

New College Swindon
Annual Report and Financial Statements
Year ended 31st July 2023

New College Swindon

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New College Swindon

Reference and Administrative Details

Board of Governors

M Wyn Griffith (Chair)
C Kitching (Principal & Chief Executive) – until 21 August 2023
L Palmer (Interim Principal and Chief Executive) – from 21 August 2023
J Arnott
P Bhardwaj – until 31 March 2023
P Boucher
S Cove
J Dernie
Indyanah-Rayne Francis – until 31 July 2023
R Hewitson
E Jarman
M Jones – from 16 October 2023
M Lawson
K Newman – until 12 December 2023
D Panes
S Sameresinghe – until 29 August 2023
T Thurston
S Uddin – from 16 October 2023
J Webster – until 31 July 2023
R Wheeler

Clerk to the Governors

T Scaife

Executive team

C Kitching, Principal and Chief Executive – until 21 August 2023
S Horrobin, Deputy Principal (Finance and Resources) – until 14 April 2023
L Palmer, Deputy Principal (Curriculum and Learners) from 11 October 2022 until 21 August 2023, Interim Principal and CEO from 21 August 2023
L Pledsted, Vice Principal (HE and Curriculum) until 21 August 2023, Interim Deputy Principal and Deputy CEO from 21 August 2023
M Prince, Interim Vice Principal (Business Development) - until 31 December 2022
L Stewart, Interim Vice Principal – from 5 December 2022
P Denham, Interim Vice Principal (Curriculum, Development & Quality) – until 21 October 2022
P Fry, Head of HR – part of Executive team until 21 August 2023
M Butcher, Chief Commercial Strategy Officer – from 1 February 2023
M Webb, Chief Financial Officer - from 1 September 2023

Principal and Registered Office

Queen's Drive Campus, New College Drive, Swindon

Professional advisors

External auditors	Mazars LLP, 90 Victoria Street, Bristol, BS1 6DP
Solicitors	VWV LLP, Bristol
	Eversheds Sutherland (International) LLP, Birmingham
Bankers	Barclays Bank Plc, Swindon

New College Swindon

Strategic report

OBJECTIVES AND STRATEGIES

The governing body present their annual report together with the financial statements and auditor's report for New College Swindon for the year ended 31st July 2023.

Legal status

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

Mission and Objectives

The Board of Governors undertook a review of the College's Purpose (Mission) and Strategy during 2022/23.

The College's Purpose continues to be: *'Better Lives Through Learning'*

The College's seven strategic themes are:



Underpinning the strategic themes are short and longer-term strategic priorities.

The short-term strategic priorities are identified below:

1. Deliver the Post-Inspection Action Plan (PIAP), strengthening attendance, retention, pass rates and progress
2. Ensure accurate, accessible and timely management information
3. Keep our learners, staff and visitors safe in college
4. Implement and deliver Stage One of the Financial Improvement Plan
5. Finalise harmonisation of terms, conditions and pay

Financial plan

The College Governors approved a financial plan in July 2023 which sets objectives for the period to 31st July 2025. The College aims to maintain its health rating of 'Good' for the years ending to 31st July 2024 and 2025.

The Governors' primary financial objective is to ensure that the College remains financially sound and achieves at least good financial health as per the Education and Skills Funding Agency (ESFA) guidance.

Resources

- **People:**
During the year, the monthly average number of staff engaged by the College was 702, of which 363 were teaching and delivery related staff.
- **Students:**
The College's student population includes 4,051 16–18-year-old students, 6,644 adult funded learners, 1,040 higher education students, 933 apprentices and 1,028 non-funded learners.
- **Assets:**
The College has £46.9m (2022: £46.2m) of net assets including £nil of pension liability (2022: £nil) and £0.3m (2022: £0.4m) of long-term debt. Fixed assets include both College campuses, including the Department for Education funded Swindon & Wiltshire Institute of Technology complex, sited at the North Star campus. The College also holds £18.5m (2022: £16.9m) of cash

Sources of income

The College has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2022/23, the ESFA provided almost 82% of the College's total income.

Treasury policies and objectives

The College has treasury management arrangements in place to manage cash flows, banking arrangements and the risks associated with those activities. All borrowing requires the authorisation of the Corporation.

The College has no plans to increase borrowings and has repaid its fixed term loan during the 2022/23 financial year, ahead of schedule.

Performance indicators

The College is committed to observing the importance of sector measures and indicators and uses relevant websites and data sources such as National Achievement Rate Tables, Department for Education (DfE) Performance tables, Mides Reports, RCU Vector and student feedback mechanisms such as FE Choices.

The College is required to complete the College Financial Forecasting Return (CFFR) for the ESFA.

The Corporation monitors the College's Key Performance Indicators through the Principal's Report.

Reserves

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

Stakeholders

The College has excellent relationships with a wide range of stakeholders. These are essential to ensure that we can offer our student body the widest range of opportunities and progression routes, and that our offer effectively matches the skills needs of the region we serve. These include:

- Our current, future and past students, and their next of kins
- Our staff and their trade unions (mainly University & College Union and Unison)
- Our funding bodies - the ESFA, Office for Students (OfS)
- Our regulatory bodies
- Employers, both current and potential customers
- Employer Representative Bodies (ERBs) - e.g., Business West, Thames Valley Chamber of Commerce, FSB, and sector groupings
- Swindon Borough Council, and other Local authorities
- The Swindon and Wiltshire Local Skills Improvement Plan
- The Swindon and Wiltshire LEP (SWLEP)
- Partner Universities (namely Oxford Brookes University, Bath Spa University & University of Gloucester)
- Local schools
- Community and voluntary organisations
- National good practice networks for staff

The College plays a strong strategic role in the wider community. This includes; the Principal being a SWLEP Board Director and Chair of the SWLEP Skills & Talent Subgroup; the Principal and other College staff sitting on key local Boards (such as the Towns' Fund Board, Cultural Quarter Development Board and the Education Strategy Board), and the extensive engagement with the new Swindon and Wiltshire Local Skills Improvement Plan, to ensure we contribute to skills developments in the area and can react to identified skills needs at all levels.

Public benefit

New College Swindon 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 15 to 17. In setting and reviewing the College's strategic objectives, the Governing Body has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education.

In delivering its mission, the College provides identifiable public benefits through the advancement of education to approximately 17,000 students, including 228 students with high needs. The College provides courses without charge to young people, to those who are unemployed and adults taking English and maths courses. The College adjusts its courses to meet the needs of local employers and provides training to 1,100 apprentices. The courses offered by The College reflect the skills, at all levels, needed by students to start and advance in their career. Courses are developed and updated in partnership with local employers, and reflect the trends identified in key local market intelligence.

The College is committed to providing information, advice and guidance to the students it enrolls and to finding suitable courses for as many students as possible regardless of their educational background, and aims to offer long-term pathways to students to reach the level they need, whatever their starting point.

DEVELOPMENTS AND PERFORMANCE

Curriculum developments

The academic year of 2022/23 saw a number of new courses commence.

- **Full time:**

The T level Finance, T level Accounting, T level Management and Administration all commenced using the newly refurbished FAB area at the North Star campus. Other courses at Level 3 included L3 Uniformed Public Services (Criminology Pathway) and L3 Health and Social Care (with Biology), these were added to the offer to help support students wishing to progress to the Police or Security Services or go into a nursing route.

