

Calderdale College
Financial Statements
For the Year Ended 31 July 2024

Information

Address:	Francis Street HALIFAX West Yorkshire HX1 3UZ
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Key Management Personnel

Key management personnel are defined as members of the College Senior Leadership Team and were represented by the following in 2023/24:

Principal	David Malone
Accounting Officer	David Malone
Vice Principal (Corporate Services)	Andrew Harrison
Deputy Principal (Quality, Curriculum Development & Student Experience)	Karl Veltman
Director of Commercial Services & Partnerships	Ebrahim Dockrat

Information

Members

Peter Clark (Chair) (resigned 14 July 2024)
Diane Cothey
Rachel Court (resigned 31 July 2024)
Richie Dunk (resigned 26 September 2024)
Suzanne Dunkley (appointed 8 February 2024)
Jenny Grainger
Suzanne Griffiths
Safia Kauser
Richard Laycock
Bill Macbeth (appointed 11 July 2024)
Suzan McGladdery (Chair) (appointed 14 July 2024)
Nazia Mukhtar
David Malone
Greg Scully
Jenny Stocks (appointed 11 July 2024)
Martyn Stone
Paul Waterworth
Andrew Wright (resigned 23 April 2024)
John-Paul Yates

Clerk to the Corporation

Jane Taylor-Holmes

Information

Bankers:

Lloyds TSB Bank plc
7th Floor
6/7 Park Row
LEEDS
LS1 1NX

Barclays Bank Plc
1st Floor, 3 Hardman Street
Spinningfields
Manchester
M3 3HF

Internal Auditors:

ICCA Education Training and Skills Ltd
11th Floor
The McLaren Building
46 The Priors
Queensway
BIRMINGHAM
B4 7LR

Financial Statement Auditors and Reporting
Accountants:

RSM UK Audit LLP
Statutory Auditor
Two Humber Quays
Wellington Street West
HULL
HU1 2BN

Solicitors:

Weightmans LLP
100 Old Hall St
LIVERPOOL
L3 9QJ

Chadwick Lawrence
Somerset House
Ransom Street
HALIFAX
HX1 2EF

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Report of the Members of the Corporation

The Members of the Corporation present their annual report together with the financial statements for the year ended 31 July 2024.

Legal Status

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

Mission

Engage People, Invest in Skills, Transform Lives. We aim to support all of our stakeholders, including young people, adults, apprentices and businesses to reach their potential through exemplary skills development. Recognition of 'place' has been key to the continued success of Calderdale College and we are proud to support the community to develop and grow.

Vision

To be a hub of lifelong learning and personal growth, offering individuals of all ages and backgrounds the opportunity to continually learn, grow and evolve throughout their lives. Calderdale College aims to be a beacon of possibility inspiring individuals to pursue their passions, unlock their potential and make a positive impact in the world. We strive to be known as a great place to work for all staff, fostering a culture of respect, collaboration and innovation and investing in our employees' personal and professional growth, happiness and well-being.

Strategic Priorities

In July 2023, the Board approved a new Strategic Plan 2023-26 with priorities based on 6 P's:

- People - focused on supporting and developing our people.
- Place - an active participant in the economic and social development of our local community.
- Prosperity - investing in their growth and development.
- Partnerships - creating strong partnerships with civic, community, employers, and education stakeholders.
- Performance - committed to achieving the highest levels of performance in all aspects of our operations.
- Planet - set ambitious pledges to become net zero by 2030, through the adoption of innovative and sustainable technologies.

Report of the Members of the Corporation

Financial Position

Financial Results

The College generated a surplus before other comprehensive income in the year of £639K (2022/23: deficit of £459,000) after pension charges calculated in accordance with FRS 102 section 28 of £228K (2022/23: £797,000).

	£
Operating surplus before FRS102 pension charges	411,000
FRS102 pension charges	228,000
Surplus for the year ended 31.07.2024	639,000

The College has historically produced small operating surpluses prior to any FRS102 adjustment. The original budget approved for 2023/24 was an operating surplus of £412k.

The College's balance sheet shows net current assets of £1,471,000. Tangible fixed asset additions during the year amounted to £7,525,000. This was made up of land and buildings renovations of £229,000 equipment purchases of £1,227,000 and work in progress of £6,069,000.

The College has a healthy cash balance of £6,913,000 at the end of the year.

The College's current ratio has decreased, due to capital investments, to 1.19:1 (2022/23: 2.04:1). Cash days in hand are 98 days (2022/23: 134 days).

The College's systems of internal financial controls and resources remain strong and effective as evidenced through both internal and external audit visits.

The College has significant reliance on the Education & Skills Funding Agency (ESFA) and West Yorkshire Combined Authority for its principal funding sources. In 2023/24 the ESFA and West Yorkshire Combined Authority provided 77.4% of the College's total income (2022/23: 82.7%).

Subsidiary Companies

All the subsidiary companies, (Calderdale Catering Limited, Calderdale Associates Limited, Halifax New College Limited and Step Training Limited) remained dormant during this financial year.

The Education and Skills Funding Agency (ESFA):

The ESFA is set to close in March 2025, bringing the current functions into the Department for Education.

Managing Public Money (MPM) requirement

In November 2022, the ONS reclassified colleges as being within the public sector. As a result, the College is subject to HM Treasury's Managing Public Money (MPM) requirement which were covered by DfE bite-size guides. In March 2024, these requirements were incorporated in the new College Financial Handbook. The College has ensured that the Financial Regulations and Financial Procedures include the MPM requirements.

