

THE OLDHAM COLLEGE

Report and Financial Statements for the year ended 31 July 2023

Key Management Personnel, Board of Governors and Professional advisers

Key management personnel

Key management personnel are defined as members of the College Leadership Team and were represented by the following in 2022/23 and up to the date of the approval of these financial statements:

Alun Francis	- Principal and CEO; Accounting officer (until 01 August 2023)
Simon Jordan	- Principal and CEO; Accounting officer (start 21 August 2023)
Debra Woodruff	- Deputy Principal (until 30 September 2023) Interim Principal and CEO (1 June 2023 – 20 August 2023)
Allan Tyrer	- Director of Finance (until 31 October 2023)
Rebecca Johnson	- Director of Finance (start 1 November)
Helen Mathers	- Vice Principal HE & Higher Skills (until 31 August 2022)
Heather Green	- Vice Principal Strategy and Quality
Josie Elson	- HR Director
Alan Benvie	- Vice Principal - Student Experience & Inclusion
Jessica Criswell	- Vice Principal – Curriculum, Teaching & Learning
Lisa Liddy	- Director of Apprenticeships & Work Based Learning
Susan Holden	- Assistant Principal HE and Higher Skills
Rachel James	- Deputy Principal (start 14 November 2023)

Board of Governors

A full list of Governors is given on page 16-19 of these financial statements.

Mrs Janet Frost acted as Clerk to the Corporation throughout the period.

Professional advisers

Financial statements auditor and reporting accountants:

RSM UK Audit LLP
9th Floor, Landmark
St Peters Square
1 Oxford Street
Manchester
M1 4PB

Internal auditors:

ICCA Education Training and Skills Limited
The McLaren Building
46 The Priory Queensway
Birmingham
B4 7LR

Bankers:

Santander UK plc
7th Floor
No 4, St Paul's Square
Liverpool, L3 9SJ

Solicitors:

Mills and Reeve
The Technology Centre
103 Oxford Road
Manchester, M1 7ED

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Report of the Governing Body

NATURE, OBJECTIVES AND STRATEGIES:

The members present their report and the audited financial statements for the year ended 31 July 2023.

Legal status

The Corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting The Oldham College. The College is an exempt charity for the purposes of Part 3 of the Charities Act 2011. The Corporation was incorporated as The Oldham College.

Principal Activities

Oldham College is a Vocational College and is committed to delivering work relevant and employment focussed education and training, to the highest academic, technical and professional standards.

Our Mission (reason for being) is:

To deliver high quality technical and professional education and training which adds economic and social value to the communities of Oldham and Greater Manchester.

Our Vision (how the mission is delivered) is: To be a high performing, innovative, well managed, efficient and financially resilient organisation, which is the best place to learn and work, first choice for learners and employers, and a key strategic partner for both public and private sectors.

Our Values

Our values both inform our Mission and Vision and provide a set of principles that we are committed to following in order to make them happen. These set the tone and character of the organisation, so that people know what to expect of us, and we have clear boundaries around how we behave and how we make decisions. Our values are:-

- **Ambition** – for our learners and employers, for the College and ourselves, and for the town and City Region.
- **Integrity** – doing the right thing in the right way for the right reason.
- **Inclusion** – creating opportunities, challenging prejudice and removing barriers, across the community, irrespective of social background or characteristics and providing a genuinely comprehensive offer, tailored to the needs of individuals.
- **Responsiveness** – listening to learners, policymakers, employers and partners, so that we are relevant and always improving.
- **Courage** – not taking the easy way out, never giving in, and being brave when things are difficult.

Public Benefit

The Oldham College is an exempt charity under the Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the charity, are disclosed on page 16-19.

In setting and reviewing the College's strategic objectives, the Governing Body has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit.

Report of the Governing Body (Continued)

Public Benefit (Continued)

In delivering its mission, the College provides the following identifiable public benefits through the advancement of education:

- High-quality teaching and assessment
- Widening participation and tackling social exclusion
- Excellent employment record for students
- Strong student support systems
- Links with employers, industry and commerce
- Links with Local Enterprise Partnerships (LEPs),

Implementation of strategic plan

The Corporation monitors the performance of the College against these plans. The plans are reviewed and updated each year. The College's strategic priorities for 2022/23 are set out below

Our Strategic Priorities

The Mission, Vision and Values of the College are, to some extent, unchanging. What is different is the context in which they are applied. We have considered the challenges we will meet in the next five years or so and how we might address them and have focussed on four main priorities:-

- **Reputation and specialism** – technical and professional education and training is our core business and is increasingly back in fashion. We believe it is a specialist type of learning and requires a special kind of expertise. We will deliver a broad curriculum to Level 3 and will develop our reputation as *the* local specialist in these areas. We will also develop a greater degree of specialisation at higher levels, and will aim to be the “go to” provider for learners and employers for Level 4, 5 and 6 qualifications in digitalisation, construction and health and social care.
- **High Performance** – for learners, for staff, and for the College as a whole. Our primary purpose is to produce high performing learners, who leave us with a set of skills, knowledge and behaviours that make a real difference in the world of work or in their community. We can only do this if our staff are high performing. We are committed, therefore, to being the best place to learn and the best place to work in technical and professional education and training. Within our field, we aim to be first choice for learners and employers and we plan to recruit, retain, develop and reward the best staff. And to achieve all of this, we must be a high performing organisation with the systems, resources, behaviour and culture which supports this ambition and have a strong reputation with external regulators, including Ofsted, the ESFA, the FE Commissioner and other key stakeholders.
- **Digitalisation and technology** – we are living in a period of rapid technological change and this affects us in two main respects. First, it is changing our business – education is changing and technology can help us to improve teaching, learning and assessment. Second, our curriculum is intimately related to the changing world of work, and technology is transforming all sectors of the economy. Helping our learners and employers to understand this and respond to it, is a key part of our job. It is through this that we can contribute to improving productivity, promoting economic growth, and supporting greater prosperity.

Report of the Governing Body (Continued)

Our Strategic Priorities (Continued)

- **Community** – the College is focussed on supporting employment for learners, and business growth and development for employers, but is also mindful of its wider contribution to Oldham and Greater Manchester. Adding “social value” as well as economic impact, is central to the College plan. This means we recognise our role in supporting local initiatives to support place making, the regeneration of Oldham, and the achievement of the community’s wider ambitions.

Financial objectives

The College’s short-term financial priorities are:

- I. Produce free cash flows at a level which sustain debt repayments and proposed capital expenditure and continue to operate without overdraft funding in 22/23 and beyond
- II. Comply with loan covenants and keep the bank informed of any possible breaches well in advance
- III. Invest capital expenditure in remodelling classroom space and IT equipment to enhance the learning experience and delivery models as well as the launch of T levels in three areas.
- IV. Build flexibility into financial plans wherever possible to allow for mitigation in the event of downturns
- V. Eliminate dependence on the bank finding (continuing the process of replenishing reserves)
- VI. Meet or move towards meeting FE Commissioner benchmarks

Performance indicators

The College is committed to observing the importance of sector measures and indicators and uses the FE Choices data available on the GOV.UK website which looks at measures such as success rates. The College is required to complete the annual Finance Record for the Education and Skills Funding Agency (“ESFA”). The College is assessed by the ESFA as having a “good” financial health grading.

Financial Health

As at 31 July 2023 the College’s financial health score was ‘good’.

Future plans indicate the College’s financial health will continue to improve whilst remaining ‘good’ at 31 July 2024 and 31 July 2025.

Report of the Governing Body (Continued)

FINANCIAL POSITION

Financial results

The College generated a surplus before other gains and losses in the year of £369,000 (2022 – deficit of £2,408,000), with total comprehensive (expenditure)/ income of £(5,492,000) (2022 - £24,940,000). The surplus/deficit is reported after £473,000 (2022 £2,723,000) of adjustment relating to FRS 102 – retirement benefits and the total comprehensive income after including actuarial (losses)/ gains on the scheme of £(5,858,000) (2022 £27,348,000).

At 31 July 2023 the College had net assets of £23,097,000 (2022: £28,589,000) – this decrease primarily reflects the change in the College’s net position relating to pension scheme under FRS102, now £Nil (2022: asset (£6,450,000)).

Tangible fixed asset additions during the year amounted to £2,149,000 (2022: £1,982,000).

The College has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2022/23 the FE funding bodies provided 68% (2022: 68.4%) of the College total income.

The College achieved its financial objectives for the year.

Developments

The College has expanded its T level provision and has invested in industry standard facilities and expects the offer to result in substantial growth moving forward.

Treasury policies and objectives

Treasury management is the management of the College’s cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

Cash flows and liquidity

At £4,754,000 (2022: £2,941,000), net cash flow from operating activities was more than sufficient to cover interest and capital requirements. The College has unsecured loans of £7,210,000 (2022: £7,690,000) utilised to help finance three new buildings on its main site. At the year end the College had a net cash position of £4,543,000 (2022: £2,841,000).

Reserves Policy

The College has no formal Reserves Policy but recognises the importance of reserves in the financial stability of any organisation, and ensures that there are adequate reserves to support the College’s core activities. It is the Corporation’s intention to increase reserves over the life of the strategic plan through the generation of annual operating surpluses.

Report of the Governing Body (Continued)

Going concern

After making appropriate enquiries, the Corporation considers that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The activities of the College, together with the factors likely to affect its future development and performance are set out in the Member's Report. The financial position of the College, its cash flow, liquidity and borrowings are described in the financial statements and accompanying Notes.

The College primarily meets its day to day working capital requirements through cash generated from its day to day operations. It also has a loan with Santander, which at 31 July 2023 had a balance of £7.210m, £6,818,000 relating to two separate loans of £4,620k and £2,590k due for repayment over a period of 16 years to December 2029 and April 2029 respectively, and £392,000 repayable by December 2023.

CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE

Financial health

As stated above the College's financial health has returned to good as at 31 July 2023.

Student numbers

In 2022/23 the College has delivered activity that has produced £18,930,000 in funding body main allocation funding (2022 – £17,730,000). The College enrolled approximately 5,691 students. The College's student population includes 2,459 16-to-18-year-old students, 799 apprentices, 499 higher education students and 1,951 adult learners.

Student achievements

We are a good college with a clear vision, strategy and ambition to be outstanding. We are confident about the progress we have made so far and clear about the next steps of our journey, having made significant progress in improving retention, achievement and positive outcomes for learners and apprentices. We continue our focus on ensuring that every learner achieves their potential.

Curriculum development

Oldham College is ready and fully prepared to meet the enormous economic and educational challenges which face Oldham and Greater Manchester over the next five to ten years. Much of our estate has been renewed and modernised, and we have reignited our commitment to expert and high quality teaching, learning and assessment. We are clear about our purpose, role and remit, and the contribution that we can and should make to national and local economic and educational outcomes.

Report of the Governing Body (Continued)

Curriculum development (Continued)

The College specialises in technical and professional education and training. We deliver a curriculum that addresses the current and future needs of the Greater Manchester and Oldham economy, whilst ensuring that the curriculum is responsive to national policy and programme changes including technical pathways, English and Maths and the Apprenticeship Levy. We have developed appropriate entry routes for all learner groups, whatever their starting points, with clear and coherent pathways to employment or higher education. Our curriculum is designed to remove barriers to learning, support skills development and maximise individual learner achievement and progression. Pathways are designed specifically for the industry or sector learners wish to work in. For some this is a mainly classroom based route, but most will have a considerable work-based element, and all Apprentices are employed and attend the College for their off the job training. All of the College provision is delivered in partnership with employers. It is the link between the educational setting and the workplace which makes technical and professional education and training unique and different. The College continues to invest in a Job Shop which provides a recruitment service, matching employer vacancies and needs with those students who can benefit from moving from classroom taught curriculum into the workplace.

The College has a national reputation for curriculum innovation and change. It has introduced new courses in many areas of the curriculum in order to meet student needs better. A particular strength is in making students ready for the next stage in their lives.

The College offers significant personal development opportunities to learners through Work Experience and Industry Placements and a broad range of enrichment activities, and welfare support. Further investment has been made in our Careers, Information, Advice and Guidance service improving impartial information and guidance at both entry and progression stages.

Payment performance

The Late Payment of Commercial Debts (Interest) Act 1998, in the absence of agreement to the contrary, requires organisations to make payments within 30 days. During the accounting period 1 August 2022 to 31 July 2023, the College paid 89% per cent of its invoices within 30 days. The College incurred no interest charges in respect of late payment for this period.

Events after the end of the reporting period

Future prospects

There are no significant events after the Balance Sheet date.

The College has returned to financial stability. Having reviewed its options, the College is now committed to remaining a stand-alone organisation and is confident that the improvements in financial health and quality support this. This position has been formally ratified by the FE Commissioner and regulatory bodies following the College's good Ofsted outcome.

Report of the Governing Body (Continued)

RESOURCES:

The College has various resources that it can deploy in pursuit of its strategic objectives.

Financial

At 31 July 2023 the College has £23,097,000 of net assets (2022: £28,589,000) including £nil net pension asset at the year end (2022: asset £6,450,000). The College has loans of £7,210,000 negotiated for 16 year term.

People

During 2022/23, the College employed an average of 578 people (expressed as headcount), of whom 255 are teaching staff (2021/22: 565 people of whom 255 were teaching staff).

The College's ambition is to be a great place to learn, where teaching, learning and assessment are excellent. We have made a significant investment in teacher and assessor CPD through the creation of our Teaching for Distinction Programme. Teaching for Distinction is a modular programme which gives every teacher and assessor access to key concepts and techniques which define excellent teaching, learning and assessment. The aim of this programme is to place professional development at the centre of our strategy for improvement, providing a framework, common language and forums for developing and sharing best practice and for applying it in different settings

Reputation

The College has a good reputation locally, regionally and nationally. We work well with local and sub-regional partners to ensure our plans support and deliver the Greater Manchester Work and Skills Strategy and the Greater Manchester Apprenticeship Strategy.

Streamlined Energy and Carbon Reporting

The College is committed to reducing its carbon emissions and has taken the following measures in the year to improve energy efficiency:

We implemented several initiatives aimed at improving the energy efficiency of our estate alongside targeted carbon reduction measures. These include:

- The reduction of opening hours for many of our buildings and consolidating evening classes into a smaller number of buildings. We have c
- The completion of the roll-out of LED lighting across all buildings.
- The improvement of building fabric and air-tightness through the replacement of broken windows and doors.
- The installation of insulation in several areas.
- The installation of 5 EV charging points alongside the introduction of a Green Car Scheme, which builds on the cycle to work scheme which is already in place.

The College's greenhouse gas emissions and energy use for the period calculated in line with the 2019 HM Government Environmental Reporting Guidelines, the GHG Reporting Protocol – Corporate Standard and the 2021 UK Government's Conversion Factors for Company Reporting are as follows:

Report of the Governing Body (Continued)

Streamlined Energy and Carbon Reporting (Continued)

UK Greenhouse gas emissions and energy use data for the period

	Unit	2023	2022
Scope 1			
Natural Gas	tCO ₂ e	589.7	635.3
Business Travel	tCO ₂ e	15.1	11.2
Fleet	tCO ₂ e	0.3	14.1
Refrigerant Gases	Kg	9.4	9.4
Scope 2			
Electricity	tCO ₂ e	337.7	377.2
Scope 3			
Electricity transmission	tCO ₂ e	29.2	34.5
Water	m ³	4.9	2.3
Total Gross Emissions	tCO ₂ e	986.3	1084.0
Tonnes of CO₂e per occupant		0.2	0.2

The chosen intensity measurement ratio is number of occupants is equal to number of full-time equivalent students and whole-time equivalent staff.

PRINCIPAL RISKS AND UNCERTAINTIES:

The College has undertaken further work during the year to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the College's assets and reputation.

Based on the strategic plan, the senior team undertakes a comprehensive review of the risks to which the College is exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the College. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the senior team will also consider any risks which may arise as a result of a new area of work being undertaken by the College.

A risk register is maintained at the College level, which is reviewed at least annually by the Audit Committee and more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the College and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

This is supported by a risk management training programme to raise awareness of risk throughout the College.

Outlined below is a description of the principal risk factors that may affect the College. Not all the factors are within the College's control. Other factors besides those listed below may also adversely affect the College.

Report of the Governing Body (Continued)

1 Government funding

The College has considerable reliance on continued government funding through the further education sector funding bodies and through OfS. In 2022/23, 68% of the College's revenue was ultimately publicly funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

The College is aware of several issues which may impact on future funding, including apprenticeship reforms and introduction of the Apprenticeship Levy, and the devolution of the adult education budget. The College, in conjunction with its key stakeholders, is developing a strategy for growth in response to the devolution agenda and to the apprenticeships reforms. The introduction of the apprenticeship levy has significantly affected the marketplace and has put pressure on the availability of funding for providers to support non-levy employers. The full implications are not yet known as government policy continues to develop.

The Government reform of apprenticeship includes the introduction of Apprenticeship Standards and the Apprenticeship Levy. This reform, together with the significant changes to funding, both in terms of the routing of funding and the move away from set national rates to funding bands for direct negotiation with employers, has had significant implications for 2018/19 onwards. The college has direct funding arrangements with levy paying employers through the Apprenticeship Service and a contract through the ESFA for non-levy apprenticeship (and this potentially restricts the amount of non-levy apprenticeship we are able to deliver). Non-levy employers have been able to use the Apprenticeship Service from 2020, and this will run dual run alongside contracts for a transition period.

We will also have direct contracts with employers for their mandatory contribution to apprenticeship which has been set at 5% where co-funding is required.

The above changes to Apprenticeship funding has necessitated significant development of our apprenticeship offer and infrastructure to implement the necessary changes in processes and procedures. The College has a well-developed plan to ensure we maximise our performance in Apprenticeships and continue to offer high quality progression pathways for our residents to enter employment. However, the introduction of the Levy and mandatory financial contributions from employers does create an additional risk to our Apprenticeship strategy that we continue to monitor and manage closely.

This risk is mitigated in a number of ways: Funding is derived through a number of direct and indirect contractual arrangements

- By ensuring the College is rigorous in delivering high quality education and training
- Considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies
- Ensuring the College is focused on those priority sectors which will continue to benefit from public funding
- Regular dialogue with funding bodies

2 Tuition fee policy

Ministers have confirmed that the fee assumption remains at 50%. In line with the majority of other Colleges, The Oldham College will seek to increase tuition fees in accordance with the fee assumptions. The risk for the College is that demand falls off as fees increase. This will impact on the growth strategy of the College.

This risk is mitigated in a number of ways:

- By ensuring the College is rigorous in delivering high quality education and training, thus ensuring value for money for students
- Close monitoring of the demand for courses as prices change

Report of the Governing Body (Continued)

3 Maintain adequate funding of pension liabilities

The financial statements report the share of the Local Government Pension Scheme, which as at 31st July 2023 represents nil (2022: asset) on the College's balance sheet in line with the requirements of FRS 102.

The fund's triennial valuation was performed in March 2023 and the contribution rate was maintained for three years. The next triennial valuation is due in March 2026 and any change in employer contribution rates will be reflected in future budgets.

