



Report & Financial Statements

for the year ended 31 July 2024

RUNSHAW COLLEGE

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Advanced Level Results Day **2024**

A Golden Achievement for our Gold Anniversary!



**Over
1000**

A*-A grades (or equivalent) achieved
by our Advanced Level students!

**3 out
of 4**

of our Advanced Level students
achieved a **High Grade!**

**Over
50**

Academies attended by our Class of
2024, **turbo-charging** their next steps

**England's
#1**

college for **positive progression** after
Level 3

**Top
GFE
college**

in the country for progression to **Top
Third & Russell Group** Universities

Scan for more!



RUNSHAW COLLEGE



Key Management Personnel, Board of Governors and Professional advisers

KEY MANAGEMENT PERSONNEL

Key management personnel are defined as Senior Postholders and were represented by the following in 2023/24:

Clare Russell	Principal and CEO; Accounting officer
Martin Rigby	Deputy Principal
Janet Ivill	Vice Principal

Principal and Registered Office Langdale Road, Leyland, PR25 3DQ

BOARD OF GOVERNORS

Members of the Corporation are listed on pages 24 to 26.

Head of Governance and Company Secretary : Mrs. D Williamson

PROFESSIONAL ADVISERS

Financial statement and regularity auditors	Beever & Struthers One Express, 1 George Leigh Street, Manchester, M4 5DL
Internal auditors	ICCA Education Training and Skills Limited Office 637, Spaces Crossway, Great Charles Street, Queensway, Birmingham, B3 3HN
Bankers	Royal Bank of Scotland plc Barclays Bank plc Santander UK plc
Solicitors	Mills and Reeve LLP DLA Piper UK LLP
Insurers	Zurich Municipal (to 31 July 2024) AJ Gallagher (from 1 August 2024)



Strategic Report

The members present their annual report together with the financial statements and auditor's report for the year ended 31 July 2024.

INTRODUCTION

Established in 1974, as a small sixth-form college for two local high schools, Runshaw College has developed to be a strategically important tertiary college with an extensive geographic reach and a long-standing local and national reputation for excellence. We provide the full range of academic and vocational courses to young people, as well as an array of adult learning programmes and apprenticeships, combining the main functions of a further education college and a sixth form college. We are proud to be a truly comprehensive college, expertly serving the diverse needs of our local communities. The majority of young people in the area choose to continue their post-16 studies at Runshaw, whether they are studying at entry or advanced level.

In the year of our 50th anniversary, what has never changed at Runshaw is our enduring focus on teaching, learning and the needs of our students, which is always at the centre of everything we do. As a result, we have developed a national reputation for educational excellence and continue to build on this all the time.

As a genuinely comprehensive and inclusive college, we are particularly proud of our high standards which result in exceptional student achievements. Runshaw College is one of the largest providers of A Level courses in the country, offering an extensive range of over 40 different subject options. A Level students have consistently achieved an average of a Grade B in their qualifications for more than 10 years, and there were more than 1000 A*-A grades awarded to Runshaw students in 2023. The sixth-form curriculum includes a very broad range of vocational courses, from Entry Level to Level 3.

We are particularly proud to be recognised by the Department for Education (DfE) as the top GFE college in the country for progression to Russell Group universities and to Oxbridge. We continue to invest heavily in our facilities, so that our learning environments are sector leading. We are making rapid progress on our estates strategy, with significant investment in the Leyland Campus, following the sale of our second campus on Euxton Lane Chorley.

LEGAL STATUS AND PUBLIC BENEFIT

The Corporation, incorporated as Runshaw College, was established under the Further and Higher Education Act 1992 to provide further education, principally for the Lancashire boroughs of South Ribble and Chorley.

Runshaw College is an exempt charity under 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 24 to 26.

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

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

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

The delivery of public benefit is covered throughout this Strategic Report.

Mission, Vision and Values



Mission

We believe exceptional education changes lives, so we put teaching, learning and the needs of our students first.

Vision



A GREAT PLACE
TO STUDY



A GREAT PLACE
TO WORK



A GREAT PLACE
FOR PARTNERSHIPS

Values



EXCELLENCE



DEDICATION



RESPECT



FULFILMENT

Strategic Report

STRATEGIC PLAN 2021-24

In July 2021 the College adopted a strategic plan for the 3 year period from 2021 to 2024, including six key strategic priorities:

- Quality
- Innovation
- Community
- People
- Sustainability
- Finance



Specific achievements over the strategic plan period include:

Quality

Quality of Education - The Quality of Education at Runshaw College goes from strength to strength. Our Ofsted inspection in March 2022 challenged us to further develop robust and effective Self-Assessment and Review of Quality processes. Updated Teaching & Learning Expectations (TLEs) have been put into place, along with newly-focused Schemes of Learning (SOLs), and feedback for students that helps them to understand their Strengths, Weaknesses And Next Steps (SWANS). Students report that they are increasingly positive about their learning, and they are making excellent progress.

Adult and Apprenticeship Programmes – We have further developed the Adult and Apprenticeship Programmes we provide, in consultation with employers and local stakeholders. We are now delivering courses from several community venues, and have plans to further increase this offer, to meet learners' needs. We have successfully launched our new brand, the "Runshaw Institute for Skills and Enterprise" (RISE), in response to employer demand.

T-Level Implementation - Over the past 3 years, we have introduced several new T Level programmes, including: Business Management & Leadership, Civil Engineering, Design Engineering, Digital Level 2 (Transition), Digital (Software Development), Education & Childcare (Early Years Educator) and Health.

Innovation

Innovative Curriculum Delivery - The early months of this 3-year period were characterised by the COVID-19 pandemic and all the restrictions that entailed. Staff and students successfully managed to pivot to online and blended learning, and developed highly innovative methods of working and learning.

Runshaw Scholars, Horizons and Xtra - We have developed a new scholars programme, offering mentoring offering mentoring for our highest performing A Level students to encourage successful applications to the UK's most competitive and prestigious universities. Horizons Academies are thriving in all curriculum areas, allowing students to experience the curriculum in greater depth or breadth. Our extra-curricular offer, Runshaw Xtra, has developed even more, to match students' ambitions and career aspirations.

Immersive Hub - We have created a new immersive hub ; an interactive learning space that projects 360o video footage onto the walls and floor of the Hub. Powerful software enables staff to edit the scenes and embed touch points, which are activated via a series of motion-detecting lasers to reveal additional information, videos, or quizzes. This innovative and high-tech space engages students on a new level and enables them to learn key employability and technical skills in a safe, simulated training environment.

Strategic Report

Community

Employer Partnership Boards – Over the past 3 years, we have initiated and developed highly effective Employer Partnership Boards that now have a very positive impact right across the college curriculum. Our employer partners work with curriculum teams to plan and design the curriculum, so that students learn the knowledge and skills they will need to contribute to the local economy. Many employers are involved in directly delivering aspects of the curriculum, and in providing real assignment briefs for students to work on.

Partner High Schools - We have further developed our Partner High School network, and now work in partnership with over 70 secondary schools in Chorley, South Ribble, Preston, Bolton, Blackburn, Wigan, West Lancashire, and Southport. We have delivered specific sessions to better inform staff and students about new T Levels. We have developed an effective and highly impactful network of teachers from Runshaw and our Partner High Schools. They share best practice to ensure our curriculum meets students' needs and expectations, when they first progress to college.

Community relationships – In each of the past 3 years, we have further developed the positive impact that Runshaw makes to the communities we serve. We are a key member of the Chorley and South Ribble Partnership, a board member of the Leyland Town Deal, and meet regularly with our local council leaders and MPs. We are working in strategic partnership with the North & Western Lancashire Chamber of Commerce, on the Local Skills Improvement Plan (LSIP). We are also working closely with Lancashire County Council, to support our shared priority of reducing the number of local young people who are NEET (Not in Education, Employment or Training).

Partnerships with Higher Education - Over the last 3 years, we have further consolidated our excellent partnerships with Higher Education providers. We discontinued HE at Runshaw College in order to more effectively promote progression to the high quality HE providers in the local area. In particular, Lancaster University, Edge Hill University, and the University of Central Lancashire are extremely popular progression destinations for Runshaw students, and we continue to work very closely with the Vice Chancellors, admissions tutors, and curriculum staff at these universities.

People

Sector leading pay scales - We value our staff highly, and recognise that an Outstanding Quality of Education for our students is only possible with the very best staff. We have therefore benchmarked and realigned pay scales to ensure they are among the very best in the Further Education sector. Runshaw is therefore a first-choice employer, where the best highly skilled and qualified staff are proud to work.

Wellbeing services - Recognising the challenges with young people's Mental Health, we introduced a new "Head of Safeguarding & Wellbeing" role, as well as a "Mental Health & Wellbeing Facilitator". We also developed a new Wellbeing Hub in the centre of the college. This space is a place for students to find peace within a busy college day, and to access any support they may need with any aspect of their physical or mental health or wellbeing. There is an outstanding range of strategies and services to support students.

Sustainability

Sustainability - Our new Sustainability Committees have developed into highly impactful groups. Projects have included the installation of 6 Electric Vehicle charging points, and planting of hundreds of new trees and shrubs. We calculated the college's carbon footprint, working with the Climate Change Officer at Chorley Borough Council, and developed the associated decarbonisation plan. We are following the FE Climate Action Roadmap, to direct our continued improvements.

Social Value - We have developed procurement practices that support the local economy and community. Wherever possible, we use local suppliers for all goods and services. We include an assessment of social value responsibilities in all building tenders

Finance

Campus Masterplan - We sold our Euxton Lane campus in Summer 2023 and relocated most provision to the Leyland Campus, whilst also delivering adult learning programmes from community venues in the Chorley area. We have invested over £7 million in the estate over the last couple of years, on new buildings, refurbishments, and equipment. Our new Buttermere building, for the School of Professional Engineering, opened in February 2023. Our new Health Suite, in the Tyndale building, opened in September 2023. We converted the Silverdale Student Hub from a sports hall to a fabulous multi-use space. We continue to make great progress on our vision for an impressive college campus, equipped with high-quality facilities and resources, including industry-standard equipment and technology.

Financial Health - We have proactively and effectively managed finances to support investment in the College whilst maintaining Good financial health and meeting loan covenants.