Report of the Members of the Corporation

Treasury Management Policies and Objectives

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

The College has a separate Treasury Management Policy in place.

Cash Flows

There was a £1,639,000 cash outflow (2022/23: £1,266,000 inflow). This net cash flow resulted from the purchase of tangible fixed assets of £7,525,000 repayments of loans of £218,000, and a decrease in creditors of £118,000.

	Value £,000	Inflow/(Outflow)
Purchase of assets	(7,525)	(Outflow)
Repayment of debt	(218)	(Outflow)
Decrease in debtors	4,893	Inflow
Decrease in creditors	(118)	(Outflow)
Surplus in year (pre-FRS 102)	639	Inflow
Depreciation	1,337	Inflow
Total	(1,639)	(Outflow)

Financial Plan

The Corporation approved a financial plan in July 2023 which set objectives for the period to 2024. This plan aimed to maintain a financial health rating of 'Good' and to achieve an operating surplus of £412k. The College achieved an increased operating surplus, significant investment in the IT Infrastructure and a good cash-flow.

Reserves Policy

The College has no formal Reserves Policy but recognises the importance of reserves in the financial stability of any organisation and ensures that there are adequate reserves to support the College's core activities. The College reserves include £3,000 held as restricted reserves. As at the balance sheet date total unrestricted reserves stand at a positive £12,050,000. It is the corporation's intention to maintain strong reserves over the life of the new strategic plan through the generation of annual operating surpluses whilst also re-investing in the IT Infrastructure and the learning environment.

Going Concern

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

The College currently has £3,553,000 of loans outstanding with bankers on terms negotiated in 2010. The terms of the existing agreement are for up to another 13 years. The College's forecasts and financial projections indicate that it will be able to operate within this existing facility and covenants until at least 31 July 2026.

Report of the Members of the Corporation

Going Concern (continued)

After making appropriate enquiries, the Corporation considers that the College has adequate resources to continue in operational existence to at least 31 December 2025.

Current and Future Development and Performance

Financial Health

The College's ESFA Financial Health Grading is 'Good' for 2023/24. It is forecast to remain 'Good' in 2024/25.

Learner Numbers

In 2023/24 the College received £17,517,000 in ESFA and West Yorkshire Combined Authority allocation funding (2022/23: £15,477,000). A total of £140,000 was received in relation to the College's Higher Education (HE) provision. The College had 5,250 ESFA funded students and 450 students funded by other sources.

Learner Achievements

Overall achievement rates for our education and training learners in 2023/24 was 84% (2022/23: 86%). Apprentices' overall success was at 57% (2022/23: 60%). Success for HE students was 84% in 2023/24 (2022/23: 83%).

The FE (Further Education) 16-18 achievement rate is 79% and the 19+ rate is at 89%. Overall, FE achievement rates are broadly consistent with national rates across the whole of the College's diverse curriculum offer.

Key Performance Indicators

The table below demonstrates the KPI's and the assessment against them, that the College uses internally as well as the measure assessed externally such as Financial Health, and Ofsted rating.

Key Performance Indicator	Measure/Target	Actual for 2023/24
Current Ratio	1.04	1.19
Total Borrowing as a percentage of income	15.36%	13.48%
Operating surplus/(deficit) before FRS102	£412,000	£411,000
Staff costs as a % of total income less capital grants.	65.13%	62.38%
Financial Health	Good	Good
Ofsted Rating	Good	Good

Report of the Members of the Corporation

Curriculum Developments

The curriculum planning process in 2023/24 has been supported by the Local Skills Improvement Plan (LSIP) and aligned closely to budget-setting activity. Following a Tribal Benchmarking report, Heads of Faculty have demonstrated an improved awareness of financial planning and a heightened focus on viability including class sizes, staff utilisation and resource efficiency. The College's three-year curriculum plan is designed to equip students with the skills and knowledge needed for success in today's evolving world of work. It is developed in close collaboration with employers ensuring that training aligns with local, regional, and national priorities. By integrating practical skills that are in demand, students are prepared for the realities of working life through experiences that reflect current industry practices. In addition to technical skills, the curriculum emphasises future skills development and personal growth through targeted programmes, empowering students to thrive in a competitive and dynamic job market.

In 2023/24, the College further expanded its work with employers to enrich its curriculum, developing project-based learning principles across new curriculum areas. The majority of students gained knowledge, skills and behaviours from live-briefs, visiting speakers and collaborative work experience opportunities, including the installation of ground-source heat pump technology with Halifax Renewables and public art commissions in partnership with Northern Rail. The culture of continuous engagement with industry professionals and business/community partnerships was further enhanced by the establishment of Employer Advisory Groups in the priority sectors of Advanced Engineering and Construction; Business, Professional and Service Sector; Creative and Digital Industries and Health and Life Sciences. This ensured a dynamic curriculum-planning process, engaging with industry professionals to review, design and deliver future training to remain truly responsive to emerging industry demands.

