



ASKHAM BRYAN COLLEGE

**Report and Financial Statements
for the year ended 31 July 2023**

KEY MANAGEMENT PERSONNEL, BOARD OF GOVERNORS AND PROFESSIONAL ADVISERS

Key Management Personnel

Key management personnel are defined as members of the College leadership team and were represented by the following in 2022/23:

Dr Tim Whitaker - Principal/Chief Executive and Accounting Officer

Sandra Burnhill – Vice Principal - retired 04/09/2023

Sharon Sheppard – Vice Principal

Laura Black – Vice Principal – appointed to permanent position 01/02/2023

Iain Glendinning – Vice Principal – appointed to permanent position 01/02/2023, resigned 30/11/2023

Clare Williams – Vice Principal - appointed 01/12/2023

Emma Barber – Chief Finance Officer

Lynne Griffin - Executive Director of People and Organisational Development

Board of Governors

A full list of Governors is given on pages 17 to 19 of these financial statements.

Judith Clapham acted as Director of Governance and Clerk to the Corporation throughout the period.

Professional Advisers

Financial statements auditors and reporting accountants:

Armstrong Watson Audit Limited, Third Floor, 10 South Parade, Leeds, LS1 5QS

Internal auditors:

HW Controls & Assurance Ltd (Validera), Unit 3 Crompton Court, Attwood Road, Burntwood, Staffordshire, WS7 3GG

Bankers:

Lloyds Bank PLC, 25 Gresham Street, London, EC2V 7HN

Santander UK PLC, 2 Triton Square, Regents Place, London, NW1 3AN

Solicitors:

Eversheds Sutherland, Bridgewater Place, Water Lane, Leeds, LS11 5DR

Andrew Jackson Solicitors LLP, Marina Court, Castle Street, Hull, HU1 1TJ

Bunetts Solicitors, Victoria House, Wavell Drive, Rosehill, Carlisle, CA1 2ST

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REPORT OF THE GOVERNING BODY

OBJECTIVES AND STRATEGIES:

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

Legal Status

The Corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting Askham Bryan College (the 'College'). The College is an exempt charity for the purposes of Part 3 of the Charities Act 2011.

Mission, Vision, Strategy and Values

The College's Strategic Plan 2021-2026 sets out the College mission '*Learning is in our nature*' supported by a shared goal '*We are a specialist land-based provider developing talent, to respond to current and future challenges for the economy and environment.*'

The Strategic Plan is shaped around four strategic themes, each with this own vision for 2030 which directs the five-year roadmap:

Strategic Theme 1: Technical and professional land-based curriculum which is high quality, industry-relevant and enhances our students' employability.

Vision 2030: We will be a leading college nationally for animal science and conservation, and sustainable food production.

Strategic Theme 2: Outstanding resources that deliver an exceptional and inclusive student experience.

Vision 2030: We will re-purpose our campuses to be environments combining natural beauty with pioneering practices and digital technologies.

Strategic Theme 3: Engagement bringing people and place together, to build mutually beneficial relationships and celebrate successes.

Vision 2030: We will be a national hub for skills, training and knowledge exchange for our core specialisms, with a focus on bio-economy, including incubation of related start-up businesses.

Strategic Theme 4: Sustainability and wider contribution to the Circular Economy is embedded into College life.

Vision 2030: We will be financially vibrant, enabling us to invest in exemplar sector practices and innovations, informed by our commitment to our natural capital and our people.

Underpinning the delivery of the mission and strategic objectives, the College has defined the values, behaviours and qualities it requires from its staff defined as the 'DNA'. The DNA has four distinct but interdependent strands:

Delivering with purpose, Building relationships through trust, Taking ownership, Always learning

The College DNA is hardwired into the strategy, setting the standards and forming the foundations of culture and is a core enabler to the success of the College strategic vision.

REPORT OF THE GOVERNING BODY (CONTINUED)

The strategic plan is underpinned by Curriculum, Estates, People and the Financial Implementation Plans and is the roadmap to achieving the Colleges vision and ambition:

Curriculum Plan – outlines the College’s approach to curriculum planning and development over the next five years. The plan focuses on the continued growth and development of a responsive curriculum with an emphasis on technical and professional land-based education including STEM, and the bio-economy which leads to high student outcomes and progression to positive destinations.

People Plan – outlines a comprehensive delivery plan for people-related initiatives and priorities to be taken forward over the five-year period to deliver the College’s ambition to:

- Attract, reward and retain talent, being known as an employer of choice.
- Unlock people potential to foster a climate of engagement and innovation.
- Develop credible specialists who equip our students with skills for the future.
- Offer an inclusive and caring environment which values personal wellness.
- Anticipate challenges and mitigate risk to build organisation resilience.
- Ensure a quality service that supports the College and makes things happen.

Estates Plan – identifies the challenges that the College must address over the next 5 years and sets out the priorities and actions required in managing the estate efficiently and effectively. The plan sets out the vision for 2030 where the ambition is an estate which connects nature with a state-of-the-art teaching and learning environment.

Financial Implementation Plan – sets out the strategic approach which is being taken to manage the financial position of the College ensuring it proactively meets curriculum needs and demands. The implementation plan details the financial aims and objectives required to delivery long term financial sustainability to support the achievement of the Colleges vision and ambition.

The Governing Body monitor and assess the progress being made in relation to the Colleges 10-year vision through key Corporate Key Measures and Targets which are a strategic approach to measuring the overall progress. Measures and targets are set for years one, two, five and ten, with the target at year 5 a minimum aspiration and at year 10 aspirational.

RESOURCES:

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

- Tangible resources include land and buildings, shown in the balance sheet at £23,890,000 together with equipment fixtures and fittings at a value of £4,541,000 and £204,000 of assets in the course of construction.
- Financial Resources - The Group has net assets of £23,427,000 and long-term debt of £15,328,000 (bank loans £4,163,000 and deferred capital grants £11,165,000).
- People - The College employs 455 people, of whom 189 are teaching staff or staff directly engaged in the delivery of curriculum.
- Reputation - The College has an excellent reputation locally, regionally as well as nationally for specialist subjects. Maintaining this reputation is essential for the College’s success in attracting students and developing and retaining relationships with its stakeholders.

REPORT OF THE GOVERNING BODY (CONTINUED)

STAKEHOLDER RELATIONSHIPS:

In line with other colleges and universities, the College has many stakeholders including:

- Current, future and past students
- Funding Bodies
- FE Commissioner
- Banks and lenders
- Staff and their trade unions
- Employers
- Local Authorities
- Local Communities
- Local Enterprise Partnerships
- Schools and HE Institutions – the wider College community
- Professional organisations in the sectors in which the College operates
- Sector Regulators – Ofsted, Office for Students

The College recognises the importance of these relationships and engages in regular communication and consultation with them.

PUBLIC BENEFIT:

The 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 pages 17 – 19.

In setting and reviewing the College's strategic objectives, the Governing Body has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education.

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

- High-quality teaching and learning providing students with the skills and knowledge they need to progress into further study or employment
- Creating opportunities irrespective of previous achievement which widens participation and tackles social exclusion in our community, reducing the number of young people not in education or training (NEETS)
- Excellent employment record for students
- Strong student support systems assisting students to achieve
- Proactive partnerships with a range of stakeholders including employers, industry and commerce including Local Enterprise Partnerships (LEPs) which cover the catchment area of the College.

REPORT OF THE GOVERNING BODY (CONTINUED)

DEVELOPMENT AND PERFORMANCE:

Financial Objectives

The College's financial objectives are designed to support the delivery of the College's strategic objectives and are supported by the KPIs used by the Education and Skills Funding Agency (ESFA) when assessing the financial health of a college. Financial objectives have been monitored and reported on throughout the year through the preparation of monthly management accounts, the annual budget and quarterly reforecasts.

The College is committed to observing the importance of the ESFA measures and indicators within the framework and is monitoring performance against these measures through the completion of the ESFA annual finance record and through improved monthly financial reporting.

The College maintained tight control of its financial performance objectives throughout the year by closely managing its financial position, identifying and monitoring areas of concern and taking decisive action to mitigate any budget variances. During the year, recruitment to vacancies in staffing became a greater challenge than in previous years which resulted in short term pay savings however these were offset by high inflation impacting on costs, particularly in utilities. Prior to 31 March 2023 the College had benefited from a 3-year fixed rate contract for supply of utilities, and whilst the College was able to negotiate a 12-month fixed price contract from 1 April 2023 for a 100% renewable tariff in line with sustainability targets, the contracted unit rates are at a substantially increased cost.

Applying the ESFA methodology to the 2022/23 financial position has resulted in the rating of 'Good'.

Financial objectives for the 2022/23 financial year were approved by the Governing Body to monitor the implementation of the College's financial performance and support its strategic direction. Actual performance against these performance indicators is shown below:

| Financial Objective | ESFA Benchmark | 2022/23 Budget | 2022/23 Actual |
|--|----------------|----------------|----------------|
| Operating Surplus/(Deficit) before FRS102 pension costs as a % of income (excluding exceptional items) | 3-5% | 1.6% | 1.4% |
| Borrowing as a percentage of income | <40% | 16% | 16% |
| Cash days in hand | >25 | 117 | 190 |
| Adjusted Current Ratio | 1.00 | 3.14 | 4.00 |
| Staff cost as a percentage of income (land-based College benchmark) | 50% | 52% | 49.1% |
| Financial Health | Outstanding | Outstanding | Good |

The Governing Body has set a number of operational and strategic financial objectives which incorporate specific and measurable financial performance measures in the Financial Implementation Plan 2021-2026 which aligns to the College Strategic Plan to support its strategic aims. The Financial Implementation Plan has been set to ensure the long-term financial sustainability of the College to resource its core activities and support strategic planning and decision making in order to achieve the College's vision.

REPORT OF THE GOVERNING BODY (CONTINUED)

Financial Results

In 2022/23 the Group's continuing financial performance generated a deficit in the year of £(79,000) (2021/22 deficit of (£1,187,000)). The statement of comprehensive income includes non-cash pension adjustments. The reconciliation below excludes these adjustments to arrive at an 'adjusted surplus' which reflects the underlying performance of the Group.

- a) Employer service costs for the North Yorkshire defined benefit pension scheme (LGPS) of £468,000 FRS102 (28) charges, note 22 (2021/22 cost of £1,473,000);
- b) Net interest chargeable on the North Yorkshire defined benefit pension scheme (LGPS) of £12,000 FRS102 (28) charges, note 22 and note 8 (2011/22 cost of £187,000);

| Financial Result Reconciliation | £'000 |
|--|--------------|
| Deficit for the year | (79) |
| Pension charges (FRS102(28) charges) | 468 |
| Pension interest expense (FRS102(28) charges) | 12 |
| Underlying Surplus from Continuing Operations | 401 |

The financial statements report prior year comparatives (2021/22) including discontinued operations which are associated with the closure and sale of the Newton Rigg site and the two associated farms.

Group Companies

The College has two subsidiary companies, Askham Bryan College Company Limited and Askham Bryan College Enterprises Limited. The principal activity of Askham Bryan College Company Limited is the operation of farms and research activity whilst Askham Bryan College Enterprises Limited carries out commercial activity. This research activity included with Askham Bryan College Company Ltd, was conducted for Rural Business Research a consortium of 6 universities and colleges - University of Reading, University of Cambridge, University of Nottingham, Duchy College, Askham Bryan, Newcastle University who were contracted by the Department for Environment Food and Rural Affairs (DEFRA) to collect data for the Farm Business Survey. During the year Rural Business Research were unsuccessful in being awarded a new contract term with DEFRA and the staff were TUPE'd to the new provider in January 2023.