At level 2, GCSE Graphic Communications was added to the GCSE retake pathway and a Level 2 Esports was added to form a progression route to the Level 3 Esports which commenced in the previous year.

For our lower-level learners Routes to a Career E3 and L1 Construction Multi Skills (Building Services) provided additional options.

- **Part time:**

L3 Women's Hairdressing and L2 Barbering were added to the onsite offer and some new pathways were added to the online learning VRQ offer.

- **HE:**

BSc (Hons) Professional Development in Health and Social Care provided students with a local top up opportunity for students completing the FdSc Health and Social Care or Assistant Practitioner programmes. L4 Diploma in Salon Management was offered as a progression route from L3 Hair and L3 Massage Therapy, it allows students to study some specialist skills such as laser therapy which are valuable in the employment market as they can generate good income for salons.

- **Apprenticeships:**

The L2 Autocare Technician apprenticeship was introduced in response to employer demand.

Performance

In January 2023 Ofsted undertook a full inspection of the College. The outcome of the inspection was a 'requires improvement' grading for overall effectiveness. The College had self-assessed as requires improvement in the SAR presented to the Corporation in December 2022, so this was not a surprise.

Whilst one may expect this to have had a negative impact on reputation, and consequently student recruitment, the latter has not transpired to date.

The College already had a quality improvement plan in place, which subsequently became the Post Inspection Action Plan (PIAP) and detailed the actions required to ensure the College returns to a good or better rating. In phase 1 of the PIAP, which took us from post-inspection to the end of July, the College has started laying the foundations required to drive through the improvements needed, for example with changes in the systems, processes and culture required to move us forwards, and there has been some evidence of good progress emerging.

The College will continue with phase 2 of the PIAP in 2023/24 and beyond as required. Phase 2 will further embed the initiatives introduced in phase 1, along with other items identified during the self-assessment process.

Capital Developments

During the year the College spent £5.8m on tangible fixed asset additions, including c.£1.4m in respect of the completion of the Institute of Technology supported by DfE funding, c.£1.4m in respect of The Swindon and Wiltshire Innovative Technology Care Hub (SWITCH) which was developed with the support of LSIF funding and c.£1.3m in respect of the Animal Management Centre which was completed in September 2023, and was funded through DfE T-Level funding.

Student numbers

In 2022/23, the College delivered activity that has produced £32.1m in funding body main allocation funding (2021/22: £29.1m). The College has approximately 12,700 funded students.

Student achievements

2022 saw Covid criteria removed and outcomes more aligned with 2018/19 outcomes as was the picture nationally. GCSE Maths resit results were at national resit averages and English broadly slightly below. Many students progressed to University or Higher Education including progression onto College based HE and HE provision in the Swindon & Wiltshire Institute of Technology. A high percentage of students had positive destinations into employment, apprenticeships and further study. The College continued to experience notable student absences, particularly in the autumn and spring terms. Significant additional support was provided to prepare students for public exams where significantly higher levels of anxiety than usual were prevalent.

Financial Results

The College generated a surplus before other gains/losses of £0.263m (2022: deficit of £2.663m) during the year. Income increased by 8.7% to almost £43m, whereas costs grew less rapidly, by just 1% to £42.6m. Staff cost is the College's highest item of expenditure, at £24.0m (2022: £24.2m). This cost has decreased as a result of the impact of a much-reduced actuarial pension cost assessment, down from £3.9m to £2.2m. Underlying staff costs are up £1.0m (5%), with the cost of insourcing the College's cleaning staff adding a further £0.5m; the latter with a compensating reduction in operating costs.

Cash flows and liquidity

The College's cash flow from operating activities was £5.4m (2022: £6.7m), with an overall cash increase of £1.5m (2022: £5.1m). This has led to an increase in the cash reserves balance to £18.5m.

During the year the College repaid £891k of loan debt, including settlement of a Lloyds term loan ahead of schedule.

Reserves

As at the balance sheet date, the College's reserves stood at £46.9m (2022: £46.2m) of which £0.8m (2022: £0.8m) related to a revaluation reserve.

Payment performance

The Late Payment of Commercial Debts (Interest) Act 1998, in the absence of agreement to the contrary, requires organisations to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95%. During the year the College paid 89% (2021/22 - 69%) of its invoices within 30 days of receipt. The College incurred minimal interest charges in respect of late payment for this period.

College Subsidiary

The College established New College Swindon Services Ltd, a 100% subsidiary of the College, on 7th April 2022. Trading commenced in August 2022, with the company providing cleaning services to the College. In the year ended 31 July 2023, the subsidiary generated a surplus of £41,312, which it intends to gift aid, in full, to the College.

FUTURE PROSPECTS

The Swindon and Wiltshire Innovative Technology Care Hub (SWITCH) which was developed with the support of LSIF funding provides an opportunity to offer a range of training options for local health and care employers. A portfolio of short courses has been proposed but there is also scope to provide bespoke courses for employers.

There are several funding competitions available to trial different types of qualification and module offers to support the Swindon and Wiltshire Institute of Technology to fully realise its growth opportunities. Outreach work and hosting of events are widening the awareness of the Swindon and Wiltshire Institute of Technology and we will use this along with our new Careers Extra work to liaise with employers to develop the curriculum offer and to identify new income generation opportunities.

We will look to develop our offer to prevent young people becoming NEET (not in Education, Employment and Training) as this has been a concern for both the College and local borough council.

We have been successful in the second round of LSIF funding and this will enable us to develop some curriculum around electric vehicle maintenance and charging and sustainable construction.

PRINCIPAL RISKS AND UNCERTAINTIES

The College has developed strategies for managing risk and strives to embed risk management in all that it does. Risk management processes are designed to protect its assets, reputation and financial stability. The governing body has overall responsibility for risk management and its approach to managing risks and internal controls is explained in the Statement on Corporate Governance.

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

The main risk factors affecting the College are outlined below along with the action taken to minimise them. Not all the factors are within the College's control. Other factors besides those listed below may also adversely affect the College.

- **Financial sustainability**

Similar to other FE Institutions, the College relies on continued government funding, primarily through the Education and the Skills Funding Agency. In 2023, 82% of College revenue came from publicly funded sources (2022: 80%) and although the College is actively working to reduce this reliance, and increase income from other sources, this high

level of requirement is expected to continue in the immediate future. The College continues to have regular dialogue with the Education and the Skills Funding Agency in relation to this.

Locally, the College faces increased competition in Swindon and beyond, from other further and higher education providers, as well as school and academy sixth forms / technical colleges.