Strategic Report

STRATEGIC PLAN 2024-2027

In July 2024, the Corporation approved a 3-year strategic plan for 2024-2027, including 5 key strategic priorities.

Following consultation with the full range of stakeholders, we have identified the following 5 Strategic Priorities for this 3-year plan.



Strategic Report

The specific strategic aims for 2024-25 (Year 1 of the 3-year plan) are :



1. Improve learner outcomes to consistently outstanding levels
2. Ensure highly effective learning sessions and excellent learner satisfaction
3. Further develop all curriculum in line with stakeholder feedback and skills needs
4. Further develop the effective use of MIS reporting, as a tool for in-year quality improvement
5. Further enhance monitoring and intervention processes to achieve outstanding outcomes for learners



1. Attract, retain, and prioritise the wellbeing of the very best staff
2. Elevate staff performance through comprehensive Continuing Professional Development
3. Strengthen internal communications including consultation, developing our strong Runshaw culture
4. Promote accountability and empowerment in all job roles (including through appraisal), to ensure high performance
5. Build on our diverse and inclusive community, recognising and acknowledging how everyone contributes to the mission, vision and values of the college



1. Continue to improve college cyber-security practices and organisational resilience
2. Increase the digital skills of staff and students
3. Continue at pace with innovations to enhance quality and reduce workload (including AI and process transformation)
4. Ensure accessible digital technologies are used appropriately to enhance learning
5. Continue to develop our sector-leading MIS reporting and data visualisation



1. Finalise the next phase of the campus masterplan (New Science Laboratories) ready for works to commence in Summer 2025
2. Ensure the college maintains robust financial health for academic years 24/25 and 25/26
3. Achieve phase 1 of the college's Net Zero Plan (Heat Decarbonisation Plan for Dalehead 2-storey: Milestone 2)
4. Complete achievement of the FE "Climate Action Roadmap" emerging colleges initiatives
5. Promote and enhance the College's commitment to UN Sustainable Development Goals



1. Expand local market share in Chorley and South Ribble
2. Be the first-choice college for top-performing students from our Partner High Schools
3. Prioritise guidance and support to ensure students choose the right course and are well-prepared for college life
4. Prioritise guidance, support and wellbeing to ensure students successfully complete their programme of study
5. Enhance proactive support for student safeguarding and wellbeing, including mental health

Strategic Report

KEY PERFORMANCE INDICATORS

The College is committed to observing the importance of sector measures and indicators and systematically and regularly monitors KPIs at team, manager, senior management and governor level throughout the year.

The College has a comprehensive Self Assessment Report (SAR) and Governor dashboard to which it utilises to monitor the Colleges performance against key performance indicators for Quality, Finance and Human Resources. The outcomes for 2023/24 are show below:

KPI	Summary Judgement Statement
Quality KPIs	
Recruitment	Recruitment and enrolment to the College remains buoyant with application and enrolment targets achieved for 2023/24.
Retention	16-18 in-year retention is strong, however, 2-year retention rates are below College targets. Retention on adult programmes is good.
Attendance	Attendance rates for 16-18 and adult programmes is strong.
In year progress	In year progress for 2023/24 was below College target rates.
Results/Outcomes	Learner outcomes compare very favorably with published national data. High grades in 14 A Levels and 12 year 2 Level 3 Vocational courses are more than 5% above national benchmarks..
Destinations and Internal Progression	Learners achieve ambitious destinations and career goals, being well-prepared to progress to extremely high-quality first-choice destinations.
Quality of Education Survey	Student feedback is exceptionally positive, with improvements recognised over the year.
Stakeholder survey feedback	Very levels of satisfaction from partner high schools, employers and the community.
Safeguarding and welfare	Safeguarding is effective.
Finance KPIs	
Turnover	Income exceeded the budget for 2023/24
Operating surplus/deficit	Operating surplus exceeded the budget for 2023/24
Education EBITDA	EBITDA exceeded the budget for 2023/24
Loan Balance	Loan balances were in in line with budget for 2023/24
Cash Reserves	Cash balances as at 31 July 2024 were higher than the budget.
Cash Days in Hand	Cash days in hand were significantly higher than the ESFA and FE commissioner benchmark targets for 2023/24.
Debt Service Ratio	Debt service ratio was better than the KPI target for 2023/24
Pay cost as % of Income	Pay costs as a % of income were better than the budget for 2023/24 and in line with ESFA and FE commissioner benchmarks.
Loan Covenant Compliance	The College was compliance with all loan covenants for 2023/24.
ESFA Financia Health	The College achieved Good Financial Health for the year ended 31 July 2024.

Strategic Report

KPI	Summary Judgement Statement
Human Resources KPIs	
Mandatory training compliance	Compliance with mandatory training is high. This includes Health and Safety, Safeguarding, Prevent, Keeping Children Safe in Education, Data Protection, Cyber security, Mental Health Awareness, Equality and Diversity and Action Counters Terrorism.
Deployment	Teaching staff deployment is high, representing good value for money.
Teachers in classes	This is a new KPI for 2024/25 for which proactive monitoring of is expected to further improve quality of education.
Staff satisfaction	High levels of staff satisfaction
Vacancies	The time taken to fill vacant posts was a new KPI for 2023/24. This is being monitored as a specific strategy to ensure continuity of high quality teaching and learning at the College.
Disciplinaries and grievances	Volumes of disciplinary and grievance cases are monitored to ensure high levels of staff performance and conduct. Volumes for 2023/24 were in line with benchmark comparisons.

RESOURCES

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

People

The College employs 580 staff, of whom 347 are teaching staff.

Student numbers

The college enrolled approximately 6,000 students in 2023/24. The college's student population includes 4,665 16-to-18-year-old students, 353 apprentices and 969 adult learners.

Financial

The College has £19.2 million net assets (2023: £18.9m) , including £0 pension liability (2023: £0) and long term debt of £3.7m (2023: £4.1m).

Tangible resources include the main 26 acres freehold Leyland Campus at Langdale Road and £8.3 million cash balance.

Reputation

The College has a good reputation locally and nationally. Maintaining a quality brand is essential for the College's success at attracting students and external relationships. In its last Ofsted inspection in 2022, it was rated Good with the following areas graded outstanding:

- Behaviour and attitudes
- Personal development
- Adult learning programmes
- Provision for learners with high needs

Strategic Report

Stakeholders

In line with other Colleges and universities, Runshaw College has many stakeholders, including its current, future and past students, its staff, trade unions, contractors and suppliers, neighbours and the local community, professional bodies, funding and regulatory bodies and exam boards.

“A Great Place for Partnerships” is also key to our college strategy. We are proud to work in close partnership with a wide range of local and regional stakeholders. Our [Annual Accountability Statement](#) provides detailed analysis of the communities we serve and partnerships with :

- Partner high schools
- Colleges and HEIs
- Employers and local businesses
- Business organisations
- Local councils and councillors
- MPs and Parliamentary links
- Community groups and neighbours
- The Lancashire Colleges
- North and Western Lancashire Chamber of Commerce
- The Local Skills Improvement Plan

The College recognises the importance of these relationships and engages in regular communication with them through meetings, verbal and written communications and the College internet site.

PUBLIC BENEFIT

Runshaw College is an exempt charity under the Part 3 of the Charities Act 2011 its principal regulator is the Secretary of State for Education The members of the Corporation, who are trustees of the charity, are disclosed on pages 24 to 26.

In setting and reviewing the College’s strategic objectives, the Corporation 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 6000 students, including 76 students with high needs. The college provides courses without charge to young people, to those who are unemployed and adults taking English and maths course. The college adjusts its courses to meet the needs of local employers and provides training to 353 apprentices. 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.

Strategic Report

FINANCIAL POSITION

Financial performance

The College year end outturn was better than budget, with a gross operating surplus (before FRS102 adjustments) of £230,000 compared to a NIL (breakeven) budget.

Variances from budget are shown below. Income was £1.5m better than budget due to an increase in funding allocation by the ESFA, largely to fund pay disparities across the sector, and receipt of additional income to support High Needs and SEN learners. The largest areas of overspend were pay (funded via the additional ESFA funding) and administration and back office non pay costs.

	£
2023/24 budget outturn	0
16-19 ESFA income higher than budget	1,120,000
SEN/High needs income higher than budget	412,000
Pay costs higher than budget (due to higher than budget pay award)	(583,000)
Admin and Back office non pay costs (including IT licences) higher than budget	(406,000)
Depreciation higher than budget	(273,000)
Other miscellaneous variances	(40,000)
2023/24 actual surplus (before losses on disposal of assets)	230,000

Financial results

Before the impact of FRS102 pension adjustment and losses on the disposal of assets, the College generated a surplus of £230,000 (2022/23 - surplus of £266,000).

The College is reporting a surplus before other gains and losses in the year of £971,000 (2022/23 - £2,884,000). This surplus includes net income of £192,000 (2022/23 – charge of £510,000) in respect of defined benefit pension obligations.

Total income for the year was £33,360,000 (2022/23 - £34,028,000).

The College has total net assets of £19,170,000 and cash and short term investment balances of £8,322,000. The College intends to generate cash to assure its financial position and to continue to improve buildings and resources.

Tangible fixed asset additions during the year amounted to £3,254,000, including IT infrastructures upgrades, new main entrance fixtures and fittings and access control barriers across the campus.

The College has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2023/24 the FE funding bodies provided 90% of the College's total income (2022/23- 93%).

In 2023/24 the College has delivered activity that has produced £28,240,000 in funding body main allocation funding (2022/23 - £26,635,000).

Strategic Report

Financial Plan

The college governors approved a financial plan and strategy in July 2024 which sets objectives for the period to 2024-2026.

Financial strategy (including reserves and treasury policies)

The budget and financial KPIs follow an approved financial 'Roadmap' as set by the Governing body. The overarching financial strategy is to achieve ESFA 'Good' financial health and to maintain adequate levels of reserves to:

- (1) satisfy all loan covenants;
- (2) ensure that FRS102 pension costs (insofar as they are reasonable foreseeable) are comfortably exceeded;
- (3) provide assurance with regard to the risk of insolvency by retaining sufficient cash balances to mitigate against income risks and unforeseen emergency expenditure; and
- (4) appropriately support and fund the College's long term property strategy.