The College T Level offer has expanded to include Health, Digital, Early Years, Business, and Engineering, reflecting our commitment to providing students with a broad range of career pathways. In the 2023/24 academic year, all students successfully completed high-quality industry placements, thanks to strengthened partnerships with key employers such as the NHS and Lloyds Banking Group. Future plans include the expansion of T Level provision to include Creative Media Broadcast & Production, as well as Animal Management for the 2025/26 academic year. T Level Foundation programmes have increasingly evolved to align with National Technical Outcomes (NTOs), ensuring a clear progression route to T Levels. These programmes also serve as a strong exit point for students who choose not to continue their studies, providing them with valuable qualifications and skills for immediate employment or apprenticeships. 2024/25 has seen the launch of Mill Studios a brand new Creative Digital Centre offering cutting-edge technologies in Film, TV production, Computer Games Design and Esports to help young people access high-paying roles in the Creative Industries. Cutting-edge technology and industry partnerships give students real-world experience, while collaboration and networking with professionals provides a strong foundation to pursue future career ambitions.

Adult Learning Programmes performed exceptionally well in 2023/24 with the College delivering AEB funded learning just above its WYCA allocation value of £4.65m. Further Adult delivery was made possible by successful bids to Calderdale Adult Learning, Multiply for Business and Multiply FE Booster grants. Community Learning programmes continue to engage with hard-to-reach adults through a dynamic and transformative offer that penetrates deep into communities and positively transforms lives. The successful delivery of an initial £50k allocation from the Level 3 Skills Fund (Free Courses for Jobs) further enhanced the adult offer, providing Level 3 Understanding Autism and Level 3 Award in Education & Training (AET), Supporting Teaching & Learning in Schools, Principles of SEN and ILM which resulted in an additional c£80k in growth being successfully delivered above the initial allocation. This has led to an increased allocation of £250k for 2024/25.

Report of the Members of the Corporation

Curriculum Developments (continued)

The College continues to support employers and apprentices through the challenges of post covid economic instability which has impacted on retention and achievement rates for Apprenticeship provision nationally, regionally and locally. National achievement rates 2022/23 were 54.3%, 49.4% for SME non-levy employers. The College achievement in 2023/24 was 57% with a significant increase in achievement rates predicted for 2024/25 due to improved current retention. With the accountability framework clearly setting national expectations, the College is aspirational in achieving the minimum target of 65% achievement in-line with nationally set timeframes of 2024/25. Apprenticeship volumes were up in 2023/24 by 23.54% from 574 to 708 with further growth expected in 2024/25. Construction Skills & Higher Apprenticeships in Management & Residential Childcare currently have the highest apprenticeship volumes. Electrical has proven to be extremely successful with cohorts supporting JTL starting at The Engineering Centre (TEC) 2023/24 and with further cohorts planned in 2024/25. The implementation of the new end-to-end Aptem digital platform will assist senior management to review the overall provision throughout the year and enable us to identify areas of concern quickly and efficiently.

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 per cent. The College operates a policy of settling properly authorised invoices at the end of the month following the date of transaction and makes every effort to ensure that these terms are met for non-queried invoices.

Future Developments

The College was successful in its capital/revenue bid to the Local Skills Improvement Fund (LSIF) and combined with match-funding has realised Phase One of its ambitious plan to develop a state-of-the-art Creative and Digital facility with the £899k renovation of 8500 sq ft of the historic mill complex, Dean Clough. 'Mill Studios' will provide training facilities for E Sports, Computer Games Design and TV & Film. First-cohort recruitment targets for 24/25 have been realised whilst sources of funding for Phase Two of the development, requiring further capital investment of £450k, are now being sought.

The Industry 4.0 Hub at The Engineering Centre has now opened, and with £180k of funding secured via West Yorkshire's Combined Authority Skills Connect programme.

The College has formed a strategic partnership with Calderdale Council and Calderdale and Huddersfield NHS Foundation Trust to launch the Calderdale Academy for Health and Care Excellence. This transformative partnership brings together three anchor institutions in the borough who are committed to working together to deliver dynamic career pathways to meet the health and care workforce needs. By providing comprehensive training and development opportunities, we aim to meet the evolving needs of our community, ensuring high quality health and care and support for all. This collaboration aligns perfectly with the College's strategic objectives within People and Place, enhancing educational and career pathways while strengthening our region's health and care infrastructure and community well-being.

The £7.5m capital investment (FE Transformation Fund) has seen major works to the façade of the main College building, installation of solar panels and replacement LED lighting whilst improving operational efficiency and reducing energy costs. Prudent project planning resulted in a significant underspend which has been invested in a brand-new main reception area to create a professional and welcoming gateway into the College. These works form part of a wider strategy designed to support the continual development and renewal of facilities across the College estate.

Report of the Members of the Corporation

Future Developments (continued)

Recognising the importance of technology in education, the College has invested in upgrading our digital infrastructure to ensure that students and staff have access to the latest technology and resources. This has included upgrading network cables and switches, investment in thin-client technology and improvements to Wi-Fi connectivity. By enhancing our digital capabilities, we aim to create a learning environment that is innovative, sustainable, and responsive to the needs of our students and staff.

Resources

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

Financial

The College has £12,053,000 of net assets (including a £nil pension liability) and long-term debt of £3,328,000.

People

The College employs 477 people, of whom 235 are teaching staff.

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 partnerships.

Physical

The College has physical assets in the form of land and buildings to the value of £20,666,000 and equipment with a net book value of £1,540,000.

Principal Risks and Uncertainties

The College has well developed strategies for managing risk and strives to embed risk management in all that it does. The Corporation 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 by the College. This is reviewed frequently during the year by the College Senior Leadership Team and at every Audit committee meeting in full, as well as annually by the Corporation. The Risk Register identifies the key risks, the likelihood of those risks occurring, the potential impact on the College as well as any actions being taken by the College to reduce and mitigate the risk.

