

# **THE OLDHAM COLLEGE**

## **Report and Financial Statements for the year ended 31 July 2024**

## 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 2023/24 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 2023)
Heather Green	- Vice Principal Strategy and Quality (until 30 September 2024), Interim Deputy Principal (start 1 October 2023)
Josie Norbury	- HR Director and OD (until 9 January 2024)
Claire Symons	- HR Director and OD (start 4 March 2024)
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 15-17 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  
Bluebell House  
Brian Johnson Way  
Preston  
PR2 5PE

### Internal auditors:

ICCA Education Training and Skills Limited  
Office 637, Spaces Crossway,  
156 Great Charles Street Queensway,  
Birmingham  
B3 3HN

### Bankers:

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

### Solicitors:

Mills and Reeve  
8<sup>th</sup> Floor, 1 New York Street  
Manchester, M1 4AD

## CONTENTS

	<b>Page number</b>
Report of the Governing Body	4
Statement of Corporate Governance and Internal Control	15
Statement of Regularity, Propriety and Compliance	24
Statement of Responsibilities of the Members of the Corporation	25
Independent Auditor's Report to the Corporation of The Oldham College	27
Statement of Comprehensive Income and Expenditure	31
Statement of Changes in Reserves	32
Balance Sheet as at 31 July	33
Statement of Cash Flows	34
Notes to the Accounts	35
Reporting Accountant's Assurance Report on Regularity	57

## 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 2024.

#### 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.

#### Mission, Vision, Strategy and Objectives

Governors scrutinised and reviewed the College Vision, Purpose, Values and Strategic Pillars at a Strategic Planning meeting on 22 May 2024. On 2 July 2024 the Corporation further reviewed the Strategic Plan 2024-27 and amended the Vision of the College to "Together We Invest in Your Future."

Through a 12-month period of consultation with the College stakeholders, the new Strategic plan was produced and launched at the College Staff Engagement Day on 5 July 2024. The plan sets out a clear purpose for the College under 4 distinct strategic pillars; Student, People, Place and Partners.

#### Our Vision – Together We Invest in Your Future

#### Our Purpose - Empowering Potential, Achieving Success

#### Values

We value and enable people by:

Creating a space where everyone belongs and thrive. Earning the trust and respect of the communities we serve. Taking ownership whilst working collaboratively.

#### Strategic Pillars

##### Student

**Inspire Learning:** Foster a passion for knowledge through innovative teaching, engaging experiences, and assessments that challenge and motivate all students

**Nurture Potential:** Cultivate a supportive, inclusive, and vibrant learning environment where all students feel valued and empowered to reach their full potential.

**Unlock Success:** Equip all learners with the skills and knowledge to achieve exceptional progress, leading them towards fulfilling destinations.

##### People

**Empowering Well-being:** We prioritise staff well-being, fostering a collaborative environment where work-life balance empowers a thriving workforce.

**Learning for Growth:** We invest in our staff's continuous learning and development, allowing them to reach their full potential.

**Innovation & Ownership:** We foster a culture that encourages creative problem-solving and empowers staff to own their solutions

## Report of the Governing Body (Continued)

### Place

**Cultivate a Safe and Thriving Workplace:** Continuously improve and promote safe working practices, fostering a positive safety culture.

**Ensure Financial Stability:** Uphold our financial strength, ensuring long-term sustainability.

**Entrust Smarter Work:** Invest in systems and processes that optimise efficiency and effectiveness.

**Spark Inspiration and Learning:** Create and maintain high-quality learning and working environments that inspire and engage.

### Partners

**Co-Create Industry-Ready Curricula:** Partner with stakeholders to develop highly responsive curricula aligned with individual needs, local skills gaps, regional demands, and national economic priorities.

**Support Communities through Collaborative Growth:** Drive inward investment, social mobility, and economic regeneration through strong partnerships that support our communities to flourish.

**Elevate Student Potential through Partnership:** Work with partners to enrich our students' experiences and aspirations, helping them reach their full potential.

### **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 15-17.

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.

### **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 2024/25 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
- IV. Build flexibility into financial plans wherever possible to allow for mitigation in the event of downturns
- V. Eliminate dependence on the bank funding (continuing the process of replenishing reserves)
- VI. Meet or move towards meeting FE Commissioner benchmarks

## Report of the Governing Body (Continued)

### 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 “outstanding” financial health grading.

### Financial Health

As at 31 July 2024 the College’s financial health score was ‘outstanding’

Future plans indicate the College’s financial health will continue to remain ‘outstanding’ at 31 July 2025 and 31 July 2026.

## FINANCIAL POSITION

### Financial results

The College generated a surplus before other gains and losses in the year of £2,682,000 (2023:£369,000), with total comprehensive (expenditure)/income of £1,902,000 (2023: expenditure of £5,492,000). The surplus is reported after £713,000 (2023: £473,000) of adjustment relating to FRS 102 – retirement benefits and the total comprehensive income after including actuarial (loss)/gains on the scheme of £780,000 (2023: loss of £5,858,000).

At 31 July 2024 the College had net assets of £24,999,000 (2023: £23,097,000) – the College’s net position relating to pension scheme under FRS102, is now £Nil (2023: asset £Nil).