As outlined above, the two farms associated with the closure and sale of the Newton Rigg campus were sold during the prior year 2021/22. The performance of these farms is included within Askham Bryan College Company Limited until the disposal dates and is reported as a discontinued operation in these financial statements.

In the current year the surplus generated by Askham Bryan College Company Limited was £73,226 (2021/22 surplus of £61,481).

A small deficit was generated by Askham Bryan College Enterprises Limited of £15,111 (2021/22 surplus of £54,828). The year-on-year downturn in performance is resultant poor weather during school holidays especially in the spring reducing the number of visitors to the wildlife park and from additional expenditure occurred in year to upgrade facilities to operate a boarding kennels which opened to the public during the year.

REPORT OF THE GOVERNING BODY (CONTINUED)

External professional advice is being sought by the College to review the group structure including the operation of the subsidiary companies, ensuring the structure remains fit for purpose. This work will consider any alternative options available, with a view to simplifying the group structure. At the time of signing the financial statements no formal decision on the future group structure has been taken.

Reserves

The net assets of the Group as at 31 July 2023 stand at £23,427,000, which is an improvement of the position from the prior year of £1,259,000 (2021/22: £22,168,000) reflecting nil net asset/liability position arising from the Local Government Pension Scheme (LGPS) (2021/22: liability £857,000). The pension scheme valuation at 31 July 2023 resulted in a pension surplus of £4.465m, but was restricted to nil as economic benefit from this surplus is not available via a reduction in future service contribution.

Changes in the assumptions applied by the scheme actuary, and in particular the 1.6% increase in the discount rate, resulted in the pension surplus (see note 22). This has resulted in better balance sheet position than if the financial assumptions at the start of the period had been used.

Treasury Policies and Objectives

Treasury management is the management of the College 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.

Short term borrowing for temporary revenue purposes is authorised by the Accounting Officer. Such arrangements are restricted by limits in the College's Financial Memorandum as agreed with the ESFA. All other borrowing requires the authorisation of the Governing Body.

CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE:

Cash Flows and Liquidity

The cash flow for 2022/23 showed an overall increase in cash and cash equivalents during the year of £999,000 (2021/22: increase in cash of £7,989,000). The statement of Cash Flows analyses the movements in cash flows in more detail. The Group complied with its bank covenants.

The Financial Implementation Plan recognises the need to retain sufficient cash reserves to both protect the College from the long-term effects of unforeseen financial events and to provide the financial resources to fund future developments, aligned to the Strategic Plan.

Payment Performance

The Late Payment of Commercial Debts (Interest) Act 1998 which came into force on 1 November 1998, requires Colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods and services or the date on which the invoice was received. The target set by the treasury for this is 95 per cent. During the year the College processed 6,010 invoices to suppliers and paid 66% within 30 days, 75% within 40 days and 87% within 60 days.

The average payment period was 40 days, where delays in payment days were resultant from either the late receipt of invoices from suppliers and/or the time taken to address queries and reach a resolution. The College incurred no interest charge in respect of late payment for this period.

REPORT OF THE GOVERNING BODY (CONTINUED)

Performance against the target is reviewed quarterly to ensure continued improvements are achieved.

Sources of Income

The College has significant reliance on the education sector funding bodies with funding from the ESFA, largely from recurrent grants, which in 2022/23 amounted to 67% of the Group's total income (2021/22: 65%).

Student Numbers

In 2022/23 the College has delivered learning activity to 1,526 16-19-year-old students that generated programme funding via the lagged ESFA methodology of £10,255,617 (2021/22: 1,642 16-19-year-old students, £10,370,327). In addition, the College has approximately 1,856 students (2021/22: 2,147) from other sources of funding.

Performance Indicators

The College measures progress against its strategic plan using several agreed key measures and targets aligned to the four strategic themes outlined in the overall College strategic plan. These key measures are currently under review in conjunction with a strategy refresh occurring in the autumn of 2023.

2022-23 was a challenging year for the College. As a college and a community, we supported students and staff through the cost-of-living crisis; we continued to work through the post-pandemic fall out, something that is disappointingly reflected in some of our technical qualification achievement rates and whilst this may be reflective of the national picture, it is nonetheless something we must robustly and determinedly tackle in the forthcoming academic year. Most profoundly, we also faced the tragic loss of three of our students, this was a devastating loss for their families, as well as our student and staff body.

Yet, through this adversity most of our students have amazing opportunities to shine, to learn new and relevant skills, to broaden their own horizons, access the very best learning resources, and make good progress in their chosen career paths. The College has continued to improve its information systems, embed digital resources and launch the Quality First Teaching framework, a unique process for teacher development. All of this demonstrates the Colleges ambition, to improve how we do things and that we live by our values, which we call our DNA; Delivering with Purpose, Taking Ownership, Building Trust and Always Learning.

Strategic Theme 1 – 'Technical and professional land-based curriculum which is high quality, industry relevant and enhances our students' employability.' Student progression is on target. Improving student achievement remains a core focus. The College remains graded good for Ofsted Education Inspection Framework (see page 15, Events After the End of the Reporting Period).

Strategic Theme 2 – 'Outstanding resources that deliver an exceptional and inclusive student experience.' Student satisfaction has seen some improvement since last year, however further work continues. The College retained its 'Outstanding' grade under the Ofsted care standards inspection framework during its latest inspection in January 2023. Progress in digital learning has been in ahead of expected targets.

REPORT OF THE GOVERNING BODY (CONTINUED)

Strategic Theme 3 – ‘Engagement bringing people and place together, to build mutually beneficial relationships and celebrate successes.’ Stakeholder engagement and public perception has made reasonably good progress. The recent Ofsted inspection under the Education Inspection Framework, graded the College as making a strong contribution to Skills. Commercial income has been subject to a legacy COVID-19 effect and has not reached expected target. Overall employer satisfaction is good.

Strategic Theme 4 – ‘Sustainability and wider contribution to the Circular Economy is embedded into College life.’ Operating Surplus is in line with expectations despite some significant in year challenges. ESFA financial health remains ‘Good’. The Climate Action Roadmap for FE Colleges is being used to support the College in mapping out its journey towards being a ‘Leading College’ on sustainability and a Climate Action Strategy has been developed as a mechanism to drive forward progress towards achieving net zero. Staff satisfaction has seen some progress but needs further improvement, significant challenges to working practise and pay are contributory factors. The College has achieved its accreditation to Investors in People setting down the platform to work up through the levels towards an ultimate vision of platinum.

Degree Awarding Powers

In January 2022, the College was awarded Foundation Degree Awarding Powers (FDAP), the College is currently the only landbased college with FDAP, and the achievement of awarding powers unlocks an ambitious plan for development of level 4 and level 5 provision which focuses on the needs of the bioeconomy.

This provision is planned to directly articulate with the identified needs of the York and North Yorkshire region, the Yorkshire and North Yorkshire LEP, the York Skills for Employment strategy, and is attuned to the needs of the Yorkshire and Humber IoT, of which the College is a key delivery partner for the provision of precision livestock, research and industry engagement.

Future Estates Developments

In June 2022, the College received notification that it has been successful with an application to the T Level Capital Funding Buildings and Facilities Improvement Grant for 50/50 matched grant funding of £1.15m. Together with a matched funded contribution for the College, the grant will be used to upgrade existing teaching facilities to provide a state-of-the-art learning environment, with immersive digital facilities for T Level delivery commencing in 2023/24 academic year.

PRINCIPAL RISKS AND UNCERTAINTIES:

The College’s ability to achieve its vision and strategic objectives is affected by its capacity to mitigate the risks and uncertainties it faces. The College has well established systems of internal control including financial, operational and risk management, which are designed to protect the solvency of the College, ensure effective and efficient use of resources and to safeguard its assets and reputation.

Based on the Strategic Plan, a risk register is maintained at both College (strategic) and department level which is continually reviewed by the Senior Leadership Team, appointed Risk Champions and the Risk Management Group to ensure that any emerging risks are identified, prioritised and mitigated and opportunities maximised. The Strategic Risk Register identifies the key risks and the impact and likelihood of those risks occurring. Risks are prioritised in a RAG (Red, Amber, Green) manner using a consistent scoring system which gives the College an easily recognised visual picture

REPORT OF THE GOVERNING BODY (CONTINUED)

but with appropriate detail beside each risk identify the appropriate controls and the actions being taken to reduce and mitigate the risks.

The College strategic risk register is presented for discussion at each meeting of the Audit Committee.

The strategic risk register, alongside the Key Corporate Measures and Targets, internal and external audits are the mechanisms designed to provide assurance of delivery of the Colleges Strategic Plan for the Corporation.

The broad categories of risk facing the College are outlined below. Not all the factors are within the College's control.

- Failure to generate sufficient income from the recruitment of students in a highly competitive environment and to deliver of training to meet the needs of employers (particularly apprenticeships).
- The extent to which the College can attract, retain, and develop high calibre people to drive continuous improvement and curriculum development.
- Ensuring long term financial sustainability to support delivery of the strategic plan.
- Failure to have controls and mitigations in place to avoid/reduce the likelihood of a serious cyber security incident.
- Failure to maintain a high-quality estate and to attract the necessary investment to respond to meet strategic objectives, curriculum needs and demands.

Our response to the risks has been:

- To focus the development of curriculum to meet local skills needs and enable access to funding.
- To facilitate the best possible student experience.
- To develop strategies to ensure students are retained and remain engaged and are offered appropriate opportunities to progress.
- To develop stakeholder relationships, engaging and involving employers in the design of the curriculum offer.
- To develop a comprehensive People Plan setting out people related initiatives and priorities, investing and developing talented staff.
- To work towards obtaining Cyber Essentials Plus accreditation, and invest in the appropriate skills and IT security infrastructure, staff awareness and training.
- To develop a long-term Estates Strategy which sets out the priorities and actions required in managing the estate efficiently and effectively.
- To seek appropriate professional advice and support in the development of an Estates Master Plan.

Of the risks identified, the risks of long term financial sustainability continues to present significant challenge caused by a combination of inflationary pressures, particularly escalating energy costs and pay demands despite funding levels remaining largely static. On 21 July 2023, the Department for Education (DfE) announced additional funding for colleges in 2023/24 to address key priorities, including the recruitment and retention of staff with additional funding being allocated by increasing the 16-19 base rate by a further 2.4% (with the band 5 rate increasing from £4,642 to £4,753) and by increasing the uplift from each 16-19 programme cost weighting by 30%.

REPORT OF THE GOVERNING BODY (CONTINUED)

EQUALITY, DIVERSITY AND INCLUSION:

Equal Opportunities

The College is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively, differences in race, belief, gender, sexual orientation, ability, class and age. We strive vigorously to remove conditions that place people at a disadvantage and we will actively combat discrimination.

The College Equality, Diversity and Inclusion (EDI) Policy which reflects the ethos of the College in relation to the protected characteristics as described by the Equality Act 2010 is available on the College website. The College considers all applications bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled every effort is made to ensure that employment with the College continues. Oversight of the College policy is the responsibility of the EDI Committee.