The Risk Register is a live document from which the College's internal audit plan is derived and is the key document for risk management within the College.

Risks were managed throughout the year and by the July 2024 Audit Committee there were 3 risks rated as Red / High Risk:

Report of the Members of the Corporation

Principal Risks and Uncertainties (continued)

		Likelihood	Impact	Residual Risk score	Risk Appetite
A1	Failure to comply with Funding Body requirements resulting in claw back / reduction in income	3	4	12	Averse

The College has had a long running ESFA Funding Review that has taken over 12 months to conclude. The Audit Management Letter identifies over £200k of apprenticeship 'funding-at-risk' although the College is working with the ESFA to significantly reduce this figure with an employer retrospective authorisation exercise. The College has fully provided for the amount at risk in these Accounts.

		Likelihood	Impact	Residual Risk score	Risk Appetite
F5	Major Infrastructure failure – Core IT systems	3	4	12	Averse

The College has significantly improved the IT Network which now has improved reliability and resilience. It continues to retain Cyber Essential accreditation. There is still a programme to replace network switches, further roll-out of thin client, and replacement of telephony continues.

		Likelihood	Impact	Residual Risk score	Risk Appetite
F7	Failure to attract and retain suitably skilled, motivated staff	3	4	12	Open

The external labour market continues to be challenging. The FE Sector continues to struggle to be competitive with salaries particularly in specialist areas of construction and technology, both of which are key to College delivery.

Stakeholder Relationships

In line with other colleges and with universities, Calderdale College has many stakeholders. These include:

- Current, future and past students
- Funding bodies including the ESFA and the Office for Students (OfS)
- Staff and their trade unions
- Local employers and employer bodies
- Calderdale Council
- West Yorkshire Combined Authority
- The Leeds City Region LEP and The Skills Network
- Other LEPs and combined authorities in regions where the College holds ESF contracts
- Lloyds Banking Group (Commercial Banking)
- Barclays Bank (Loan)
- Local primary and secondary schools
- HE partners including The Open University and the University of Huddersfield
- Community and voluntary groups such as the North Halifax Partnership, Active Calderdale, The Calderdale Community Foundation and Halifax Opportunities Trust

Report of the Members of the Corporation

Stakeholder Relationships (continued)

- Other FE institutions via the West Yorkshire Consortium of Colleges
- Professional bodies

The College recognises the importance of these relationships and engages in regular communication with all stakeholders. Partnership working on specific projects or issues continues to be a highly valued part of the College's activity.

Public Benefit

Calderdale 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 Corporation, who are trustees of the charity, are disclosed on pages 16-18. 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 and that the required statements appear elsewhere in these financial statements.

In delivering its mission, the College provides the following identifiable public benefits through the advancement of education to approximately 5,100 students, including 122 students with high needs. The College provides courses without charge to young people, to those who are unemployed and adults taking English and Maths courses. The College adjusts its courses to meet the needs of local employers and provides training to 1,050 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.

Equality, Diversity & Inclusion

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

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

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

The College publishes its Gender Pay Gap information on its website.

The reported Average Pay Gap between males and females is 8.6% and the median reported Pay Gap is 6%. The College has robust processes in place to ensure recruitment is fair.

Report of the Members of the Corporation

Equality, Diversity & Inclusion (continued)

As part of its commitment to the mental health and wellbeing of staff and students Calderdale College is signed up to a national mental health and wellbeing charter. This has been created by the Association of Colleges (AoC) in conjunction with mental health experts and includes commitments to:

- Promote equality of opportunity and challenging mental health stigma
- Provide appropriate mental health training for staff
- Provide targeted individual mental health support where appropriate

The College has also implemented an updated Equality & Diversity training programme which all staff have attended. Refresher training for existing staff is undertaken on a rolling 3-year basis and training for new starters is carried out on an ongoing basis.

The College has commissioned The National Centre for Diversity to work towards 'Investors in Diversity' accreditation. The Investors in Diversity framework will support consolidation of existing equality diversity and inclusion strategies by embedding FREDIE (fairness, respect, equality diversity, inclusion and engagement) practices and behaviours throughout the organisational culture.

Disability Statement

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

- The College has an Equality, Diversity and Inclusion Co-ordinator whose role is to raise awareness and inclusivity throughout the College.
- There is a list of specialist equipment, such as radio aids, which the College can make available for use by students and a range of assistive technology is available in the learning centre.
- The admissions policy for all students is described in the College charter. Appeals against a decision not to offer a place are dealt with under the complaints policy.
- The College has made a significant investment in the appointment of specialist staff to support students with learning difficulties and/or disabilities. There are a number of Personal Skills Assistants who can provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities.
- Specialist programmes are described in college prospectuses, and achievements and destinations are recorded and published in the standard College format.

Counselling and welfare services are described in the College Student Guide, which is issued to students together with the Complaints and Disciplinary Procedure leaflets at induction.

Corporation Tax

The Corporation is an exempt charity and is not liable to corporation tax except on certain non-charitable activities.

Report of the Members of the Corporation

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the College to publish information on facility time arrangements for trade union officials at the College.