These risks are mitigated in a number of ways:

- Committing to the delivery of high-quality education and training the College operates robust financial controls aimed at maintaining its ESFA financial health rating of 'Good'.
 - Maintaining and managing key relationships with the various funding bodies.
 - Ensuring the College is focused on those priority sectors which will continue to benefit from public funding.
 - Ensuring the College maintains adequate cash reserves.
 - Reducing reliance on government funding.
 - Close monitoring of government policies and funding agencies agenda.
 - Engaging with key stakeholders on the Swindon LEP and Swindon & Wiltshire Institute of Technology Group.
 - Reviewing local and national market opportunities for growth and learning from best practice which exists elsewhere.
 - Ensuring a comprehensive and coherent curriculum offer of high-quality courses from Level 1 and 2 to Higher Education courses.
 - Maintaining and improving the quality of all courses with a clear focus on a College Achievement Rate target of over 88%.
- **Safeguarding**
Potential failure of safeguarding procedures is a fundamental risk for all colleges.
This risk is mitigated in a number of ways:
 - The College has robust and comprehensive policies and procedures in place, all linked to national guidelines. The policy is updated annually to reflect changes to the government guidelines.
 - There is a team of dedicated trained safeguarding officers, with training rolled out to all staff and Governors.
 - The College Head of Safeguarding is a member of appropriate professional bodies (including the Swindon Safeguarding Partnership, Swindon Prevent Board and Swindon & Wiltshire Strategic Contest Board), and the College has strong working relationships with other appropriate partners.
 - The College has recognised safeguarding software, 'My Concern' for referrals, monitoring and reporting.
 - Ofsted comments that safeguarding at New College Swindon is managed in a 'robust and rigorous' manner.
 - There has been significant investment in student wellbeing including the purchasing of Togetherall, a platform widely used by colleges and universities to provide 24/7 access to staff and students on a wide range of mental health resources and support.
 - **Quality**
The College places the highest priority on ensuring quality provision in all its curriculum areas and maintains a clear focus on monitoring performance at all levels against the relevant regulatory body requirements (Ofsted/OfS) and national benchmarking data.

Quality assurance processes include:

- College-wide Quality cycle.
 - Predicted Achievement Rate (PAR) cycle. This process highlights students at risk and identifies intervention strategies to improve their performance. It also gives an indication of the expected outturn on achievement rates.
 - Work Based Learning Reviews (WBL) to monitor the performance of apprenticeship provision.
 - Faculty Review Meetings to monitor quality of Teaching, Learning and Assessment (TLA), including Achievement Rate (AR), retention, progression and funding compliance at faculty level.
 - Quality intervention on underperforming courses.
 - Programme Reviews and Quality Improvement Plans to support, monitor and intervene where required at course level.
 - Robust process for logging, tracking and monitoring of complaints and concerns in order to respond to feedback and make improvements where identified.
 - Self-Assessment process.
- **Pensions**
The College has fully implemented the provisions of FRS 102 in order to account for the Wiltshire County Pension Scheme in accordance with the advice of independent qualified actuaries.

Significant judgments are required in relation to assumptions for future salary increases, inflation, investment returns and member longevity that underpin actuarial valuations. Such judgments and valuations are reviewed by senior management on a regular basis and discussed with governing bodies, including the College's Resource Integration and Change Committee (RICC), which in turn makes recommendations to the Corporation.

The Corporation considers that the basis of valuation used by the actuaries is based on assumptions which in the medium to long term may or may not prove to be accurate. However, in the long-term it may give a broad indication, of the value of the pension scheme, and of the College's share of liabilities within that scheme.

As the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, the plan has a notional surplus. As management do not consider that the College will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with paragraph 28.22 of FRS102.

EQUALITY AND DIVERSITY

Equality

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

The College publishes an Annual Equality Report and Equality Objectives to ensure compliance with all relevant equality legislation including the Equality Act 2010.

The College is a 'Disability Confident' employer and has committed to the principles and objectives of developing this status to the next level. The College welcomes employment applications from disabled persons, and guarantees an interview to any applicant who discloses a disability who meets the essential criteria for the post. Where an existing employee becomes disabled, significant support is given to consider reasonable adjustments at work. The College's policy is to provide training, career development and opportunities for promotion for all employees.

All New College Swindon staff undertake Equality, Diversity and Inclusion training with a mandatory update every three years. The College has an Equality, Diversity and Inclusion Strategic Committee whose principal accountability is to identify EDI objectives to develop inclusive opportunities for all.

Gender pay gap reporting

Report to:	Year ending 31 st March 2023
Mean gender pay gap	14.24%
Median gender pay gap	33.52%
Mean bonus gender pay gap	No bonuses paid
Median gender bonus gap	No bonuses paid
Proportion of males/females receiving a bonus	No bonuses paid

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

	Males	Females
1 - Lower quartile	25.59%	74.41%
2 – Lower middle	27.83%	72.17%
3 – Upper middle	35.07%	64.93%
4 – Upper quartile	48.11%	51.89%

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

Disability statement

New College Swindon tackles disability discrimination in a positive and practical way that actively promotes opportunities and on-going development for disabled people. The College seeks to achieve the objectives set down in the Equality Act 2010.

New College Swindon initiatives aim to raise awareness and promote positive attitudes to disability:

- Student inductions include activities aimed at raising awareness of disability and other aspects of equality and diversity, together with a description of counselling and welfare services and the Complaints and Disciplinary policy.

- Annual diversity and health weeks to promote positive attitudes, celebrate diversity and raise awareness of a range of issues.
- Disability Confident employer (Level 2) reaccreditation December 2020.
- A range of assistive technology is available for use by students in the learning centres.
- The admissions policy for all students is published. Appeals against a decision not to offer a place are dealt with under the complaints policy.
- The College has made a significant investment in the appointment of specialist lecturers to support students with learning difficulties and/or disabilities. There are a number of student support assistants who can provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities.

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 Trade Union Officials during the relevant period (Apr 22 - Mar 23)	FTE employee number
7	7

Percentage of time	Number of employees
0%	0
1-50%	7
51-99%	0
100%	0

Total cost of facility time	£5,377
Total pay bill	£24.049m
Percentage of total bill spent on facility time	0.02%

Time spent on paid trade union activities as a percentage of total paid facility time	0%
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GOING CONCERN

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

This conclusion has been reached after the consideration of the cash balances, cash generation of the College and projected future results.

RECLASSIFICATION OF COLLEGE CORPORATION

On 29 November 2022, the Office for National Statistics reclassified all college corporations as public sector institutions with immediate effect and this prompted the Department for Education to introduce some new rules for colleges which have taken effect.

The College continues to evaluate the implications of the new rules, and any potential future impacts, but does not consider that they will have any material impact on these financial statements.

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 12 December 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Martin Wyn Griffith', written in a cursive style.

Martin Wyn Griffith
Chair

New College Swindon

Governance Statement

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 1st August 2022 to 31st July 2023 and up to the date of approval of the annual report and financial statements.

GOVERNANCE CODE

The College endeavours to conduct its business:

In accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);

In full accordance with the guidance to colleges from the Association of Colleges in The Code of Good Governance for English Colleges ("the Code").

In the opinion of the Governors, the College complies with the provisions of the Code, and it has complied throughout the year ended 31st 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 account of The Code of Good Governance for English Colleges issued by the Association of Colleges in March 2015, which it formally adopted on 13th October 2015 and again on 7th March 2022.

In March 2019, the Corporation passed a resolution that terms of office for Governors will generally be restricted to a maximum of two terms of office of four years. The Corporation reserves the right to review all governor re-appointments on a case-by-case basis with the right to override the recommended maximum term of office where there is a skills shortage or choosing not to reappoint would cause quoracy issues.

THE CORPORATION

Members of 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 (attendance figures relate to attendance at Corporation in 2022/23 only - figures given in brackets are for attendance at Corporation plus attendance at relevant committees).