Tangible fixed asset additions during the year amounted to £1,947,000 (2023: £2,149,000).

The College has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2023/24 the FE funding bodies provided 69.9% (2023: 68.0%) 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 £4,691,000 (2023: £4,755,000), net cash flow from operating activities was more than sufficient to cover interest and capital requirements. The College has unsecured loans of £6,364,000 (2023: £7,210,000) utilised to help finance three new buildings on its main site. At the year end the College had a net cash position of £6,051,000 (2023: £4,543,000).

## Report of the Governing Body (Continued)

### Reserves Policy

During the 2023/24 academic year, the college did not have a formal Reserves Policy in place; however, one was established after year-end to guide future financial decision-making. The policy gives guidance on the minimum level of cash working capital and unrestricted reserves balances to ensure the college can both meet any short-term obligation but also ensure long-term sustainability. The Reserves Policy is not the only means of assessing going concern but contributes to this. The college keeps cash and reserves to ensure that it can meet unexpected costs, deal with income shortfalls resulting from enrolment reductions of government funding changes and meet the future costs of improving the buildings and reducing carbon emissions.

### 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 2024 had a balance of £6,364k, relating to two separate loans of £3,955k and £2,409k due for repayment over a period of 15 years to December 2029 and April 2029 respectively.

## CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE

### Financial health

As stated above the College's financial health has improved to outstanding as at 31 July 2024.

### Student numbers

In 2023/24 the College has delivered activity that has produced £22,856,000 in funding body main allocation funding (2023 – £18,930,000). The College enrolled approximately 6,311 students. The College's student population includes 2,874 16-to-18-year-old students, 876 apprentices, 506 higher education students and 2,055 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 sectors 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 2023 to 31 July 2024, the College paid 88% 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**

There are no significant events after the Balance Sheet date.

## **RESOURCES:**

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

### **Financial**

At 31 July 2024 the College has £24,999,000 of net assets (2023: £23,097,000) including £nil net pension asset at the year-end (2023: £nil). The College has loans of £6,364,000 negotiated for 15-year term.

## Report of the Governing Body (Continued)

### People

During 2023/24, the College employed an average of 620 people (expressed as headcount), of whom 262 are teaching staff (2022/23: 578 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.
- 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)****UK Greenhouse gas emissions and energy use data for the period**

	Unit	2024	2023
<b>Scope 1</b>			
Natural Gas	tCO <sub>2</sub> e	531.4	589.7
Business Travel	tCO <sub>2</sub> e	16.5	15.1
Fleet	tCO <sub>2</sub> e	5.6	0.3
Refrigerant Gases	Kg	8.7	9.4
<b>Scope 2</b>			
Electricity	tCO <sub>2</sub> e	379.3	337.7
<b>Scope 3</b>			
Electricity transmission	tCO <sub>2</sub> e	33.5	29.2
Water	m <sup>3</sup>	4.6	4.9
<b>Total Gross Emissions</b>	tCO <sub>2</sub> e	<b>979.6</b>	<b>986.3</b>
<b>Tonnes of CO<sub>2</sub>e per occupant</b>		<b>0.2</b>	<b>0.2</b>

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 2023/24, 69.9% 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:

- Changes in national funding rates;
- Changes in the methods of calculating funding;
- Conditionality of funding in respect of English and Maths;
- Changes to the Apprenticeship funding methodology;
- Government policy on Higher Technical Qualifications and T-levels; and
- High levels of competition in the 16-18 market;

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, 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

### 3 Maintain adequate funding of pension liabilities

The financial statements report the share of the Local Government Pension Scheme, which as at 31st July 2024 represents nil (2023: nil) 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.

## Report of the Governing Body (Continued)

### 4 Failure to maintain the financial viability of the College

The College's current financial health grade is classified as "outstanding" 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.

### 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.

## Report of the Governing Body (Continued)

### Equality (Continued)

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.

### Gender Pay Gap Reporting

	Year ending 31 March 2023
Mean gender pay gap	17.1%
Median gender pay gap	16.8%

The proportion of males and females in each quartile of the pay distribution are:

	Males	Females
1 - Lower quartile	25.4%	74.6%
2 - Lower middle	27.4%	72.6%
3 - Upper Middle	37.6%	62.4%
4 - Upper quartile	52.1%	47.9%

The college publishes its annual gender pay gap report on its website.

### 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.

## Report of the Governing Body (Continued)

### 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.

Numbers of employees who were relevant period	FTE employee number
4	4

Percentage of time	Number of employees
0%	0
1-50%	4
51-99%	0
100%	0

Total cost of facility time	£29,141
Total pay bill	£23,368,494
Percentage of total bill spent on facility time	0.12%

Time spent on paid trade union activities as a percentage of total paid facility time	100%
---	------

### 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 17 December 2024 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 2023 to 31 July 2024 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;
- iv. in accordance with the requirements arising from the reclassification of the College to the public sector from 29th November 2023
- v. 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 throughout the year ended 31 July 2024. 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 2024. This opinion is based on the External Review of Governance reported to the board on 21 May 2024. The review was undertaken by Stone King. The summary of findings stated *'Governance is effective. Governors have a good range of skills that have enabled them to support the improvement of the college's financial position and the quality of education and training'*.