The College is following a strategy to accumulate cash reserves in order to complete the next phase of the Campus masterplan - a new science building, which has yet to be fully scoped.

Loans are to be repaid in accordance with scheduled repayments and cash reserves managed to minimise credit exposure. So far as is practicable, not more than the lower of either £3.5 million or 35% of the sum of all short term or temporary investments and cash balances will be placed with any single approved institution.

Cash flows and liquidity

At £1,287,000 (2022/23 - £1,446,000), net cash flow from operating activities remained strong, despite the impact of inflation and economic conditions.

The size of the College's total borrowing and its approach to interest rates has been calculated to ensure a reasonable cushion between the total cost of servicing debt and operating cashflow. During the year this margin was achieved.

Payment performance

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires Colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods 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 accounting period 1 August 2023 to 31 July 2024, the College paid 93% of its invoices within 30 days. The College incurred no interest charges in respect of late payment for this period.

Sustainable development and Carbon reporting

The College has an approved NET Zero and Sustainable Development Plan, which sets out a number of key principles and ambitions in support of The Climate Action Roadmap for FE Colleges and the United Nations Sustainable Development Goals. For the 2022/23 reporting period, Runshaw College's total GHG emissions equated to 1,327.79 tonnes CO₂e which was a 4.9% decrease on the previous year's (1,395.69). The majority of GHG emissions are associated with student commuting (31.13%) closely followed by Natural Gas Consumption and electricity (25.65). A summary of the College's GHG emissions for the 2022/23 reporting year is outlined below

Emissions Reporting Scope (GHG Protocol)	GHG Emissions Source	Total GHG Emissions (tonnes CO ₂ e)	Percentage of Total GHG Emissions (%)
Scope 1 (Direct) GHG Emissions	Natural Gas Consumption	340.54	25.65%
	Vehicle Fleet (Mini bus)	5.61	0.42%
	Refrigerants	0.00	0.00%
	Scope 1 GHG Emissions (tCO₂e)	346.14	26.07%
Scope 2 (Energy Indirect) GHG Emissions	Electricity Consumption	316.86	23.86%
	Scope 2 GHG Emissions (tCO₂e)	316.86	23.86%
Scope 3 (Other Indirect) GHG Emissions	Electricity transmission & distribution	27.41	2.06%
	Student commuting (bus)	413.31	31.13%
	Well-to-tank	224.07	16.88%
	Scope 3 GHG Emissions (tCO₂e)	664.79	50.07%
Total Emissions (tCO₂e)		1,327.79	
GHG Emissions per square metre GIFA (tCO₂e/m²)		0.04	

These GHG Emissions were calculated using 2023 Conversion Factors for Reporting developed by the UK Department for Environment, Food and Rural Affairs (DEFRA) and the Department for Business, Energy & Industrial Strategy (BEIS). Activity data (i.e., natural gas and electricity provided by Runshaw College is multiplied with specific emissions factors to determine GHG emissions.

Events after the end of the reporting period
There are no significant events after the reporting period.

OTHER DISCLOSURES

Trade Union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the College to publish the total cost of paid facility time before 31 July in the calendar year in which the relevant period to which the information relates ends (1 April to 31 March). The information to be published consists of four tables covering

Table 1 - Relevant union officials

Number of employees who were relevant union officials during the period 1 April 2023 to 31March 2024	Full-time equivalent employee number
9	8.5

Table 2 - Percentage of time spent on facility time

Percentage of time	Number of employees
0%	
1-50%	9
51%-99%	
100%	

Table 3 - Percentage of pay bill spent on facility time











Total cost of facility time	£10,469.13
Total pay bill	£19,743,944
Percentage of total bill spent on facility time	0.05%

Table 4 - Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time	0.57%
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Gender Pay gap

The mean gender pay gap has fallen over the last four years from 18.2% in 2019 to 13.52% in 2023.

As at 30th March 2023		Pay Quartiles				
Difference between men and women		 	 	 	 	 
Mean / Average		72% 28%	83% 17%	77% 23%	71% 29%	59% 41%
Median / Middle		All Staff (March 2023)	Lower Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile

The college publishes its annual gender pay gap and Trade Union facility time reports on its website.

Strategic Report

VALUING DIVERSITY

The College's commitment to advancing equality as an employer and education provider goes beyond legislative compliance to ensure that everyone is able to participate fully, irrespective of their background or personal characteristics.

Equality and diversity at Runshaw College is underpinned by our college Equality, Diversity and Inclusion Policy. This is reviewed regularly to reflect any changes that we want to make as a result of feedback from our learners, staff, visitors and contractors and to adhere to best practice.

We produce an Equality, Diversity and Inclusion Annual Report which details the work that has been done around equality and diversity at Runshaw over the previous academic year.

We have a Strategic Plan which sets out our goals, including equality and diversity. These Strategic Goals align with the requirement of the Equality Act 2010 to set equality objectives. Our Goals are made real through a Strategic Plan Project Plan which shows the actions we are taking, how these are monitored and the impact they have on the advancement of equality of opportunity across the College.

The scope of the strategic plan objectives and vision statements covers the nine 'protected characteristics' defined in law which are age, disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation.

For each of the nine protected characteristics listed, Runshaw College will meet its statutory duties by :

- Eliminating discrimination, harassment and victimization
- Advancing equality of opportunity
- Fostering good relations between people who share protected characteristics and those who do not
- Celebrating what we have in common and capitalise on our diversity.

Equality and diversity at Runshaw is led by various management groups with staff and student committee input, including:

- Student Support Managers (student focus)
- SMT Quality (quality focus)
- SMT Monitoring (includes staffing focus)
- SMT HR
- Safeguarding Steering Group
- Equality and diversity champions
- Mental health champions.
- Student union – Wellbeing committee
- Student union – LGBTQ+ Committee



The College is a Disability Confident Employer (Level 2) which demonstrates our commitment to create an inclusive and welcoming environment for disabled people and those with long-term health conditions.



PRINCIPAL RISKS AND UNCERTAINTIES:

The college has well 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 termly by the Audit Committee. 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. Management oversight forums and sources of internal and external assurance are also included on the risk register. Risks are prioritised using a consistent scoring system. The Audit Committee review the full risk register and advise of the risks for close monitoring by the Corporation.

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

Data security and Cyber risks

The College is exposed to the risk that IT systems, upon which it relies, may be the target of a cyber attack. The College has a number of operational activities in place to mitigate this risk, including the deployment of recognised malware/anti-virus solutions. The College endeavors to meet all the requirements of Cyber-essentials + accreditation in addition to ensuring a regular schedule of testing, backups and staff training. Furthermore, as with all Colleges, Runshaw College keep information about staff, students and other parties to allow it to operate as a successful Further Education institution and meet its legal obligations. As such, there are inherent risks to holding and processing such data and the potential impact of any breach of GDPR principles. In mitigation of this risk, the College has a comprehensive staff training programme and follows appropriate policies and procedures to ensure the safety of all data.

Quality of Education

The College explicitly puts teaching and learning at the heart of all it does, and recognises the critical importance of high quality teaching and learning for the success of its learners. It's most recent OFSTED inspection graded the College Good or Outstanding for all areas of provision. Poor quality of education not only disadvantages learners, but also places risks on student recruitment and funding. The College mitigates this risk by having a rigorous quality process and specific strategic focus on the quality of education and mission for all areas of provision to be Outstanding.

Campus security

Runshaw College seeks to ensure, as far as is reasonably practicable, the security and safety of all students, staff, visitors and contractors, whilst within or situated on College premises. Whilst education establishments continue to be amongst the safest places, the College is aware of potential threats of, and impacts arising from physical security related issues, such as vandalism, arson, a serious incident involving a weapon or terrorist attacks. The College has a security strategy that defines the key approaches to security at the College and sets out targets and actions for further improvement. Actions taken during 2023/24 include the installation of perimeter fencing, access control systems, update of the Incident Response Plan (including CMT training) and mandating of ACT (Action Counters Terrorism) training for all staff.

Local and national industrial disputes

A key part of the college vision is to be a great place to work, with happy and fulfilled colleagues who gain immense job satisfaction from their worthwhile and rewarding work and its positive impact on students' lives. However, the College is also aware of the challenges within the further education sector with regard to pay, pension schemes, terms and conditions (including teacher workload), funding and financial pressures, which may contribute to industrial disputes. Industrial action, including strike action, is highly disruptive to college operations, which can ultimately impact learner experience and quality of education. The College mitigates the risk of industrial disputes through effective financial management, maintaining effective professional relationships with recognised unions and through the strategic prioritisation of the college culture.



Strategic Report

Financial Health and Changing Government Policy

The College has considerable reliance on continued government funding through the further education sector funding bodies. In 2023/24, 90% of the College's revenue was ultimately publicly funded and this level of funding is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels. The College continues to mitigate this risk through careful financial planning and management of resources. The College also actively seeks to influence government policy makers through direct involvement in policy groups, consultations and lobbying alongside the Association of Colleges and Sixth Form Colleges Associations.

FUTURE PROSPECTS AND GOING CONCERN

The environment for FE Colleges continues to be an increasingly challenging one. Recruitment numbers for 2024/25 have once again been very strong, which, along with strong outcomes and destinations, provides real confidence with regard to the future prospects of the College. The lagged funding system provides the College with some certainty, and, where needed, time to respond to funding variances due to changes in learner numbers. For 2024/25, a breakeven budget has been produced, including cautious assumptions and a contingency allowance to offset risk. Management and governors are confident in meeting financial targets.

Going concern

After making appropriate enquiries, the Corporation considers that the College has adequate resources to continue in operational existence for the foreseeable future. In addition, the Corporation also consider the following factors to be relevant with regard to the long term viability of the College.

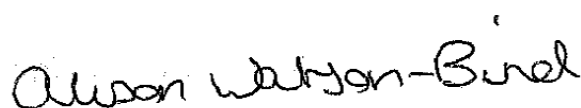
- Learner satisfaction is extremely high
- The College has strong and stable finances, satisfying all bank covenants and with a robust long term cash forecast
- The College has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2023/24 the FE funding bodies provided 90% of the College's total income (2022/23 – 93%)
- 16-18 funding is lagged and, at the date of signing the financial statements, is therefore relatively certain for 2024-2026. An allocation of £28.8m has been confirmed for the year ended 31 July 2025
- Recruitment at the College has remained buoyant.