	Date of first appointment	Term of office ends	Date of resignation	Status of appointment	Committees served	Attendance in 2022/23
Martin Wyn Griffith	Aug 2020	Aug 2024		Corporation Chair External Governor	Nominations, Remuneration & Governance	100% (100%)
Carole Kitching	Jul 2018	n/a	21 August 2023	Principal & Chief Executive	Curriculum & Quality	100% (94%)

	Date of first appointment	Term of office ends	Date of resignation	Status of appointment	Committees served	Attendance in 2022/23
					Nominations, Remuneration & Governance Resources, Integration & Change	
John Arnott	Feb 2018	Feb 2026		External Governor Chair Nominations, Remuneration & Governance	Nominations, Remuneration & Governance Audit	100% (91%)
Pradeep Bhardwaj	Mar 2019	Mar 2023		External Governor	Curriculum & Quality Audit	66% (80%)
Peter Boucher	Mar 2019	Mar 2027		External Governor	Resources, Integration & Change	100% (100%)
Simon Cove	Dec 2016	Dec 2024		External Governor	Curriculum & Quality Resources, Integration & Change	100% (100%)
John Dernie	Oct 2015	Jul 2025		External Governor Chair Resources, Integration & Change	Audit Resources, Integration & Change	60% (77%)
Indyanah-Rayne Francis	October 2022	July 2023	N/A	Student Governor	Curriculum & Quality	40% (50%)
Richard Hewitson	October 2022			Student Governor to July 2023, appointed as External Governor effective August 2023	Audit	100% (100%)
Emma Jarman	Aug 2020	Aug 2024		External Governor Chair Curriculum & Quality	Curriculum & Quality	100% (100%)
Monica Lawson	Nov 2018	Nov 2026		Staff Governor	Audit	100% (100%)
Kathy Newman	Jun 2017	Jun 2025	12 December 2023	External Governor Chair Audit	Audit	80% (88%)

	Date of first appointment	Term of office ends	Date of resignation	Status of appointment	Committees served	Attendance in 2022/23
David Panes	Feb 2020	Feb 2024		Staff Governor	Curriculum & Quality	100% (100%)
Shereen Sameresinghe	Mar 2022	n/a	29 August 2023	External Governor	Curriculum & Quality Resources, Integration & Change	80% (85%)
Tim Thurston	Jul 2019	Dec 2023		External Governor	Audit Curriculum & Quality	60% (62%)
Jim Webster	Mar 2015	July 2023		Corporation Vice-chair External Governor	Nominations, Remuneration & Governance Resources, Integration & Change	100% (100%)
Rob Wheeler	Feb 2020	Feb 2024		Swindon & Wiltshire Institute of Technology Governor	Resources, Integration & Change	60% (70%)

The governance framework

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

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

The Corporation conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Corporation. These committees are Curriculum and Quality; Audit; Resources, Integration and Change; and Nominations, Remuneration and Governance. Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College's website (newcollege.ac.uk) or from the Clerk to the Corporation at the College's registered address.

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

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

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

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

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

Appointments to the Corporation

Any new member appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation's Nominations, Remuneration and Governance committee, consisting of four members of the Corporation, 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.

Corporation performance

The Corporation has undertaken a self-assessment of its own performance during the 2022/23 academic year.

The annual self-assessment of the Corporation was undertaken via a questionnaire circulated to all members of the Board. It focused on the Board's collective performance and covered governance structure, strategic vision and strategy creation, Board behaviour, decision making, responsibilities and adding value. The completed questionnaires were collated and assessed by the Clerk to the Corporation who reported the outcome to the Chair of the Corporation and the Board in July 2023. Based on the returns, actions are being taken/implemented as appropriate. The Corporation sets itself an attendance target for both the Corporation and the committees which are reported annually to the Board. Corporation performance is also taken into account within the leadership and management judgements of the Common Inspection Framework.

Nominations, Remuneration and Governance Committee

Throughout the year ending 31st July 2023, the College's Nominations, Remuneration and Governance Committee comprised of four members of the Corporation. One of the Committee's responsibilities is to make recommendations to the Board on the remuneration and benefits of the Principal & Chief Executive and the Clerk.

Details of remuneration for the year ended 31st July 2023 are set out in note 8 to the financial statements.

Audit Committee

Throughout the year ending 31st July 2023, the Audit Committee comprised of six members of the Corporation (excluding the Accounting Officer and Chair), including one co-opted member. The Committee operates in accordance with written terms of reference approved by the Corporation.

The Audit Committee meets at least three times per year 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.

The Audit Committee met three times in the year to 31st July 2023. The members of the committee and their attendance records are shown below:

Committee member	% Meetings attended
Kathy Newman (Chair)	100%
John Dernie (Vice Chair)	66%
John Arnott	66%
Pradeep Bhardwaj	100%
Richard Hewitson	100%
Monica Lawson	100%
Rob Stokes (co-opted)	66%

INTERNAL CONTROL

Scope of responsibility

The Corporation is ultimately responsible for the College's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Corporation has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which she is personally responsible, in accordance with the responsibilities assigned to her in the Funding Agreement between New College Swindon and the funding bodies. She 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 based on an ongoing process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in New College Swindon for the year ended 31st July 2023 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

The risk and control framework

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

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

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

The specific areas of work undertaken by the internal audit service and reported to the Audit Committee in 2022/23, and up to the date of the approval of the financial statements, are:

- IT – cyber security controls
- Estates Management Framework
- Learner Number Systems – high needs control framework
- Key Financial Controls – financial planning and budgetary control
- Follow up review 2022/23
- Annual report 2022/23

Statement from the Audit Committee

The Audit Committee considers the assurance arrangements and risk management framework to be overall adequate and effective, with ongoing improvements identified and actions tracked.

Review of effectiveness

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

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

The Accounting Officer 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.

The senior management team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments. The senior management team and the Audit Committee also receive regular reports from internal audit and other sources of assurance, which include recommendations for improvement.

The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the senior management team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

Based on the advice of the Audit Committee and the Accounting Officer, the Corporation is of the opinion that the College has adequate and effective assurance arrangements; assurance over subcontracting; a 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 12 December 2023 and signed on its behalf by:



Martin Wyn Griffith
Chair



Leah Palmer
Accounting Officer

New College Swindon

Statement of Regularity, Propriety and Compliance

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

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

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



Leah Palmer
Accounting Officer
Date: 12 December 2023

Statement of the chair of Governors

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



Martin Wyn Griffith
Chair
Date: 12 December 2023

New College Swindon

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 reasonable steps 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 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 12 December 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Martin Wyn Griffith', written in a cursive style.

Martin Wyn Griffith
Chair of Governors

New College Swindon

Independent auditor's report to the members of New College Swindon

Opinion

We have audited the financial statements of New College Swindon (the 'College') and its subsidiary (the 'Group') for the year ended 31 July 2023 which comprise the Group and College Statement of Comprehensive Income and Expenditure, the Group and College Statement of Changes in Reserves, the Group and College Balance Sheet, the Group Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the 2019 Statement of Recommended Practice: Accounting for Further and Higher Education.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and College's affairs as at 31 July 2023 and of the Group's and College's surplus of income over expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Members of 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 Group's and College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Corporation is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- the information given in the report of the Members of the Corporation, including the operating and financial review and statement of corporate governance, is inconsistent with the financial statements; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Corporation

As explained more fully in the Statement of Responsibilities of the Members of the Corporation set out on pages 23-24, 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 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 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the Group and the College and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: compliance with the ESFA funding agreements, the OfS regulatory framework, the OFSTED regulatory framework, safeguarding, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering and HM Treasury's "Managing Public Money".

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Group and the College is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Group and the College which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as pension legislation.

In addition, we evaluated the Members of the Corporation and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to, revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Members of the Corporation and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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. This description forms part of our auditor's report.