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 2023, which it formally adopted on 4 July 2023.

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 15 - 17. 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 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 2023 / 24
Axon	Paul	December 2023	4 years		Governor	C&Q (Chair from Dec 2024)	4/4
Barrass	Adrian	July 2022 July 2023	1 year 4 years		External Member Governor	Resources (Vice Chair Oct 2024)	6/6

Name		Date of Appointment	Term of Office	Date of Resignation/ Retirement	Status of Appointment	Committee Served	Corporation Meetings Attendance 2023 / 24
Bellot	Joshua	Sept 2024	1 year		Student Governor	C&Q	N/A
Cenusa	Catalina	Sept 2024	1 year		Student Governor	Resources	N/A
Dixon	Shauna	December 2019 Reappt Dec 2023	4 years	Jan 2024	Governor	Audit C&Q G&S Remuneration	3/3
Edwards	Jonathan	October 2010 Reappt September 2022	4 years		Governor	Chair of the Corporation Resources G&S Remuneration	6/6
Gardiner	Alexandra	July 2021	4 years		Governor	Resources	4/6
Gornall	Anne	October 2014 Reappt Oct 2022	4 years	Oct 2024	Governor (Vice Chair of Corporation to Oct 2024)	C&Q (Chair to Oct 2024) Remuneration (Chair to Oct 2024) G&S Audit	6/6
Guy	Richard	December 2017 Reappt Dec 2021	4 years	Jan 2024	Governor	C&Q	1/3
Hoque	Mashukul	March 2021 April 2022	1 year 4 years		External Member Governor	Resources	2/6
Hussain	Mohammed Ismail	March 2023	1 year	July 2024	Student Governor	C&Q	3/4
Jordan	Simon	August 2023			Ex officio Principal	Resources C&Q G&S	6/6
Kay	David	March 2021 April 2022	1 year 4 years		External Member Governor	Audit (Chair) G&S Remuneration	6/6
Kayani	Hammad Ali	March 2023	1 year	July 2024	Student governor	Resources	3/4

Name		Date of Appointment	Term of Office	Date of Resignation/ Retirement	Status of Appointment	Committee Served	Corporation Meetings Attendance 2023 / 24
Kershaw	Susan	December 2018 Reappt Dec 2022	4 years		Governor	Resources (Chair) G&S Remuneration	6/6
Mayall	Philip	December 2023	4 years		Governor	Audit Remuneration	2/4
Mushtaq	Dr. Shaid	October 2012  Reappointed October 2024	4 years		Governor	Remuneration C&Q (Vice Chair)	4/6
Newton	Nigel	June 2015  Reappt July 2023	4 years	Oct 2023	Governor		0/1
Rahman	Mohammed Alaur	October 2021	4 years	Oct 2023	Staff Governor	Resources	0
Rafique	Tariq	December 2021	4 years	Oct 2024	Governor	Audit	3/6
Royle	Michelle	October 2022	4 years		Staff Governor	C&Q	5/5
Shelton	Jane	February 2020  Reappt October 2024	1 year  4 years		External member  Governor	Audit (Vice Chair)	4/6
Thompson	Sarah	October 2024	4 years		Governor	Audit	N/A
Unwin	Lorna	February 2018  December 2018  Reappt Dec 2022	1 year  4 years  4 years	October 2023	Governor	C&Q	1/1
Vipond	Danielle	December 2023	4 years		Staff governor	Resources	4/4
Whitworth	Carol	March 2024	4 years		Governor	C&Q	2/3
Wright	Karen	March 2024	4 years		Governor	C&Q	2/3
Woodruff	Debra	June 2023		August 2023	Ex officio  Interim Principal	Resources  C&Q	N/A

## 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.

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

The clerk has attended:

- Strategic Governance: Developing the Board ETF / GGI session
- AoC Governors Summit 2024
- ETF Board Behaviours CPD session
- Eversheds: Company Law refresher for education institutions
- Eversheds: Governance and legal refresher for Academy Trust
- Governance Professionals Conference 2024
- ETF Meeting Local Needs Seminar March 2023
- Governance Leadership Alumni ETF & IoD
- AoC Quarterly North West Governance Professional meetings

Governors have attended:

- AoC Induction sessions
- Student governors attended ETF/Unloc student governor training
- AoC Governors Summit 2024
- AoC Chair's meetings; Curriculum & Quality, Resources
- RSM College Financial Handbook training session
- RSM Exploring Audit Committee training session
- All governors have completed Safeguarding & Prevent Training in 2024
- Governors have completed various ETF training modules relevant to their committee role

## **Statement of Corporate Governance and Internal Control (Continued)**

### **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 2024 and graded itself as good on the Ofsted scale.

### **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 2024 had a balance of £6.36m due for repayment over a period of 15 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 2024 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 2024 are set out in note 7 to the financial statements.

## Statement of Corporate Governance and Internal Control (Continued)

### Audit Committee

The Audit Committee comprised six 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 2024. The members of the committee and their attendance records are shown below:

<b>Committee Members</b>	<b>Attendance</b>
D Kay	100%
S Dixon	50%
J Shelton	75%
A Gornall	100%
T Rafique	50%
P Mayall	100%

### 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 Oldham College for the year ended 31 July 2024 and up to the date of approval of the annual report and accounts.