Numbers of employees who were relevant in the period	Full Time Equivalent (FTE) employee number
4	4
Percentage of time	Number of employees
0%	0
1-50%	4
51-99%	0
100%	0

Total cost of facility time	£7,229
Total pay bill	£16,355,000
Percentage of total bill spent on facility time	0.044%

Time spent on paid trade union activities as a percentage of total paid facility time	100%
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Staff and Student Involvement

The College is proud of our Strategic Plan, created in collaborative consultation with all staff. Working groups formed around the '6 P's strategy (People, Performance, Prosperity, Partnerships, Place and Planet) has provided opportunities for staff involvement in turning strategic objectives into operational activity. Examples of outputs include a whole-College Conference Day on Sustainability and the provision of staff development time across the entire organisation on Wednesday afternoons: committing collective time for team meetings, professional learning opportunities and wellbeing activities.

The College considers good communication with its staff and students to be very important. Investment in the digital application tool, MyDay, has enhanced communication and will allow more accessible and efficient communication across the organisation in a variety of formats to both students and staff.

There is an effective communication strategy, which includes whole College and departmental staff meetings, a new online staff news blog, regular corporate emails (with a weekly newsletter from the Principal/CEO), use of social media posts, regular staff conference and development events. Staff are encouraged to express their views and ideas through the College Intranet and staff surveys.

Implementation of the new HR system (I TRENT) has further enhanced communication, management of our people and career development for all staff. Items such as appraisals, skills audits and holiday management will enable us to run a more effective college, whilst supporting our people to progress in their roles.

Formal representation of staff is undertaken through the recognised trade unions. Two staff and two student governors are elected by their peers. Each year students are invited to give feedback to the College through student satisfaction surveys, the course representative system and Student Voice focus groups. There is also the facility for learner feedback to be left on the College intranet. The Student Voice strategy is supported and facilitated through the Student Engagement Officer who works closely with representatives from the elected Student Union.

Report of the Members of the Corporation

Staff and Student Involvement (continued)

Governors are invited to join Student Voice focus groups to ask any questions they have on the quality of their experience in order to inform the governance of the College.

In addition, the Curriculum, Quality and Standards Committee includes a 'Student Spotlight' item at the start of every meeting, providing opportunities for Governors to engage directly with students and gain insights into the student experience.

Disclosure of Information to Auditors

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

Approved by order of the Members of the Corporation on 12/12/2024 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Suzan McGladdery', written in a cursive style.

Suzan McGladdery
Chair of the Corporation

Corporate Governance Statement Incorporating the Statement of Internal Control

Governance Statement

The following statement is provided to enable readers of the annual report and financial statements 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:

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

In the opinion of the Governors, the College complies with or exceeds all the provisions of the Code, and it has complied throughout the year ended 31 July 2024. This opinion is based on a self-assessment against the Code (using the September 2021 version of the Code) at their Search and Governance Committee and reported to the Board meeting on 18 April 2024, there were no issues identified against any of the 'must' requirements.

The College also undertook an external governance review which included a review of practice against the Code. This external review was undertaken by Fiona Chalk of Governance 4FE and the report was issued on 1st May 2024. The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes full account of The Code of Good Governance for English Colleges issued by the Association of Colleges in 2023, which it formally adopted on 18 April 2024.

Corporate Governance Statement Incorporating the Statement of Internal Control

The Corporation

The Members who served on the Corporation during the year and up to the date of signature of this report were as follows:

	Date of Appointment	Term of office	Date of resignation	Status of appointment	Committees served	Attendance in 2023/24
Peter Clark (Chair)	28.03.2013 01.08.2015 01.08.2018	To 31.07.2024 Extended to 31.7.2024 by virtue of standing order 2.2	31.07.2024	External	Finance & Resources; Curriculum, Quality & Standards; Search & Governance; Senior Staff Employment.	100%
Diane Cothey	01.08.2018 01.08.2022	To 31.07.2026 4 years		External	Curriculum, Quality & Standards	86%
Rachel Court (Vice Chair)	22.05.2015 01.08.2017 08.07.2021 01.08.2023	To 31.07.2024 1 year	31.07.2024	External	Chair of Search & Governance; Senior Staff Employment; Chair of Audit.	46%
Richie Dunk	20.10.2016 19.10.2020	To 19.10.2024 4 years	26.09.2024	External	Audit, Curriculum, Quality and Standards	57%
Suzanne Dunkley	08.02.2024	08.02.2024 4 years		External	Chair of Search & Governance Senior Staff Employment Finance & Resources	100%
Jenny Grainger (Vice Chair from 18.04.20 24)	06.04.2017 05.04.2021	To 05.04.2025 4 years		External	Audit; Chair of Curriculum, Quality & Standards; Chair of Senior Staff Employment;	71%
Suzanne Griffiths	13.07.2023	To 13.7.2027 4 years		Staff	Curriculum, Quality & Standards	100%

Corporate Governance Statement Incorporating the Statement of Internal Control

	Date of Appointment	Term of office	Date of resignation	Status of appointment	Committees served	Attendance in 2023/24
Safia Kauser	11.07.2019 10.7.2023	To 10.07.2027 4 years		External	Curriculum, Quality & Standards	43%
Richard Laycock	15.10.2020	To 14.10.2024 4 years		External	Finance & Resources	57%
Bill Macbeth	11.07.2024	To 11.07.2025 1 year		External		100%
David Malone	01.01.2023	In post		Principal	Curriculum, Quality & Standards; Search & Governance; Finance & Resources	100%
Suzan McGladdery	13.07.2023	12.07.2027		External	Curriculum, Quality & Standards; Search & Governance; Senior Staff Employment.	86%
Nazir Mukhtar	10.6.2022	To 9.6.2026 4 years		External	Curriculum, Quality & Standards	100%
Martyn Stone	13.07.2023	To 12.07.2027 4 years		External	Audit	86%
Greg Scully	20.04.2023	To 19.4.2027 4 years		External	Audit	86%
Jenny Stocks	11.07.2024	To 11.07.2028 4 years		External	Curriculum, Quality & Standards	100%
Paul Waterworth	21.10.2021	To 20.10.2025 4 years		Staff	Curriculum, Quality & Standards	86%
Andrew Wright	23.04.2020	To 23.04.2024 4 years	23.04.2024	External	Chair of Finance & Resources; Curriculum, Quality & Standards.	100%