The College is committed to providing equality of opportunity and parity of treatment for all individuals, regardless of gender, age, disability, marital status, family/carer responsibilities, race, nationality, ethnicity, colour, religion/belief, political affiliation, gender reassignment, sexual orientation, philosophical belief, thereby engendering an environment in which people treat each other with mutual respect, irrespective of their background. This commitment is extended to past, present and future members of staff, Governors, students, applicants for employment/education and visitors to the College.

The College ensures equality opportunities by:

- Promoting good practice in all areas of College activity through clear guidance regarding equality of opportunity and establishing key principles and monitoring arrangements.
- Encouraging mutual respect within a caring community through celebrating and valuing diversity.
- Raising awareness through induction, training and sharing good practice.
- Meeting legal obligations required by relevant legislation. Reviewing and updating policies and procedures to ensure new and existing legislation is embedded.
- Preventing circumstances arising which could result in claims of discrimination against an individual or the College as a whole through identifying, challenging and removing unfair practices.
- Providing procedures and forums, through which concerns and complaints can be raised and appropriate, speedy action taken.

Streamlined Energy and Carbon Reporting

The College is committed to environmental sustainability and carbon reduction and to adopting appropriate measures to support the Government's net zero emissions by 2050 target as set out in the Climate Change Act 2008. The College recognises that it has a significant role to play in promoting sustainability and mitigating the impact of our operations on the environment and the lives of the individuals, communities and business we serve, with the potential to affect positive outcomes through community and educational engagement to work together towards a more environmentally sustainable future.

REPORT OF THE GOVERNING BODY (CONTINUED)

The College has taken the following measures in the year to improve energy efficiency:

- From 1 April 2023 renewable electricity has been purchased from SSE Energy Solutions, the electricity is guaranteed to be 100% renewable, sourced from wind and hydro assets.
- Installation of 12 Electric Vehicle charging points at the York campus for use by staff, students and visitors.
- Placing orders for replacement fleet vehicles to substitute aging vehicles with replacement fuel technology (replacement of diesel with petrol where possible) including 4 electric vehicles.
- Commencement of a programme of LED lighting replacements starting in student residential accommodation to reduce electricity usage.
- Installation of signage on waste bins to improve separation of waste.
- Upgrading the Building Management System at Stewart Park campus to improve the control of building services including heating and lighting.
- Funded L2 Sustainability qualification and L4 Certificate in Teaching and Learning for Sustainable Development made available to all staff and online training was delivered to managers to increase understanding of sustainability development goals.

The Streamlined Energy and Carbon Report (SECR) is the College's response to The Companies (Directors Report) and Limited Liability Partnership (Energy and Carbon Report Regulations 2018) that encompass March 2019 Environmental Reporting Guidelines and uses data for the year 1 August 2022 to 31 July 2023 and in order to compare, data from year 1 August 2021 to 31 July 2022 sets the baseline year for reporting purposes.

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per staff member, the recommended ratio for the sector.

| Greenhouse gas emissions and energy use data for the period - 1 August 2022 to 31 July 2023 | 2021 – 2022 (Baseline Year) | 2022 – 2023 |
|---|--------------------------------|---------------|
| Energy Consumption used to calculate emissions (kWh) | 4,386,418 | 4,115,150 |
| Energy consumption break down (kWh) | | |
| Gas | 1,184,483 | 1,076,392 |
| Other Heating Fuel | 271,420 | 192,723 |
| Electricity | 2,290,675 | 2,196,401 |
| Transport Fuel | 639,570 | 649,634 |
| Scope 1 emissions in metric tonnes CO₂e | | |
| Gas consumption | 216.95 | 196.48 |
| Other heating fuel consumption | 62.80 | 45.62 |
| Owned transport | 151.48 | 156.60 |
| Fugitive emissions from refrigerants | 98.01 | 98.40 |
| Total scope 1 | 529.24 | 497.12 |
| Scope 2 emissions in metric tonnes CO₂e | | |
| Purchased electricity | 486.38 | 424.74 |
| Total gross emissions in metric tonnes CO₂e | 1,015.62 | 921.86 |
| Intensity ratio (FTE staff) | 329 | 334 |
| Tonnes CO₂e per member of staff | 3.0870 | 2.7601 |

Total CO₂e for the year is 921.86 Tonnes, a reduction of 9% from the baseline year.

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 union officials in the relevant period | FTE employees |
|--|---------------|
| 3 | 3 |

| Percentage of time | No. of employees |
|--------------------|------------------|
| 0% | 0 |
| 1-50% | 3 |
| 51-99% | 0 |
| 100% | 0 |

| | |
|---|--------|
| Total cost of facility time | £2,650 |
| Total pay bill | £14m |
| Percentage of total bill spent on facility time | 0% |

| | |
|--|------|
| Time spent on paid trade union activities as a % of total paid facility time | 2.7% |
|--|------|

Events after the End of the Reporting Period

An Ofsted inspection of the College took place between 19 and 22 September 2023, with the College being reassessed as a 'Good' provider.

The College achieved the following grades:

| | |
|--|-------------|
| Overall effectiveness | Good |
| The quality of education | Good |
| Behaviour and attitudes | Good |
| Personal development | Good |
| Leadership and management | Good |
| Education programmes for young people | Good |
| Adult learning programmes | Good |
| Apprenticeships | Good |
| Provision for learners with high needs | Good |

The report highlighted Askham Bryan College learners benefit from a calm, purposeful and engaging learning environment that reflects many of the industries and professions to which they will progress. Ofsted has praised the strong relationships with councils, employers and industry organisations, and its strong contribution to meeting skills needs. Leaders and managers, review the curriculum frequently to keep it in line with industry standards and the needs of students, apprentices and employers. Teachers are suitably qualified with relevant industry experience. They use their knowledge well to ensure that students and apprentices are taught relevant and up-to-date techniques. Students and apprentices settle well into college life and have considerable opportunities to take part in competitions, social action projects and sporting events. The report notes that the arrangements for safeguarding are effective.

REPORT OF THE GOVERNING BODY (CONTINUED)

Future Prospects

Going Concern

The financial statements have been prepared on a going concern basis. In determining the appropriate basis of preparation of the financial statements, the Corporation is required to consider whether the College and the group can continue in operational existence for the foreseeable future.

Information in relation to the College's activities, together with the factors likely to affect future prospects, performance and position is set out in this Report of the Governing Body.

In preparing an assessment of going concern, the College has prepared a cautious and prudent financial forecast that covers the period from August 2023 to July 2025. This forecast has been based upon the financial plan approved by the Corporation in July 2023, adjusted to reflect subsequent and known changes in income and costs and actual 2022/23 performance.

Sensitivity analysis has been performed on these forecasts to consider the impact of potential changes in key assumptions, which has considered 2023/24 enrolment as at October 2023 and models the financial plan and cashflow implications of the expected 16-18 funding allocation for 2024/25 and limited cost mitigations in pay and non-pay budgets.

Whilst there remains some uncertainty in certain income streams, future enrolments, and the costs basis, forecast cash reserve levels remain robust and both banks remain supportive of the College.

On the basis of the latest forecasts, the Corporation has considered its financial plans and concluded that the College and the group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements.

The adoption of a going concern basis in the preparation of the financial statements for financial year 2022/23 is deemed appropriate.

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 14 December 2023 and signed on its behalf by:

Maureen Vevers



Maureen Vevers (Dec 14, 2023, 6:07pm)

Chair

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

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

The College endeavours to conduct its business:

- i. in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. in full accordance with the guidance to colleges from the Association of Colleges in The Code of Good Governance for English Colleges ("the Code");
- iii. having due regard with the guidance from the Committee of University Chairs (CUC) HE Code of Governance; and
- iv. having due regard to the UK Corporate Governance Code 2016 insofar as it is applicable to the further education sector.

The College is committed to exhibiting best practice in all aspects of corporate governance and in particular the College has adopted and complied with the Code.

In the opinion of the Governors, the College complies with/exceeds all the provisions of the Code, and it has complied throughout the year ended 31 July 2023. The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes full account of The Code of Good Governance for English Colleges issued by the Association of Colleges in March 2015 (amended 2019), which it formally adopted on 15 July 2015.

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

THE CORPORATION

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

| Name | Date of Appointment or Re-appointment | Term of Office | Date of Resignation | Status of Appointment | Committees Served | Attendance 22/23 (Corporation only) |
|----------------|---------------------------------------|----------------|---------------------|-----------------------|---------------------|-------------------------------------|
| Ms L Haigh | 13 May 2021 | 4 years | | Independent | Finance & GP | 5/5 |
| Ms A Jelley | 17 December 2022 | 4 years | | Independent | Quality & Standards | 5/5 |
| Ms T Lightfoot | 20 October 2022 | 2 years | | Independent | Quality & Standards | 4/4 |

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

| | | | | | | |
|---|------------------|------------|------------------|--------------------|---|-----|
| Mr D Lynch | 14 December 2019 | 4 years | | Independent | Finance &GP | 4/5 |
| Mr M Moorhouse | 16 December 2021 | 4 years | | Independent | Director College Companies Finance &GP (Chair) Search & Governance, Remuneration | 4/5 |
| Mr M Parkin | 13 July 2022 | 2 years | | Independent | Audit | 5/5 |
| Ms H Njie | 22 May 2023 | 2 years | | Independent | Audit | 0/1 |
| Mr G Osborn (Vice Chair – appointed 20 October 2022) | 17 December 2020 | 4 years | | Independent | Quality & Standards (Chair) Search & Governance Remuneration Director College Companies | 4/5 |
| Mr T Shaw | 16 December 2021 | 4 years | | | Audit (Chair), Quality & Standards, Search & Governance, Remuneration | 5/5 |
| Mrs M Vevers (Appointed Chair 11 February 2019) | 19 February 2020 | 4 years | | Independent | Search & Governance, Remuneration | 5/5 |
| Mr J Williams (Vice Chair) | 30 October 2021 | +1 year | 30 October 2022 | Independent | Finance &GP (Chair), Search and Governance, Remuneration | 1/1 |
| Ms E Wilkins | 12 March 2020 | 4 years | 1 September 2022 | Independent | Search and Governance, Remuneration (Chair) | 0/0 |
| Mr T Whitaker CEO | 19 April 2019 | Ex Officio | | Accounting Officer | Finance &GP, Search & Governance, Quality & Standards | 5/5 |

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

| | | | | | | |
|--|------------------|---------|--------------|------------------|---------------------|---------------------|
| Mr T Ali | 16 March 2023 | 4 years | | Staff Governor | | 1/3 |
| Ms D Lendhill | 16 March 2023 | 4 years | | Staff Governor | | 2/3 |
| Mr J Egan | 1 August 2022 | 1 year | 31 July 2022 | Student Governor | Quality & Standards | 2/5 |
| Ms S Fajemisin-Khan | 15 December 2022 | 1 year | 31 July 2022 | Student Governor | | 1/3 |
| Mr R Holding | 1 August 2023 | 1 year | | Student Governor | | 0/0 |
| Mr S Sudphum | 1 August 2023 | 1 year | | Student Governor | Quality & Standards | 0/0 |
| Mr P Hutchinson | 29 November 2022 | 2 years | | Co-optee | Audit | N/A |
| Mr C Moss | 17 December 2020 | 4 years | | Co-optee | Audit | N/A (in attendance) |
| Mr J Sadler | 1 March 2022 | 4 years | | Co-optee | Finance & GP | N/A |
| Miss J Clapham – acts as Clerk to the Corporation (appointed 6 January 2012) | | | | | | |

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 at least once a 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 Quality and Standards, Finance and General Purposes, Search and Governance, Remuneration and Audit. Full minutes of the Corporation meetings, except those deemed to be confidential by the Corporation, are available on the College's website at www.askham-bryan.ac.uk/the-college/governance or from the Director of Governance at:

Judith Clapham
 Director of Governance/Clerk to the Corporation
 Askham Bryan College, Askham Bryan, York, YO23 3FR

The Director of Governance maintains a register of financial and personal interests of the governors. The register is available from the Director of Governance 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

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

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 Chairman and Accounting Officer are separate.