## Statement of Corporate Governance and Internal Control (Continued)

### *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 2024 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.

### **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 of Corporate Governance and Internal Control (Continued)

### Responsibilities under accountability agreements

The Department for Education and Education and Skills Funding Agency introduced new controls for the college on 29 November 2022 on the day that the Office for National Statistics reclassified colleges as public sector organisations in the national accounts. The ESFA chief executive communicated these changes to all college accounting officers and these have now been reflected in the college financial handbook in 2024, which has the effective date of 1 August 2024. The college has reviewed its policies, procedures and approval processes in line with these new requirements to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

### 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 2023/24 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 2023/24. The audits covered a range of systems, business areas and systems of internal control. As a result of this work six 'substantial assurance' were issued, the College also undertook one advisory audit in the year. No 'limited assurance' opinions were issued.

The specific areas of work undertaken by the audit committee in 2023/24 and up to the date of the approval of the financial statements are:

Internal Audit Opinions and Recommendations 2023/24				
	Audit Title	Design	Application / Compliance	Overall Assurance
1.	16-18 Student Journey – Enquiry to Enrolment	Adequate	Good	Substantial
2.	English and Maths Strategy	Good	Good	Substantial
3.	MIS and Reporting	Good	Good	Substantial
4.	IT Data Security Infrastructure and Disaster Recovery	Good	Good	Substantial
5.	Equality & Diversity	Good	Good	Substantial
6.	HR Strategy – Recruitment and Retention	Advisory	Advisory	Advisory
7.	Follow-up of Previous Internal Audit Recommendations	N/A	N/A	Substantial

## Statement of Corporate Governance and Internal Control (Continued)

### 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*"

**Approved by order of the members of the Corporation on 17 December 2024 and signed on its behalf by:**

**Signed**

**Signed**



**Simon Jordan**  
**Accounting Officer**  
**Date**

**Jonathan Edwards**  
**Chair of Governors**  
**Date**

## 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, priority and compliance, and the requirements of the college's accountability agreement and contracts with the ESFA and DfE, and has considered its responsibility to notify the 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 college's accountability agreements and contracts with the ESFA and DfE 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**

## 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**

## 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 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
- assess whether the corporation is a going concern, noting the key supporting assumptions qualifications or mitigating actions as appropriate
- 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 corporation.

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 and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from ESFA, and any other public funds, 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 by ESFA, or any other public funder, including that any transactions entered into by the corporation are within the delegated authorities set out in the "Dear accounting officer" letter of 29 November 2022 and ESFA's bite size guides. 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 economic, efficient and effective management of the corporation's resources and expenditure so that the benefits that should be derived from the application of public funds from ESFA and other public bodies are not put at risk.

**Statement of Responsibilities of the Members of the Corporation (Continued)**

Approved by order of the members of the Corporation on 17 December 2024 and signed on its behalf  
by



**Jonathan Edwards**  
**Chair of Governors**

## **INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF OLDHAM COLLEGE**

### **Opinion**

We have audited the financial statements of Oldham College (the "College") for the year ended 31 July 2024 which comprise the College statement of comprehensive income, the College balance sheet, the College statement of changes in reserves, 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 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 2024 and of the College's surplus 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 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.

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.

## **INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF OLDHAM COLLEGE (Continued)**

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 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 X 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 25 to 26, 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.

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.

## **INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF OLDHAM COLLEGE (Continued)**

### **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 framework that the College operate in and how the college are complying with the legal and regulatory framework;
- 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.

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, 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 college is in compliance with these law and regulations and inspected correspondence and inspected correspondence with licensing or regulatory authorities.

## **INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF OLDHAM COLLEGE (Continued)**

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 [date]. 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*

RSM UK AUDIT LLP  
Chartered Accountants  
Bluebell House  
Brian Johnson Way  
Preston  
PR2 5PE

18/12/24

## Statements of Comprehensive Income and Expenditure

	Notes	Year ended 31 July 2024	Year ended 31 July 2023
		£'000	£'000
<b>INCOME</b>			
Funding body grants	2	28,482	23,695
Tuition fees and education contracts	3	6,879	6,795
Other grants and contracts	4	644	632
Other income	5	1,410	1,245
Investment Income	6	834	214
<b>Total income</b>		<b>38,249</b>	<b>32,581</b>
<b>EXPENDITURE</b>			
Staff costs	7	23,677	21,153
Other operating expenses	8	9,126	8,474
Depreciation	11	2,327	2,124
Interest and other finance costs	9	437	461
<b>Total expenditure</b>		<b>35,567</b>	<b>32,212</b>
<b>Surplus before other gains and losses</b>		<b>2,682</b>	<b>369</b>
Loss on disposal of assets			(3)
<b>Surplus before tax</b>		<b>2,682</b>	<b>366</b>
Taxation	10	-	-
<b>Surplus for the year</b>		<b>2,682</b>	<b>366</b>
Actuarial (loss)/gain in respect of pensions schemes	16 & 22	(780)	(5,858)
<b>Total comprehensive (expenditure)/ income for the year</b>		<b>1,902</b>	<b>(5,492)</b>

The statement of comprehensive income and expenditure in respect of continuing activities.