Corporate Governance Statement Incorporating the Statement of Internal Control

	Date of Appointment	Term of office	Date of resignation	Status of appointment	Committees served	Attendance in 2023/24
John-Paul Yates	13.07.2023	To 12.07.2027 4 years		External	Chair of Finance & Resources (Chair from 23.04.2024)	100%
Claire Chapman	19.10.2023	31.7.2024		Student	Curriculum, Quality & Standards	100%
Aminah Hashmi	19.10.2023	31.7.2024		Student	Curriculum, Quality & Standards	50%

Jane Taylor-Holmes acted as Clerk to the Corporation

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 reports on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, safeguarding matters, quality matters and personnel-related matters such as health and safety and environmental issues. The Corporation meets at least once in each term and met seven times during the period. All seven Corporation meetings and all Committee meetings were conducted on a hybrid basis.

The Corporation conducts its business through a number of committees. Each committee has terms of reference which have been approved by the Corporation. These committees are: Audit, Finance & Resources, Curriculum, Quality & Standards, Search & Governance and Senior Staff Employment. Minutes, except those deemed to be confidential by the Corporation, are available on the College's website (www.calderdale.ac.uk) or from the Clerk to the Corporation at:

Calderdale College
Francis Street
Halifax
West Yorkshire
HX1 3UZ

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

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

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

Corporate Governance Statement Incorporating the Statement of Internal Control

The Corporation (continued)

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 is 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 of the Corporation and Principal of the College (the Accounting Officer) are separate.

Appointments to the Corporation

Any new member appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Search and Governance Committee which comprised of five members of the Corporation during 2023/24. The Committee is responsible for the identification, selection and nomination of any new member for the Corporation's consideration (in line with the Board's skills needs). The Corporation is responsible for ensuring that appropriate training is provided as required.

Members of the Corporation are usually appointed for a term of office not exceeding four years, and a maximum of two terms of four years.

Corporation Performance

During 2023/24, the Board commissioned an External Review of Governance. After a comprehensive procurement exercise, in July 2023, the Board appointed Fiona Chalk of Governance4FE who carried out a review over the period of January 2024 to May 2024. This included a scoping exercise with the CEO, Chair and Clerk to the Corporation, the circulation of a questionnaire and follow up conversations with Board members, members of the Executive Team, the Principal, the Chair, and the Clerk to the Corporation, observation of a Board meeting in April 2024, perusal of documentation and finally a facilitated discussion with the Board on the findings of the draft report in May 2024.

The report from the external review of governance was positive, and found;

The governance structure effectively delineates roles and responsibilities, ensuring clarity and operational efficiency in committees; Board development is integrated into the Board schedule, fostering effective governance and good relations between board members and executives; Board members effectively challenge executives, who are open to further scrutiny on educational performance and corporate culture; The board actively shapes the vision, values, and ethos of the college, ensuring a strong cultural foundation and Governors understand the relevance of their skills in relation to the organisation's strategic priorities, with robust succession planning for key roles.

The report and recommendations arising from the external review of governance were presented to the Board at its meeting July 2024. In group work Governors identified their 3-5 top priorities from the list of recommendations. These priorities refer to; enhancement of Board reporting (including from Committee Chairs to the Board and through enhancements of Executive summaries), stakeholder (including student) engagement, the implementation of a Board portal and including the Senior Leadership team in the internal self- assessment of governance. An action plan to implement the recommendations will be developed by the Search and Governance Committee following the completion of the internal self-assessment of Governance and presented to the Board for approval.

This summary has been approved by the reviewer.

Corporate Governance Statement Incorporating the Statement of Internal Control

The Corporation also carried out a self-assessment of its own performance during the year ended 31 July 2024 and identified a small number of development opportunities. In addition each of the Committees carry out an annual self-assessment to review performance and adherence to Terms of Reference.

The Governing Body is committed to development and held three Strategy Days during the year in September 2023, February 2024 and June 2004. There were a number of contributions from external parties. In addition, there were a number of deep dives held within the Committees including an IT and cyber security deep dive and various curriculum spotlight sessions attended by staff and students. Governors appointed during the periods attended induction training.

All Corporation Members have participated in some form of development activity during the year ended 31 July 2024. Activity has included: externally delivered training on funding and how this is operated in relation to different funding streams and ONS reclassification, sustainability and an introduction to the Sustainability plan including training around the role of the Governing body in relation to sustainability and curriculum planning.

The Chair of the Governing Body attended regular AoC Chair and Principal update sessions and Members of the Committee Chairs attended specific AoC Committee sessions.

All Governors and the Clerk are required to undertake mandatory training in Safeguarding, Prevent, Equality, Diversity and Inclusion and Data Protection. There are also additional modules on phishing and cyber security for completion. All training should be refreshed every three years.