4 Failure to maintain the financial viability of the College

The College's current financial health grade is classified as "good" as described above. The continuing challenge to the College's financial position remains the constraint on further education funding arising from the recent cuts in public sector spending whilst maintaining the student experience. This risk is mitigated in a number of ways:

- By rigorous budget setting procedures and sensitivity analysis
- Regular in year budget monitoring
- Robust financial controls
- Exploring ongoing procurement efficiencies

STAKEHOLDER RELATIONSHIPS

In line with other Colleges and with Universities, Oldham College has many stakeholders. These include:

- Students;
- Education sector funding bodies;
- FE Commissioner;
- Staff;
- Local employers (with specific links);
- Local authorities;
- Local Enterprise Partnerships (LEPs);
- The local community;
- Other FE institutions;
- Trade unions;
- Professional bodies.

The College recognises the importance of these relationships and engages in regular communication with them through meetings, targeted marketing and the College internet site

Report of the Governing Body (Continued)

Equality

The Oldham College is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, disability, religion or belief and age. We strive vigorously to remove conditions which place people at a disadvantage and we will actively combat bigotry. This policy is resourced, implemented and monitored on a planned basis. The College's Equality and Diversity Policy is published on the College's Intranet site.

The College publishes an Annual Equality Report and Equality Objectives to ensure compliance with all relevant equality legislation including the Equality Act 2010. The College undertakes equality impact assessments on all new policies and procedures and publishes the results. Equality impact assessments are also undertaken for existing policies and procedures on a prioritised basis.

The College is a 'Positive about Disabled' employer and has committed to the principles and objectives of the Positive about Disabled standard. The College considers all employment applications from disabled persons, bearing in mind the aptitudes of the individuals concerned, and guarantees an interview to any disabled applicant who meets the essential criteria for the post. Where an existing employee becomes disabled, every effort is made to ensure that employment with the College continues. The College's policy is to provide training, career development and opportunities for promotion which, as far as possible, provide identical opportunities to those of non-disabled employees.

The College has committed to the 'Mindful Employer' initiative to assist the mental health wellbeing of staff. The College has achieved accreditation to the Committed to Equality (C2E) standard at the gold (highest) level. The College has also implemented an updated Equality & Diversity training programme which all staff have attended. Refresher training and training for new starters is carried out on an ongoing basis.

Disability statement

The College seeks to achieve the objectives set down in the Equality Act 2010:

- a) Within the estates department the College has an expert in this field who ensures that all building works implemented are above the standards required to improve access.
- b) For a number of years the College has facilitated an Access Group, which is informed by students and staff of accessibility issues. The site is continually improving for staff and students and awareness of access issues are raised.
- c) There is a list of specialist equipment, such as radio aids, which the College can make available for use by students and a range of assistive technology is available in the learning centre.
- d) The admissions policy for all students is described in the College charter. Appeals against a decision not to offer a place are dealt with under the complaints policy.
- e) The College has made a significant investment in the appointment of specialist lecturers to support students with learning difficulties and/or disabilities. There are a number of student support assistants who can provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities.
- f) Specialist programmes are described in College prospectuses, and achievements and destinations are recorded and published in the standard College format.
- g) Counselling and welfare services are described in the College Student Guide, which is issued to students together with the Complaints and Disciplinary Procedure leaflets at induction.

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the College to publish information on facility time arrangements for trade union officials at the College. The College have 4 employees with a total cost of facility time of £26,274.66 (2022: £21,541.73), which is 0.1% of total payroll.

Report of the Governing Body (Continued)

Disclosure of information to auditors

The members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the College's auditors are unaware; and each member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the College's auditors are aware of that information.

Approved by order of the members of the Corporation on 19 December 2023 and signed on its behalf by:



Jonathan Edwards
Chair of Governors

Statement of Corporate Governance and Internal Control

The following statement is provided to enable readers of the annual report and accounts of the College to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2022 to 31 July 2023 and up to the date of approval of the annual report and financial statements.

The College endeavours to conduct its business:

- i. in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. in full accordance with the guidance to Colleges from the Association of Colleges in The Code of Good Governance for English Colleges (“the Code”);
- iii. in accordance with The Colleges Senior Staff Remuneration Code; and
- iv. having due regard to the UK Corporate Governance Code 2018 insofar as it is applicable to the further education sector.

The Corporation is committed to exhibiting best practice in all aspects of corporate governance and in particular the College has adopted and complied with the Code. We have not adopted and therefore do not apply the UK Corporate Governance Code. However, we have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice. The Colleges Senior Staff Remuneration Code was adopted by the Corporation on 26 March 2019 and was fully implemented in 2020/21.

In the opinion of the Corporation, the College complies with all the provisions of the Code, and it has complied throughout the year ended 31 July 2023. The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes full account of The Code of Good Governance for English Colleges issued by the Association of Colleges in September 2021, which it formally adopted on 29 March 2022.

The College is committed to exhibiting best practice in all aspects of corporate governance. This summary describes the manner in which the College has applied the principles set out in the Code. Its purpose is to help the reader of the accounts understand how the principles have been applied.

The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times.

The College is an exempt charity within the meaning of Part 3 of the Charities Act 2011. The Governors, who are also the Trustees for the purposes of the Charities Act 2011, confirm that they have due regard for the Charity Commission’s guidance on public benefit and that the required statements appear elsewhere in the financial statements.

The Corporation

The members who served on the Corporation during the year **and up to the date of signature of this report** were as listed in the table below.

Name		Date of Appointment	Term of Office	Date of Resignation/ Retirement	Status of Appointment	Committee Served	Corporation Meetings Attendance 2022/23
Barrass	Adrian	July 2022 July 2023	1 year 4 years		External Member Governor	Resources	4/5
Dixon	Shauna	1 December 2019	4 years		Governor	Audit	3/5

Name		Date of Appointment	Term of Office	Date of Resignation/ Retirement	Status of Appointment	Committee Served	Corporation Meetings Attendance 2022/23
						C&Q G&S Remuneration	
Edwards	Jonathan	October 2010 Reappt September 2022	4 years		Governor	Chair of the Corporation Resources G&S Remuneration	5/5
Francis	Alun			June 2023	Ex officio College Principal	G&S Resources C&Q	4/4
Gardiner	Alexandra	6 July 2021	4 years		Governor	Resources	4/5
Gornall	Anne	October 2014 Reappt Oct 2022	4 years		Governor (Vice Chair of Corporation)	C&Q (Chair) Remuneration (Vice Chair) G&S (Vice Chair) Audit (June 2023)	5/5
Guy	Richard	1 December 2017 Reappt Dec 2021	4 years		Governor	C&Q	4/5
Hoque	Mashukul	March 2021 April 2022	1 year 4 years		External Member Governor	Resources	4/5
Hussain	Mohammed Ismail	March 2023	1 year		Student Governor	C&Q	1/2
Jordan	Simon	August 2023			Ex officio Principal	Resources C&Q	n/a

Name		Date of Appointment	Term of Office	Date of Resignation/ Retirement	Status of Appointment	Committee Served	Corporation Meetings Attendance 2022/23
						G&S	
Kay	David	March 2021	1 year		External Member	Audit (Chair Sept 2022)	5/5
		April 2022	4 years		Governor	G&S	
Kayani	Hammad Ali	March 2023	1 year		Student governor	Resources	2/2
Kershaw	Sue	1 December 2018	4 years		Governor	Resources (Chair)	5/5
		Reappt Dec 2022				G&S Remuneration	
Mushtaq	Dr. Shaid	October 2012	4 years		Governor	Remuneration (Chair)	4/5
		Reappointed October 2016				C&Q	
		Reappointed October 2020					
Newton	Nigel	June 2015	4 years	Oct 2023	Governor		2/5
		Reappt July 2023					
Rahman	Mohammed Alaur	October 2021	4 years	Oct 2023	Staff Governor	Resources	2/5
Rafique	Tariq	December 2021	1 year		Governor	Audit	2/5
		Reappt Dec 2022	3 years				
Royle	Michelle	October 2022	4 years		Staff Governor	C&Q	5/5
Shelton	Jane	1 February 2020	1 year		External member Governor	Audit	4/5
		15 December 2020	4 years				
Syed	Shams Munir	March 2022	1 year	March 2023	Student Governor	Resources	3/3

Name		Date of Appointment	Term of Office	Date of Resignation/ Retirement	Status of Appointment	Committee Served	Corporation Meetings Attendance 2022/23
Unwin	Lorna	February 2018 December 2018 Reappt Dec 2022	1 year 4 years 4 years	October 2023	Governor	C&Q	5/5
Woodruff	Debra	June 2023		August 2023	Ex officio Interim Principal	Resources C&Q	1/1

Statement of Corporate Governance and Internal Control (Continued)

The Governance Framework

It is the Corporation's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct.

The Corporation is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as health and safety and environmental issues. The Corporation meets each term.

The Corporation conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Corporation. These committees are Curriculum and Quality, Governance and Search, Resources, Audit and Remuneration. Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College's website at Oldham.ac.uk or from the Clerk to the Corporation at the Oldham College, Rochdale Road, Oldham, OL9 6AA.

The Clerk to the Corporation maintains a register of financial and personal interests of the governors. The register is available for inspection at the above address.

All governors are able to take independent professional advice in furtherance of their duties at the College's expense and have access to the Clerk to the Corporation, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Clerk are matters for the Corporation as a whole.

Formal agendas, papers and reports are supplied to governors in a timely manner, prior to Board meetings. Briefings are provided on an ad hoc basis.

The Corporation has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Corporation considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

There is a clear division of responsibility in that the roles of the Chair and Accounting Officer are separate.

Statement of Corporate Governance and Internal Control (Continued)

Activities undertaken during the year to develop the governors and clerk are:

The clerk has attended:

- Strategic Governance: Developing a whole approach to career education
- AoC Governors Summit 2022 & 2023
- Eversheds: Company Law refresher for education institutions
- Eversheds: Governance and legal refresher for Academy Trust
- Governance Professionals Conference March 2023
- ETF Meeting Local Needs Seminar March 2023
- Governance Leadership Alumni ETF & IoD
- AoC Quarterly North West Governance Professional meetings

Governors have attended:

- New governors have attended AoC Induction sessions
- Student governor attended ETF/Unloc student governor training
- Chair of C&Q attended the AoC Governors Summit 2023
- Chair of the Corporation attends AoC Chair's meetings
- Chair of C&Q attends the AoC Chair of C&Q meetings
- Chair of Audit Committee and Chair of Resources Committee attend the AoC Chair of Finance and Audit meetings

Appointments to the Corporation

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Governance and Search Committee, consisting of six members of the Corporation (including the Principal), which is responsible for the selection and nomination of any new member for the Corporation's consideration. The Corporation is responsible for ensuring that appropriate training is provided as required.