For these reasons, the going concern basis is adopted in preparing the 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 5 December 2024 and signed on its behalf by:



A Watson-Bird - Chair

Statement of Corporate Governance and Internal Control



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 1 August 2023 to 31 July 2024 and up to the date of approval of the annual report and financial statements.

GOVERNANCE CODE

The college endeavours to conduct its business:

1. In accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
2. in full accordance with the guidance to colleges from the Association of Colleges in The Code of Good Governance for English Colleges ("the Code")

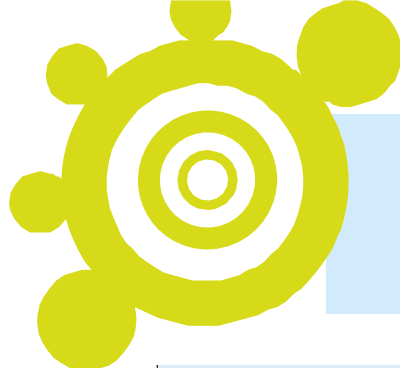
In the opinion of the Governors, the College complies with all the provisions of the Code, and it has complied throughout the year ended 31 July 2024. This opinion is based on an external review of compliance with the Code reported to the board on 4 July 2024. This external review was undertaken by the Association of Colleges (Leader Reviewer : Ron Matthews).

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.

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.

Members of the Corporation	Position	Date - Appointed - Re-elected - Retired/Resigned	Term of Office	Committee(s) served	Attendance at Corporation Meetings
Warren Middleton	Chair (to Dec 2023)	Dec 2017 Dec 2018 Dec 2021 Retired Dec 2023	4 yrs	Finance Remuneration	100%
Alison Watson-Bird	Chair (from Jan 2024) Vice Chair (to Dec 2023)	Dec 2018 Dec 2022	4 yrs	Audit until Dec 23 Search and Governance Remuneration from March 24 Finance from March 24	100%
Clare Russell	Principal	Aug 2020	-	All apart from Audit and Remuneration	100%
Ade Oladapo	Independent Governor	Mar 2021	4 yrs	Search and Governance	60%
Dominic Martinez	Independent Governor	Sept 2021	4 yrs	Standards and Curriculum	100%
Gary Hall	Independent Governor	Dec 2022	4 yrs	Finance	80%



Statement of Corporate Governance and Internal Control

Members of the Corporation	Position	Date - Appointed - Re-elected - Retired/Resigned	Term of Office	Committee(s) served	Attendance at Corporation Meetings
Graham Murphy	Independent Governor	Feb 2021	4 yrs	Standards and Curriculum	60%
Joshi Jariwala	Independent Governor	Sept 2013 Sept 2017 Sept 2021 Resigned July 24	4 yrs	People and Organisational Development Remuneration	60%
Martina Jay	Independent Governor	Jul 2015 Jul 2019 Jul 2023 Retired July 2024	4 yrs	Audit from Jan 24 Search & Governance	40%
Martyn Lylyk	Independent Governor	Mar 2024	4 yrs	Audit Search & Governance	67%
Michael Lowe	Independent Governor	Mar 2021	4 yrs	Audit	80%
Portia Bailey Barrow	Independent Governor	Mar 2021	4 yrs	People and Organisational Development Remuneration	100%
Richard Evans	Independent Governor	Dec 2022	4 yrs	Standards and Curriculum	100%
Simon Drew	Independent Governor	Jun 2022	4 yrs	Finance	60%
Alex Magowan	Staff Governor	Dec 2021 Resigned July 2024	4 yrs	People and Organisational Development	80%
Robert Cobourne	Staff Governor	Jun 2020 End of Term July 2024	4 yrs	Standards and Curriculum	25%
Ali Kamel	Student Governor	Dec 2022 End of Term July 2024	2 yrs	Standards and Curriculum	40%
Motunrayo Ainenehi	Student Governor	Dec 2023	2 yrs	Standards and Curriculum	100%

Statement of Corporate Governance and Internal Control



Co-opted committee members	Date	Term of Office	Committee(s) served
	- Appointed - Re-elected - Retired/Resigned		
Stephen Dunstan	Nov 2021 Resigned Jul 2024	4 yrs	Audit
Marc Balshaw	Nov 2018 Oct 2022	4 yrs	Finance
David Chamberlain	May 2021	4 yrs	Finance
David Grime	Jul 2019	4 yrs	Standards and Curriculum
Stephen Haycocks	Jul 2019 Jul 2023	4 yrs	Standards and Curriculum
Diane Bourne	Mar 2012 Apr 2016 Apr 2020	4 yrs	People and Organisational Development Remuneration
Louise Myers	Sep 2018 Sep 2022	4 yrs	People and Organisational Development Remuneration

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 during the year.

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 has a search and governance committee which is responsible for the selection and nomination of any new member for the corporation's consideration. The corporation is responsible for ensuring that appropriate training is provided as required.

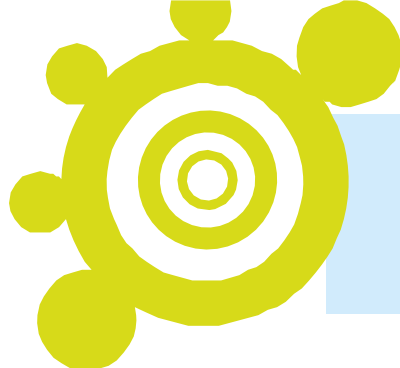
Members of the corporation are appointed for a term of office not exceeding four years. Reappointment of members for a period further to two terms of four years will be based upon the skills and experience required to meet future needs, for example, legal, financial, HR or local devolution expertise.

COMMITTEES

The Corporation conducts its business through a number of committees. Each committee has terms of reference that have been approved by the Corporation. Further to the external review of governance and other interval review, the Corporation Board approved a change to committee structure from August 2024. The committee structures for 2023/24 and 2024/25 are shown below:

2023/24	2024/25
Audit Committee	Audit Committee
Finance Committee	Finance and People Committee
People and Organisational Development Committee	
Standards and Curriculum Committee	Standards and Curriculum Committee
Search and Governance Committee	Standards and Curriculum Committee
Remuneration Committee	Remuneration Committee

Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available from the Head of Governance at Langdale Road, Leyland, PR25 3DQ and are on the College's website at: <https://www.runshaw.ac.uk/about-runshaw/governance/accountability/>



Statement of Corporate Governance and Internal Control

All governors are able to take independent professional advice in furtherance of their duties at the college's expense and have access to the Head of Governance, 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.

Finance committee

The Finance committee includes eight members, meeting termly. The committee's responsibilities include monitoring, challenge and review of monthly management accounts, annual statutory financial statements, annual budgets and financial forecasts and approval of key financial policies. The committee also monitors property and facilities strategies on behalf of the Corporation.

People and Organisational Development committee

The People & Organisational Development committee includes six members and meets termly. The committee's responsibilities include monitoring and advising the Corporation on the College's equality and diversity practices including the Equality and Diversity Annual Report in line with statutory requirements.

The Committee monitors key performance indicators such as staff satisfaction, staff absence and staff turnover. The committee also advises the Corporation on the College's health, safety and wellbeing policy and performance.

Remuneration Committee

The Remuneration committee includes five members and meets at least twice during the academic year. The committee's responsibilities include making recommendations to the Corporation on the remuneration of the Accounting Officer and other senior post-holders. Details of remuneration for the year ended 31 July 2024 are set out in note 7 to the financial statements.

The Board has adopted the AoC Senior Post Holder Remuneration Code and the Remuneration Committee provides an annual report to the Governing Body, which is also published on the College Website.

Search and Governance committee

The Corporation has a Search and Governance committee, comprising of five members, meeting termly. The committee 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 to members as required. It also advises the Corporation on matters relating to the good governance of the College.

Standards and Curriculum committee

The Corporation has a Standards and Curriculum committee, consisting of ten members, is responsible for monitoring the College's quality framework and the impact and effectiveness of teaching and learning at the College.

Statement of Corporate Governance and Internal Control



Audit committee

The Audit Committee comprises six members. The Accounting Officer and Chair are excluded from membership. The committee meets termly and provides a forum for reporting by the College's internal, regularity and financial statements auditors, who have access to the committee for independent discussion, without the presence of College management. The committee also considers other relevant reports. The Audit Committee also advises the Corporation on the appointment of internal, regularity and financial statements auditors and their remuneration for both audit and non-audit work as well as reporting annually to the Corporation.

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 met three times in the year to 31 July 2024. The members of the committee and their attendance records are shown below:

	November 2023	March 2024	June 2024
Michael Lowe (Chair)	Attended	Attended	Attended
Martin Lylyk	Attended	Attended	Attended
Martina Jay	Apologies Tendered	Attended	Attended
Alison Watson Bird	Attended	-	-
Stephen Dunstan	Attended	Apologies Tendered	Apologies Tendered
Mark Kerfoot	Attended	-	-

TASK AND FINISH GROUPS

When deemed appropriate, the Corporation will convene a 'Task and Finish' group to focus upon a specific issue. During 2023/24, a 'Task and Finish' group was convened to consider matters related to the governing body's duty to review the extent to which provision meets local, regional and national skills needs, as set out in the Skills for Jobs White Paper.

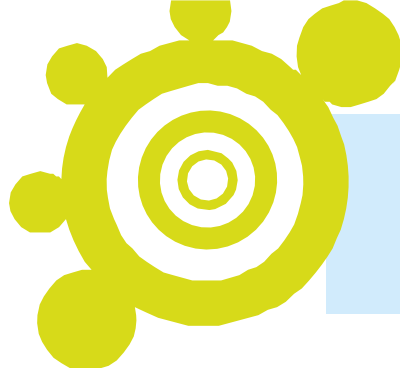
CORPORATION PERFORMANCE

The Board undertakes a self-assessment exercise each year, and this year the exercise took the form of a questionnaire. A feedback session was facilitated by the Head of Governance following which the strengths and areas for development were agreed and incorporated into the College's overall self-assessment of performance.