Other required reporting

Opinion on other matters prescribed in the OfS Audit Code of Practice issued under the Further and Higher Education Act 1992

In our opinion, in all material respects:

- funds provided by the OfS and UK Research and Innovation (including Research England) have been applied in accordance with the relevant terms and conditions attached to them; and
- the requirements of OfS's accounts direction have been met.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the OfS Audit Code of Practice requires us to report to you if, in our opinion:

- the provider's grant and fee income, as disclosed in the notes to the financial statements, has been materially misstated; or
- the provider's expenditure on access and participation activities, as disclosed in the financial statements, has been materially misstated.

Use of the audit report

This report is made solely to the Corporation as a body in accordance with Article 22 of the College's Articles of Government. Our audit work has been undertaken so that we might state to the Corporation those matters we are required 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 Group and the College and the Corporation as a body for our audit work, for this report, or for the opinions we have formed.

Mazars LLP

Mazars LLP

Chartered Accountants and Statutory Auditor

90 Victoria Street

Bristol

BS1 6DP

Date: *14/12/23*

New College Swindon

Independent reporting accountant's assurance report on regularity

To: The Corporation of New College Swindon and Secretary of State for Education acting through Education and Skills Funding Agency ("ESFA")

In accordance with the terms of our engagement letter dated 25 May 2023 and further to the requirements and conditions of funding in 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, in all material respects, the expenditure disbursed and income received by New College Swindon during the period 1 August 2022 to 31 July 2023 have not been applied to the purposes intended 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 ESFA and in any relevant conditions of funding, concerning adult education notified by a relevant funder.

This report is made solely to the Corporation of New College Swindon and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Corporation of New College Swindon and 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 New College Swindon and ESFA for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of New College Swindon and the reporting accountant

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

Our responsibilities for this engagement are established in the United Kingdom by the Code 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 disbursed and income received, during the period 1 August 2022 to 31 July 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Code issued by 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 and propriety.

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. Accordingly, we do not express a positive opinion.

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

The work undertaken to draw to our conclusion includes:

- Reviewed the statement on the College's regularity, propriety and compliance with Funding body terms and conditions of funding.
- Reviewed the College's completed self-assessment questionnaire on regularity.
- Read the financial memorandum with the ESFA/funding agreement with the ESFA.
- Tested a sample of expenditure disbursed and income received to consider whether they have been applied to purposes intended by Parliament and in accordance with funding agreements where relevant.
- Tested a sample of individual learner records.
- Reviewed all payments to senior post holders on termination of employment or in respect of claims made in the year.
- Reviewed approved policies and procedures operating during the year for each funding stream that has specific terms attached.
- Obtained the policy for personal gifts and/or hospitality.
- Obtained the register of personal interests.
- Obtained the financial regulations/financial procedures.
- Obtained the College's whistleblowing policy.
- Reviewed the College's compliance with the requirements of HM Treasury's "Managing Public Money" document.

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 that the financial transactions do not conform to the authorities that govern them.

Signed: *Mazars LLP*

Mazars LLP

Date: *14/12/23*

New College Swindon

Consolidated Statement of Comprehensive Income and Expenditure

		Consolidated		College	
		2023	2022	2023	2022
	Notes	£'000	£'000	£'000	£'000
INCOME					
Funding body grants	2	35,353	31,464	35,353	31,464
Tuition fees and education	3	6,613	7,562	6,613	7,562
Other grants and contracts	4	-	5	-	5
Other income	5	459	425	459	425
Investment income	6	504	29	504	29
Donations and endowments	7	-	17	-	17
Total income		42,929	39,502	42,929	39,502
EXPENDITURE					
Staff costs	8	24,049	24,155	23,539	24,155
Other operating expenses	9	14,880	15,078	15,431	15,078
Depreciation	12	3,681	2,440	3,681	2,440
Interest and other finance costs	10	56	492	56	492
Total expenditure		42,666	42,165	42,707	42,165
Surplus / (Deficit) before tax		263	(2,663)	222	(2,663)
Taxation	11	-	-	-	-
Surplus / (Deficit) for the year		263	(2,663)	222	(2,663)
Actuarial (loss) / gain in respect of enhanced pensions	17	(9)	172	(9)	172
Actuarial gain in respect of pension scheme	21	5,498	32,693	5,498	32,693
Actuarial gain not realised	21	(5,021)	(2,716)	(5,021)	(2,716)
Total comprehensive income for the year		731	27,486	690	27,486

All items of income and expenditure relate to continuing activities.

New College Swindon

Consolidated Statement of Changes in Reserves

	Income and expenditure account £'000	Revaluation reserve £'000	Total £'000
Balance at 1 August 2021	17,920	812	18,732
Deficit from the income and expenditure account	(2,663)	-	(2,663)
Other comprehensive income	30,149	-	30,149
Total comprehensive income for the year	27,486	-	27,486
Balance at 31 July 2022	45,406	812	46,218
Surplus from the income and expenditure	263	-	263
Other comprehensive income	468	-	468
Total comprehensive income for the year	731	-	731
Balance at 31 July 2023	46,137	812	46,949

College Statement of Changes in Reserves

	Income and expenditure account £'000	Revaluation reserve £'000	Total £'000
Balance at 1 August 2021	17,920	812	18,732
Deficit from the income and expenditure account	(2,663)	-	(2,663)
Other comprehensive income	30,149	-	30,149
Total comprehensive income for the year	27,486	-	27,486
Balance at 31 July 2022	45,406	812	46,218
Surplus from the income and expenditure	222	-	221
Other comprehensive income	468	-	468
Total comprehensive income for the year	690	-	689
Balance at 31 July 2023	46,096	812	46,907

New College Swindon

Consolidated Balance sheet as at 31 July

	Notes	Consolidated		College	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
Non-current assets					
Tangible Fixed assets	12	73,174	71,055	73,174	71,055
		73,174	71,055	73,174	71,055
Current assets					
Trade and other receivables	13	1,514	812	1,514	812
Cash and cash equivalents		18,467	16,941	18,419	16,941
		19,981	17,753	19,933	17,753
Creditors – amounts falling due within one year	14	(17,543)	(13,291)	(17,536)	(13,291)
Net current assets		2,438	4,462	2,397	4,462
Total assets less current liabilities		75,612	75,517	75,571	75,517
Creditors – amounts falling due after more than one year	15	(28,242)	(28,853)	(28,242)	(28,853)
Provisions					
Defined benefit obligations	17	-	-	-	-
Other provisions	17	(421)	(446)	(421)	(446)
Total net assets		46,949	46,218	46,908	46,218
Reserves					
Income and expenditure		46,137	45,406	46,096	45,406
Revaluation reserve		812	812	812	812
Total reserves		46,949	46,218	46,908	46,218

The financial statements on pages 32 to 57 were approved and authorised for issue by the Corporation on 12 December 2023 and were signed on its behalf by:



Martin Wyn Griffith
Chair



Leah Palmer
Accounting Officer

New College Swindon

Consolidated Cash Flow Statement

	Notes	2023 £'000	2022 £'000
Cash flow from operating activities			
Surplus / (Deficit) for the year		263	(2,663)
Adjustment for non-cash items			
Depreciation		3,681	2,440
Deferred capital grants released to income		(1,670)	(541)
(Increase) / decrease in debtors		(702)	282
Increase in creditors due within one year		3,807	4,517
(Decrease) in provisions		(35)	(34)
Pensions costs less contributions payable		462	2,267
Adjustment for investing or financing activities			
Investment income		(504)	(29)
Interest payable		56	492
Net cash flow from operating activities		5,358	6,731
Cash flows from investing activities			
Investment income		504	29
Capital grant receipts		2,439	15,933
Payments made to acquire fixed assets		(5,800)	(17,187)
		(2,857)	(1,225)
Cash flows from financing activities			
Interest paid		(38)	(24)
Interest element of finance lease rental payments		(3)	(3)
Repayments of amounts borrowed		(890)	(289)
Capital element of finance lease rental payments		(44)	(44)
		(975)	(360)
Increase in cash and cash equivalents		1,526	5,146
Cash and cash equivalents at beginning of the year	18	16,941	11,795
Cash and cash equivalents at end of the year	18	18,467	16,941

New College Swindon

Notes to the Financial Statements

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 2020 to 2021 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 use of valuations as deemed cost for certain non-current assets at certain transition points.