Members of the Corporation are appointed for a term of office not exceeding four years.

In considering the Code's statement that governors should not normally serve for more than two terms (or a maximum of eight years) except where subsequently undertaking a new and more senior role, the Chair of the Corporation has been re-appointed for a further term in recognition of the need to maintain a level of experience on the Board where there was a number of new members still serving their first term of office.

Corporation performance

The corporation meets termly and receives reports on Student Recruitment, Success and Retention, Financial updates and Management Accounts, HR report, Safeguarding report, Equality and Diversity reports, Risk Management reports and Marketing Plans. It agrees budgets, KPI's, policies and strategic plans.

The Corporation carried out a self-assessment of its own performance for the year ended 31 July 2023 and graded itself as good on the Ofsted scale.

Statement of Corporate Governance and Internal Control (Continued)

Going concern

After making appropriate enquiries, the Corporation considers that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The activities of the College, together with the factors likely to affect its future development and performance are set out in the Member's Report. The financial position of the College, its cash flow, liquidity and borrowings are described in the financial statements and accompanying Notes.

The College primarily meets its day to day working capital requirements through cash generated from its day to day operations. It also has a loan with Santander, which at 31 July 2023 had a balance of £7.21m due for repayment over a period of 16 years.

Remuneration Committee

The Corporation adopted the AoC Senior Staff Remuneration Code as an annex to the Code of Good Governance for English Colleges March 2019.

Throughout the year ending 31 July 2023 the College's Remuneration Committee comprised five members of the Corporation. The Committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Accounting Officer and other key management personnel.

Details of remuneration for the year ended 31 July 2023 are set out in note 7 to the financial statements.

Audit Committee

The Audit Committee comprised five members of the Corporation (excluding the Accounting Officer (The Principal) and Chair). The Committee operates in accordance with written terms of reference approved by the Corporation.

The Audit Committee meets on a termly basis and provides a forum for reporting by the College's internal, reporting accountants and financial statements auditors, who have access to the Committee for independent discussion, without the presence of College management. The Committee also receives and considers reports from the main FE funding bodies as they affect the College's business.

The College's internal auditors review the systems of internal control, risk management controls and governance processes in accordance with an agreed plan of input and report their findings to management and the Audit Committee.

Management is responsible for the implementation of agreed audit recommendations and internal audit undertakes periodic follow-up reviews to ensure such recommendations have been implemented.

The Audit Committee also advises the Corporation on the appointment of internal, reporting accountants and financial statements auditors and their remuneration for audit and non-audit work as well as reporting annually to the Corporation.

The audit committee met four times in the year to 31 July 2023. The members of the committee and their attendance records are shown below:

Committee Members	Attendance
D Kay	100%
S Dixon	66%
J Shelton	100%
A Gornall	100%
T Rafique	0%

Statement of Corporate Governance and Internal Control (Continued)

Internal control

Scope of responsibility

The Corporation is ultimately responsible for the College's system of internal control and for reviewing its effectiveness. 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.

The Corporation has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which he is personally responsible, in accordance with the responsibilities assigned to him in the Financial Memorandum between The Oldham College and the funding bodies. He is also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

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 ongoing process designed to identify and prioritise the risks to the achievement of College 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 The Oldham College for the year ended 31 July 2023 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Corporation has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Corporation is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the period ending 31 July 2023 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Corporation.

The risk and control framework

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

- comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the governing body
- regular reviews by the governing body of periodic and annual financial reports which indicate financial performance against forecasts
- setting targets to measure financial and other performance
- clearly defined capital investment control guidelines
- the adoption of formal project management disciplines, where appropriate.

The College has an internal audit service, which operates in accordance with the requirements of the ESFA's *Post 16 Audit Code of Practice*. The work of the internal audit service is informed by an analysis of the risks to which the College is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Corporation on the recommendation of the audit committee. At minimum, annually, the Head of Internal Audit (HIA) provides the governing body with a report on internal audit activity in the College. The report includes the HIA's independent opinion on the adequacy and effectiveness of the College's system of risk management, controls and governance processes.

Statement of Corporate Governance and Internal Control (Continued)

Risks faced by the corporation

Governors have the responsibility for overseeing risk management within the College. The Principal and Senior Management team ensure that the College has a robust process for risk assessment and risk management. They have overall responsibility for the risk management process with a key task of identifying and evaluating the significant risks faced by the College for consideration by the Audit Committee and the Board of Governors.

Through its senior post holder, Principalship, and business review meetings it manages risk and the mitigation of identified risks. The SMT will:

- Take overall responsibility for the administration and implementation of the risk management process:
- Identify and evaluate the significant risks faced by the College for consideration by the Audit Committee and the Board:
- Provide adequate information in a timely manner to the Audit Committee and the Board and other Committees on the status of risks and controls:
- Report on changes to strategic risks and updates to the key operating risk register at each meeting of the Corporation:
- Support the Audit Committee to undertake an annual review of effectiveness of the system of internal control and the risk management process and provide a report to the Board. Under SFA guidance a Statement of Corporate Governance and Internal Control must be included in the audited financial statements of the College.

Statement from the audit committee

The Audit Committee has advised the board of governors that the Corporation has an effective framework for governance and risk management in place and also believes the Corporation has effective internal controls in place.

Based on the work of the internal audit service undertaken during the year, and the implementation by management of previous internal audit recommendations, the audit service can provide the Audit Committee and Corporation with Reasonable Assurance that Oldham College's governance, risk management, and systems of internal control were operating adequately and effectively, and that there were no instances where any breakdown of control resulted in a material discrepancy. In the opinion of the audit service, the College has adequate and effective governance, risk management, and systems of internal control in place to manage the achievement of its objectives and securing economy, efficiency and effectiveness.

No significant control issues were identified in 2022/23 as a result of work undertaken

The Internal audit service successfully delivered the Audit Plan and regularly reported back to the Audit Committee on progress. The Internal Audit Annual Report details the completed seven internal audits carried out in 2022/23. The audits covered a range of systems, business areas and systems of internal control. As a result of this work six 'substantial assurance' opinions and one 'reasonable assurance' opinions were issued. No 'limited assurance' opinions were issued.

Statement of Corporate Governance and Internal Control (Continued)

Statement from the audit committee (Continued)

The specific areas of work undertaken by the audit committee in 2022/3 and up to the date of the approval of the financial statements are:

Internal Audit Opinions and Recommendations 2022/23				
	Audit Title	Design	Application / Compliance	Overall Assurance
1.	Apprenticeship Strategy and Delivery Model	Good	Adequate	Substantial
2.	ESFA Mock Funding Audit	Adequate	Adequate	Reasonable
3.	Financial Planning and Budgetary Control	Good	Good	Substantial
4.	Student Personal Development	Good	Adequate	Substantial
5.	Catering and Cleaning	Good	Adequate	Substantial
6.	Learning Support and High Needs Funding	Good	Adequate	Substantial
6.	Follow-up of Previous Internal Audit Recommendations	N/A	N/A	Substantial

Review of effectiveness

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. His review of the effectiveness of the system of internal control is informed by:

- the work of the internal auditors
- the work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework
- comments made by the College's financial statements auditors, the reporting accountant for regularity assurance, the appointed funding auditors (for Colleges subject to funding audit) in their management letters and other reports.

The Accounting Officer (Principal) has been advised on the implications of the result of his review of the effectiveness of the system of internal control by the Audit Committee, which oversees the work of the internal auditor and other sources of assurance, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Principal and senior management team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The senior management team and the Audit Committee also receive regular reports from internal audit and other sources of assurance, which include recommendations for improvement. The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the senior management team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

Based on the advice of the Audit Committee and the Accounting Officer (the Principal), the Corporation is of the opinion that the College has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for "*the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets*".

Statement of Corporate Governance and Internal Control (Continued)

Approved by order of the members of the Corporation on 19 December 2023 and signed on its behalf by:

Signed



Simon Jordan
Accounting Officer
Date 19/12/2023

Signed



Jonathan Edwards
Chair of Governors
Date 19/12/2023

Statement of Regularity, Propriety and Compliance

As accounting officer, I confirm that the corporation has had due regard to the framework of authorities governing regularity, propriety and compliance, and the requirements of grant funding agreements and contracts with ESFA, and has considered its responsibility to notify ESFA of material irregularity, impropriety and non-compliance with those authorities and terms and conditions of funding.

I confirm on behalf of the corporation that after due enquiry, and to the best of my knowledge, I am able to identify any material irregular or improper use of funds by the corporation, or material non-compliance with the framework of authorities and the terms and conditions of funding under the corporation's grant funding agreements and contracts with ESFA, or any other public funder. This includes the elements outlined in the "Dear accounting officer" letter of 29 November 2022 and ESFA's bite size guides.

I confirm that no instances of material irregularity, impropriety, funding noncompliance, or non-compliance with the framework of authorities have been discovered to date. If any instances are identified after the date of this statement, these will be notified to ESFA.

Signed



Simon Jordan
Accounting Officer
Date 19/12/2023

Statement of the chair of governors

On behalf of the corporation, I confirm that the accounting officer has discussed their statement of regularity, propriety and compliance with the board and that I am content that it is materially accurate.

Signed



Jonathan Edwards
Chair of Governors
Date 19/12/2023

Statement of Responsibilities of the Members of the Corporation

The members of the Corporation, as charity trustees, are required to present audited financial statements for each financial year.