During the year, the Clerk attended regular AoC Yorkshire and Humber Clerks network meetings and other Governance Professional training sessions.

Senior Staff Employment Committee

Throughout the year ended 31 July 2024, the Corporation's Senior Staff Employment Committee comprised four members. The Committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Principal of the College (the Accounting Officer) and other senior post-holders.

The College has adopted the Association of Colleges Senior Staff Remuneration Code.

Details of the remuneration of senior post-holders for the year ended 31 July 2024 are set out in note 6 to the Financial Statements.

Audit Committee

The Audit Committee comprises at least four members, which can include one co-opted member. The membership excludes the Principal of the College (the Accounting Officer), members of the Finance and Resources Committee, the Chair and Staff and student Corporation members. The Committee operates in accordance with written terms of reference approved by the Corporation, which align to the requirements of the Post-16 Audit Code of Practice.

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

Corporate Governance Statement Incorporating the Statement of Internal Control

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

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

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

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

<u>Committee member</u>	<u>Meetings attended</u>
Mrs R Court	3 (100%)
Mr R Dunk	2 (67%)
Mrs J Grainger	2 (67%)
Mr C Reeve (co-opted)	2 (67%)
Mr G Scully	3 (100%)
Mr M Stone	2 (67%)

Internal Control

Scope of Responsibility

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

The Corporation has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives whilst safeguarding the public funds and assets for which he is personally responsible, in accordance with the responsibilities assigned to him in the Funding Agreements between the College and the funding bodies, and the OfS registration conditions.

The Principal is also responsible for reporting to the Corporation any material weaknesses or break-downs in internal control.

Corporate Governance Statement Incorporating the Statement of Internal Control

The Purpose of the System of Internal Control

The system of internal control is based on an on-going 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 to manage them efficiently, effectively and economically. The system of internal control has been in place in Calderdale 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

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 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 scheme of delegation and accountability. In particular, it includes:

- Comprehensive budgeting systems, with an annual budget, which is reviewed and agreed by the Corporation.
- Regular review by the Corporation of periodic and annual financial reports which assess 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 Corporation with a report on internal audit activity in the College, includes an independent opinion on the adequacy and effectiveness of the College's system of risk management, controls and governance processes.

Internal audits were conducted by the College's Internal Auditors, ICCA, and were considered by the Audit Committee as stated above.

Corporate Governance Statement Incorporating the Statement of Internal Control

Risks Faced by the Corporation

The Corporation has a clearly defined approach to risk management and internal control. The Corporation has responsibility for overseeing risk management within the Corporation as a whole. An open and receptive approach to solving risk problems is adopted by the Corporation. The Senior Leadership Team supports, advises and implements policies approved by the Corporation. Senior and middle managers, with cross-College representation, manage the process on behalf of the Corporation.

The College makes prudent recognition and disclosure of the financial and non-financial implications of risks. Senior and middle managers are responsible for encouraging good risk management practice within their designated managed area. The Risk Register is monitored by the Audit Committee on a termly basis and the Corporation.

The Principal Risks for 2023/24 are set out in the Report of the Members of the Corporation. There are 3 risks rated as Red / High Risk which are closely monitored and managed.

Control Weaknesses Identified

In 2023/24, no significant internal control weaknesses or failures have arisen. The Audit Committee ensures that any recommendations from audit/assurance work are fully implemented.

Responsibilities under accountability agreements and the Office for Students conditions of registration

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 which has the effective date of 1 August 2024. The College has reviewed its policies, procedures and approval processes in line with these new requirements to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

Statement from the Audit Committee

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

Corporate Governance Statement Incorporating the Statement of Internal Control

Internal audit opinions and recommendations arising out of the audits in 2023/24 are shown below:

Ref.	Audit Title	Design	Application / Compliance	Overall Assurance	No. of recommendations & priority			
					H	M	L	A
1	Apprenticeship Sign Up process	Good	Good	Substantial	-	-	1	-
2	FECTF: Estates Capital Project: RIBA Stage 5 – Construction and Project Management	Good	Good	Substantial	-	-	-	-
3	HR Performance Management	Adequate	Adequate	Reasonable	-	3	1	-
4	16-18 Student Journey Attendance Retention Intervention	Good	Adequate	Reasonable	-	1	2	-
5.	Follow-up of previous recommendations	N/A	N/A	Substantial	-	-	-	-

The internal auditors were also able to:

Provide management and the Audit Committee with Substantial Assurance that progress with implementing previously agreed internal audit recommendations has been timely and effective. In total, 2 recommendations were followed-up during their review. They also confirmed that:

- 2 (100%) of the previously agreed recommendations were found to have been fully implemented by management;
- The internal auditors gave an assurance opinion that confirmed:

“Based on the work undertaken during the year, and the implementation by management of previous internal audit recommendations, we can provide the Audit Committee and Corporation with Reasonable Assurance that Calderdale College’s risk management and systems of internal control were operating adequately and effectively, and that there were no instances where any breakdown of control resulted in a material discrepancy.

In our opinion, the College has adequate and effective governance, risk management, and systems of internal control in place to manage the achievement of its objectives and securing economy, efficiency and effectiveness. No significant control issues were identified in 2023/24 as a result of our work undertaken”.

For 2023/24, all the recommendations made by the internal auditors during the year were accepted by management.

Recommendations are monitored via outstanding audit points at the Audit Committee meetings.