An independent AOC External Board Review was completed during the year, based upon the ETF/AoC pilot review framework. The Framework considers, but is not limited to, principles from Codes of Governance, the Education Inspection Framework and the DfE's current guidance on external board reviews. The review also included consideration of :

- The current committee structure and the use of co-opted members;
- An assessment of the extent to which the College is currently meeting the new AoC code of Good Governance and the identification of any gaps; and
- Ways in which we can evaluate/measure the impact of governance.

The overall conclusion on Board effectiveness was that : "There is evidence that the Board is proficient and consistently impacts positively on college strategy, effectiveness and outcomes"



Statement of Corporate Governance and Internal Control

The following recommendations were made, and have been accepted by the board for implementation during 2024/25.

Ref	Action	Intended outcome
1	Engagement opportunities & Link Governor reports to Corporation	Wider understanding of issues by Corporation
2	Review of Committee Structure	Improved Committee system
3	KPI Dashboard for Committees	Clearer understanding of performance for Governors
4	Student Voice report to Corporation	Better understanding of student activities for Governors
5	Chair 1-2-1 with individual Governors	Better understanding of individual Governors by Chair
6	Chairs to meet with Principal on a regular basis	Improve communications

Developmental activities

The College provides training and development opportunities to all governors and, during 2023/24, governors have participated in a range of training activities to further develop their knowledge and skills and support them to undertake their roles effectively. The Principal and Chief Executive's report to each Board meeting provides a summary of news from across the further education sector to ensure that Board members are able to keep abreast of developments and governors are also signposted to a variety of external webinars and conferences. Governors are also afforded the opportunity to participate in link visits with different college departments to gain a deeper understanding of the operations of the College.

The College was supported by a Head of Governance during the 2023/24 academic year. The individual has appropriate skills and experience and has undertaken a range of professional development to ensure that they are able to provide robust advice and guidance to the Board

The Head of Governance maintains a register of financial and personal interests of the governors. The register is available for inspection.

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

Capacity to handle risk

Statement of Corporate Governance and Internal Control



The corporation has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls and arrangements for compliance with legal and regulatory matters including those relating to the regularity and propriety of the use of public funding that have been implemented to mitigate those risks. The corporation is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the period ending 31 July 2024 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the corporation.

The risk and control framework

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

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

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

Risks faced by the corporation

The Board and Audit Committee have periodically reviewed the Risk Management Plan and the Risk Management Policy and have received regular updates to the Risk Register. The Policy and Plan indicate the College's approach and resources for managing risk. The Risk Register details the significant risks facing the College and how they are managed.

Key risks, and the Colleges' response can be seen in the Strategic Report on pages 22 and 23.

Control weaknesses identified

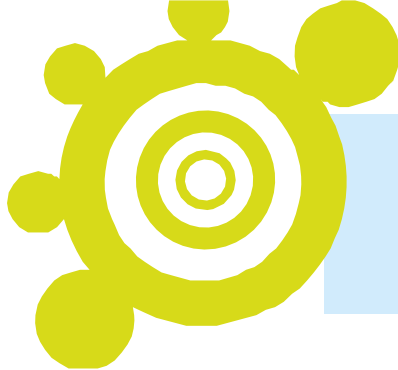
No significant internal control weaknesses have arisen during the year ended 31 July 2024 and up to the date of signing this report.

Responsibilities under funding agreements

The Department for Education and Education and Skills Funding Agency introduced new controls for the college on 29 November 2022 on the day that the Office for National Statistics reclassified colleges as public sector organisations in the national accounts. The ESFA chief executive communicated these changes to all college accounting officers and explained plans to introduce a college financial handbook in 2024.

The college has reviewed its policies, procedures and approval processes in line with these new requirements to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

The College has met all contractual responsibilities under its' funding agreements and contracts with the ESFA.



Statement of Corporate Governance and Internal Control

STATEMENT FROM THE AUDIT COMMITTEE

The audit committee has advised the board of governors that the corporation does have an effective framework for governance and risk management in place. The audit committee believes the corporation has effective internal controls in place.

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

- To monitor and ensure effectiveness and completeness of the Internal Audit programme
- To monitor implementation of all audit recommendations
- To consider all audit reports (including annual financial statements)
- To oversee the risk management process and ensure appropriate levels of mitigation and risk assurance
- To consider all instances of potential fraud, corruption, irregularity and/or whistleblowing.
- To appoint internal and external auditors

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 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 and reinforced by risk awareness training. The senior management team and the Audit Committee also receive regular reports from internal audit and other sources of assurance, which include recommendations for improvement.

The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the senior management team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its November 2024 meeting, the corporation carried out the annual assessment for the year ended 31 July 2024 by considering documentation from the senior management team and internal audit and taking account of events since 31 July 2024.

Statement of Corporate Governance and Internal Control



Based on the advice of the Audit Committee and the Accounting Officer, the corporation is of the opinion that the college has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for “the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets”.

Approved by order of the members of the Corporation on 5 December 2024 and signed on its behalf by:

A Watson Bird
Chair

C Russell
Accounting Officer



Statement of Regularity, Propriety and Compliance with Funding Body Terms and Conditions of Funding



Statement of the Accounting Officer

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 noncompliance, or non-compliance with the framework of authorities have been discovered to date. If any instances are identified after the date of this statement, these will be notified to ESFA.

C Russell , Accounting Officer 5 December 2024

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.

A Watson Bird, Chair of governors 5 December 2024



Statement of Responsibilities of the Members of the Corporation

The members of the Corporation who act as trustees for the charitable activities of the College 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
- prepare financial statements on the going concern basis, unless it is inappropriate to assume that the College will continue in operation.

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

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

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

Members of the corporation are responsible for ensuring that expenditure and income are applied for the purposes intended and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from ESFA, and any other public funds, are used only in accordance with ESFA's grant funding agreements and contracts and any other conditions, that may be prescribed from time to time by ESFA, or any other public funder, including that any transactions entered into by the corporation are within the delegated authorities set out in the "Dear accounting officer" letter of 29 November 2022 and ESFA's bite size guides. Members of the corporation must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly. In addition, members of the corporation are responsible for securing economic, efficient and effective management of the corporation's resources and expenditure so that the benefits that should be derived from the application of public funds from ESFA and other public bodies are not put at risk.

Approved by order of the members of the corporation on 5 December 2024 and signed on its behalf by:

A Watson Bird (Chair of governors)

Independent Auditor's Report to the Corporation of Runshaw College



Opinion

We have audited the financial statements of Runshaw College (the "College") for the year ended 31 July 2024 which comprise the College statement of comprehensive income, the College balance sheet, the College statement of changes in reserves, the College statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the College's affairs as at 31 July 2024 and of the College's income and expenditure, gains and losses, and changes in reserves and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with 2019 Statement of Recommended Practice – Accounting for Further and Higher Education, and Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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

We have nothing to report in this regard.



Independent Auditor's Report to the Corporation of Runshaw College

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Post-16 Audit Code of Practice 2022 to 2024 issued by the Education and Skills Funding Agency requires us to report to you if, in our opinion:

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

Responsibilities of the Corporation of Runshaw College

As explained more fully in the Statement of the Corporation's Responsibilities set out on page 32, the Corporation is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Corporation determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

Independent Auditor's Report to the Corporation of Runshaw College



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

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

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

The College is also subject to many other laws and regulations where the consequences of non-compliance could have a material impact on amounts or disclosures in the financial statements, including Further and Higher Education Act 1992, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. We performed audit procedures to inquire of management and those charged with governance whether the College is in compliance with these law and regulations and inspected correspondence and inspected correspondence with licensing or regulatory authorities.

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

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

Use of our report

This report is made solely to the Corporation, as a body, in accordance with the Funding Agreement published by the Education and Skills Funding Agency and our engagement letter dated 30 October 2024. Our audit work has been undertaken so that we might state to the Corporation, as a body, those matters we are engaged to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation, as a body, for our audit work, for this report, or for the opinions we have formed.

For and on behalf of
BEEVER AND STRUTHERS
One Express
1 George Leigh Street
Manchester
M4 5DL
Date: 13 December 2024



Statement of Comprehensive Income for the year ended 31 July 2024

	Notes	2024 £'000	2023 £'000
INCOME			
Funding body grants	2	30,172	31,867
Tuition fees and education contracts	3	982	601
Other grants and contracts	4	52	297
Other income	5	1,241	1,196
Investment income	6	913	67
Total income		33,360	34,028
EXPENDITURE			
Staff costs	7	21,337	19,810
Other operating expenses	8	8,658	9,345
Depreciation	10	2,151	1,725
Interest and other finance costs	9	243	264
Total expenditure		32,389	31,144
Surplus/(deficit) before other gains and losses		971	2,884
Profit/(Loss) on disposal of assets		70	(3,348)
Surplus/(deficit) before tax		1,041	(464)
Taxation		-	-
Surplus/(deficit) for the year		1,041	(464)
Actuarial (loss)/gain in respect of pensions schemes	21	(811)	500
		230	36

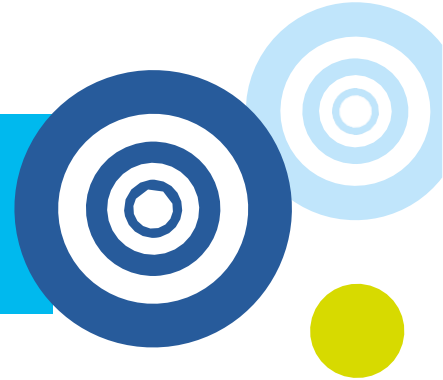
The statement of comprehensive income is in respect of continuing activities.