Within the terms and conditions of the College's grant funding agreements and contracts with ESFA, the corporation – through its accounting officer – is required to prepare financial statements and an operating and financial review for each financial year in accordance with the 2015 Statement of Recommended Practice – Accounting for Further and Higher Education, ESFA's College accounts direction and the UK's Generally Accepted Accounting Practice, and which give a true and fair view of the state of affairs of the College and its surplus / deficit of income over expenditure for that period.

In preparing the financial statements, the Corporation is required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare financial statements on the going concern basis, unless it is inappropriate to assume that the College will continue in operation.

The corporation is also required to prepare a Members' Report which describes what it is trying to do and how it is going about it, including information about the legal and administrative status of the College.

The corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the College and which enable it to ensure that the financial statements are prepared in accordance with relevant legislation including the Further and Higher Education Act 1992 and Charities Act 2011, and relevant accounting standards. It is responsible for taking steps that are reasonably open to it to safeguard its assets and to prevent and detect fraud and other irregularities.

The corporation is responsible for the maintenance and integrity of the College's website; the work carried out by auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the corporation are responsible for ensuring that expenditure and income are applied for the purposes intended by Parliament and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from ESFA are used only in accordance with ESFA's grant funding agreements and contracts and any other conditions that may be prescribed from time to time. Members of the corporation must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly. In addition, members of the corporation are responsible for securing economical, efficient and effective management of the College's resources and expenditure so that the benefits that should be derived from the application of public funds from ESFA are not put at risk.

Approved by order of the members of the Corporation on 19 December 2023 and signed on its behalf by



Jonathan Edwards
Chair of Governors

Independent auditor's report to the members of Oldham College

Opinion

We have audited the financial statements of Oldham College (the "College") for the year ended 31 July 2022 which comprise the College statement of comprehensive income, the College statement of changes in reserves, the College balance sheet, the College statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the College's affairs as at 31 July 2023 and of the College's deficit of income over expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the governors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report and Financial Statements other than the financial statements and our auditor's report thereon. The governors are responsible for the other information contained within the Report and Financial Statements. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent auditor's report to the Corporation of Oldham College (Continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Office for Students' Accounts Direction

In our opinion, in all material respects:

- funds from whatever source administered by the College for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and Department for Education have been applied in accordance with the relevant terms and conditions; and
- the requirements of the Office for Students' accounts direction for the relevant year's financial statements have been met.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Post-16 Audit Code of Practice 2022 to 2023 issued by the Education and Skills Funding Agency requires us to report to you if, in our opinion:

- adequate accounting records have not been kept;
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations required for our audit.

We have nothing to report in respect of the following matters where the Office for Students' accounts direction requires us to report to you if:

- the College's grant and fee income, as disclosed in the note 2 to the accounts, has been materially misstated.
- The College's expenditure on access and participation activities for the financial year has been materially misstated.

Responsibilities of the Corporation of Oldham College

As explained more fully in the Statement of the Corporation's Responsibilities set out on page 27, the Corporation is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Corporation determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report to the Corporation of Oldham College (Continued)

In preparing the financial statements, the Corporation is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Corporation either intend to liquidate the College or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the College operates in and how the College are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

Independent auditor's report to the Corporation of Oldham College (Continued)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Further and Higher Education SORP, the College Accounts Direction published by the Education and Skills Funding Agency and Regulatory Advice 9: Accounts Direction published by the Office for Students'. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are those which are in relation to the Education Inspection Framework under the Education and Inspections Act 2006, Keeping Children Safe in Education under the Education Act 2002 and the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence and inspected correspondence with licensing or regulatory authorities.

The audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and inspecting funding agreements and allocations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Corporation, as a body, in accordance with the Funding Agreement published by the Education and Skills Funding Agency and our engagement letter dated 8 August 2022. Our audit work has been undertaken so that we might state to the Corporation, as a body, those matters we are engaged to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation, as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

20 December 2023

RSM UK AUDIT LLP

9th Floor

Landmark

St Peters Square

1 Oxford Street

Manchester

M1 4PB

Statements of Comprehensive Income and Expenditure

	Notes	Year ended 31 July 2023	Year ended 31 July 2022
		£'000	£'000
INCOME			
Funding body grants	2	23,695	22,303
Tuition fees and education contracts	3	6,795	6,471
Other grants and contracts	4	632	684
Other income	5	1,245	1,086
Investment Income	6	214	-
Total income		32,581	30,544
EXPENDITURE			
Staff costs	7	21,153	22,401
Other operating expenses	8	8,474	7,473
Depreciation	11	2,124	1,920
Impairment	12	-	390
Interest and other finance costs	9	461	768
Total expenditure		32,212	32,952
(Deficit)/surplus before other gains and losses		369	(2,408)
Loss on disposal of assets		(3)	-
(Deficit)/surplus before tax		366	(2,408)
Taxation	10	-	-
(Deficit)/surplus for the year		366	(2,408)
Actuarial (loss)/gain in respect of pensions schemes	16 & 22	(5,858)	27,348
Total comprehensive (expenditure)/ income for the year		(5,492)	24,940

The statement of comprehensive income is in respect of continuing activities.

Statement of Changes in Reserves

	Income and expenditure account	Revaluation reserve	Total
	£'000	£'000	£'000
Balance at 1 August 2021	(7,339)	11,287	3,948
Deficit from the income and expenditure account	(2,408)	-	(2,408)
Other comprehensive income	27,348	-	27,348
Transfers between revaluation and income and expenditure reserves	215	(215)	-
Impairment of fixed assets		(299)	(299)
	<hr/> 25,155	<hr/> (514)	<hr/> 24,641
Balance at 31 July 2022	<hr/> 17,816	<hr/> 10,773	<hr/> 28,589
Surplus from the income and expenditure account	366	-	366
Other comprehensive income	(5,858)	-	(5,858)
Transfers between revaluation and income and expenditure reserves	194	(194)	-
	<hr/> (5,298)	<hr/> (194)	<hr/> (5,492)
Balance at 31 July 2023	<hr/> 12,518	<hr/> 10,579	<hr/> 23,097

Balance sheet as at 31 July

		Notes	
		2023	2022
		£'000	£'000
Fixed assets			
Tangible Fixed assets	11	51,410	51,389
		51,410	51,389
Current assets			
Stocks		11	12
Trade and other receivables	12	1,302	1,083
Cash and cash equivalents	17	4,543	2,841
		5,856	3,936
Less: creditors – amounts falling due within one year	13	(6,837)	(5,120)
Net current liabilities		(981)	(1,184)
Total assets less current liabilities		50,429	50,205
Creditors – amounts falling due after more than one year	14	(26,398)	(26,952)
Provisions			
Defined benefit obligations	22	-	6,450
Other provisions	16	(934)	(1,114)
Total net assets		23,097	28,589
Unrestricted reserves			
Income and expenditure account		12,518	17,816
Revaluation reserve		10,579	10,773
Total unrestricted reserves		23,097	28,589

The financial statements on pages 32 to 59 were approved and authorised for issue by the Corporation on 19 December 2023 and were signed on its behalf on that date by:



Jonathan Edwards
Chair of Governors



Simon Jordan
Accounting Officer

Statement of Cash Flows

	Notes	2023 £'000	2022 £'000
Cash flow from operating activities			
Surplus/(Deficit) for the year		366	(2,408)
Adjustment for non-cash items			
Depreciation	11	2,124	1,920
Impairment	11	-	390
Decrease in stocks		1	-
Increase in debtors	12	(219)	(112)
Increase/(Decrease) in creditors due within one year	13	1,350	(178)
Increase in creditors due after one year	14	293	240
(Decrease)/ Increase in provisions	16	(60)	(73)
Pensions costs less contributions payable		473	2,723
Adjustment for investing or financing activities			
Interest payable	9	424	439
Loss on sale of fixed assets	11	3	-
Net cash flow from operating activities		<u>4,755</u>	<u>2,941</u>
Cash flows from investing activities			
Payments made to acquire fixed assets	11	(2,149)	(1,982)
		<u>(2,149)</u>	<u>(1,982)</u>
Cash flows from financing activities			
Interest paid	9	(424)	(439)
Repayments of amounts borrowed		(480)	(480)
		<u>(904)</u>	<u>(919)</u>
Increase in cash and cash equivalents in the year		<u>1702</u>	<u>40</u>
Cash and cash equivalents at beginning of the year	17	2,841	2,801
Cash and cash equivalents at end of the year	17	4,543	2,841

Notes to the Accounts

1. Statement of accounting policies and estimation techniques

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Legal Status

The Corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting The Oldham College. The College is an exempt charity for the purposes of the Part 3 of the Charities Act 2011. The Corporation was incorporated as The Oldham College.

Principal Activities

Oldham College is a Vocational College and is committed to delivering work relevant and employment focussed education and training, to the highest academic, technical and professional standards.

Basis of preparation

These financial statements have been prepared in accordance with the *Statement of Recommended Practice: Accounting for Further and Higher Education 2019* (the 2019 FE HE SORP), the *College Accounts Direction for 2022/23* and in accordance with Financial Reporting Standard 102 – “*The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland*” (FRS 102). The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the College's accounting policies.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets.

Going concern

The College primarily meets its day to day working capital requirements through cash generated from its day to day operations. It also has a loan with Santander, which at 31 July 2023 had a balance of £7.21m due for repayment over a period of 16 years. Despite the Balance Sheet showing net current liabilities, the College's forecasts and financial projections indicate that it will be able to operate within this existing facility and covenants for the foreseeable future.

Accordingly, the College has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future, and for this reason will continue to adopt the going concern basis in the preparation of its Financial Statements.