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 search committee, consisting of Chairs of the Committees, 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. Members cannot serve for more than two terms of office (maximum of 8 years), except in exceptional circumstances and not without the specific approval of the Corporation.

Corporation Performance

An internal audit on Corporate Governance provided substantial assurance and its Self-Assessment Report for 2022/23, the College has self-assessed as Good for overall effectiveness and effectiveness of Leadership and Management, which has been subjected to external verification by Land Based Colleges Aspiring to Excellence (LANDEX) and also the enhanced Ofsted inspection.

The governing body is committed to development and in order to achieve more effective and efficient governance, a Governor Self-Assessment procedure is in place to address any areas for development and identify any training needs. Annually and collectively the Corporation reviews itself. The process includes an evaluation of papers, meetings, attendance and an assessment against Committee Terms of Reference.

During the year Governors have undertaken a series of online mandatory training sessions on topics including Safeguarding, Prevent, Equality and Diversity. Governors have participated in an Understanding College Finance session and for those that required it appraisal and performance management and recruitment. Briefings in curriculum and corporate support areas for Governors provide opportunities to meet with students and staff. The Clerk/Director of Governance engaged in governance sessions delivered by the Education Training Foundation, AoC and the Clerks' Network.

The governing body has considered DfE guidance on board reviews and has commissioned an external review in 2023/24.

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Remuneration Committee

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

Details of remuneration for the year ended 31 July 2023 are set out in note 6 to the financial statements.

Audit Committee

The Audit Committee comprises up to five members (excluding the Accounting Officer 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 auditors, 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 auditors, reporting accountants and financial statements auditors and their remuneration for audit and non-audit work as well as reporting annually to the Corporation.

Finance and General Purposes Committee

The Finance and General Purposes Committee monitors the College's financial position and assists the Corporation in enabling it to discharge its financial responsibility, examining annual estimates and accounts (including the accounting policies on which they are based) and recommending their approval to the Corporation.

Quality and Standards Committee

The Quality and Standards Committee advises the Corporation on matters of quality and standards, monitoring quality assurance processes and the Self-Assessment Report and evaluating the College's performance against national benchmarks.

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

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

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/Chief Executive, 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 the Accounting Officer is personally responsible, in accordance with the responsibilities assigned to the Accounting Officer in the Funding Agreement between the College

and the funding bodies. The Accounting Officer 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 at the College for the year ended 31 July 2023 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

The risk and control framework

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

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

Page 11 of the Report of the Governing Body set out how the Corporation manage risk and identifies the principle risks and uncertainties facing the College.

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

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

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. In addition to the Risk Register the College Management and Governors have developed a Board Assurance Framework, showing the mapping of assurance sources against the risks identified. Independent reports are provided on internal audit activity in the College to the Audit Committee and in turn to the governing body. The Audit Committee produce an annual report on the effectiveness of the College's system of risk management, controls and governance processes.

Review of effectiveness

As Accounting Officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. Their 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 and the appointed funding auditors (where relevant) in their management letters and other reports
- the work of other audits conducted and guidance provided by external professional organisations
- the review of its policies and procedures which has resulted in a programme of revision

The Accounting Officer has been advised on the implications of the result of their 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.

No significant internal control weaknesses or failure have arisen during the course of the year. Four internal audits have been completed covering risk management, HR recruitment and retention, student records (adult education budget), quality of learner experience (inclusive services). The audits have provided adequate assurance.

The DfE and ESFA 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 explained plans to introduce a college financial handbook in 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.

The Senior Leadership 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 Leadership 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

STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

from the Senior Leadership Team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its 14 December 2023 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2023 by considering documentation from the Senior Leadership Team and internal audit, and taking account of events since 31 July 2023.

Internal audits conducted within the year have provided assurance to the Audit Committee as to the adequacy and effectiveness of the College's risk management, control and governance processes.

Due consideration is given to funding agreements and contracts with the ESFA which are then embedded and monitored within internal control and governance processes to ensure effective and efficient use of resources, solvency of the institution and safeguarding of assets. The Corporation has met its contractual responsibilities under its funding agreements and contracts with the ESFA.

Based on the advice of the Audit Committee and the Accounting Officer, 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 14 December 2023 and signed on its behalf by:



Maureen Ververs (Dec 14, 2023, 6:07pm)
Chair



Tim Whitaker (Dec 14, 2023, 6:20pm)
Dr Tim Whitaker
Accounting Officer

GOVERNING BODY'S STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE WITH FUNDING BODY TERMS AND CONDITIONS OF FUNDING

The Corporation has considered its responsibility to notify the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of funding, under the College's Funding Agreement and contracts with the ESFA. As part of our consideration we have had due regard to the requirements of the Funding Agreement, and contracts with the ESFA.

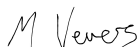
We confirm on behalf of the Corporation, that after due enquiry, and to the best of our knowledge, we are able to identify any material irregular or improper use of funds by the College, or material non-compliance with the terms and conditions of funding under the College's funding agreement.

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



Tim Whitaker (Dec 14, 2023, 6:20pm)

Dr Tim Whitaker
Accounting Officer
14 December 2023



Maureen Vevers (Dec 14, 2023, 6:07pm)

Maureen Vevers
Chair
14 December 2023

STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION

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

Within the terms and conditions of the Corporation'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 Corporation 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 UK 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 its website; the work carried out by auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the Corporation are responsible for ensuring that expenditure and income are applied for the purposes intended by Parliament and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from the ESFA and any other public funds are used only in accordance with the ESFA's grant funding agreements and contracts and any other conditions that may be prescribed from time to time by the ESFA or any other public funder. Members of the Corporation must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly. In addition, members of the Corporation are responsible for securing economical, efficient

STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION (CONTINUED)

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 the ESFA and other public bodies are not put at risk.

Approved by order of the members of the Corporation on 14 December 2023 and signed on its behalf by:



Maureen Vevers (Dec 14, 2023, 6:07pm)

Maureen Vevers

Chair

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF ASKHAM BRYAN COLLEGE

OPINION

We have audited the financial statements of ASKHAM BRYAN COLLEGE (the "College") and its subsidiaries (the "Group") for the year ended 31 July 2023 which comprise the consolidated and College Statements of comprehensive income, the consolidated Statement of changes in reserves, the consolidated and College Balance sheets, the consolidated Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Further Education SORP 2019 and the College Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Group's and the College's affairs as at 31 July 2023 and of the Group's and the College's total comprehensive surplus of income over expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Further Education SORP 2019 and the College Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

BASIS OF 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 United Kingdom, including the Financial Reporting Council'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 Corporation's 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 Corporation'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 Members of the Corporation with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF ASKHAM BRYAN COLLEGE (CONTINUED)

OTHER INFORMATION

The Members of the Corporation are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 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 or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE OFFICE FOR STUDENTS' ACCOUNTS DIRECTION

In our opinion, in all material respects:

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Group and the College and its environment obtained in the course of the audit, we have not identified material misstatements in the Corporation's report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the College financial statements are not in agreement with the accounting records and returns; or
- all the information and explanations required for the audit were not received; or
- the going concern basis of accounting and disclosure of material uncertainties is appropriate.

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 notes to the accounts, has been materially misstated.

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF ASKHAM BRYAN COLLEGE (CONTINUED)

- the College's expenditure on access and participation activities for the financial year has been materially misstated.

RESPONSIBILITIES OF MEMBERS OF THE CORPORATION

As explained more fully in the Statement of responsibilities of the Members of the Corporation, the Corporation is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the Corporation members 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 Group's and 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 Group or 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the responsible individual ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Corporation through discussions with the Corporation and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operation of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management;
- identified laws and regulations were communicated within the audit team regularly and the team; and
- remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Corporation's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF ASKHAM BRYAN COLLEGE (CONTINUED)

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- tested the operating effectiveness of key controls over purchase cycles on a sample basis; and
- reviewed the application of accounting policies including the application of capitalisation of tangible assets, and timing of recognition of grant income; and
- Considered during our work on regularity, propriety and compliance.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governances; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The 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 20 May 2022. Our audit work has been undertaken so that we might state to the Corporation, as a body, those matters we are engaged to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation, as a body, for our audit work, for this report, or for the opinions we have formed.

Karen Rae

Karen Rae (BSCA ACP 437194)

for and on behalf of
Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors
Leeds
Date: 19 Dec 2023

REPORTING ACCOUNTANTS ASSURANCE REPORT ON REGULARITY TO THE CORPORATION OF INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF ASKHAM BRYAN COLLEGE AND SECRETARY OF STATE FOR EDUCATION ACTING THROUGH THE EDUCATION AND SKILLS FUNDING AGENCY (the ESFA)

In accordance with the terms of our engagement letter dated 20 May 2022 and further to the requirements and conditions of funding in the ESFA's grant funding agreements and contracts, or those of any other public funder, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest that in all material respects, the expenditure disbursed and income received by Askham Bryan College during the period 1 August 2022 to 31 July 2023 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

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. In line with this framework, our work has specifically not considered income received from the main funding grants generated through the Individualised Learner Record (ILR) data returns, for which the ESFA has other assurance arrangements in place.

This report is made solely to the Corporation of Askham Bryan College and 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 Askham Bryan College and 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 Askham Bryan College and the ESFA for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of ASKHAM BRYAN COLLEGE and the reporting accountant

The Corporation of Askham Bryan College is responsible, under the requirements of the Further and Higher Education Act 1992, subsequent legislation and related regulations and guidance, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Code issued by the ESFA. We performed a limited assurance engagement as defined in that framework. 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 consequently 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.

REPORTING ACCOUNTANTS ASSURANCE REPORT ON REGULARITY TO THE CORPORATION OF ASKHAM BRYAN COLLEGE AND SECRETARY OF STATE FOR EDUCATION ACTING THROUGH THE EDUCATION AND SKILLS FUNDING AGENCY (the ESFA) (CONTINUED)

Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity of the Group and College's income and expenditure.

The work undertaken to draw our conclusion includes:

- A review of the accuracy of the Corporation's self-assessment of compliance with regularity and propriety requirements and review of appropriate evidence and documentation.
- Review of expenditure systems for compliance with corporation policy and scheme of delegation.
- Consideration of staff expense claims in line with policy
- Review of procedures in respect of government procurement cards.
- Review of Corporation minutes.
- Consideration of advisory matters from internal auditors reports.