Statement of Changes in Reserves for the year ended 31 July 2024

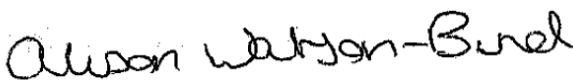
	Income and Expenditure account	Revaluation reserve	Total
	£'000	£'000	£'000
Balance at 31st July 2022	15,446	3,453	18,899
Deficit for the year	(464)	-	(464)
Other comprehensive income	1,382	-	1,382
Prior year impairment	(882)	-	(882)
Transfers between revaluation and income and expenditure reserves	188	(188)	-
Total comprehensive income for the year	224	(188)	36
Balance at 31st July 2023	15,670	3,265	18,935
Surplus for the year	1,041	-	1,041
Other comprehensive income	(811)	-	(811)
Transfers between revaluation and income and expenditure reserves	185	(185)	-
Total comprehensive income for the year	415	(185)	230
Balance at 31st July 2024	16,085	3,079	19,165

Balance sheet as at 31 July 2024



	Notes	2024 £'000	2023 £'000
Fixed assets			
Tangible fixed assets	10	23,788	22,721
		23,788	22,721
Current assets			
Stocks		51	44
Trade and other receivables	11	1,421	912
Cash and cash equivalents	16	8,322	10,158
		9,794	11,114
Less: Creditors – amounts falling due within one	12	(4,476)	(3,579)
Net current assets		5,318	7,535
Total assets less current liabilities		29,106	30,256
Less: Creditors – amounts falling due after more than one year	13	(9,890)	(11,220)
Provisions			
Defined benefit obligations	21	-	-
Other provisions	15	(51)	(101)
Total net assets		19,165	18,935
Unrestricted reserves			
Income and expenditure account		16,085	15,670
Revaluation reserve		3,080	3,265
Total unrestricted reserves		19,165	18,935

These financial statements were approved and authorised for issue by the Corporation on 5 December 2024 and were signed on its behalf on that date by:


A Watson Bird (Chair)


C Russell (Accounting Officer)



Statement of Cash Flows for the year ended 31 July 2024

	Notes	2024 £'000	2023 £'000
Cash inflow from operating activities			
Surplus/(deficit) for the year		1,041	(463)
Adjustment for non cash items			
Depreciation	10	2,151	1,725
Investment income	6	(294)	(67)
Interest payable	9	243	264
Loss on disposal of fixed assets	10	(70)	3,348
Increase/(decrease) in provisions	15	(50)	(57)
Pensions costs less contributions payable	21	(811)	1,794
Operating cashflow before movements in working capital		2,210	5,261
(Increase)/decrease in stocks		(7)	5
(Increase)/decrease in debtors	11	(509)	(219)
Increase/(decrease) in creditors due within one year	12	897	(2,619)
Increase/(decrease) in creditors due after one year	13	(1,304)	(983)
Net cash flow from operating activities		1,287	1,446
Cash flows from investing activities			
Capital grants received		289	2,725
Proceeds from sale of fixed assets		107	3,257
Investment income	6	294	67
Payments made to acquire fixed assets	10	(3,254)	(4,378)
		(2,564)	1,671
Cash flows from financing activities			
Interest paid	9	(243)	(264)
Repayments of amounts borrowed	14	(316)	(310)
		(559)	(574)
(Decrease)/Increase in cash and cash equivalents in the year		(1,836)	2,543
Cash and cash equivalents at beginning of the year	16	10,158	7,615
Cash and cash equivalents at end of the year	16	8,322	10,158

Notes to the Accounts

1. Statement of accounting policies and estimation techniques



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.

GENERAL INFORMATION

Runshaw College is a corporation established under the Further and Higher Education Act 1992 as an English general college of further education. The address of the College's principal place of business is given on page 24. The nature of the College's operations is set out in the Strategic Report.

BASIS OF PREPARATION

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (F & HE SORP 2019), the College Accounts Direction for 2023/24 and in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102). The college is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

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

In accordance with FRS 102, the activities of the student union have not been consolidated because the college does not control those activities.

BASIS OF ACCOUNTING

The financial statements are prepared in accordance with the historical cost convention. The financial statements are presented in sterling which is also the functional currency of the College.

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

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 balance sheet as at 31 July 2024 shows net assets of £19.2m. The College also has a strong net current asset position, at £5.3m.

The College currently has £4.0m of loans outstanding with bankers on terms negotiated in 2008 and 2012. The loans are repayable over the next 20 years. The College's forecasts and financial projections indicate that it will be able to operate within this existing facility and covenants for the foreseeable future.

The College has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2023/24 the FE funding bodies provided 90% of the College's total income (2022/23–93%). 16-18 funding is lagged and, at the date of signing the financial statements, is therefore relatively certain for 2024-2026. An allocation of £28.7m has been confirmed for the year ended 31 July 2025.

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.



Notes to the Accounts

1. Statement of accounting policies and estimation techniques

RECOGNITION OF INCOME

Revenue grant funding

Government revenue grants include funding body recurrent grants and other grants and are accounted for under the accrual model as permitted by FRS 102. Funding body recurrent grants are measured in line with best estimates for the period of what is receivable and depend on the particular income stream involved. Any under achievement for the Adult Education Budget is adjusted for and reflected in the level of recurrent grant recognised in the income and expenditure account. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body following the year end, and the results of any funding audits.

For 2023-24 the ESFA have confirmed that the tolerance level will remain at 97% for clawback of AEB, and the over -delivery threshold will be increased to 110%.

16-18 learner-responsive funding is not normally subject to reconciliation and is therefore not subject to contract adjustments, and is recognised when receivable.

Levy-funded and ESFA funding for co-investment model apprenticeship income is measured in line with best estimates of the provision delivered in the year, taking account and as reconciled to cash received.

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.

Notes to the Accounts

1. Statement of accounting policies and estimation techniques



ACCOUNTING FOR POST-EMPLOYMENT BENEFITS

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

Teachers' Pension Scheme (TPS)

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

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

Local Government Pension Scheme (LGPS)

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

Net interest on the net defined benefit liability/asset is also recognised in the Statement of Comprehensive Income and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, 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 other comprehensive income.

Short term employment benefits

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

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.



Notes to the Accounts

1. Statement of accounting policies and estimation techniques

TANGIBLE FIXED ASSETS

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

Land and buildings

Land and buildings inherited from the Local Authority are stated in the balance sheet at valuation on the basis of depreciated replacement cost as the open market value for existing use is not readily obtainable.

The associated credit is included in the revaluation reserve. The difference between depreciation charged on the historic cost of assets and the actual charge for the year calculated on the revalued amount is released to the income and expenditure account reserve on an annual basis. Building improvements since incorporation are included in the balance sheet at cost. Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life to the College of 40 years .

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

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 1994, 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 £1,000 per individual item is written off to the income and expenditure account in the period of acquisition. All other equipment is capitalised at cost and is depreciated on a straight line basis from the month of inception as follows:

- Motor vehicles and computer equipment - 3 years;
- Furniture, fixtures, fittings and other equipment – between 5 and 10 years.

Notes to the Accounts

1. Statement of accounting policies and estimation techniques



Impairment of fixed assets

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of fixed assets and their recoverable amounts are recognised as impairments.

Impairment losses are recognised in the Statement of Comprehensive Income.

BORROWING COSTS

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

LEASED ASSETS

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

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

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

STOCKS

Stocks are stated at the lower of their cost (using the first in first out method) and net realisable value, being selling price less costs to complete and sell. Where necessary, provision is made for obsolete, slow-moving and defective items.

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.



Notes to the Accounts

1. Statement of accounting policies and estimation techniques

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.

TAXATION

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

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

PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when

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

Notes to the Accounts

1. Statement of accounting policies and estimation techniques



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.

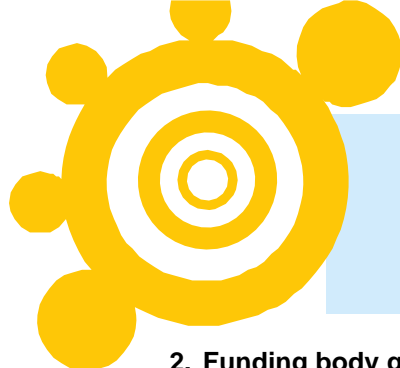
JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

- 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.

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 liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21 will impact the carrying amount of the pension liability. The actuary has used a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2023 to value the pensions liability at 31 July 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.



Notes to the Accounts

2. Funding body grants

3. Tuition fees and education contracts

2. Funding body grants

	2024 £'000	2023 £'000
Recurrent grants		
Education and Skills Funding Agency - adult	532	458
Education and Skills Funding Agency - 16-18	26,850	25,317
Education and Skills Funding Agency - apprenticeships	858	860
Specific Grants		
Education and Skills Funding Agency - Teachers Pensions	866	722
Education and Skills Funding Agency - Free College Meals	152	98
Education and Skills Funding Agency - Capacity and Delivery Fund	50	162
Education and Skills Funding Agency - Tuition Fund	219	197
Education and Skills Funding Agency - SDF Projects	7	415
Education and Skills Funding Agency - Other	147	64
Release of Government capital grants	491	3,574
Total	30,172	31,867

3. Tuition fees and education contracts

	2024 £'000	2023 £'000
Adult education fees	190	114
Apprenticeship fees and contracts	15	11
Fees for FE loan supported courses	266	146
Total tuition fees	471	271
Education contracts	511	330
Total	982	601

Notes to the Accounts

4. Other grants and contracts 5. Other income
6. Investment incomes



4. Other grants and contracts

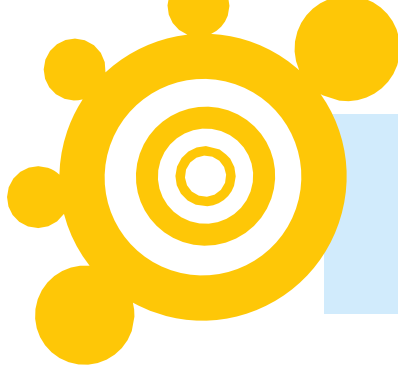
	2024 £'000	2023 £'000
Other grants and contracts	52	297
Total	52	297

5. Other income

	2024 £'000	2023 £'000
Catering and residences	1,069	1,017
Other income generating activities	29	52
Miscellaneous income	143	127
	1,241	1,196

6. Investment incomes

	2024 £'000	2023 £'000
Other interest receivable	294	67
	294	67
Pension finance income (note 21)	619	-
	913	67



Notes to the Accounts

7. Staff costs

7. Staff costs

The average number of persons (including key management personnel) employed by the College during the year, calculated as an average monthly headcount and calculated on a monthly basis, was:

	2024 No.	2023 No.
Teaching staff	347	354
Non teaching staff	233	263
	580	617
Staff costs for the above persons	2024 £'000	2023 £'000
Wages and salaries	15,989	14,721
Social security costs	1,536	1,335
Other pension costs	3,175	3,365
Payroll sub total	20,700	19,421
Contracted out staffing services	471	389
	21,171	19,810
Fundamental restructuring costs - contractual	166	-
	21,337	19,810

Notes to the Accounts

7. Staff costs



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 Senior Postholders which comprises the Principal (who also holds the positions of Accounting Officer and Chief Executive), a Deputy Principal and a Vice Principal.