Recognition of income

Revenue grant funding

Government revenue grants include funding body recurrent grants and other grants and are accounted for under the accrual model as permitted by FRS 102. Funding body recurrent grants are measured in line with best estimates for the period of what is receivable and depend on the particular income stream involved. Any under achievement for the Adult Education Budget is adjusted for and reflected in the level of recurrent grant recognised in the income and expenditure account. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body following the year end, and the results of any funding audits. 16-18 funding is not subject to reconciliation and is therefore not subject to contract adjustments.

Notes to the Accounts (Continued)

The recurrent grant from OFS represents the funding allocations attributable to the current financial year and is credited direct to the Statement of Comprehensive Income.

Where part of a government grant is deferred, the deferred element is recognised as deferred income within creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate.

Revenue grant funding (continued)

Grants (including research grants) from non-government sources are recognised in income when the College is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Capital grant funding

Government capital grants are capitalised, held as deferred income and recognised in income over the expected useful life of the asset, under the accrual model as permitted by FRS 102. Other, non-governmental, capital grants are recognised in income when the College is entitled to the funds subject to any performance related conditions being met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Balance Sheet and released to income as conditions are met.

Non-capital grant funding

Non-capital Government grants are recognised in line with FRS102 when there is reasonable assurance that the College will comply with any conditions attached to the grant and that the grant will be received. The grant is then recognised as income over the period necessary to match them with related costs for which they intended to compensate, on a systematic basis.

Fee income

Income from tuition fees is stated gross of any expenditure which is not a discount and is recognised in the period for which it is received.

Investment income

All income from short-term deposits is credited to the income and expenditure account in the period in which it is earned on a receivable basis.

Agency arrangements

The College acts as an agent in the collection and payment of certain discretionary support funds. Related payments received from the funding bodies and subsequent disbursements to students are excluded from the income and expenditure of the College where the College is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Accounting for post-employment benefits

Post-employment benefits to employees of the College are principally provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit plans, which are externally funded and contracted out of the State Second Pension.

Teachers' Pension Scheme (TPS)

The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of valuations using a prospective benefit method.

The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution plan and the contributions recognised as an expense in the income statement in the periods during which services are rendered by employees.

Notes to the Accounts (Continued)

Greater Manchester Government Pension Scheme (LGPS)

The LGPS is a funded scheme. The assets of the LGPS are measured using closing fair values. LGPS liabilities are measured using the projected unit credit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred.

Net interest on the net defined benefit liability/asset is also recognised in the Statement of Comprehensive Income and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other comprehensive income.

Actuarial gains and losses are recognised immediately in actuarial gains and losses.

Short term Employment benefits

Short term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

Enhanced Pensions

The actual cost of any enhanced ongoing pension to a former member of staff is paid by a College annually. An estimate of the expected future cost of any enhancement to the ongoing pension of a former member of staff is charged in full to the College's income in the year that the member of staff retires. In subsequent years a charge is made to provisions in the balance sheet using the enhanced pension spreadsheet provided by the funding bodies.

Non-current Assets - Tangible fixed assets

All Land and buildings inherited from the Local Education Authority are stated in the balance sheet at deemed cost on a frozen valuation on the basis of depreciated replacement cost as the open market value for existing use is not readily obtainable. The associated credit is included in the revaluation reserve. The difference between depreciation charged on the historic cost of assets and the actual charge for the year calculated on the revalued amount is released to the income and expenditure account reserve on an annual basis.

Land and buildings

Freehold land is not depreciated as it is considered to have an infinite useful life.

Freehold buildings are depreciated over their expected useful economic life to the College of between 5 and 64 years. The College has a policy of depreciating major adaptations to buildings over the period of their useful economic life of between 20 and 60 years.

Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred income account within creditors, and are released to the income and expenditure account over the expected useful economic life of the related asset on a systematic basis consistent with the depreciation policy. The deferred income is allocated between creditors due within one year and those due after more than one year.

Notes to the Accounts (Continued)

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable.

On adoption of FRS 102, the College followed the transitional provision to retain the book value of land and buildings, which were revalued in 2015, as deemed cost but not to adopt a policy of revaluations of these properties in the future.

Assets under construction

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 July. They are not depreciated until they are brought into use.

Subsequent expenditure on existing fixed assets

Where significant expenditure is incurred on tangible fixed assets after initial purchase it is charged to revenue expenditure in the period it is incurred, unless it increases the future benefits to the College, in which case it is capitalised and depreciated on the relevant basis.

Equipment

Equipment costing less than £1,000 per individual item is recognised as expenditure in the period of acquisition. All other equipment is capitalised at cost.

Capitalised equipment is depreciated on a straight-line basis over its remaining useful economic life as follows:

- plant and machinery 10 years
- motor vehicles 5 years
- computer equipment 3 - 8 years
- furniture, fixtures and fittings 5 - 7 years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Comprehensive Income and Expenditure.

Borrowing costs

Borrowing costs are recognised as expenditure in the period in which they are incurred.

Leased assets

Costs in respect of operating leases are charged on a straight-line basis over the lease term to the Statement of Comprehensive Income and Expenditure. Any lease premiums or incentives relating to leases signed after 1 August 2014 are spread over the minimum lease term.

Leasing agreements which transfer to the College substantially all the benefits and risks of ownership of an asset are treated as finance leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as an obligation under finance leases. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Inventories

Inventories are stated at the lower of their cost and net realisable value, being selling price less costs to complete and sell. Where necessary, provision is made for obsolete, slow-moving and defective items.

Notes to the Accounts (Continued)

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. An investment qualifies as a cash equivalent when it has maturity of 3 months or less from the date of acquisition.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All loans, investments and short term deposits held by the College are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however the College has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated on the balance sheet at historical cost. Loans and investments that are payable or receivable within one year are not discounted.

Taxation

The College is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The College is partially exempt in respect of Value Added Tax, so that it can only recover around 3% of the VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

Provisions and contingent liabilities

Provisions are recognised when

- the College has a present legal or constructive obligation as a result of a past event
- it is probable that a transfer of economic benefit will be required to settle the obligation, and
- a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the statement of comprehensive income in the period it arises.

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the balance sheet but are disclosed in the notes to the financial statements.

Notes to the Accounts (Continued)

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, management have made the following judgements:

- Determine whether leases entered into by the College either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis. In particular, the College has determined a conditional peppercorn 25 year lease on the former UTC building granted by the DFE, therefore at an undervalue should be accounted for as operating lease and as a non-monetary grant, on an annual recurring basis due to its conditionality.
- Determine whether there are indicators of impairment of the College tangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- *Tangible fixed assets*

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. The estimation of the actual lives of assets is also utilised to calculate Capital grant release periods.

- *Local Government Pension Scheme*

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 July 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset or liability.

2 Funding body grants

	2023	2022
	£'000	£'000
Recurrent grants		
Education and Skills Funding Agency - adult	3,435	3,882
Education and Skills Funding Agency – 16-18	15,964	14,368
Education and Skills Funding Agency – apprenticeships	2,227	2,198
Office for Students	142	170
Specific grants		
Teachers Pension Scheme Contribution Grant	545	450
Releases of government capital grants	824	677
Notional grant – lease provided at undervalue	558	558
	<hr/>	<hr/>
Total	23,695	22,303
	<hr/>	<hr/>

Notes to the Accounts (Continued)**2. Funding Body grants (Continued)**

On 1 September 2020, the College took occupation of the former UTC building on Middleton Road, under a conditional 25-year lease granted by The Secretary of State for Housing Communities and Local Government, at a peppercorn rent. This is considered a transaction at an undervalue with its funding body. Therefore, the notional amount of rent, £558,000 not charged is included in the accounts as a notional revenue grant and a notional rent paid. The full value of the lease is £13.2m.

3 Tuition fees and education contracts

	2023	2022
	£'000	£'000
Adult education fees	95	115
Apprenticeship fees and contracts	47	48
Fees for FE loan supported courses	464	490
Fees for HE loan supported courses	3,012	3,251
Total tuition fees	<u>3,618</u>	<u>3,904</u>
Education contracts	<u>3,177</u>	<u>2,567</u>
Total	<u><u>6,795</u></u>	<u><u>6,471</u></u>

4 Other grants and contracts

	2023	2022
	£'000	£'000
Other grants and contracts	<u>632</u>	<u>684</u>
Total	<u><u>632</u></u>	<u><u>684</u></u>

5 Other income

	2023	2022
	£'000	£'000
Catering and residences	485	371
Other income generating activities	607	580
Miscellaneous income	<u>153</u>	<u>135</u>
Total	<u><u>1,245</u></u>	<u><u>1,086</u></u>

6 Investment income

	2023	2022
	£'000	£'000
Net return on pension scheme (note 22)	<u>214</u>	<u>-</u>
Total	<u><u>214</u></u>	<u><u>-</u></u>

Notes to the Accounts (Continued)

7 Staff costs

The average number of persons (including key management personnel) employed by the College during the year, described as headcount, was:

	2023	2022
	No.	No.
Teaching staff	255	255
Non-teaching staff	323	310
	578	565
Staff costs for the above persons		
	2023	2022
	£'000	£'000
Wages and salaries	15,430	14,840
Social security costs	1,365	1,378
Other pension costs	3,306	4,911
Payroll sub total	20,101	21,129
Contracted out staffing services	879	1,177
	20,980	22,306
Restructuring costs – Contractual	173	95
Total Staff costs	21,153	22,401

Severance Payments

The College paid 20 severance payments in the year, disclosed in the following bands:

	2023
	No.
0 - £25,000	17
£25,001 - £50,000	3

Included in staff restructuring costs are special severance payments totalling £33,112 (2022: £9,805) Individually, the payments were: £780, £1,278, £7,806 and £23,248.

Notes to the Accounts (Continued)

7 Staff costs (continued)

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the Principalship Team which comprises the Principal, Deputy Principal, Vice Principals, Directors and Assistant Principals. Staff costs include compensation paid to key management personnel for loss of office.