Conclusion

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

Karen Rae

19 December 2023

Karen Rae (Dec 19, 2023, 4:21pm)

Karen Rae, FCCA

For and on behalf of

Armstrong Watson Audit Limited

Chartered Accountants & Statutory Auditors

Leeds

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

| | Notes | Year ended 31 July 2023 | | | Year ended 31 July 2022 | | |
|--|---------|-------------------------|----------------------------|---------------|-------------------------|----------------------------|---------------|
| | | Continued Operations | Discontinued Operations | Total | Continued Operations | Discontinued Operations | Total |
| | | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| INCOME | | | | | | | |
| Funding body grants | 2 | 19,183 | - | 19,183 | 17,350 | 1,194 | 18,544 |
| Tuition fees and education contracts | 3 | 3,906 | - | 3,906 | 4,234 | - | 4,234 |
| Other grants and contracts | 4 | 298 | - | 298 | 421 | - | 421 |
| Other income | 5 | 5,107 | - | 5,107 | 4,776 | 357 | 5,133 |
| Total income | | 28,494 | - | 28,494 | 26,781 | 1,551 | 28,332 |
| EXPENDITURE | | | | | | | |
| Staff costs | 6 | 14,207 | - | 14,207 | 15,130 | 208 | 15,338 |
| Other operating expenses | 7 | 12,398 | - | 12,398 | 10,865 | 602 | 11,467 |
| Depreciation and amortisation | 10 & 11 | 1,709 | - | 1,709 | 1,551 | - | 1,551 |
| Impairment loss on assets | 11 | - | - | - | - | (1,822) | (1,822) |
| Interest and other finance costs | 8 | 259 | - | 259 | 422 | - | 422 |
| Pension provision | 18 | - | - | - | - | - | - |
| Total expenditure | | 28,573 | - | 28,573 | 27,968 | (1,012) | 26,956 |
| (Deficit)/Surplus before other gains and losses | | (79) | - | (79) | (1,187) | 2,563 | 1,376 |
| Gain/(loss) on disposal of assets | 1 | - | - | 1 | (2) | (1,374) | (1,376) |
| (Deficit) for the year | | (78) | - | (78) | (1,189) | 1,189 | - |
| Actuarial (loss)/gain in respect of pensions schemes | 22 | 1,337 | - | 1,337 | 12,246 | - | 12,246 |
| Total Comprehensive Income for the year | | 1,259 | - | 1,259 | 11,057 | 1,189 | 12,246 |

There were no recognised gains or losses other than as reported above.

The accompanying accounting policies and notes on pages 39 to 64 form part of these financial statements

COLLEGE STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

| | Notes | Year ended 31 July 2023 | | | Year ended 31 July 2022 | | |
|--|---------|-------------------------|-------------------------|---------------|-------------------------|-------------------------|---------------|
| | | Continued Operations | Discontinued Operations | Total | Continued Operations | Discontinued Operations | Total |
| | | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| INCOME | | | | | | | |
| Funding body grants | 2 | 19,183 | - | 19,183 | 17,350 | 1,194 | 18,544 |
| Tuition fees and education contracts | 3 | 3,906 | - | 3,906 | 4,234 | - | 4,234 |
| Other grants and contracts | 4 | - | - | - | - | - | - |
| Other income | 5 | 3,698 | - | 3,698 | 3,561 | - | 3,561 |
| Total income | | 26,787 | - | 26,787 | 25,145 | 1,194 | 26,339 |
| EXPENDITURE | | | | | | | |
| Staff costs | 6 | 13,812 | - | 13,812 | 14,640 | 208 | 14,848 |
| Other operating expenses | 7 | 11,207 | - | 11,207 | 9,877 | 367 | 10,244 |
| Depreciation and amortisation | 10 & 11 | 1,646 | - | 1,646 | 1,509 | - | 1,509 |
| Impairment loss on assets | 11 | - | - | - | - | (1,822) | (1,822) |
| Interest and other finance costs | 8 | 259 | - | 259 | 422 | - | 422 |
| Intercompany loan provision | | (73) | - | (73) | 539 | - | 539 |
| Pension provision | 18 | - | - | - | - | - | - |
| Total expenditure | | 26,851 | - | 26,851 | 26,987 | (1,247) | 25,740 |
| (Deficit)/Surplus before other gains and losses | | (64) | - | (64) | (1,842) | 2,441 | 599 |
| Gain/(loss) on disposal of assets | | 1 | - | 1 | (2) | (1,362) | (1,364) |
| (Deficit) for the year | | (63) | - | (63) | (1,844) | 1,079 | (765) |
| Actuarial (loss)/gain in respect of pensions schemes | 22 | 1,337 | - | 1,337 | 12,246 | - | 12,246 |
| Total Comprehensive Income for the year | | 1,274 | - | 1,274 | 10,402 | 1,079 | 11,481 |

There were no recognised gains or losses other than as reported above

The accompanying accounting policies and notes on pages 39 to 64 form part of these financial statements

CONSOLIDATED AND COLLEGE STATEMENT OF CHANGES IN RESERVES

| Group | Income and expenditure account £'000 | Total £'000 |
|---|---|----------------|
| Balance at 1 August 2021 | 9,921 | 9,921 |
| Deficit from the income and expenditure account | - | - |
| Other comprehensive income | 12,247 | 12,247 |
| Balance at 31 July 2022 | 22,168 | 22,168 |
| Balance at 1 August 2022 | 22,168 | 22,168 |
| Deficit from the income and expenditure account | (78) | (78) |
| Other comprehensive income | 1,337 | 1,337 |
| Balance at 31 July 2023 | 23,427 | 23,427 |

| College | Income and expenditure account £'000 | Total £'000 |
|---|---|----------------|
| Balance at 1 August 2021 | 9,543 | 9,543 |
| Surplus/(Deficit) from the income and expenditure account | (765) | (765) |
| Other comprehensive income | 12,246 | 12,246 |
| Balance at 31 July 2022 | 21,025 | 21,025 |
| Balance at 1 August 2022 | 21,025 | 21,025 |
| Surplus/(Deficit) from the income and expenditure account | (63) | (63) |
| Other comprehensive income | 1,337 | 1,337 |
| Balance at 31 July 2023 | 22,299 | 22,299 |

BALANCE SHEETS AS AT 31 JULY

| | Notes | Group | College | Group | College |
|--|-------|----------------|----------------|----------------|----------------|
| | | 2023 £'000 | 2023 £'000 | 2022 £'000 | 2022 £'000 |
| Non-current assets | | | | | |
| Intangible fixed assets | 10 | 439 | 439 | 287 | 287 |
| Tangible fixed assets | 11 | 28,635 | 28,291 | 27,645 | 27,305 |
| Investments | 12 | 127 | 15 | 123 | 15 |
| | | 29,201 | 28,745 | 28,055 | 27,607 |
| Current assets | | | | | |
| Stocks | 13 | 547 | - | 526 | - |
| Trade and other receivables | 14 | 862 | 1,108 | 690 | 1,537 |
| Cash and cash equivalents | 19 | 13,694 | 13,139 | 12,703 | 11,533 |
| | | 15,103 | 14,247 | 13,919 | 13,070 |
| Less: Creditors – amounts falling due within one year | 15 | (4,731) | (4,547) | (4,534) | (4,380) |
| Net current assets | | 10,372 | 9,700 | 9,385 | 8,690 |
| Total assets less current liabilities | | 39,573 | 38,445 | 37,440 | 36,297 |
| Creditors – amounts falling due after more than one year | 16 | (15,328) | (15,328) | (13,675) | (13,675) |
| Provisions | | | | | |
| Other provisions | 18 | (818) | (818) | (740) | (740) |
| Defined benefit obligations | 22 | - | - | (857) | (857) |
| Total net assets | | 23,427 | 22,299 | 22,168 | 21,025 |
| Unrestricted Reserves | | | | | |
| Income and expenditure account | | 23,427 | 22,299 | 22,168 | 21,025 |
| Total unrestricted reserves | | 23,427 | 22,299 | 22,168 | 21,025 |

The financial statements on pages 34 to 64 were approved and authorised for issue by the Corporation on 14 December 2023 and were signed on its behalf on that date by:

M Vevers

Maureen Vevers (Dec 14, 2023, 6:07pm)
Maureen Vevers
Chair

Tim Whitaker

Tim Whitaker (Dec 14, 2023, 6:20pm)
Dr Tim Whitaker
Accounting Officer

CONSOLIDATED STATEMENT OF CASH FLOWS

| | 2023 | 2022 |
|---|---------------|----------------|
| | £'000 | £'000 |
| Cash flow from operating activities | | |
| Surplus/(Deficit) for the year | (78) | - |
| Depreciation and impairment | 1,709 | 1,551 |
| (Increase)/Decrease in stocks | (21) | 339 |
| Decrease/(Increase) in debtors | (172) | 42 |
| (Decrease)/Increase in creditors due within one year | 308 | (1,062) |
| Decrease in creditors due after one year | (938) | (1,808) |
| Increase in provisions | 78 | - |
| Pensions costs less contributions payable | 468 | 1,473 |
| Adjustment for investing or financing activities | | |
| Investment income | (104) | - |
| Interest payable | 259 | 422 |
| (Gain)/Loss on sale of fixed assets | (1) | (446) |
| Net cash flow from operating activities | 1,508 | 511 |
| Investing activities | | |
| Proceeds from sale of fixed assets | 17 | 11,947 |
| Investment Income | 104 | 1 |
| Payments made to acquire fixed assets | 69 | (831) |
| | 190 | 11,117 |
| Financing activities | | |
| Interest paid | (247) | (235) |
| Repayments of amounts borrowed | (460) | (3,404) |
| | (707) | (3,639) |
| Increase/(Decrease) in cash and cash equivalents in the year | 991 | 7,989 |
| Cash and cash equivalents at beginning of the year | 12,703 | 4,714 |
| Cash and cash equivalents at end of the year | 13,694 | 12,703 |

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.

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 2021 to 2022* 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 as modified by the revaluation of certain fixed assets.

The Consolidated accounts are presented in Sterling which is also the functional currency of the College.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

In accordance with FRS102 the College has taken advantage of the exemptions from the following disclosures in respect of its individual financial statements. These disclosures are given on a consolidated basis:

- Statement of Cash Flows - Presentation of a Statement of Cash Flows and related notes and disclosures.

Basis of Consolidation

The consolidated financial statements include the College and its subsidiaries, Askham Bryan College Company Limited and Askham Bryan College Enterprises Limited both of which are controlled by the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Under the purchase method of accounting, the results of subsidiary and associated undertakings acquired or disposed of during the year are included in the consolidated income and expenditure account from or up to the date on which control of the undertaking passes. Intra-group sales and profits are eliminated fully on consolidation. In accordance with FRS 102, the activities of the student union have not been consolidated because the College does not control those activities. All financial statements are made up to 31 July 2023.

Going Concern

The activities of the College, together with the factors likely to affect its future development and performance are set out in the Report of the Governing Body. The financial position of the College, its cash flow, liquidity and borrowings are presented in the Financial Statements and accompanying notes.

In preparing an assessment of going concern, the College has prepared a cautious and prudent financial forecast that covers the period from August 2023 to July 2025. This forecast has been based upon the financial plan approved by the Corporation in July 2023, adjusted to reflect subsequent and known changes in income and costs and actual 2022/23 performance.

Sensitivity analysis has been performed on these forecasts to consider the impact of potential changes in key assumptions, which has considered 2023/24 enrolment as at October 2023 and models the financial plan and cashflow implications of the expected 16-18 funding allocation for 2024/25 and limited cost mitigations in pay and non-pay budgets.

Whilst there remains some uncertainty in certain income streams, future enrolments, and the costs basis, forecast cash reserve levels remain robust and the banks remain supportive of the College.

On the basis of the latest forecasts, the Corporation has considered its financial plans and concluded that the College and the group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements.

The adoption of a going concern basis in the preparation of the financial statements for financial year 2022/23 is deemed appropriate.