## Statement of Changes in Reserves

	Income and expenditure account	Revaluation reserve	Total
	£'000	£'000	£'000
<b>Balance at 1 August 2022</b>	17,816	10,773	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 style="border-top: 1px solid black;"/> (5,298)	<hr style="border-top: 1px solid black;"/> (194)	<hr style="border-top: 1px solid black;"/> (5,492)
<b>Balance at 31 July 2023</b>	<hr style="border-top: 1px solid black;"/> 12,518	<hr style="border-top: 1px solid black;"/> 10,579	<hr style="border-top: 1px solid black;"/> 23,097
Surplus from the income and expenditure account	2,682	-	2,682
Other comprehensive income	(780)	-	(780)
Transfers between revaluation and income and expenditure reserves	194	(194)	-
	<hr style="border-top: 1px solid black;"/> 2,096	<hr style="border-top: 1px solid black;"/> (194)	<hr style="border-top: 1px solid black;"/> 1,902
<b>Balance at 31 July 2024</b>	<hr style="border-top: 1px solid black;"/> 14,614	<hr style="border-top: 1px solid black;"/> 10,385	<hr style="border-top: 1px solid black;"/> 24,999

## Balance sheet as at 31 July

		Notes	
		2024	2023
		£'000	£'000
<b>Fixed assets</b>			
Tangible Fixed assets	11	51,030	51,410
		<b>51,030</b>	<b>51,410</b>
<b>Current assets</b>			
Stocks		12	11
Trade and other receivables	12	1,161	1,302
Cash and cash equivalents	17	6,051	4,543
		7,224	5,856
<b>Less: creditors – amounts falling due within one year</b>	13	(6,278)	(6,837)
<b>Net current assets/ (liabilities)</b>		<b>946</b>	<b>(981)</b>
<b>Total assets less current liabilities</b>		<b>51,976</b>	<b>50,429</b>
Creditors – amounts falling due after more than one year	14	(26,031)	(26,398)
<b>Provisions</b>			
Defined benefit obligations	22	-	-
Other provisions	16	(946)	(934)
<b>Total net assets</b>		<b>24,999</b>	<b>23,097</b>
<b>Unrestricted reserves</b>			
Income and expenditure account		14,614	12,518
Revaluation reserve		10,385	10,579
<b>Total unrestricted reserves</b>		<b>24,999</b>	<b>23,097</b>

The financial statements on pages 33 to 58 were approved and authorised for issue by the Corporation on 17 December 2024 and were signed on its behalf on that date by:



**Jonathan Edwards**  
Chair of Governors



**Simon Jordan**  
Accounting Officer

## Statement of Cash Flows

	Notes	2024 £'000	2023 £'000
<b>Cash flow from operating activities</b>			
Surplus/(Deficit) for the year		2,682	366
<b>Adjustment for non-cash items</b>			
Depreciation	11	2,327	2,124
Decrease in stocks		(1)	1
Increase in debtors	12	141	(219)
Increase/(Decrease) in creditors due within one year	13	(167)	1,350
Increase in creditors due after one year	14	87	293
(Decrease)/ Increase in provisions	16	(102)	(60)
Pensions costs less contributions payable	22	(10)	473
<b>Adjustment for investing or financing activities</b>			
Interest payable	9	437	424
Investment Income Receivable	6	(834)	-
Loss on sale of fixed assets	11	-	3
<b>Net cash flow from operating activities</b>		4,560	4,755
<b>Cash flows from investing activities</b>			
Payments made to acquire fixed assets	11	(1,947)	(2,149)
		(1,947)	(2,149)
<b>Cash flows from financing activities</b>			
Interest Received		131	
Interest paid	9	390	(424)
Repayments of amounts borrowed		(846)	(480)
		(1,105)	(904)
<b>Increase in cash and cash equivalents in the year</b>		<b>1,508</b>	<b>1,702</b>
Cash and cash equivalents at beginning of the year	17	4,543	2,841
Cash and cash equivalents at end of the year	17	6,051	4,543

## 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 2023/24* 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 2024 had a balance of £6.36m due for repayment over a period of 15 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.

Consequently the Corporation is confident that the College will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and have therefore prepared these statements on a going concern basis.

#### 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.

## Notes to the Accounts (Continued)

### *Revenue grant funding (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.

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 2024. 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**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Recurrent grants</b>		
Education and Skills Funding Agency - adult	3,396	3,435
Education and Skills Funding Agency – 16-18	19,927	15,964
Education and Skills Funding Agency – apprenticeships	2,680	2,227
Office for Students	159	142
<b>Specific grants</b>		
Teachers Pension Scheme Contribution Grant	722	545
Releases of government capital grants	1,040	824
Notional grant – lease provided at undervalue	558	558
	<hr/>	<hr/>
<b>Total</b>	<b>28,482</b>	<b>23,695</b>
	<hr/> <hr/>	<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

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Adult education fees	79	95
Apprenticeship fees and contracts	42	47
Fees for FE loan supported courses	254	464
Fees for HE loan supported courses	3,074	3,012
<b>Total tuition fees</b>	<b>3,449</b>	<b>3,618</b>
Education contracts	3,430	3,177
<b>Total</b>	<b>6,879</b>	<b>6,795</b>