Emoluments of Key management personnel, Accounting Officer and other higher paid staff

	2023	2022
	No.	No.
The number of key management personnel including the Accounting Officer was:	9	9

The number of key management personnel and other staff who received annual FTE emoluments (above £60k), excluding pension contributions but including benefits in kind, in the following ranges was:

	Key management personnel		Other Staff	
	2023 No.	2022 No.	2023 No.	2022 No.
£35,001 to £40,000 p.a.	-	1	-	-
£55,001 to £60,000 p.a.	-	-	-	-
£60,001 to £65,000 p.a.	2	3	5	3
£65,001 to £70,000 p.a.	1	-	-	-
£70,001 to £75,000 p.a.	-	-	1	1
£75,001 to £80,000 p.a.	-	2	-	-
£80,001 to £85,000 p.a.	2	1	-	-
£85,001 to £90,000 p.a.	1	-	-	-
£95,001 to £100,000 p.a.	1	1	-	-
£105,001 to £110,000 p.a.	-	1	-	-
£115,001 to £120,000 p.a.	1	-	-	-
£190,001 to £195,001 p.a.	-	1	-	-
£195,001 to £200,001 p.a.	1	-	-	-
	<u>9</u>	<u>10</u>	<u>6</u>	<u>4</u>

The two posts in the table above are the only staff in the College with a basic salary over £100,000.

Key management personnel emoluments are made up as follows:

	2023	2022
	£'000	£'000
Salaries	849	805
Employers National Insurance	108	103
	<u>957</u>	<u>908</u>
Pension contributions	103	96
Total key management personnel emoluments	<u>1,060</u>	<u>1,004</u>

Notes to the Accounts (Continued)**7 Staff costs (continued)**

The above emoluments includes amounts payable to the Accounting Officer (who is also the highest paid officer) of:

	2023	2022
	£'000	£'000
Salaries	162	158
	162	158
Payments in lieu of pension	33	32
Total Emoluments	195	190

The governing body adopted AoC's Senior Staff Remuneration Code in July 2019 and assesses pay in line with its principals. The remuneration package of the Principal, Deputy Principal and Finance Director is subject to annual review by the Remuneration Committee of the governing body who use benchmarking information to provide objective guidance.

The Principal reports to the Chair of the Governing Body, who undertakes an annual review of his performance against the College's overall objectives using both qualitative and quantitative measures of performance.

The Deputy Principal starting 1st June 2023 acted as Interim Principal due to an early handover to ensure continuity.

Relationship of Principal and Chief Executive and remuneration expressed as a multiple

	2023	2022
	£	£
Principal and Chief Executive basic salary as a multiple of the median of all staff	5.40	5.62
Principal and Chief Executive total remuneration as a multiple of the median of all staff	5.66	6.01

The members of the Corporation other than the Accounting Officer and the staff member did not receive any payment from the institution other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

Notes to the Accounts (Continued)**8 Other operating expenses**

	2023	2022
	£'000	£'000
Teaching costs	1,998	1,871
Non-teaching costs	3,779	3,788
Premises costs	2,697	1,814
	<u>8,474</u>	<u>7,473</u>
Total	8,474	7,473
Other operating expenses include:	2023	2022
	£'000	£'000
Auditors' remuneration:		
Financial statements audit	56	49
Internal audit	22	22
Hire of other assets under operating leases	99	70
Subcontractors	155	-
Hire of land and building under operating leases	605	496
Notional grant – lease provided at undervalue	558	558
Bad Debts	62	51
	<u>62</u>	<u>51</u>

On 1 September 2020, the College took occupation of the former UTC building on Middleton Road, under a conditional 25 year lease granted by the Secretary of state for housing at a peppercorn rent. This is considered a transaction at an undervalue with its funding body. Therefore the notional amount of rent, £558,000 not charged is included in the accounts as a notional revenue grant and a notional rent paid. The full value of the lease is £13.2m.

Bad debt write off related to 56 students tuition fees that the College does not expect to recover.

9 Interest and other finance costs

	2023	2022
	£'000	£'000
On bank loans, overdrafts and other loans:	424	439
	<u>424</u>	<u>439</u>
Finance cost on enhanced pension (note 16)	37	21
Pension finance costs (note 22)	-	308
	<u>-</u>	<u>308</u>
Total	461	768

Notes to the Accounts (Continued)**10 Taxation**

The members of the corporation do not believe that the College was liable for any Corporation tax arising out of its activities during this period (2022: nil).

11 Tangible fixed assets

	Land and buildings	Equipment	Assets in the Course of Construction	Total
	Freehold			
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 August 2022	54,868	9,761	3	64,632
Additions	-	1,359	790	2,149
Transfer of assets under construction	-	3	(3)	-
Disposals	-	(1,832)	-	(1,832)
At 31 July 2023	54,868	9,291	790	64,949
Depreciation				
At 1 August 2022	6,967	6,276	-	13,243
Charge for the year	979	1,145	-	2,124
Elimination in respect of disposals	-	(1,828)	-	(1,828)
At 31 July 2022	7,946	5,593	-	13,539
Net book value at 31 July 2023	46,922	3,698	790	51,410
Net book value at 31 July 2022	47,901	3,485	3	51,389

Land and buildings were valued in 2015 at frozen valuation of depreciated replacement cost by Roger Hannah & Co. a firm of independent chartered surveyors. The College has identified an impairment to one of its assets and reduced its value accordingly.

Assets in the course of construction represent the cost to date of the T level Capital Building and Facilities Improvement Fund.

The College's freehold land and buildings are subject to a charge held by Santander issued on 18 June 2020 and the construction centre, costs currently included in assets under construction is secured by a second charge in favour of the GMCA, also issued on 18 June 2020.

If fixed assets had not been revalued before being deemed as cost on transition they would have been included at the following historical cost amounts:

	£'000
Cost	42,880
Aggregate depreciation based on cost	6,493
Net book value based on cost	36,387

Notes to the Accounts (Continued)

12 Trade and other receivables

	2023	2022
	£'000	£'000
Amounts falling due within one year:		
Trade receivables	179	232
Prepayments and accrued income	810	573
Amounts owed by the ESFA	294	240
Amounts owed by the GMCA	-	38
Amounts owed by OFS	19	-
Total	<u>1,302</u>	<u>1,083</u>

13 Creditors: amounts falling due within one year

	2023	2022
	£'000	£'000
Bank loans and overdrafts (Note 15)	847	480
Trade payables	889	825
Other taxation and social security	269	363
Accruals and deferred income**	1,873	1,968
Deferred income - government capital grants	906	776
Deferred income - government revenue grants	81	235
Amount owed to ESFA	176	228
Amount owed to GMCA	178	-
Amount owed to ESFA – Prepaid grant	1,618	245
Total	<u>6,837</u>	<u>5,120</u>

(** Accruals and deferred income includes holiday pay accrual of £415k (2022: £415k))

14 Creditors: amounts falling due after one year

	2023	2022
	£'000	£'000
Bank loans (Note 15)	6,363	7,210
Deferred income - government capital grants	20,035	19,742
Total	<u>26,398</u>	<u>26,952</u>

Notes to the Accounts (Continued)**15 Bank loans and overdrafts**

Bank loans and overdrafts are repayable as follows:

	2023	2022
	£'000	£'000
In one year or less	847	480
Between one and two years	455	909
Between two and five years	1,365	1,363
In five years or more	4,543	4,938
Total	<u>7,210</u>	<u>7,690</u>

The College has in place two fixed interest loans for £6m and £4m over 16 years. The College repaid its previous loan as part of this financing, thus consolidating the loans with one bank. The original loan has an outstanding balance of £392k which will be repaid in December 2023. The interest rate has been fixed at 5.79% for the 13 year period until 2029 on the £4m loan and 5.66% for the 13 year period until 2029 on the £6m loan. These loans and the College's overdraft facility were unsecured until 18 June 2020 at which date a charge was taken by Santander against the College's freehold land and buildings

The grant provided to build the construction centre is secured by a second charge in favour of the GMCA, also issued on 18 June 2020.

16 Provisions

	Enhanced pensions
	£'000
At 1 August 2022	1,114
Expenditure in the period	(97)
Financing Cost	37
Actuarial gains over year	(120)
At 31 July 2023	<u>934</u>

The enhanced pension provision relates to the cost of staff who have already left the College's employment from which the College cannot reasonably withdraw at the balance sheet date. This provision has been recalculated in accordance with guidance issued by the funding bodies.

The principal assumptions for this calculation are:

	2023	2022
Price inflation	2.8%	2.9%
Discount rate	5.0%	3.3%

Notes to the Accounts (Continued)**17 Cash and cash equivalents**

	At 1 August 2022	Cash flows	At 31 July 2023
	£'000	£'000	£'000
Cash and cash equivalents	2,841	1,702	4,543
Total	2,841	1,702	4,543

18 Capital and other commitments

	2023	2022
	£'000	£'000
Commitments contracted for at 31 July	21	21

19 Lease obligations

At 31 July the College had minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£'000	£'000
Future minimum lease payments due		
Land and buildings		
Not later than one year	557	474
Later than one year and not later than five years	697	1,067
Later than five years	-	-
	<u>1,254</u>	<u>1,541</u>
Other		
Not later than one year	42	7
Later than one year and not later than five years	144	-
Later than five years	2	-
	<u>188</u>	<u>7</u>
Total lease payments due	<u>1,442</u>	<u>1,548</u>

20 Contingent liabilities

There are no material contingent liabilities.

Notes to the Accounts (Continued)**21 Events after the reporting period**

There were no significant events after the reporting period

22 Defined benefit obligations

The College's employees belong to two principal post-employment benefit plans: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Greater Manchester Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Tameside Metropolitan Borough Council. Both are multi-employer defined-benefit plans.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the TPS was 31 March 2020 and of the LGPS 31 March 2022.