Recognition of Income

Revenue Grant Funding

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

The recurrent grant from the Office for Students 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 FRS102. The deferred income is allocated between creditors due within one year and those due after one year. 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.

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, Apprenticeship employer support grants and Higher Education Access to Learning Fund. 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.

Local 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. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in interest and other finance costs.

Actuarial gains and losses are recognised immediately in other comprehensive income.

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.

Non-Current Assets – Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to the 2015 FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Land and buildings

Freehold buildings are depreciated on a straight-line basis over their expected useful lives of between 20 and 50 years. The College has a policy of depreciating major adaptations to buildings over the period of their useful economic life of between 20 and 50 years. Alterations and reconfigurations are depreciated over the period of their useful economic life of between 10 and 20 years.

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

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.

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 1996, 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 income 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 £2,000 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:

- motor vehicles 3-10 years
- computer equipment 3-5 years
- furniture, fixtures and fittings 3-25 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.

Intangible assets

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, and for purchased computer software this is 3 or 5 years.

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 1st August 2014 are spread over the minimum lease term. The College has taken advantage of the transitional exemptions in FRS 102 and has retained the policy of spreading lease premiums and incentives to the date of the first market rent review for leases signed before 1st August 2014.

Investments in Subsidiaries

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

Stocks

Livestock, crops, fertilisers and sundry stock are valued as at the end of the financial year by Stephenson and Sons (and Hexham & Northern Marts 2021/22). Produce and livestock are valued on a deemed cost basis and all other stocks are valued at cost.

Animals which are utilised for educational purposes in both the College and Askham Bryan College Enterprises Ltd have no value attributed to them.

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 Group 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.

Foreign currency translation

Transactions denominated in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the financial period with all resulting exchange differences being taken to income in the period in which they arise.

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, and typically is restricted to claim less than 9% 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.

The College's subsidiary companies are subject to corporation tax and VAT in the same way as any commercial organisation.

Provisions and contingent liabilities

Provisions are recognised when the Group 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 Group 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 Group. 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.

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 Group 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.
- Determine whether there are indicators of impairment of the group's tangible and intangible assets. 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. See note 11 for details of impairment loss on assets in the year.

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 group carrying value of tangible fixed assets at 31 July 2023 is £28,635,000 (2021/22: £27,645,000)

- ***Local Government Pension Scheme***

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 July 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. The valuation at 31 July 2023 has resulted in a pension surplus of £4.465m however, this has been restricted to nil as economic benefit from this surplus is not available via a reduction in future service

contributions. As on 31 July 2023, there is a nil net asset / liability position (2021/22: liability of £857,000).

- ***Pension Provision***

Historical issues have been identified which may result in the College owing additional pension contributions. The College has a plan to investigate and resolve all issues, however, the value and timing of any payments which may be payable are uncertain if the balance sheet date. The provision made of £818,000 (2021/22: £740,000) reflects the best estimate of costs to settle the issue.

| 2 Funding body grants | Year ended 31 July | | Year ended 31 July | |
|--|--------------------|---------------|--------------------|---------------|
| | 2023 | 2023 | 2022 | 2022 |
| | Group | College | Group | College |
| | £'000 | £'000 | £'000 | £'000 |
| Recurrent grants | | | | |
| Education and Skills Funding Agency - adult | 1,092 | 1,092 | 1,048 | 1,048 |
| Education and Skills Funding Agency – 16-18 | 14,042 | 14,042 | 12,544 | 12,544 |
| Education and Skills Funding Agency – apprenticeships | 2,013 | 2,013 | 2,110 | 2,110 |
| Office for Students | 693 | 693 | 630 | 630 |
| Specific grants | | | | |
| Education and Skills Funding Agency – provider relief scheme | - | - | - | - |
| Teacher Pension Scheme contribution grant | 453 | 453 | 389 | 389 |
| Releases of government capital grants | 865 | 865 | 1,794 | 1,794 |
| Education and Skills Funding Agency | 25 | 25 | 29 | 29 |
| Total | 19,183 | 19,183 | 18,544 | 18,544 |

| Grant and Fee Income Analysis | Year ended 31 July | | Year ended 31 July | |
|---|--------------------|---------------|--------------------|---------------|
| | 2023 | 2023 | 2022 | 2022 |
| | Group | College | Group | College |
| | £'000 | £'000 | £'000 | £'000 |
| Grant Income from the Office for Students | 693 | 693 | 630 | 630 |
| Grant income from other bodies | 18,490 | 18,490 | 17,914 | 17,914 |
| Fee income for higher education taught awards | 3,335 | 3,335 | 3,677 | 3,677 |
| Total | 22,518 | 22,518 | 22,221 | 22,221 |

The fee income included in the above analysis includes courses at Level 4 and above.

| 3 Tuition fees and education contracts | Year ended 31 July | | Year ended 31 July | |
|--|--------------------|--------------|--------------------|--------------|
| | 2023 | 2023 | 2022 | 2022 |
| | Group | College | Group | College |
| | £'000 | £'000 | £'000 | £'000 |
| Fees for FE loan supported courses | 327 | 327 | 439 | 439 |
| Fees for HE loan supported courses | 3,335 | 3,335 | 3,677 | 3,677 |
| Apprenticeship fees and contracts | 38 | 38 | 104 | 104 |
| Education contracts | - | - | 14 | 14 |
| International student fees | 206 | 206 | - | - |
| Total | 3,906 | 3,906 | 4,234 | 4,234 |

| 4 Other grants and contracts | Year ended 31 July | | Year ended 31 July | |
|--|--------------------|----------|--------------------|----------|
| | 2023 | 2023 | 2022 | 2022 |
| | Group | College | Group | College |
| | £'000 | £'000 | £'000 | £'000 |
| Other grants and contracts | 298 | - | 421 | - |
| Coronavirus Job Retention Scheme grant | - | - | - | - |
| Total | 298 | - | 421 | - |

| 5 Other income | Year ended 31 July | | Year ended 31 July | |
|------------------------------------|--------------------|--------------|--------------------|--------------|
| | 2023 | 2023 | 2022 | 2022 |
| | Group | College | Group | College |
| | £'000 | £'000 | £'000 | £'000 |
| Catering and residences | 2,947 | 2,947 | 2,756 | 2,756 |
| Other income generating activities | 2,056 | 647 | 2,377 | 804 |
| Total | 5,003 | 3,594 | 5,133 | 3,560 |

6 Staff costs

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

| | 2023 | 2023 | 2022 | 2022 |
|--|---------------|---------------|---------------|---------------|
| | Group | College | Group | College |
| | No. | No. | No. | No. |
| Teaching staff | 189 | 189 | 205 | 205 |
| Non-teaching staff | 271 | 253 | 269 | 246 |
| | 460 | 442 | 474 | 451 |
| Staff costs for the above persons | 2023 | 2023 | 2022 | 2022 |
| | £'000 | £'000 | £'000 | £'000 |
| Wages and salaries | 10,329 | 10,021 | 10,417 | 9,964 |
| Social security costs | 933 | 911 | 858 | 901 |
| Other pension costs | 2,706 | 2,641 | 3,591 | 3,511 |
| Payroll subtotal | 13,968 | 13,573 | 14,866 | 14,376 |
| Restructuring costs – Contractual | 239 | 239 | 472 | 472 |
| Total Staff Costs | 14,207 | 13,812 | 15,338 | 14,848 |

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 College Executive Team which comprises the Principal/Chief Executive Officer, Vice Principals, Chief Financial Officer, Director of Governance and one member of the Senior Leadership Team – the Executive Director of People and Organisational Development.

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

| | 2023 | 2022 |
|---|------|------|
| | No. | No. |
| The number of key management personnel including the Accounting Officer | 8 | 9 |

| | Key Management Personnel | | Other Staff | |
|---------------------------|--------------------------|----------|-------------|----------|
| | 2023 | 2022 | 2023 | 2022 |
| | No. | No. | No. | No. |
| £50,000 to £54,999 p.a. | 1 | 2 | - | - |
| £55,000 to £59,999 p.a. | 1 | - | - | - |
| £60,000 to £64,999 p.a. | - | 1 | 2 | 3 |
| £65,000 to £69,999 p.a. | 1 | - | - | - |
| £70,000 to £74,999 p.a. | 2 | 2 | - | - |
| £75,000 to £79,999 p.a. | - | - | - | - |
| £80,000 to £84,999 p.a. | 1 | 3 | - | - |
| £85,000 to £89,999 p.a. | 1 | - | - | - |
| £90,000 to £94,999 p.a. | - | - | - | - |
| £120,000 to £124,999 p.a. | 1 | 1 | - | - |
| | 8 | 9 | 2 | 3 |

Including part time workers grossed up to full time equivalents, 2 members of other staff was paid in the £60,000 – £64,999 p.a banding (2021/22: 3)

Key management personnel remuneration is made up as follows:

| | 2023 | 2022 |
|---|------------|------------|
| | £'000 | £'000 |
| Salaries | 595 | 516 |
| Employer's national Insurance | 74 | 63 |
| Benefits in kind | 4 | 4 |
| Pension contributions | 134 | 113 |
| Total key management personnel compensation | 807 | 696 |

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

| | 2023 | 2022 |
|-------------------------------|------------|------------|
| | £'000 | £'000 |
| Salaries | 127 | 122 |
| Employer's national insurance | 17 | 16 |
| Benefits in kind | 1 | 1 |
| Pension contributions | 30 | 29 |
| | 175 | 168 |

The Principal and Chief Executive Officer resides in a College property rent free at the York site to better aid the performance of their duties including safeguarding responsibility for the large number of under-18 learners resident on-site, which informs the full-time and permanent presence of a senior postholder on-site.

The governing body has adopted AoC's Senior Staff Remuneration Code in July 2019 and assesses pay in line with its principles at meetings of the Remuneration Committee.

The remuneration package of the Principal/Chief Executive is subject to annual review by the Remuneration Committee of the governing body who use benchmarking information to provide objective guidance.

The Principal/Chief Executive reports to the Chair of Corporation, who undertakes an annual review of their performance against the College's overall objectives using both qualitative and quantitative measures of performance.

Median Pay 2023

Median basic salary of the Principal and Chief Executive expressed as a multiple of all other employees:
Accounting Officer 1 August 2022 to 31 July 2023 4.6 (2021/22: 4.9)

Median total emoluments of the Principal and Chief Executive expressed as a multiple of all other employees:
Accounting Officer 1 August 2022 to 31 July 2023 5.3 (2021/22: 5.1)

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

7 Other operating expenses

| | 2023 | 2023 | 2022 | 2022 |
|--------------------|---------------|---------------|---------------|---------------|
| | Group | College | Group | College |
| | £'000 | £'000 | £'000 | £'000 |
| Teaching costs | 2,608 | 2,608 | 2,261 | 2,261 |
| Non-teaching costs | 5,735 | 4,544 | 5,614 | 4,391 |
| Premises costs | 4,055 | 4,055 | 3,592 | 3,592 |
| Total | 12,398 | 11,207 | 11,467 | 10,244 |

| Other operating expenses include: | 2023 | 2022 |
|---|-------|-------|
| | £'000 | £'000 |
| Auditors' remuneration: | | |
| Financial statements audit FY 2021/22 | - | 4 |
| Financial statements audit FY 2022/23* | 82 | 82 |
| Other services provided by the financial statements auditors FY 2021/22 | 6 | 7 |
| Other services provided by the financial statements auditors FY 2022/23 | 5 | 5 |
| Internal audit | 24 | 26 |
| Gains/(losses) on disposal of non-current assets | (1) | 446 |
| Hire of assets under operating leases | 706 | 707 |

* The Financial statement audit cost is split between the Group – College £63k, Askham Bryan College Company Ltd £10k and Askham Bryan College Enterprises Ltd £9k.