### 4 Other grants and contracts

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Other grants and contracts	644	632
<b>Total</b>	<b>644</b>	<b>632</b>

### 5 Other income

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Catering and residences	617	485
Other income generating activities	645	607
Miscellaneous income	148	153
<b>Total</b>	<b>1,410</b>	<b>1,245</b>

### 6 Investment income

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Other Interest Receivable	131	-
	<b>131</b>	<b>-</b>
Net return on pension scheme (note 22)	703	214
<b>Total</b>	<b>834</b>	<b>214</b>

## 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:

	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
Teaching staff	262	255
Non-teaching staff	358	323
	<u>620</u>	<u>578</u>
<b>Staff costs for the above persons</b>		
	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	17,420	15,430
Social security costs	1,638	1,365
Other pension costs	3,156	3,306
	<u>22,214</u>	<u>20,101</u>
<b>Payroll sub total</b>		
Contracted out staffing services	1,268	879
	<u>23,482</u>	<u>20,980</u>
Restructuring costs – Contractual	195	173
	<u>23,677</u>	<u>21,153</u>

### Severance Payments

The College paid 16 severance payments in the year, disclosed in the following bands:

	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
0 - £25,000	14	17
£25,001 - £50,000	1	3
£50,001 - £75,000	1	

Included in staff restructuring costs are special severance payments totalling £76,010 (2023: £33,112) Individually, the payments were: £966, £2,000, £4,392, £6,924, £8,000, £12,500, £16,228, and £25,000.

## 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

	2024	2023
	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 emoluments, excluding employer contributions to national insurance and pensions but including benefits in kind, in the following ranges was:

	Key management personnel		Other Staff	
	2024	2023	2024	2023
	No.	No.	No.	No.
£51,001 to £60,000 p.a.	1	-	-	-
£60,001 to £65,000 p.a.	-	2	-	5
£65,001 to £70,000 p.a.	1	1	4	-
£70,001 to £75,000 p.a.	-	-	-	1
£75,001 to £80,000 p.a.	1	-	-	-
£80,001 to £85,000 p.a.	-	2	-	-
£85,001 to £90,000 p.a.	3	1	-	-
£90,001 to £95,000 p.a.	1	-	-	-
£95,001 to £100,000 p.a.	-	1	-	-
£100,001 to £105,000 p.a.	1	-	-	-
£115,001 to £120,000 p.a.	-	1	-	-
£135,001 to £140,000 p.a.	1	-	-	-
£195,001 to £200,001 p.a.	-	1	-	-
	<u>9</u>	<u>9</u>	<u>4</u>	<u>6</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:

	2024	2023
	£'000	£'000
Salaries	785	849
Employers National Insurance	97	108
	<u>882</u>	<u>957</u>
Pension contributions	159	103
	<u>1,041</u>	<u>1,060</u>

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

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

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Salaries	144	162
	<b>144</b>	<b>162</b>
Pension Contribution	36	-
Payments in lieu of pension	-	33
Total Emoluments	<b>180</b>	<b>195</b>

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, and Deputy Principal 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.

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

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Principal and Chief Executive basic salary as a multiple of the median of all staff	4.66	5.40
Principal and Chief Executive total remuneration as a multiple of the median of all staff	5.35	5.66

**Compensation for loss of office paid to former key management personnel**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£</b>
Compensation paid to the former post-holder	68	-

The severance payment was approved by the college's Remuneration Committee.

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

	2024	2023
	£'000	£'000
Teaching costs	2,260	1,998
Non-teaching costs	4,293	3,779
Premises costs	2,573	2,697
	<u>9,126</u>	<u>8,474</u>

#### Other operating expenses include:

	2024	2023
	£'000	£'000
Auditors' remuneration:		
Financial statements audit	56	56
Internal audit	17	22
Hire of other assets under operating leases	94	99
Subcontractors	155	155
Hire of land and building under operating leases	537	605
Notional grant – lease provided at undervalue	558	558
Bad Debts	20	62
	<u>20</u>	<u>62</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 31 students tuition fees that the College does not expect to recover.

### 9 Interest and other finance costs

	2024	2023
	£'000	£'000
On bank loans, overdrafts and other loans:	390	424
	<u>390</u>	<u>424</u>
Finance cost on enhanced pension (note 16)	47	37
	<u>47</u>	<u>37</u>
<b>Total</b>	<u><b>437</b></u>	<u><b>461</b></u>

## 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 (2023: nil).

### 11 Tangible fixed assets

	Land and buildings	Equipment	Assets in the Course of Construction	Total
	Freehold			
	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>				
At 1 August 2023	54,868	9,291	790	64,949
Additions	31	1,697	219	1,947
Transfer of assets under construction	787	-	(787)	-
Disposals	-	-	-	-
<b>At 31 July 2024</b>	<b>55,686</b>	<b>10,988</b>	<b>222</b>	<b>66,896</b>
<b>Depreciation</b>				
At 1 August 2023	7,946	5,593	-	13,539
Charge for the year	1,005	1,322	-	2,327
Elimination in respect of disposals	-	-	-	-
<b>At 31 July 2024</b>	<b>8,951</b>	<b>6,915</b>	<b>-</b>	<b>15,866</b>
<b>Net book value at 31 July 2024</b>	<b>46,735</b>	<b>4,073</b>	<b>222</b>	<b>51,030</b>
Net book value at 31 July 2023	46,922	3,698	790	51,410

Land and buildings were valued in 2015 at frozen valuation of depreciated replacement cost by Roger Hannah & Co. a firm of independent chartered surveyors.

