framework. The financial reporting framework that has been applied in the preparation of the Academy Trust financial statements is applicable law, Academies Accounts Direction 2014 issued by the Education Funding Agency ('EFA') and United Kingdom Generally Accepted Accounting Practice.

We confirm, to the best of our knowledge and belief, and having made appropriate enquiries of other governors and officials of the Academy Trust:

Financial Statements

- a. We acknowledge and have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 1 April 2014, for ensuring that the Academy Trust maintains adequate accounting records and for the preparation of the financial statements in accordance with the applicable financial reporting framework, in particular, the financial statements give a true and fair view in accordance therewith.
- b. Significant assumptions used by us in making accounting estimates, including those relating to items measured at fair value, are reasonable.

- c. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the applicable financial reporting framework. In particular, full disclosure is made in the financial statements of:
 - i. any arrangement, transaction or agreement to provide credit facilities (including loans, quasi-loans, or credit transactions) for Governors or any guarantee or provision of security for Governors;
 - ii. the identity of the party which controls the Academy Trust, if any;
 - iii. transactions and balances with related parties including:
 - the names of the transacting parties;
 - a description of the relationship between the parties;
 - a description of the transactions;
 - the amounts involved (even if nil);
 - any other elements of the transactions necessary for an understanding of the financial statements;
 - the amounts due to or from related parties at the balance sheet date and provisions for doubtful debts due from such parties at that date; and
 - amounts written off in the period in respect of debts due to or from related parties.
- d. Full disclosure is made in the financial statements of:
 - i. outstanding capital commitments contracted for at the balance sheet date;
 - ii. all contingent liabilities including details of pending litigation and material claims against the Academy Trust;
 - iii. all guarantees or warranties or other financial commitments.
- e. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

- f. There have been no events (e.g. loss of source (or reduction) of funding (including DfE and other grants, donations or private sponsorship), loss of supplier or member of staff, change in student numbers, change in credit terms offered by suppliers, breaches of bank or other covenants, changes in banking or insurance arrangements or facilities) since the balance sheet date that would impact on the ability of the Academy Trust to continue as a going concern. Should such events occur prior to your signature of the audit report we will advise you immediately. Except as already incorporated into our cash flow and income and expenditure forecasts we have no plans or intentions that would impact on the ability of the Academy Trust to continue as a going concern.
- g. All events occurring subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustments or disclosure have been adjusted or disclosed. Should such further material events occur prior to your signature of the audit report we will advise you accordingly.
- h. The effects of uncorrected misstatements (whether arising from differences in amount, classification, presentation or disclosure of a reported financial statement item and the amount, classification, presentation or disclosure that is required for the item to be in accordance with the applicable financial reporting framework) are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements including those in relation to disclosures is attached to this representation letter.
- i. All designated and restricted fund balances are correctly shown in the accounts.
- iii. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- b. We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements.
- c. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- d. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of that affects the Academy Trust and involves:
- Management;
 - Employees who have significant roles in internal control; and
 - Others where the fraud could have a material effect on the financial statements;
- e. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
- f. We have disclosed to you all known instances of non-compliance or suspected non-compliance with the terms of the funding agreement with the DfE and the Academies Financial Handbook 2013 and those laws and regulations whose effects should be considered when approving the financial statements, including but not limited to the Education Act 1996 as amended by the Learning and Skills Act 2000 and the Education Act 2002. We have also notified you of the actual or contingent consequences which may arise from such non-compliance, including any potential effects on the Academy Trust's ability to conduct its activities.
- g. We have disclosed to you the identity of the Academy Trust's related parties and all the related party relationships and transactions of which we are aware.
- h. We have disclosed to you the details of all known actual or possible litigation and claims whose effect should be considered when preparing the financial statements.
- i. All grants, donations and other incoming resources, the receipt of which is subject to specific terms and conditions, have been notified to you. There have been no breaches of terms and conditions in the application of such incoming resources.

Information Provided

- a. As agreed in the terms of engagement, we have provided you with:
- i. Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation (including correspondence with the Department for Education ('DfE') and other matters including minutes of members and governors' meetings, committees of governors, management held between the beginning of the accounting period and the date of this letter;
- ii. Additional information that you have requested from us for the purpose of the audit; and

- j. We confirm that we have disclosed to you details of all banking and financing arrangements including related contracts and hedging products.
- k. We confirm that we have informed you of all tax avoidance schemes used by the Academy Trust.

Charitable and academy trust status

- a. We have not conducted, or permitted to be conducted any activities which may call into question the charitable nature of the entity.
- b. There have been no communications with the Charity Commission or the Secretary of State for Education as Principal Regulator or other regulatory body during the year or subsequently concerning matters of non-compliance with any administrative duty.

We acknowledge our responsibility for the design and implementation of internal controls to prevent and detect fraud and error.

We confirm that we have taken all the steps that we ought to have taken as Governors in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to the auditors. We confirm that, as far as we are aware, there is no relevant audit information of which the auditors are unaware.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

The contents of this letter were considered and approved by the board at its meeting on

Draft Regularity letter of representation

Baker Tilly UK Audit LLP
Suite A, 7th Floor
City Gate East
Toll House Hill
Nottingham
NG1 5FS

Dear Sirs

REGULARITY ASSURANCE ENGAGEMENT – YEAR ENDING 31 AUGUST 2014

We confirm, to the best of our knowledge and belief, and having made appropriate enquiries of other officials of the Academy Trust, the following representations given to you in connection with your regularity assurance engagement for the year ending 31 August 2014.

Regularity, Accounting records and transactions

- a. We acknowledge and have fulfilled our responsibility for ensuring that expenditure and income are applied for the purposes intended by Parliament and that the financial transactions conform to the authorities which govern them.
- b. Neither the board of trustees nor the academy trust management have knowingly authorised a course of action, the financial impact of which was that transactions infringe the requirements of regularity.
- c. All transactions undertaken by the Academy Trust have been properly reflected and recorded in the accounting records.

Information provided

- d. As agreed in the terms of engagement, we have provided you with full and free access at all times to the financial records correspondence and other records of the academy trust, and such information and explanation as are necessary for the performance of your duties.

Compliance with laws and regulations

- e. We have disclosed all events of which we are aware which involve suspected non-compliance with the framework of authorities including:
 - the funding agreement with the Secretary of State for Education
 - the Academies Financial Handbook 2013;
 - Company law and Charity law;
 - Specific terms and conditions of income received

which provide a legal and contractual framework within which the academy trust conducts its business and which are central to its ability to conduct that business. We have also notified you of the actual or contingent consequences that may arise from such non-compliance.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

The contents of this letter were considered and approved by the board at its meeting on

Appendix B - Updated regulatory update

An update on regulatory matters was provided to the Academy in September 2014 as a separate document. There have been no substantial developments in the intervening period.