8 Interest and other finance costs – Group and College

| | 2023 | 2022 |
|---|-------------------|-------------------|
| | £'000 | £'000 |
| On bank loans, overdrafts and other loans | 247 | 235 |
| | <u>247</u> | <u>235</u> |
| Pension finance costs (note 22) | 12 | 187 |
| Total | <u>259</u> | <u>422</u> |

9 Taxation – Group Only

| | 2023 | 2022 |
|--------------------------------|-----------------|-----------------|
| | £'000 | £'000 |
| United Kingdom corporation tax | - | - |
| Total | <u>-</u> | <u>-</u> |

The members do not believe that the College was liable for any corporation tax arising out of its activities during either year. The subsidiaries are subject to corporation tax, however, the loss generated in College has resulted in group relief reducing the charge to nil in both years.

10 Intangible fixed assets – Group and College

| | Software | Total |
|---------------------------------------|-------------------|-------------------|
| | £'000 | £'000 |
| Cost or valuation | | |
| At 31 July 2022 | 597 | 597 |
| Transfers | 284 | 284 |
| Disposals | <u>(74)</u> | <u>(74)</u> |
| At 31 July 2023 | <u>807</u> | <u>807</u> |
| Amortisation | | |
| At 31 July 2022 | 310 | 310 |
| Charge for the year | 129 | 129 |
| Eliminations in respect of disposals | <u>(71)</u> | <u>(71)</u> |
| At 31 July 2023 | <u>368</u> | <u>368</u> |
| Net book value at 31 July 2023 | <u>439</u> | <u>439</u> |
| Net book value at 31 July 2022 | <u>287</u> | <u>287</u> |

11 Tangible fixed assets (Group)

| | Land and buildings Freehold £'000 | Equipment £'000 | Assets in the course of construction £'000 | Total £'000 |
|---------------------------------------|--|--------------------|---|----------------|
| Cost or valuation | | | | |
| At 31 July 2022 | 33,402 | 9,910 | 131 | 43,443 |
| Additions | - | 67 | 2,516 | 2,583 |
| Transfers | 1,001 | 1,442 | (2,443) | - |
| Disposals | (96) | (661) | - | (757) |
| At 31 July 2023 | 34,307 | 10,758 | 204 | 45,269 |
| Depreciation | | | | |
| At 31 July 2022 | 9,631 | 6,167 | - | 15,798 |
| Charge for the year | 880 | 700 | - | 1,580 |
| Impairment | - | - | - | - |
| Elimination in respect of disposals | (94) | (650) | - | (744) |
| At 31 July 2023 | 10,417 | 6,217 | - | 16,634 |
| Net book value at 31 July 2023 | 23,890 | 4,541 | 204 | 28,635 |
| Net book value at 31 July 2022 | 23,771 | 3,743 | 131 | 27,645 |

Tangible fixed assets (College only)

| | Land and buildings Freehold £'000 | Equipment £'000 | Assets in the course of construction £'000 | Total £'000 |
|---------------------------------------|--|--------------------|---|----------------|
| Cost or Valuation | | | | |
| At 31 July 2022 | 33,402 | 9,255 | 131 | 42,788 |
| Additions | - | - | 2,517 | 2,517 |
| Transfers | 1,001 | 1,442 | (2,443) | - |
| Disposals | (96) | (641) | - | (737) |
| | - | - | - | - |
| At 31 July 2023 | 34,307 | 10,056 | 205 | 44,568 |
| Depreciation | | | | |
| At 31 July 2022 | 9,632 | 5,851 | - | 15,483 |
| Charge for the year | 880 | 637 | - | 1,517 |
| Impairment | - | - | - | - |
| Elimination in respect of disposals | (94) | (629) | - | (723) |
| | - | - | - | - |
| At 31 July 2023 | 10,418 | 5,859 | - | 16,277 |
| Net book value at 31 July 2023 | 23,889 | 4,197 | 205 | 28,291 |
| Net book value at 1 July 2022 | 23,770 | 3,404 | 131 | 27,305 |

12 Non Current Investments

| Group | 2023 | 2022 |
|-------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Non listed investments | 127 | 123 |
| | 127 | 123 |
| College | 2023 | 2022 |
| | £'000 | £'000 |
| Investments in Subsidiary Companies | 15 | 15 |

The college owns 100 per cent of the issued ordinary £1 shares of Askham Bryan College Company Limited, a company incorporated in England and Wales, and 100 per cent of the issued ordinary £1 shares of Askham Bryan College Enterprises Limited, a company incorporated in England and Wales. The principal business activities of Askham Bryan College Company Limited are farming and agricultural research and of Askham Bryan College Enterprises Limited a wildlife park.

The Group holds a non-listed investment of £127k as a member of the Arla Foods Cooperative. The investment is valued based on delivery of milk to the Cooperative. Profit not paid back to members each year is invested back into the Cooperative and the valuation is based on the member's capital and liability accounts.

13 Stocks

| | Group | College | Group | College |
|------------------------------------|------------|----------|------------|----------|
| | 2023 | 2023 | 2022 | 2022 |
| | £'000 | £'000 | £'000 | £'000 |
| Farm livestock, produce and stores | 547 | - | 526 | - |
| | 547 | - | 526 | - |

14 Debtors

| | Group | College | Group | College |
|--------------------------------------|------------|--------------|------------|--------------|
| | 2023 | 2023 | 2022 | 2022 |
| | £'000 | £'000 | £'000 | £'000 |
| Amounts falling due within one year: | | | | |
| Trade receivables | 272 | 147 | 172 | 138 |
| Amounts owed by group undertakings: | | | | |
| Subsidiary undertakings | - | 380 | - | 952 |
| Prepayments and accrued income | 590 | 581 | 518 | 447 |
| | 862 | 1,108 | 690 | 1,537 |

Amounts owed by group undertakings in the College includes a provision to provide against the loan balance owed by Askham Bryan College Company Limited of £1,902,836. Due to the financial position of the subsidiary and the poor economic outlook there is a substantial risk that the College will not be able to recover its loan and consequently the loan continues to be provided against.

15 Creditors: amounts falling due within one year

| | Group | College | Group | College |
|---|--------------|--------------|--------------|--------------|
| | 2023 | 2023 | 2022 | 2022 |
| | £'000 | £'000 | £'000 | £'000 |
| Bank loans and overdrafts | 349 | 349 | 460 | 460 |
| Payments received in advance | 35 | 35 | 32 | 32 |
| Obligations under finance leases | 14 | 14 | 4 | - |
| Funding body grants not yet disbursed to students | - | - | - | - |
| Trade payables | 498 | 354 | 403 | 296 |
| Other taxation and social security | 212 | 212 | 203 | 203 |
| Accruals | 2,390 | 2,350 | 2,259 | 2,216 |
| Short term government capital grants | 687 | 687 | 614 | 614 |
| Other creditors | 231 | 231 | 232 | 232 |
| Amounts owed to funding bodies | 315 | 315 | 327 | 327 |
| | 4,731 | 4,547 | 4,534 | 4,380 |

16 Creditors: amounts falling due after one year

| | Group | College | Group | College |
|-------------------------------------|---------------|----------------|---------------|----------------|
| | 2023 | 2023 | 2022 | 2022 |
| | £'000 | £'000 | £'000 | £'000 |
| Bank loans | 4,163 | 4,163 | 4,512 | 4,512 |
| Obligations under finance leases | - | - | - | - |
| Long term government capital grants | 11,165 | 11,165 | 9,163 | 9,163 |
| | - | - | | |
| | 15,328 | 15,328 | 13,675 | 13,675 |

17 Maturity of debt**Bank loans and overdrafts**

Bank loans and overdrafts are repayable as follows:

| | Group | College | Group | College |
|----------------------------|--------------|----------------|--------------|----------------|
| | 2023 | 2023 | 2022 | 2022 |
| | £'000 | £'000 | £'000 | £'000 |
| In one year or less | 349 | 349 | 460 | 460 |
| Between one and two years | 349 | 349 | 349 | 349 |
| Between two and five years | 1,047 | 1,047 | 1,047 | 1,047 |
| In five years or more | 2,767 | 2,767 | 3,116 | 3,116 |
| | 4,512 | 4,512 | 4,972 | 4,972 |

The bank loans are from Lloyds Bank plc and Santander UK plc which are all secured against the campus and land at the York site and comprise:

Lloyds:

- A term loan of £1,694,997 amortised over 10 years from July 2022, floating at a margin of 2.25% over base rate, value outstanding as at 31 July 2023 £1,525,497

Santander:

- A term loan of £3,750,000 from March 2019 for a period of 12 years with the loan profile amortised over 22 years. £2,000,000 of the loan value is at a fixed rate of 4.0855%; the balance floating at a margin of 2% over base rate, value outstanding as at 31 July 2023 £2,986,932

18 Provisions (Group and College)

| | Defined benefit obligations | Pension | Total |
|------------------------|-----------------------------|--------------|----------------|
| | £'000 | £'000 | £'000 |
| At 31 July 2022 | (857) | (740) | (1,597) |
| Amounts utilised | 857 | - | - |
| Additions in year | - | (78) | (78) |
| At 31 July 2023 | - | (818) | (1,675) |

Defined benefit obligations Provision

Defined benefit obligations relate to the liabilities under the College's membership of the Local Government Pension Scheme. Further details are given in note 22.

Pension Provision

The pension cost provision relates to historical issues identified that may result in the College owing additional pension contributions. The College is investigating and resolve all historical issues however the timing and amount of any payments which may be payable are uncertain at the balance sheet date. The pension provision included above is the best estimate of the amount that is expected to be paid in order to settle this issue.

19 Analysis of changes in net debt (Group)

| | At 31 July 2022 | Cash flows | At 31 July 2023 |
|--------------------------|-----------------|--------------|-----------------|
| | £'000 | £'000 | £'000 |
| Cash at bank and in hand | 12,703 | 991 | 13,694 |
| Total | 12,703 | 991 | 13,694 |
| Finance leases | (4) | 4 | - |
| Bank loan | (4,972) | 460 | (4,512) |
| Net Funds | 7,727 | 1,455 | 9,182 |

20 Capital and other commitments

| | Group and College | |
|---------------------------------------|-------------------|-------|
| | 2022 | 2022 |
| | £'000 | £'000 |
| Commitments contracted for at 31 July | 735 | 285 |

21 Lease obligations

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

| | Group and College | |
|---|-------------------|------------|
| | 2023 | 2022 |
| | £'000 | £'000 |
| Future minimum lease payments due | | |
| Land and buildings | | |
| Not later than one year | 94 | 81 |
| Later than one year and not later than five years | 306 | - |
| Later than five years | - | - |
| | <u>400</u> | <u>81</u> |
| Other | | |
| Not later than one year | 367 | 422 |
| Later than one year and not later than five years | 494 | 83 |
| Later than five years | 2 | - |
| | <u>863</u> | <u>505</u> |

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 North Yorkshire Pension Scheme (LGPS) for non-teaching staff, which is managed by the North Yorkshire Pension Fund. 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 2016 and of the LGPS 31 March 2022.

| Total pension cost for the year | 2023 | 2022 |
|---|--------------|--------------|
| | £000 | £000 |
| Teachers' Pension Scheme: contributions paid | 1,212 | 1,201 |
| Local Government Pension Scheme: | | |
| Contributions paid | 1,039 | 1,039 |
| FRS 102 (28) charge | <u>468</u> | <u>1,473</u> |
| Charge to the Statement of Comprehensive Income | <u>1,507</u> | <u>2,512</u> |
| Total Pension Cost for Year within staff costs | <u>2,719</u> | <u>3,713</u> |

At the year-end, there were outstanding contributions of £230,000 (2021/22: £230,000).