Going concern

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

The College currently has a £0.3m Salix loan outstanding, which is unsecured and repayable over a further 3 years. The College's forecasts and financial projections indicate that it will be able to operate within these existing facilities for the foreseeable future.

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

Basis of consolidation

The consolidated financial statements include the College and its subsidiary undertaking for the financial year ended 31 July 2023. Intra-group transactions are eliminated on consolidation. New College Swindon Services Limited made a surplus of £41k for the financial year.

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 depends on the particular income stream involved. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body

following the year end, and the results of any funding audits. 16-18 funding is not subject to reconciliation and is therefore not subject to contract adjustments.

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

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

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

Capital grant funding

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

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 and any other arrangements. 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.

Wiltshire 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, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in interest and other finance costs.

Actuarial gains and losses are recognised immediately in the Statement of Comprehensive Income.

NEST Defined contribution scheme

The College operates a defined contribution scheme for employees of the subsidiary company, New College Swindon Services Limited. The contributions are recognised as an expense in the income statement in the periods during which services are rendered by employees.

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.

Termination benefits

Termination benefits are accrued for at the date the obligation is reasonably expected to materialise.

Enhanced Pensions

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

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

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 1993, 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 £1,500 per individual item, unless it forms part of a group of related items, 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:

- | | |
|------------------------------------|----------|
| • Technical equipment | 4 years |
| • Motor vehicles | 4 years |
| • computer equipment | 5 years |
| • Furniture, fixtures and fittings | 10 years |

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

Borrowing costs

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

Leased assets

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

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. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

Provisions and contingent liabilities

Provisions are recognised when

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

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

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College. Contingent liabilities also arise in circumstances where

a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

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

Judgements in applying accounting policies and key sources of estimation uncertainty

Judgements in applying accounting policies

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

- Determine whether leases entered into by the College either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determine whether there are indicators of impairment of the College's tangible 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.
- As the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, the plan has a notional surplus. As management do not consider that the College will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with paragraph 28.22 of FRS102.

Other key sources of estimation uncertainty

- 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 present value of the Local Government Pension Scheme defined benefit obligation 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 obligation. The actuary has used a roll forward approach which projects results from the latest full actuarial valuation performed at 31st March 2019 to value the pensions obligation as at 31st July 2022. 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 obligation.
- Pension Increase Orders are used to set the level of pension increases with effect from 1 April of each year, with reference to the change in CPI inflation over the 12 months to the previous September, which was announced in October. This was 10.1% and was considerably higher than the CPI assumption set by employers as at 31 July 2022. Although Pension Increase orders have always been set with reference to the September CPI for the last 10 years and the September RPI for the preceding 20

years, they are not automatically set and they are only known with absolute certainty when the Pension Increase Order is enacted by Parliament, which is usually in April of the following year. Similarly, the likely level of the forthcoming Pension Increase Order 2023 was not known at 31 July. Consequently, no adjustment has been made to recognise the possible 2023 Pension Increase Order within the CPI assumption.

2 Funding body grants – consolidated and College

	2023 £'000	2022 £'000
Recurrent grants		
Education and Skills Funding Agency – 16 -18	24,130	21,083
Education and Skills Funding Agency – adult education	4,124	4,423
Education and Skills Funding Agency – apprenticeships	3,534	3,421
Office for students	319	210
Specific grants		
Education and Skills Funding Agency – capacity & delivery	217	230
Education and Skills Funding Agency – tuition fee fund	394	647
Education and Skills Funding Agency – other	223	281
Teacher Pension Scheme contribution grant	742	628
Releases of government capital grants	1,670	541
Total	35,353	31,464

Under the Coronavirus related Tuition Fee Fund programme, the Corporation received funding of £512k (2022: £487k) from the ESFA. Of this, £394k (2022: £647k) was utilised in year. The remaining balance of funding of £118k is repayable to the ESFA.

3 Tuition fees and education contracts – consolidated and College

	2023 £'000	2022 £'000
Adult education fees	490	487
Apprenticeship fees and contracts	17	11
Fees for FE loan supported courses	543	671
Fees for HE loan supported courses	3,692	4,385
Total tuition fees	4,742	5,554
Education contracts	1,871	2,008
Total	6,613	7,562

4 Other grants and contracts – consolidated and College

	2023 £'000	2022 £'000
Turing scheme	-	5
Total	-	5

5 Other income – consolidated and College

	2023 £'000	2022 £'000
Other income generating activities	204	180
Miscellaneous income	255	245
Total	459	425

6 Investment income – consolidated and College

	2023 £'000	2022 £'000
Other interest receivable	419	29
Net interest on defined pension liability (note 21)	85	-
Total	504	29

7 Donations – consolidated and College

	2023 £'000	2022 £'000
Unrestricted donations	-	17
Total	-	17

8 Staff costs

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

	Consolidated		College	
	2023 No.	2022 No.	2023 No.	2022 No.
Teaching staff	246	256	246	256
Non-teaching staff	252	240	227	240
	498	496	473	496

The headcount for the above categories are:

	Consolidated		College	
	2023 No.	2022 No.	2023 No.	2022 No.
Teaching staff	363	376	363	376
Non-teaching staff	339	303	292	303
	702	679	655	679

Staff costs for the above persons

	Consolidated		College	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Wages and salaries	17,396	16,208	16,911	16,208
Social security costs	1,704	1,579	1,684	1,579
Other pension costs	4,173	5,658	4,168	5,658
Payroll sub total	23,273	23,445	22,763	23,445
Contracted out staffing services	776	553	776	553
	24,049	23,998	23,539	23,998
Restructuring costs – contractual	-	157	-	157
Total Staff costs	24,049	24,155	23,539	24,155

The College has a salary sacrifice arrangement in place for a child care voucher scheme and a cycle to work scheme.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the Principalship Team. During the year, this comprised of the Principal and Chief Executive, Deputy Principal and CEO, Deputy Principal (Finance and Resources), Vice Principal (HE and Curriculum), Interim Vice Principal (Business Development & Employer Engagement), Vice Principal (Curriculum and Quality), the Swindon & Wiltshire Institute of Technology Managing Director, Head of Human Resources and Chief Commercial Strategy Officer.