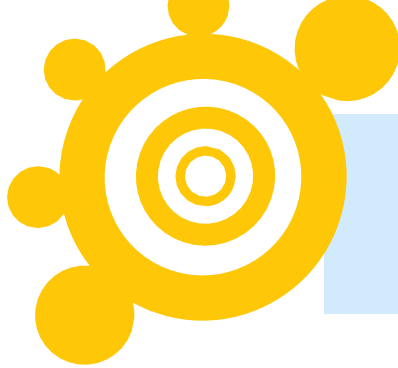
Emoluments of Key management personnel, Accounting Officer and other higher paid staff

	2024 No.	2023 No.
The number of key management personnel including the Accounting Officer was:	3	4

The number of senior post-holders and other staff who received emoluments, excluding pension contributions and employer's national insurance but including benefits:

	Key management personnel		Other staff	
	2024 No.	2023 No.	2024 No.	2023 No.
£60,001 to £65,000	-	-	4	4
£65,001 to £70,000	-	-	2	1
£70,001 to £75,000	-	-	2	-
£80,001 to £85,000	-	1	-	-
£85,001 to £90,000	-	2	-	-
£95,001 to £100,000	2	-	-	-
£140,001 to £145,000	-	1	-	-
£155,001 to £160,000	1	-	-	-
	3	4	8	5

Other staff numbers exclude one part time member of staff who left the Colleges' employment during the previous year, whose full time equivalent emoluments would fall within the £60,001 to £65,000 banding in 2023.



Notes to the Accounts

7. Staff costs

Key management personnel emoluments are made up as follows:

	2024 £'000	2023 £'000
Salaries	348	397
Employers National Insurance	44	51
Benefits in kind	-	-
	392	448
Pension contributions	58	70
Total emoluments	450	518

There were no amounts due to key management personnel that were waived in the year, nor any salary sacrifice arrangements in place.

The above emoluments include amounts payable 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:

	2024 £'000	2023 £'000
Salary	157	142
Employers National Insurance	20	19
Benefits in kind	-	-
	177	161
Pension contributions	40	34

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

The governing body has adopted AoC's Senior Staff Remuneration Code and will assess pay in line with its principles. The remuneration package of the Accounting Officer is subject to annual review by the Remuneration Committee of the governing body who use benchmarking information to provide objective guidance.

The Accounting Officer reports to the Chair of Governing Body, who undertakes an annual review of her performance against the college's overall objectives using both qualitative and quantitative measures of performance.

Notes to the Accounts

7. Staff costs

8. Other operating expenses

Relationship of the Accounting Officer pay and remuneration expressed as a multiple:	2024	2023
Principal and CEO's basic salary as a multiple of the median of all staff	5.21	5.20
Principal and CEO's total remuneration as a multiple of the median of all staff	5.77	5.68

The College paid 11 severance payments in the year (2023: 2), disclosed in the following bands:

	2024 No.	2023 No.
£0 to £25,000	9	2
£25,001 to £50,000	2	-

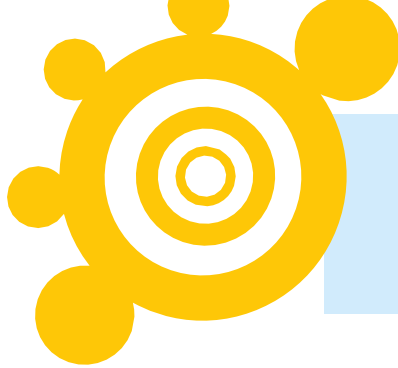
The payments made in 2024 were in the normal course of business, however in 2023 special payments of £20,873 and £500 were made with ESFA approval.

8. Other operating expenses

	2024 £'000	2023 £'000
Teaching costs	1,159	1,385
Non teaching costs	4,965	4,962
Premises costs	2,534	2,998
Total	8,658	9,345

Other operating expenses include:

	2024 £'000	2023 £'000
Auditors' remuneration:		
Financial statements audit	28	26
Internal audit	25	19
Other services provided by the financial statements auditors	0	16



Notes to the Accounts

9. Interest payable

10. Tangible fixed assets

9. Interest payable

	2024 £'000	2023 £'000
On bank loans, overdrafts and other loans:	243	250
Pension finance costs (note 21)	-	14
Total	243	264

10. Tangible fixed assets

	Freehold Land and Buildings £'000	Equipment £'000	Assets in the Course of Construction	Total £'000
Cost or valuation				
At 31 July 2023	37,381	5,499		42,880
Additions	21	2,523	710	3,254
Disposals		(743)		(743)
At 31 July 2024	37,402	7,279	710	45,391
Depreciation				
At 31 July 2023	17,213	2,946	-	20,159
Charge for the year	893	1,258		2,151
Elimination in respect of disposals		(707)		(707)
At 31 July 2024	18,106	3,497	-	21,603
Net book value at 31 July 2024	19,296	3,782	710	23,788
Net book value at 31 July 2023	20,168	2,553	-	22,721

Land and buildings were valued in 1994 at depreciated replacement cost by the Department of Property Services, Lancashire County Council. If inherited land and buildings had not been valued they would have been included in the financial statements at nil net book value based on cost. Land and buildings with a net book value of £3,080,000 (2023: £3,265,000) have been funded from Local Authority sources. Should these assets be sold, the College may be liable under the terms of the Financial Memorandum with the Education & Skills Funding Agency, to surrender the proceeds.

In July 2023, the College sold its' Euxton Lane campus and completed the new 'Buttermere' build.

Tangible fixed assets with a net book value of £1,607k (£2023: £1.792k) are pledged as security for the Loans (note 14).

Assets in the course of construction costs relate to uninvoiced capital items (£453k) at the year end and professional fees (£257k) incurred in relation to a planned new building subject to planning and funding availability.

Note to the accounts

11. Trade and other receivables

12. Creditors: amounts falling due within one year

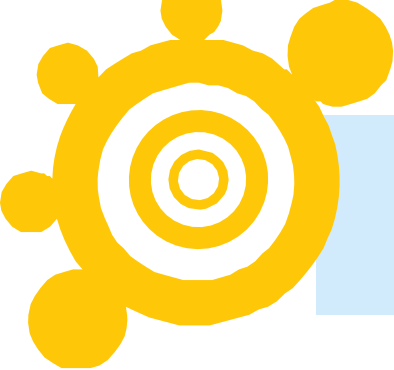


11. Trade and other receivables

	2024 £'000	2023 £'000
Amounts falling due within one year:		
Trade receivables	205	141
Prepayments and accrued income	1,216	771
Total	1,421	912

12. Creditors: amounts falling due within one year

	2024 £'000	2023 £'000
Bank loans and overdrafts	316	316
Trade payables	312	105
Other taxation and social security	390	357
Pension contributions	431	367
Accruals and deferred income	1,763	1,397
Holiday pay	23	13
Deferred income - government capital grants	979	271
Deferred income - government revenue grants	120	600
Amounts owed to the ESFA	60	45
Other creditors	82	107
Total	4,476	3,579



Note to the accounts

13 Creditors: amounts falling due after one year

14. Maturity of debt

13. Creditors: amounts falling due after one year

	2024 £'000	2023 £'000
Bank loans	3,737	4,053
Deferred income - government capital grants	6,153	7,168
Total	9,890	11,221

14. Maturity of debt

Bank loans and overdrafts

Bank loans and overdrafts are repayable as follows:

	2024 £'000	2023 £'000
In one year or less	316	316
Between one and two years	323	323
Between two and five years	1,013	1,013
In five years or more	2,401	2,717
Total	4,053	4,369

Bank loans of £2.4 million to finance new buildings at the Langdale Road campus were rescheduled in 2008.

They are repayable by 2033 in quarterly instalments from October 2011, secured against the College's freehold land and buildings. The interest rate is fixed at 5.91% per annum. A new loan of £5.1 million was drawn down in March 2012, of which £4.2 million is at an effective fixed interest rate of 5.5% for the first 12.5 years and then 5.7% for the following 9.5 years. The balance of the loan is at floating rate. Capital repayments started in October 2012.

Note to the accounts

15. Provisions

16. Cash and cash equivalents

17. Capital commitments



15. Provisions

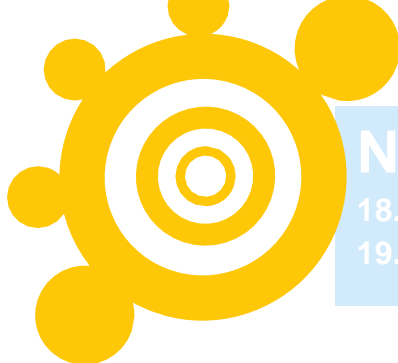
	Pensions	Other	Total
At 31 July 2023	36	64	101
Expenditure in the period	-	(50)	(50)
Additions in the period	-	-	-
At 31 July 2024	36	14	51

16. Cash and cash equivalents

	At 31 July 2023 £'000	Cash flows £'000	Other changes £'000	At 31 July 2024 £'000
Cash and cash equivalents	10,158	(1,836)	-	8,322
Overdrafts	-	-	-	-
Total	10,158	(1,836)	-	8,322

17. Capital commitments

	2024 £'000	2023 £'000
Commitments approved by Board but not yet contracted for	450	-



Notes to the Accounts

18. Lease obligations
19. Contingencies

20. Events after the reporting period
21. Defined benefit obligation

18. Lease Obligations

The College has no non-cancellable operating leases at the date of signing this report.

19. Contingencies

The College is aware of the 2023 ruling in the Virgin Media vs NTL Pension Trustee case and subsequent court of appeal ruling published in July 2024. These ruled that certain amendments made to the NTL Pension Plan were invalid because they were not accompanied by the correct actuarial confirmation. There remains significant uncertainty as to whether the judgments will result in additional liabilities for UK pension schemes, and it is possible that the Department of Work & Pensions will introduce legislation to allow changes to be certified retrospectively.