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:

	<b>£'000</b>
Cost	43,698
Aggregate depreciation based on cost	7,348
<b>Net book value based on cost</b>	<b>36,350</b>

**Notes to the Accounts (Continued)****12 Trade and other receivables**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Amounts falling due within one year:		
Trade receivables	185	179
Prepayments and accrued income	689	810
Amounts owed by the ESFA	244	294
Amounts owed by the ESFA – Capital Grant	43	
Amounts owed by OfS	-	19
<b>Total</b>	<b><u>1,161</u></b>	<b><u>1,302</u></b>

**13 Creditors: amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Bank loans and overdrafts (Note 15)	455	847
Trade payables	805	889
Other taxation and social security	494	269
Accruals and deferred income**	1,905	1,873
Deferred income - government capital grants	1,126	906
Deferred income - government revenue grants	51	81
Amount owed to ESFA	155	176
Amount owed to GMCA	120	178
Amount owed to ESFA – Prepaid grant	1,047	1,618
Amount owed to DfE – Prepaid Grant	120	-
<b>Total</b>	<b><u>6,278</u></b>	<b><u>6,837</u></b>

(\*\* Accruals and deferred income includes holiday pay accrual of £552k (2023: £415k))

**14 Creditors: amounts falling due after one year**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Bank loans (Note 15)	5,909	6,363
Deferred income - government capital grants	20,122	20,035
<b>Total</b>	<b><u>26,031</u></b>	<b><u>26,398</u></b>

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

Bank loans and overdrafts are repayable as follows:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
In one year or less	455	847
Between one and two years	455	455
Between two and five years	1,365	1,365
In five years or more	4,089	4,543
<b>Total</b>	<b><u>6,364</u></b>	<b><u>7,210</u></b>

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 had an outstanding balance of £386k which was 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**

	<b>Enhanced pensions</b>
	<b>£'000</b>
At 1 August 2023	934
Expenditure in the period	(102)
Financing Cost	47
Actuarial gains over year	67
<b>At 31 July 2024</b>	<b><u>946</u></b>

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:

	<b>2024</b>	<b>2023</b>
Price inflation	2.8%	2.8%
Discount rate	4.8%	5.0%

## Notes to the Accounts (Continued)

### 17 Cash and cash equivalents

	At 1 August 2023	Cash flows	At 31 July 2024
	£'000	£'000	£'000
Cash and cash equivalents	4,543	1,508	6,051
<b>Total</b>	<b>4,543</b>	<b>1,508</b>	<b>6,051</b>

### 18 Capital and other commitments

	2024	2023
	£'000	£'000
Commitments contracted for at 31 July	115	21

### 19 Lease obligations

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

	2024	2023
	£'000	£'000
<b>Future minimum lease payments due</b>		
<b>Land and buildings</b>		
Not later than one year	557	557
Later than one year and not later than five years	139	697
Later than five years	-	-
	<u>696</u>	<u>1,254</u>
<b>Other</b>		
Not later than one year	41	42
Later than one year and not later than five years	105	144
Later than five years	-	2
	<u>146</u>	<u>188</u>
Total lease payments due	<u><b>842</b></u>	<u><b>1,442</b></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.

<b>Total pension cost for the year</b>	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Teachers' Pension Scheme: contributions paid	1,961	1,591
Local Government Pension Scheme:		
Contributions paid	1,205	1,028
FRS 102 (28) charge	(10)	687
Charge to the Statement of Comprehensive Income	1,195	1,715
<b>Total Pension Cost for Year within staff costs</b>	<b>3,156</b>	<b>3,306</b>

Contributions amounting to £446k (2023: £302k) were payable to the scheme at 31<sup>st</sup> 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. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

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 under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The college is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the college has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The college has set out above the information available on the plan and the implications for the college in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education (the Department) in October 2023. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service at the effective date of £262 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222 billion giving a notional past service deficit of £40 billion (compared to £22 billion in the 2016 valuation)

As a result of the valuation, new employer contribution rates will rise to 28.68% from April 2024 (compared to 23.68% during 2018/9).

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The pension cost paid to TPS in the year amounted to £1,864k (2023: £1,580k)

## Notes to the Accounts (Continued)

### 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 2024 were £1,658,000, of which employer's contributions totalled £1,205,000 and employees' contributions totalled £453,000. 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.

Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of an FE body in the statutory sector closure, where there is no transfer or merger, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 12 October 2024.

#### Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 July 2024 by a qualified independent actuary.