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 2016. The valuation report was published by the DfE in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £198 billion giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards. DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2021-22 and 2022-23 academic years.

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

The pension costs paid to TPS in the year amounted to £1,212,000 (2021/22: £1,201,000).

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by North Yorkshire Local Authority. The total contributions made for the year ended 31 July 2023 were £1,338,000. The agreed contribution rates for future years are 17.4% for employers and range from 5.5% to 12.5% for employees, depending on salary.

The 2023 FRS102 valuation includes the potential estimated impact of McCloud and GMP.

When calculating the liabilities at 31 July 2023 the actuary set a forward-looking inflation assumption of 2.6% which takes account of market-expectations of future inflation in each future year but averaged into a single inflation figure. Whilst CPI inflation is currently running ahead of this assumption, the College has taken the decision not to ask for a review the FRS 102 valuation as the approach taken and basis for the assumptions used are consistent with past practice and the policy adopted to date.

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 July 2023 by a qualified independent actuary.

| | At 31 July 2023 | At 31 July 2022 |
|--------------------------------------|--------------------|--------------------|
| Rate of increase in salaries | 3.9% | 3.9% |
| Future pensions increases | 2.6% | 2.6% |
| Discount rate for scheme liabilities | 5.0% | 3.4% |
| Inflation assumption (CPI) | 2.6% | 2.6% |

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

| | At 31 July 2023 years | At 31 July 2022 years |
|-----------------------------|-----------------------------|-----------------------------|
| <i>Retiring today</i> | | |
| Males | 22.00 | 21.80 |
| Females | 24.50 | 23.80 |
| <i>Retiring in 20 years</i> | | |
| Males | 22.90 | 23.50 |
| Females | 25.50 | 25.70 |

The College's share of the assets in the plan at the balance sheet date were:

| | | Fair Value at 31 July 2022 | | Fair Value at 31 July 2021 |
|--|-------|----------------------------------|-------|----------------------------------|
| | | £'000 | | £'000 |
| Equities | 53.8% | 17,165 | 51.6% | 16,474 |
| Property | 6.6% | 2,106 | 8.3% | 2,650 |
| Government & Corporate Bonds | 17.5% | 5,584 | 20.8% | 6,641 |
| Multi Asset Credit | 5.3% | 1,691 | 5.1% | 1,628 |
| Cash | 0.1% | 32 | 0.4% | 128 |
| Other | 16.7% | 5,328 | 13.8% | 4,406 |
| Total fair value of plan assets | | 31,906 | | 31,927 |
| Actual return on plan assets | | (2,705) | | (4,964) |

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

| | 2023 | 2022 |
|-----------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Fair value of plan assets | 31,906 | 31,927 |
| Present value of plan liabilities | (27,441) | (32,784) |
| Unrecognised asset | (4,465) | - |
| Net pensions liability | - | (857) |

The valuation at 31 July 2023 has resulted in a pension surplus of £4.465m however, this has been restricted to nil as economic benefit from this surplus is not available via a reduction in future service contributions. As on 31 July 2023, there is a nil net asset / liability position.

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

| | 2023 | 2022 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Amounts included in staff costs | | |
| Current service cost | 1,501 | 2,407 |
| Total | 1,501 | 2,407 |

Amounts included in interest and other finance costs

| | | |
|----------------------------|-------------|--------------|
| Net interest income/(cost) | (12) | (187) |
| | (12) | (187) |

Amount recognised in Other Comprehensive Income

| | | |
|--|--------------|---------------|
| Return on pension plan assets | (1,611) | (4,360) |
| Experience loss arising on defined benefit obligations | 7,413 | 16,606 |
| Adjustment in respect of unrecognised asset | (4,465) | - |
| Amount recognised in Other Comprehensive Income | 1,337 | 12,246 |

| | 2023 | 2023 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Net defined benefit (liability)/asset in scheme at 1 August | (857) | (11,443) |
| Movement in year: | | |
| Current service cost | (1,501) | (2,407) |
| Employer contributions | 1,039 | 1,039 |
| Past service cost | (6) | (105) |
| Net interest on the defined (liability)/asset | (12) | (187) |
| Actuarial gain or loss | 5,802 | 12,246 |
| Unrecognised asset | (4,465) | - |
| Net defined benefit liability at 31 July | - | (857) |

Asset and Liability Reconciliation

| | 2023 | 2022 |
|--|---------------|---------------|
| | £'000 | £'000 |
| Changes in the present value of defined benefit obligations | | |
| Defined benefit obligations at start of period | 32,784 | 46,758 |
| Current service cost | 1,501 | 2,407 |
| Interest cost | 1,106 | 791 |
| Contributions by Scheme participants | 312 | 274 |
| Experience (gains)/losses on defined benefit obligations | (7,413) | (16,606) |
| Estimated benefits paid | (855) | (945) |
| Past service cost | 6 | 105 |
| Defined benefit obligations at end of period | 27,441 | 32,784 |

Changes in fair value of plan assets

| | 2023 | 2022 |
|---|---------------|---------------|
| | £'000 | £'000 |
| Fair value of plan assets at start of period | 31,927 | 35,315 |
| Interest on plan assets | 1,094 | 604 |
| Return on plan assets | (1,611) | (4,360) |
| Employer contributions | 1,039 | 1,039 |
| Contributions by Scheme participants | 312 | 274 |
| Estimated benefits paid | (855) | (945) |
| Fair value of plan assets at end of period | 31,906 | 31,927 |

Guaranteed Minimum Pensions (GMP) Indexation and Equalisation

Following changes to the State Pension in April 2016, there was a risk that members of the LGPS who were 'contracted out' of the State Pension between 6 April 1978 and 6 April 1997, and who would reach their State Pension Age (SPA) after April 2016, would be worse off. This is because State Pension reforms removed the facility for the State to pay 'top up' payments to ensure their total pension was fully inflation protected.

On 26 October 2018 the High Court ruled in the Lloyds Bank case that equalisation for the effect of unequal GMPs is required. The ruling confirmed that trustees have a duty "to equalise benefits for men and women so as to alter the result which is at present produced in relation to GMPs".

HM Treasury has gone on record since the Lloyds judgement to say, "Public sector schemes already have a method to equalise guaranteed minimum pension benefits, which is why we will not have to change our method as a result of this judgment."

HM Treasury's comment relates to Government's commitment to fully index GMPs in the future. The LGPS actuary has therefore allowed for full indexation of GMPs for members whose State Pension Age is on or after 6 April 2016. This recognises the cost of the Government's commitment to compensate public service scheme members from the removal of the Additional Pension element of the State Pension from this date, and for the outcome of the Lloyds judgement which found GMPs to be illegally sex discriminatory. An approximate allowance for the impact of GMP equalisation on current members was included in previous years.

In October 2020 a second ruling in the Lloyds Bank case clarified that compensation would be required to members who transferred out benefits since May 1990. The Government has not yet acknowledged a liability in public service schemes nor indicated an approach to rectify this. As a result, this has not been included in the liability. The actuary has confirmed that at present there is no methodology to calculate what the potential liability will be. Therefore, this has not been factored into the year-end liability.

McCloud Judgement

In December 2018, the Court of Appeal ruled against the Government in two cases: *Sargeant and others v London Fire and Emergency Planning Authority* [2018] UKEAT/0116/17/LA and *McCloud and others v Ministry of Justice* [2018] UKEAT/0071/17/LA. The cases related to the Firefighters' Pension Scheme (*Sargeant*) and to the Judicial Pensions Scheme (*McCloud*). For the purposes of the LGPS, these cases are known together as 'McCloud'. The court held that transitional protections, afforded to older members when the reformed schemes were introduced in 2015, constituted unlawful age discrimination. On 27 June 2019 the Supreme Court denied permission for Government to appeal this judgement and on 15 July 2019 the Government issued a ministerial statement saying they committed to extending a remedy across all public sector schemes which included similar transition protection arrangements, which includes the LGPS.

In summary, it is assumed that the remedy applies to all members in service on 1 April 2012, on retirement or prior withdrawal, and with extension to benefits payable to the dependants of those members. The resultant liability was updated as part of updating the 2022 valuation and no additional provisions have been made in the LGPS scheme.

Goodwin Judgement

In July 2020 HM Treasury made a statement regarding survivor benefits payable from the Teachers' Pension Scheme in England, which is likely to have an impact on the LGPS schemes too. In summary the statement concluded that same-sex survivors were originally entitled to survivor benefits considering the member's service from April 1988. This was however supposed to also include service from 6 April 1978 onwards with effect from 5 December 2005 following the *Walker v Innospec* case.

Following the Goodwin case, this should now also be extended to male survivors of female members and only affects spouse's pensions that became payable after 5 December 2005 and where they had service pre-1998. The LGPS actuary has stated that they expect any impact to be around 0.2% to the defined benefit obligation, which for College amounts to c.£55k and as such is not material.

23 Related party transactions

Owing 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 at arm's length and in accordance with the College's financial regulations and normal procurement procedures.

The total expenses paid to or on behalf of the Governors during the year was £395; 3 governors (2021/22: £828; 4 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 (2021/22: None).

Dr Tim Whitaker is a National Director of Landex. During the year the College paid an annual subscription fee to the organisation of £6,750 and professional fees inclusive of CPD staff events amounting to £6,985, total £13,736 (2021/22, £6,750). There is a balance of £1,129 outstanding, included in creditors at the yearend.

Key management personnel compensation disclosure is given in note 6.

24 Amounts disbursed as agent - Learner support funds

| | 2023 | 2022 |
|---|------------------|-----------------|
| | £'000 | £'000 |
| Funding body grants - bursary support | 59 | 61 |
| Funding body grants – discretionary learner support | 278 | 287 |
| Funding body grants – residential bursaries | 205 | 195 |
| Other Funding body grants | 16 | 20 |
| | <u>558</u> | <u>563</u> |
| Disbursed to students | (523) | (538) |
| Administration costs | (21) | (25) |
| | <u></u> | <u></u> |
| Balance unspent as at 31 July, included in (debtors)/creditors | <u>14</u> | <u>-</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.

25 Access and participation expenditure

| | 2023 | 2022 |
|--|------------|------------|
| | £'000 | £'000 |
| Access investment | 151 | 131 |
| Financial support provided to students | 31 | 20 |
| Support for disabled students | 18 | 22 |
| | <u>200</u> | <u>173</u> |

26 Plans for future events

External professional advice is being sought to review the group structure including the operation of the subsidiary companies, ensuring the structure remains fit for purpose. This work will consider any alternative options available, with a view to simplifying the group structure, at the time of signing the financial statements no formal decision on the future group structure has been taken.



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| Tue, 19th Dec 2023 16:21:18 UTC | Karen Rae viewed the envelope (62.89.135.74) |
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