A detailed review of historic documentation will be needed to determine whether the changes made by the Scheme were valid (assuming retrospective certification does not become an option), and such a review will take some time to complete. As a result, the College cannot be certain of the potential implications (if any) and therefore a sufficiently reliable estimate of any effect on the obligation cannot be made.

20. Events after the reporting period

There are no significant post balance sheet events.

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 Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Lancashire County Council. Both are multi-employer defined-benefit plans.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the TPS was as at 31 March 2020 and of the LGPS 31 March 2023.

Total pension cost for the year	2024 £'000	2023 £'000
Teachers Pension Scheme: contributions paid	2,166	1,840
Local Government Pension Scheme:		
Contributions paid	1,213	1,029
FRS 102 (28) charge	(192)	496
LGPS charge to the Statement of Comprehensive Income	1,021	1,525
Enhanced pension charge to Statement of Comprehensive Income	-	-
Total Pension Cost for Year	3,187	3,365

Contributions amounting to £426,000 (2023: £356,000) were payable to the schemes at 31 July and are included in creditors.

Note to the accounts

21. Defined benefit obligations



Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

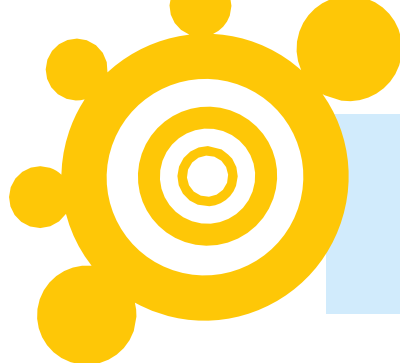
Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The college is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the college has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The college has set out above the information available on the plan and the implications for the college in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return. The latest actuarial review of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education (the Department) in October 2023. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to 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 were set at 28.6% of pensionable pay from April 2024 onwards (compared to 23.68% during 2022/23). DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2023/24 academic years.

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

The pension costs paid to TPS in the year amounted to £2,166,000 (2023: £1,840,000)



Notes to the Accounts

21. Defined benefit obligations

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Lancashire County Council. The total contributions made for the year ended 31 July 2024 were £1,600,000, of which employer's contributions totalled £1,213,000 and employee's contributions totalled £387,000. The agreed contribution rates for future years are 18.7%, rising to 19.6% from April 2024, for employers and range from 5.5% to 12.5% for employees, depending on salary according to a national scale.

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2023 updated to 31 July 2024 by a Mercer Ltd.

	At 31 July 2024	At 31 July 2023
Rate of increase in salaries	4.10%	4.20%
Future pensions increases	2.70%	2.80%
Discount rate for scheme liabilities	4.90%	5.10%
Inflation assumption (CPI)	2.60%	2.70%
Commutation of pensions to lump sums	50%	50%

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

	At 31 July 2024 years	At 31 July 2023 years
<i>Retiring today</i>		
Males	21.00	21.00
Females	23.50	23.40
<i>Retiring in 20 years</i>		
Males	22.20	22.40
Females	25.30	25.20

A 0.1% reduction in the CPI rate would have the affect of reducing the overall pension asset to £12.12m.

Notes to the Accounts

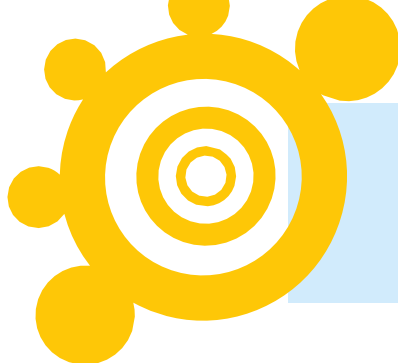
21. Defined benefit obligations

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

	Long-term rate of return expected at 31 July 2024	Fair Value at 31 July 2024 £'000	Long-term rate of return expected at 31 July 2023	Fair Value at 31 July 2023 £'000
Equities	47.70%	26,409	48.40%	25,047
Treasury Bonds	0.10%	55	0.40%	207
Bonds	0.10%	55	-	-
Property	8.50%	4,706	9.50%	4,916
Cash	1.40%	775	0.60%	311
Other	42.20%	23,363	41.10%	21,269
Total market value of assets		55,363		51,750
Actual return on plan assets		3,505		1,081

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

	2024 £'000	2023 £'000
Fair value of plan assets	55,363	51,750
Present value of plan liabilities	(42,540)	(40,196)
Net pensions asset/(liability) per actuarial valuation	12,823	11,554
Adjustment to asset value for year end reporting	(12,823)	(11,554)
Balance sheet asset/(liability)	-	-



Notes to the Accounts

21. Defined benefit obligations

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

	2024 £'000	2023 £'000
Amounts included in staff costs		
Current service cost	972	1,475
Administration expenses	38	34
Past service cost	-	-
Effect of curtailments	-	-
Total	1,010	1,509
Amounts included in investment income		
Net interest cost	(619)	14
Total	(619)	14
Amounts recognised in Other Comprehensive Income		
Return on pension plan assets	-	-
Experience losses arising on defined benefit obligations	-	-
Changes in assumptions underlying the present value of plan liabilities	(811)	1,381
Amount recognised in Other Comprehensive Income	(811)	1,381

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

	2024 £'000	2023 £'000
Surplus/(deficit) in scheme at 1 August	11,554	(871)
Movement in year:		
Current service cost	(972)	(1,475)
Employer contributions	1,202	1,013
Past service cost	-	-
Net interest on the defined (liability)/asset	619	(14)
Administration expenses	(38)	(34)
Effect of curtailments	-	-
Actuarial gain or (loss)	458	12,935
Net defined benefit (liability)/asset at 31 July before year end	12,823	11,554
Adjustment to asset value for year end reporting	(12,823)	(11,554)
Net defined benefit asset/(liability) at 31 July	-	-

Notes to the Accounts

21. Defined benefit obligations

Asset and Liability Reconciliation

	2024 £'000	2023 £'000
Changes in the present value of defined benefit obligations		
Defined benefit obligations at start of period	40,196	49,769
Current Service cost	972	1,475
Interest cost	2,024	1,732
Contributions by Scheme participants	385	346
Experience gains and losses on defined benefit obligations	(177)	2,987
(Gain)/loss on financial assumptions	706	(13,279)
(Gain)/loss on demographic assumptions	(125)	(1,834)
Estimated benefits paid	(1,441)	(1,000)
Past Service cost	-	-
Curtailements and settlements	-	-
Defined benefit obligations at end of period	42,540	40,196

	2024 £'000	2023 £'000
Reconciliation of Assets		
Fair value of plan assets at start of period	51,750	48,898
Interest on plan assets	2,643	1,718
Changes in financial assumptions	862	809
Return on plan assets	-	-
Administration expenses	(38)	(34)
Employer contributions	1,202	1,013
Contributions by Scheme participants	385	346
Estimated benefits paid	(1,441)	(1,000)
Assets at end of period	55,363	51,750

These accounts show a NIL past service cost in respect of the McCloud / Sergeant judgment which ruled that the transitional protection for some members of public service schemes implemented when they were reformed constituted age discrimination.

Notes to the Accounts

22. Related party transaction

23 Write offs 24. Amounts disbursed as agent

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.

The total expenses paid to or on behalf of the Governors during the year was £100 (2023: NIL).

No Governor has received any remuneration or waived payments from the college or its subsidiaries during the year (2023: None).

23. Write offs, losses, guarantees, letters of comfort, compensation

The College wrote off debt totaling £291 (2022/23 £13,439). There were no individual debt over £5,000. There were no guarantees, letters of comfort, and indemnities entered into in the normal course of business during the year.

The College made one ex-gratia payment of £13,500 during the year. In accordance with Managing Public Money Regulations, prior approval from the ESFA was received from the ESFA. Severance payments are disclosed in note 7.

24. Amounts disbursed as agent

	2024 £'000	2023 £'000
Funding body grants – bursary support	686	616
Funding body grants – discretionary learner support	22	14
Other funding body grants	-	-
	708	630
Disbursed to students	(558)	(510)
Administration costs	(24)	(25)
Balance unspent as at 31 July, included in creditors	126	95

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.



To: The Corporation of Runshaw College and Secretary of State for Education acting through the Education and Skills Funding Agency (ESFA)

In accordance with the terms of our engagement letter dated 30 October 2024 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 Runshaw College during the period 1 August 2023 to 31 July 2024 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the Post 16 Audit Code of Practice ("the Code") issued by the ESFA and in any relevant conditions of funding concerning adult education notified by a relevant funder. In line with this framework, our work has specifically not considered income received from the main funding grants generated through the Individualised Learner Record data returns, for which the ESFA or devolved authority has other assurance arrangements in place.

This report is made solely to the Corporation of Runshaw College 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 Runshaw College and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation of Runshaw College and the ESFA for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Runshaw College and the reporting accountant

The Corporation of Runshaw College 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 which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Code. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 August 2023 to 31 July 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

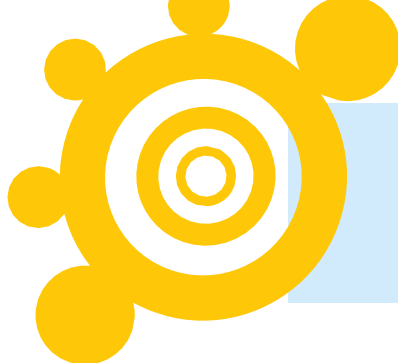
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

The work undertaken to draw to our conclusion includes:

- Documenting the framework of authorities which govern the activities of the Corporation;
- Undertaking a risk assessment based on our understanding of the general control environment and any weaknesses in internal controls identified by our audit of the financial statements;
- Reviewing the self-assessment questionnaire which supports the representations included in the Chair of Governors and Accounting Officer's statement on regularity, propriety and compliance with the framework of authorities;



Independent Reporting Accountant's Report on Regularity to the Corporation of Runshaw College and the Secretary of State for Education acting through Education and Skills Funding Agency

- Testing a sample of transactions with related parties;
- Confirming through enquiry and sample testing that the Corporation has complied with its procurement policies and that these policies comply with delegated authorities; and
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

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

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 2023 to 31 July 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Beever and Struthers

For and on behalf of
BEEVER AND STRUTHERS

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Date: 13 December 2024

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