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

	2023	2022
	No.	No.
The number of key management personnel including the Accounting Officer was:	6	7

The number of key management personnel and other staff who received annual emoluments, excluding employer contributions to national insurance and pensions but including benefits in kind, in the following ranges was:

	Consolidated and College			
	Key management personnel		Other staff	
	2023 No.	2022 No.	2023 No.	2022 No.
£60,001 to £65,000 p.a.	1	-	4	2
£65,001 to £70,000 p.a.	-	-	2	-
£70,001 to £75,000 p.a.	-	-	-	-
£75,001 to £80,000 p.a.	-	-	1	-
£80,001 to £85,000 p.a.	1	1	-	-
£85,001 to £90,000 p.a.	-	-	-	-
£90,001 to £95,000 p.a.	-	-	-	-
£100,001 to £105,000 p.a.	-	1	-	-
£125,001 to £130,000 p.a.	-	1	-	-
£140,001 to £145,000 p.a.	-	-	-	-
£150,001 to £155,000 p.a.	1	1	-	-
	3	4	7	2

There were four leavers and three new starters within the key management personnel during the year. If the three new starters' salaries were grossed up to a full year, they would have been paid in the £70,001 to £75,000; the £110,001 to £115,000 and the £115,001 to £120,000 bandings.

Also, there were three leavers and four new starters within the other staff category during the year. If the four new starters' salaries were grossed up to a full year, three would have been paid in the £60,001 to £65,000 banding, and one in the £70,001 to £75,000 banding.

Key management personnel compensation is made up as follows:

	Consolidated and College	
	2023 £'000	2022 £'000
Basic salary	694	594
Other including benefits in kind	13	50
Ex-gratia payment	5	-
Compensation for loss of office	56	70
Pension contributions	119	93
Total key management personnel compensation	887	807

During the year, compensation for loss of office was paid to a former member of the key management personnel. (2022: one)

The above compensation includes amounts paid to the Principal and Chief Executive who is the Accounting Officer and who is also the highest paid member of staff. Their pay and remuneration is as follows:

	2023	2022
	£'000	£'000
Basic salary	155	155
Performance related pay and bonus	-	-
Other including benefits in kind	-	-
Pension contributions	37	37
Total compensation	192	192

The governing body adopted the AoC's Senior Staff Remuneration Code in July 2019 and assesses pay in line with its principles. The remuneration package of Key management staff, including the Principal and 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 and Chief Executive reports to the Chair of Governing Council, who undertakes an annual review of her performance against the College's overall objectives using both qualitative and quantitative measures of performance.

Relationship of Principal and Chief Executive's pay and remuneration expressed as a multiple

	2023	2022
	£'000	£'000
Principal and Chief Executive's basic salary as a multiple of the median of all staff	4.9	5.1
Principal and Chief Executive's total remuneration as a multiple of the median of all staff	5.0	5.2

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 miscellaneous expenses incurred in the course of their duties.

9 Other operating expenses

	Consolidated		College	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Teaching costs	9,363	10,213	9,363	10,213
Non-teaching costs	3,179	2,492	3,169	2,492
Premises costs	2,338	2,373	2,899	2,373
Total	14,880	15,078	15,431	15,078

Other operating expenses include:

	Consolidated		College	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Auditors' remuneration:				
Financial statements audit	42	39	36	39
Other services provided by the financial statements' auditor	3	-	-	-
Internal audit fees	29	28	29	28
Hire of assets under operating leases	94	130	94	130
Rent of buildings under operating leases	104	101	104	101

10 Interest and other finance costs – consolidated and College

	2023 £'000	2022 £'000
On bank loans, overdrafts and other loans:	38	24
On finance leases	3	3
	41	27
Net interest on defined pension liability (note 21)	-	455
Interest on enhanced pension provision (note 17)	15	10
Total	56	492

11 Taxation

The members do not believe that the College was liable for any corporation tax arising out of its activities during either year.

12 Tangible fixed assets – consolidated and College

	Land and Buildings Freehold £'000	Equipment £'000	Assets in the course of construction £'000	Total £'000
Cost or valuation				
At 1 August 2022	61,688	7,946	19,319	88,953
Additions	2,223	2,152	1,425	5,800
Disposals	-	-	-	-
Assets brought into use	13,212	6,107	(19,319)	-
At 31 July 2023	77,123	16,205	1,425	94,753
Depreciation				
At 1 August 2022	11,821	6,077	-	17,898
Charge for the year	2,176	1,505	-	3,681
On disposals	-	-	-	-
At 31 July 2023	13,997	7,582	-	21,579
Net book value at 31 July 2023	63,126	8,623	1,425	73,174
Net book value at 31 July 2022	49,867	1,869	19,319	71,055

The freehold land and buildings inherited from the local education authority at incorporation was valued by external valuers, King Sturge, Chartered Surveyors, as at 1st April 1993 at depreciated replacement cost. If the fixed assets had not been revalued, they would have been included at the historical cost amount of £nil.

As a result of the business combination, the net book value of equipment now includes an amount of £27k (2022: £79k) in respect of assets held under a finance lease. The depreciation charge on these assets for the year was £52k (2022: £52k).

13 Trade and other receivables

	Consolidated		College	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade receivables	549	545	549	545
Prepayments and accrued income	965	267	965	267
Total	1,514	812	1,514	812

14 Creditors: amounts falling due within one year

	Consolidated		College	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	78	328	78	328
Obligations under finance leases	22	44	22	44
Amounts owed to subsidiary undertaking	-	-	45	-
Trade payables	1,373	444	1,373	444
Other taxation and social security	410	341	410	341
Accruals and deferred income	10,034	7,786	10,024	7,786
Deferred income - government capital grants	2,131	1,414	2,131	1,414
Deferred income - government revenue grants	2,383	1,823	2,383	1,823
Other creditors	938	937	896	937
Amounts owed to government bodies	174	174	174	174
Total	17,543	13,291	17,536	13,291

15 Creditors: amounts falling due after one year – consolidated and College

	2023	2022
	£'000	£'000
Bank loans	195	836
Obligations under finance leases	-	22
Deferred income - government capital grants	28,047	27,995
Total	28,242	28,853

16 Borrowings - consolidated and College**(a) Bank loans and overdrafts**

	2023	2022
	£'000	£'000
In one year or less	78	328
Between one and two years	78	328
Between two and five years	117	508
In five years or more	-	-
Total	273	1,164

Bank loans and overdrafts consist of:

- A Salix loan of £391,065, with the final draw down taking place on 1 April 2021 and repayable by half yearly instalments over 5 years. No interest is payable against this loan and it is unsecured.

(b) Finance leases

The net finance lease obligations to which the institution is committed are:

	2023	2022
	£'000	£'000
In one year or less	22	44
Between two and five years	-	22
In five years or more	-	-
Total	22	66

Finance lease obligations are secured on the assets to which they relate.

17 Provisions – consolidated and College

	Defined benefit obligations	Enhanced pensions	Total
	£'000	£'000	£'000
At 1 August 2022	-	446	446
Expenditure in the period	(1,640)	(49)	(1,689)
Additions in period	2,117	15	2,132
Actuarial loss	(5,498)	9	(5,489)
Part of actuarial gain not recognised	5,021	-	5,021
At 31 July 2023	-	421	421

Defined benefit obligations relate to the liabilities under the College's membership of the Local Government Pension Scheme. Further details are given in note 21.