	At 31 July 2024	At 31 July 2023
Rate of increase in salaries	3.55%	3.80%
Future pensions increases	6.70%	10.1%
Discount rate for scheme liabilities	5.00%	5.05%
Inflation assumption (CPI)	2.75%	3.00%
Commutation of pensions to lump sums	50%	50%

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 2024	At 31 July 2023
	years	Years
<i>Retiring today</i>		
Males	20.0	20.0
Females	23.5	23.5
<i>Retiring in 20 years</i>		
Males	20.6	20.8
Females	24.6	24.7

## Notes to the Accounts (Continued)

### 22 Defined benefit obligations (continued)

Allowing for index returns, the estimated split of assets as at 31 July 2024 is shown below:

	At 31 July 2024	At 31 July 2023
Equities	68.0%	70.0%
Bonds	15.0%	14.0%
Property	9.0%	8.0%
Cash	8.0%	8.0%

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

	2024 £'000	2023 £'000
Fair Value of plan assets	58,043	53,533
Present value of defined benefit obligations	(41,405)	(39,630)
Net asset	<u>16,638</u>	<u>13,903</u>
Restriction to level of asset ceiling	(16,638)	(13,903)
<b>Net asset recognised in the balance sheet</b>	<u><u>-</u></u>	<u><u>-</u></u>

The value of the College's share of Greater Manchester Local Government Pension Scheme 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:

	2024 £'000	2023 £'000
<b>Amounts included in staff costs</b>		
Current service cost	1,138	1,710
Past Service Cost (including curtailments)	21	-
<b>Total</b>	<u><u>1,159</u></u>	<u><u>1,710</u></u>

#### Interest and finance costs

Pension finance costs	703	214
	<u>703</u>	<u>214</u>

#### Amount recognised in other comprehensive income

Return on pension plan assets less amounts recognised in net interest cost	(1,629)	3,036
Changes in assumptions underlying the present value of plan liabilities	(393)	(10,962)
Asset ceiling adjustment	2,735	13,903
<b>Amount recognised in other comprehensive income</b>	<u><u>713</u></u>	<u><u>5,977</u></u>

## Notes to the Accounts (Continued)

### 22 Defined benefit obligations (continued)

#### Movement in net defined benefit liability during year

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Net defined benefit liability in scheme at 1 August	-	(6,450)
Movement in year:		
Current service cost	(1,138)	(1,710)
Past Service Cost (including curtailments)	(21)	-
Employer contributions	1,169	1,023
Net interest on the defined liability	703	214
Actuarial gain or loss	(713)	(5,977)
<b>Net defined benefit asset liability at 31 July</b>	<b>-</b>	<b>-</b>

#### Asset and liability reconciliation

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Changes in the present value of defined benefit obligations</b>		
<b>Defined benefit obligations at start of period</b>	<b>39,630</b>	<b>48,041</b>
Current service cost	1,159	1,710
Interest cost	2,005	1,695
Contributions by Scheme participants	439	389
Changes in financial and demographic assumptions	(393)	(10,962)
Estimated benefits paid	(1,435)	(1,243)
Past service cost	-	-
<b>Defined benefit obligations at end of period</b>	<b>41,405</b>	<b>39,630</b>

#### Changes in fair value of plan assets

<b>Fair value of plan assets at start of period</b>	<b>53,533</b>	<b>54,491</b>
Interest on plan assets	2,708	1,909
Return on plan assets excl. amounts incl. in net interest	1,629	(3,036)
Employer contributions	1,169	1,023
Contributions by Scheme participants	439	389
Estimated benefits paid	(1,435)	(1,243)
<b>Fair value of plan assets at end of period</b>	<b>58,043</b>	<b>53,533</b>

The College is aware that the Court of Appeal has recently upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. Until further investigations have been completed by the UK Government's Actuary's Department and/or any legislative action taken by the government, the potential impact if any, on the valuation of scheme liabilities remains unknown.

**Notes to the Accounts (Continued)****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 £94; 1 Governor (2023: £177; 2 Governors ). 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 (2023: None).

Think Trinity Limited – was an associate of Oldham College in 2022/23. Purchase transactions in the year amounted to £Nil (2023: £8,323). There were no balances outstanding at the year end (2023: £nil).

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

	2024	2023
	£'000	£'000
Funding body grants – Bursaries	735	868
	<u>735</u>	<u>868</u>
Disbursed to students	(379)	(414)
Administration costs	(34)	(35)
Balance unspent as at 31 July, included in creditors	<u>322</u>	<u>419</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

	2024	2023
	£'000	£'000
Access Investment	204	200
Financial support provided to students	91	97
Progression Investment	91	94
Success Investment	438	437
Support For Disabled Students	60	38
Research and evaluation expenditure	21	24
<b>Total</b>	<b>905</b>	<b>890</b>

The total of the approved expenditure in our Access and Participation Plan for the year ended 31 July 2024 was £434,000. Student fees higher income was £566,501 which is a reduction of £515,517 compared with the target. Included within this expenditure are staff costs amounting to £688,906 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](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 accountability agreement, grant funding agreements and contracts with the Education and Skills Funding Agency (the "ESFA") and the Department for Education (the "DfE") 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 2023 to 31 July 2024 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 2023 to 31 July 2024 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 have complied with the independence and other ethical requirements of the FRC's Ethical Standard and the ethical pronouncements of the ICAEW. We also apply International Standard on Quality Management (UK) 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements and accordingly maintain comprehensive systems of continuing quality management. 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)**

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 2023 to 31 July 2024 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**

Chartered Accountants  
Bluebell House  
Brian Johnson Way  
Preston  
PR2 5PE

Dated: 18/12/24