Total pension cost for the year	2023	2022
	£000	£000
Teachers' Pension Scheme: contributions paid	1,591	1,537
Local Government Pension Scheme:		
Contributions paid	1,028	959
FRS 102 (28) charge	687	2,415
Charge to the Statement of Comprehensive Income	1,715	3,374
Total Pension Cost for Year within staff costs	3,306	4,911

Contributions amounting to £302k (2022: £299k) were payable to the scheme at 31st July and are included within creditors.

Notes to the Accounts (Continued)

22 Defined benefit obligations (continued)

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer. The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan so it is accounted for as a defined contribution plan. Valuation of the Teachers' Pension Scheme

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation was carried out as at 31 March 2020 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

The valuation report was published on 26 October 2023. The key results of the valuation are:

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222 billion - Notional past service deficit of £39.8 billion (2016 £22 billion)
- Discount rate is 1.7% in excess of CPI (2016 2.4% in excess of CPI (this change has had the greatest financial significance))

As a result of the valuation, new employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 31 March 2027 (compared to 23.68% under the previous valuation including a 0.08% administration levy). DfE agreed to pay a Teachers Pensions employer contribution grant to cover the additional costs during the 2021-22 academic year, and currently through to July 2024.

The pension cost paid to TPS in the year amounted to £1,580k (2022: £1,521k)

22 Defined benefit obligations (continued)**Local Government Pension Scheme**

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Tameside Metropolitan Borough Council. The total contributions made for the year ended 31 July 2023 were £1,396,000, of which employer's contributions totalled £1,011,000 and employees' contributions totalled £385,000. The agreed contribution rates for future years are 16.8% for employers and range from 5.5% to 12.5% for employees, depending on salary according to a national scale.

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 July 2022 by a qualified independent actuary.

	At 31 July 2023	At 31 July 2022
Rate of increase in salaries	3.80%	3.45%
Future pensions increases	10.1%	10.1%
Discount rate for scheme liabilities	5.05%	3.50%
Inflation assumption (CPI)	3.00%	2.70%
Commutation of pensions to lump sums	50%	55%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 July 2023	At 31 July 2022
	years	Years
<i>Retiring today</i>		
Males	20.0	20.3
Females	23.5	23.2
<i>Retiring in 20 years</i>		
Males	20.8	21.6
Females	24.7	25.1

Allowing for index returns, the estimated split of assets as at 31 July 2020 is shown below:

	At 31 July 2023	At 31 July 2022
Equities	70.0%	68.0%
Bonds	14.0%	15.0%
Property	8.0%	9.0%
Cash	8.0%	8.0%

Notes to the Accounts (Continued)**22 Defined benefit obligations (continued)**

The amount included in the balance sheet in respect of the defined benefit pension plan is as follows:

	2023	2022
	£'000	£'000
Present value of defined benefit obligations	53,533	54,491
Fair value of plan assets	(39,630)	(48,041)
Net asset	<u>13,903</u>	<u>6,450</u>
Restriction to level of asset ceiling	(13,903)	-
Net asset recognised in the balance sheet	<u>-</u>	<u>6,450</u>

The value of the College's share of net assets has been restricted due to the effect of the asset ceiling being the maximum value of the present of the economic benefits available in the form of the unconditional right to reduced contributions from the plan. A corresponding charge has been made to other comprehensive income in the period as noted below.

Amounts recognised in the Statement of Comprehensive Income in respect of the plan are as follows:

	2023	2022
	£'000	£'000
Amounts included in staff costs		
Current service cost	1,710	3,340
Past service cost	-	18
Total	<u>1,710</u>	<u>3,358</u>
Interest and finance costs		
Pension finance costs	214	(308)
	<u>214</u>	<u>(308)</u>
Amount recognised in other comprehensive income		
Return on pension plan assets less amounts recognised in net interest cost	3,036	3,194
Changes in assumptions underlying the present value of plan liabilities	(10,962)	24,035
Asset ceiling adjustment	13,903	-
Amount recognised in other comprehensive income	<u>5,977</u>	<u>27,229</u>

Notes to the Accounts (Continued)

22 Defined benefit obligations (continued)

Movement in net defined benefit liability during year

	2023	2022
	£'000	£'000
Net defined benefit liability in scheme at 1 August	(6,450)	(18,056)
Movement in year:		
Current service cost	(1,710)	(3,340)
Employer contributions	1,023	943
Past service cost	-	(18)
Net interest on the defined liability	214	(308)
Actuarial gain or loss	(5,977)	27,229
Net defined benefit asset liability at 31 July	-	6,450

Asset and liability reconciliation

	2023	2022
	£'000	£'000
Changes in the present value of defined benefit obligations		
Defined benefit obligations at start of period	48,041	68,272
Current service cost	1,710	3,340
Interest cost	1,695	1,113
Contributions by Scheme participants	389	363
Changes in financial and demographic assumptions	(10,962)	(24,035)
Estimated benefits paid	(1,243)	(1,030)
Past service cost	-	18
Defined benefit obligations at end of period	39,630	48,041

Changes in fair value of plan assets

Fair value of plan assets at start of period	54,491	50,216
Interest on plan assets	1,909	805
Return on plan assets excl. amounts incl. in net interest	(3,036)	3,194
Employer contributions	1,023	943
Contributions by Scheme participants	389	363
Estimated benefits paid	(1,243)	(1,030)
Fair value of plan assets at end of period	53,533	54,491

Notes to the Accounts (Continued)**22 Defined benefit obligations (continued)**

The value of the College's share of net assets has been restricted due to the effect of the asset ceiling being the maximum value of the present of the economic benefits available in the form of the unconditional right to reduced contributions from the plan. A corresponding charge has been made to other comprehensive income in the period.

23 Related party transactions

Due to the nature of the College's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted in accordance with the College's financial regulations and normal procurement procedures. There have been no related party transactions that meet the definition under FRS 102.

The total expenses paid to or on behalf of the Governors during the year was £177; 2 Governors (2021: nil;). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending Governor meetings and charity events in their official capacity.

No Governor has received any remuneration or waived payments from the College or its subsidiaries during the year (2022: None).

Think Trinity Limited – an associate of Oldham College

Purchase transactions in the year amounted to £8,323 (2022: nil). There were no balances outstanding at the year end (2022: £nil)

24 Amounts disbursed as agent**Learner support funds**

	2023	2022
	£'000	£'000
Funding body grants – Bursaries	868	582
	<u>868</u>	<u>582</u>
Disbursed to students	(414)	(195)
Administration costs	(35)	(30)
Balance unspent as at 31 July, included in creditors	<u>419</u>	<u>357</u>

Funding body grants are available solely for students. In the majority of instances, the College only acts as a paying agent. In these circumstances, the grants and related disbursements are therefore excluded from the Statement of Comprehensive Income. Grants relating to free school meals and discretionary learner funds are treated within the income and expenditure account and are therefore no longer included in this note. The comparative figures for the previous year have been adjusted accordingly.

Notes to the Accounts (Continued)**25 Widening Participation****Access and Participation Expenditure**

	2023	2022
	£'000	£'000
Access Investment	200	178
Financial support provided to students	97	72
Progression Investment	94	94
Success Investment	437	452
Support For Disabled Students	38	49
Research and evaluation expenditure	24	24
Total	890	869

The total of the approved expenditure in our Access and Participation Plan for the year ended 31 July 2023 was £999,915. Student fees higher income was £572,499 which is a reduction of £427,416 compared with the target. Included within this expenditure are staff costs amounting to £518,923 which are already included in the financial statements, note 7.

Details of the approved plan can be found at, http://www.uco.oldham.ac.uk/wp-content/uploads/2021/02/TheOldhamCollege_APP_2020-21_V1_10006770.pdf

Independent Reporting accountant's report on Regularity to the Corporation of Oldham College and the Secretary of State for Education acting through Education and Skills Funding agency

Conclusion

We have carried out an engagement, in accordance with the terms of our engagement letter dated 8 August 2022 and further to the requirements of the grant funding agreements and contracts with the Education and Skills Funding Agency (the "ESFA") or those of any other public funder, to obtain limited assurance about whether the expenditure disbursed and income received by Oldham College during the period 1 August 2022 to 31 July 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 August 2022 to 31 July 2023 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Basis for conclusion

The framework that has been applied is set out in the Post-16 Audit Code of Practice (the Code) issued by the ESFA and in any relevant conditions of funding concerning adult education notified by a relevant funder.

We are independent of the Oldham College in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Corporation of Oldham College for regularity

The Corporation of Oldham College is responsible, under the grant funding agreements and contracts with the ESFA and the requirements of the Further & Higher Education Act 1992, subsequent legislation and related regulations and guidance, for ensuring that expenditure disbursed and income received are applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The Corporation of Oldham College is also responsible for preparing the Governing Body's Statement of Regularity, Propriety and Compliance.

Reporting accountant's responsibilities for reporting on regularity

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Code.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Independent Reporting accountant's report on Regularity to the Corporation of Oldham College and the Secretary of State for Education acting through Education and Skills Funding agency (Continued)

Independent Reporting accountant's report on Regularity to the Corporation of Oldham College and the Secretary of State for Education acting through Education and Skills Funding agency

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 August 2022 to 31 July 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the grant funding agreements and contracts with the ESFA and those of any other public funder and high level financial control areas where we identified a material irregularity is likely to arise. We undertook detailed testing, on a sample basis, on the identified areas where a material irregularity is likely to arise where such areas are in respect of controls, policies and procedures that apply to classes of transactions.

This work was integrated with our audit of the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

Use of our report

This report is made solely to the Corporation of Oldham College and the Secretary of State for Education acting through the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Corporation of Oldham College and the Secretary of State for Education acting through the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation of Oldham College and the Secretary of State for Education acting through the ESFA for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

20 December 2023

RSM UK AUDIT LLP

Chartered Accountants

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