The enhanced pension provision relates to the cost of staff who have already left the College's employment and commitments for reorganisation costs from which the College cannot reasonably withdraw at the balance sheet date. The principal assumptions for this calculation are:

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

18 Analysis of changes in net funds

	At 1 August 2022	Cash flows	At 31 July 2023
	£'000	£'000	£'000
Cash and cash equivalents	16,941	1,526	18,467
Total	16,941	1,526	18,467

19 Capital commitments – consolidated and College

	2023 £'000	2022 £'000
Commitments contracted for at 31 July	1,155	142

20 Financial commitments – consolidated and College

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

	2023 £'000	2022 £'000
Future minimum lease payments due - other		
Not later than one year	-	42
Later than one year and not later than five years	308	-
Later than five years	-	-
Total lease payments due	308	42

21 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 Wiltshire Local Government Pension Scheme (LGPS) for non-teaching staff. 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 as at 31st March 2019 and of the LGPS, 31st March 2019 also.

Total consolidate pension cost for the year	2023 £000	2022 £000
Teachers' Pension Scheme: contributions paid	1,966	1,775
NEST – defined contribution scheme (subsidiary)	5	-
Local Government Pension Scheme:		
Contributions paid	1,640	1,606
FRS 102 (28) charge	562	2,277
Charge to the Statement of Comprehensive Income	2,202	3,883
Pension cost for year within staff costs	4,173	5,658

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 College is not responsible to fund the liability of any other employers.

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

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

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

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

The total pension costs paid to TPS in the year amounted to £2.0m (2022: £2.0m).

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Wiltshire Pension Fund. The total contributions made for the year ended 31 July 2023 were £2.1m, of which employer's contributions totalled £1.6m and employees' contributions totalled £0.5m. The agreed contribution rates for the future year are 21.7% for the College and range from 5.5% to 12.5% for employees, depending on salary

The following information is based upon a full actuarial valuation of the fund at 31st March 2019 updated to 31st July 2023 by Hymans Robertson LLP.

	At 31 July 2023	At 31 July 2022
Rate of increase in salaries	3.50%	3.1%
Future pensions increases	3.00%	2.7%
Discount rate for scheme liabilities	5.05%	3.5%
Commutation of pensions to lump sums	50%	75%

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	20.4	21.7
Females	24.2	24.2
<i>Retiring in 20 years</i>		
Males	22.0	22.6
Females	25.5	26.0

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

	Fair Value at 31 July 2023 £'000	Fair Value at 31 July 2022 £'000
Equity instruments	34,182	33,903
Bonds	18,023	20,091
Property	8,701	8,790
Cash	1,243	-
Total fair value of plan assets	62,149	62,784

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

	2023 £'000	2022 £'000
Fair value of plan assets	62,149	62,784
Present value of plan liabilities	(54,412)	(60,068)
Net pensions asset	7,737	2,716
Less notional surplus not recognised (Note 17)	(7,737)	(2,716)
Net pensions asset as recognised in these financial statements (Note 17)	-	-

As the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, the plan has a notional surplus. As management do not consider that the College will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with paragraph 28.22 of FRS102.

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	2,136	3,682
Past service cost	66	7
Total service cost	2,202	3,689
Employer contributions	(1,640)	(1,412)
FRS102 (28) wages charge	562	2,277
Amounts included in investment income		
Interest income on plan assets	2,193	1,030
Interest cost on defined benefit obligation	(2,108)	(1,484)
FRS102 (28) net interest	85	(454)
Amount recognised in Other Comprehensive Income		
Return on pension plan assets	(2,653)	(1,989)
Experience losses arising on defined benefit obligations	(7,786)	(235)
Changes in assumptions underlying the present value of plan liabilities	15,937	34,917
Amount recognised in Other Comprehensive Income	5,498	32,693

Movement in net defined benefit asset/(liability) during the year

	2023	2022
	£'000	£'000
Net defined benefit asset / (liability) in scheme at 1 August	2,716	(27,246)
Movement in year:		
Current service cost	(2,136)	(3,682)
Employer contributions	1,640	1,412
Past service cost	(66)	(7)
Net interest	85	(454)
Actuarial gain	5,498	32,693
Net defined benefit asset at 31 July	7,737	2,716

Asset and Liability Reconciliation

	2023 £'000	2022 £'000
Changes in the present value of defined benefit		
Defined benefit obligations at 1 August	60,068	92,371
Current service cost	2,136	3,682
Past service cost	66	7
Interest cost on defined benefit obligation	2,108	1,484
Contributions by Scheme participants	450	389
Experience gains and losses on defined benefit obligations	7,786	235
Changes in financial assumptions	(15,582)	(34,620)
Estimated benefits paid	(2,265)	(3,183)
Changes in demographic assumptions	(355)	(297)
Defined benefit obligations at 31 July	54,412	60,068
Changes in fair value of plan assets		
Fair value of plan assets at 1 August	62,784	65,125
Interest on plan assets	2,193	1,030
Return on plan assets	(2,653)	(1,989)
Employer contributions	1,640	1,412
Contributions by Scheme participants	450	389
Estimated benefits paid	(2,265)	(3,183)
Fair value of plan assets at 31 July	62,149	62,784

22 Related party transactions

Due to the nature of the College's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the College's financial regulations and normal procurement procedures.

J Arnott is employed by UK Shared Business Services Ltd. During the year UK Shared Services Ltd received £1,000 from the College in respect of an incentive payment for an apprentice.

P Boucher is an 80% equity shareholder and director of Excalibur Communications. During the year Excalibur Communications received £500 from the College in respect of an incentive payment for an apprentice.

P Boucher is a member (pro bono) of GWE Business West Limited. The College paid £3,780 to GWE Business West during the year in respect of annual 'patron membership'. P Boucher is also a Director of Business West, who paid the College £582 in respect of catering for an LSIP event.

K Newman and R Wheeler were senior employees at Nationwide Building Society. Nationwide Building Society contributed £40,000 for Swindon & Wiltshire Institute of Technology wellbeing and support, and £3,888 for a training event provided to Nationwide employees.

The total expenses paid to or on behalf of the Governors during the year was £180 for 2 Governors (2022: £41 for 1 Governor). This represents expenses incurred in participating at Governor meetings.

23 Amounts disbursed as agent - Learner support funds

	2023 £'000	2022 £'000
Funds brought forward	1,439	1,269
Bursary grants received in year	542	454
	1,981	1,723
Disbursed to students	(561)	(262)
Administration costs	(24)	(22)
Balance unspent as at 31 July, included in creditors	1,396	1,439

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.

24 Financial Instruments

	2023 £'000	2022 £'000
Financial assets that are measured at fair value through profit and loss:		
Cash at bank and in hand	18,467	16,941
Financial assets that are measured at amortised cost		
Trade receivables	549	545
Financial liabilities that are measured at fair value through profit and loss:		
Bank Loans	274	1,164
Obligations under finance lease	22	65
Financial liabilities that are measured at amortised cost		
Trade payables	1,373	444
Other taxation and social security	410	341
Accruals and deferred income	5,230	7,786
Other creditors	938	936
Amounts owed to government bodies	824	174

25 Access and Participation Plan

	2023 £'000
Access investment	39
Financial support	25
Disability support	7
Research and evaluation	7
	<hr/> 78 <hr/>

Included above are staff costs already accounted for in overall staff costs figures shown at note 8, as follows:

	2023 £'000
Access investment	26
Financial support	3
Disability support	7
Research and evaluation	7
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The College's HE strategy focuses on the needs and aspirations of the local community, and wants to support and encourage families to engage with HE so they can seek accessible opportunities to reach their full potential. The College operates a bursary scheme and hardship fund in addition to providing access to an HE scholarship. There is a significant amount of promotional activity and collaboration with local primary and secondary schools to help raise aspiration in young people to access higher education programmes.

The College's Access and Participation Plan can be found on the College's website.