Corporate Governance Statement Incorporating the Statement of Internal Control

Review of Effectiveness

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. This 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 regularity auditors and 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. A plan to address any weaknesses and ensure continuous improvement of the system is in place.

The Senior Leadership Team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The Senior Leadership Team and the Audit Committee also receive regular reports from internal audit and from 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 leadership team and Audit Committee. The Corporation also receives an annual report on risk and control issues through the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its December 2024 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2024 by considering documentation from the senior leadership team and internal audit, and taking account of events since 31 July 2024.

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 12/12/2024 and signed on its behalf by:

Suzan McGladdery
Chair of the Corporation

David Malone
Accounting Officer



Statement on the College's Regularity, Propriety and Compliance

As Accounting Officer, I confirm that the corporation has had due regard to the framework of authorities governing regularity, priority and compliance, and the requirements of the College's accountability agreement, funding agreements and contracts with ESFA and DfE, 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 College's accountability agreement, funding agreements and contracts with ESFA and DfE, or any other public funder. This includes the elements outlined in the "Dear Accounting Officer" letter of 29 November 2022 and ESFA's bite size guides.

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



David Malone
Accounting Officer

12/12/2024

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.



Suzan McGladdery
Chair of Governors

12/12/2024

Statement of Responsibilities of the Members of the Corporation

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

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

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

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess whether the corporation is a going concern, noting the key supporting assumptions, qualifications or mitigating actions, as appropriate (which must be consistent with other disclosures in the accounts and auditor's report)
- prepare financial statements on the going concern basis unless it is inappropriate to assume that the Corporation 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.

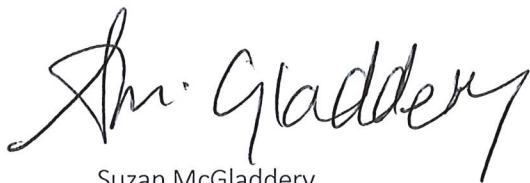
The Corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the corporation and which enable it to ensure that the financial statements are prepared in accordance with relevant legislation including the Further and 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, 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.

Statement of Responsibilities of the Members of the Corporation

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. They are also responsible for ensuring funds from Office for Students or other sources are properly applied for the purposes for which they have been given and in accordance with relevant legislation or terms and conditions attached to them.

Approved by order of the Members of the Corporation on 12/12/2024 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Suzan McGladdery', written in a cursive style.

Suzan McGladdery
Chair of Corporation

Independent Auditor's Report to the Corporation of Calderdale College

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the College's affairs as at 31 July 2024 and of the College's surplus of income over expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Accounts Direction issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

Independent Auditor's Report to the Corporation of Calderdale College (continued)

We have nothing to report in this regard.

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

In our opinion, in all material respects:

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

Matters on which we are required to report by exception

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

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

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

- the College's grant and fee income, as disclosed in the note 3 to the financial statements, has been materially misstated.
- the College's expenditure on access and participation activities for the financial year has been materially misstated.

Responsibilities of the Corporation of Calderdale College

As explained more fully in the Statement of the Corporation's Responsibilities set out on pages 26 and 27 the Corporation is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Corporation determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Independent Auditor's Report to the Corporation of Calderdale College (continued)

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

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

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

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

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

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the College operates in and how the College is 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, the College Accounts Direction published by the Education and Skills Funding Agency and Regulatory Advice 9: Accounts Direction published by the Office for Students'. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

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

The audit engagement team identified the risk of management override of controls and revenue 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 and challenging judgments and estimates and performing tests of detail on a sample of revenue transactions together with performing a review of the appropriate application of the College's revenue recognition policy.

Independent Auditor's Report to the Corporation of Calderdale College (continued)

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 6 August 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.

RSM UK Audit LLP

RSM UK AUDIT LLP
Chartered Accountants
First Floor
Two Humber Quays
Wellington Street West
Hull
HU1 2BN

13 December **2024**

Statement of Comprehensive Income

	Note	Year ended 31 July 2024 £'000	Year ended 31 July 2023 £'000
Income			
Funding body grants	2	21,780	20,187
Tuition fees and education contracts	3	2,734	2,573
Other grants and contracts	4	2,141	668
Other income	5	1,301	704
Total income		27,956	24,132
Expenditure			
Staff costs	6	17,146	16,203
Other operating expenses	7	8,623	6,908
Depreciation	11	1,337	1,132
Interest and other finance costs	9	211	351
Total expenditure		27,317	24,594
Surplus/(Deficit) before other gains, losses and tax		639	(462)
(Loss)/Gain on disposal of assets	11	-	3
Surplus/(Deficit) before tax		639	(459)
Taxation	10	-	-
Surplus/(Deficit) for the year		639	(459)
Remeasurement of net defined pension scheme	18	(228)	5,389
Total Comprehensive Income for the year		411	4,930
Represented by:			
Restricted comprehensive Income		-	-
Unrestricted Comprehensive Income		411	4,930
		411	4,930

All items of income and expenditure relate to continuing activities.

The notes on pages 36 to 58 form an integral part of these financial statements.

Statement of Changes in Reserves

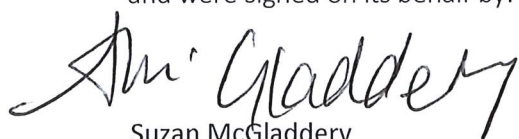
	Income and expenditure reserve £'000	Revaluation Reserve £'000	Restricted reserves £'000	Total £'000
Balance at 1 August 2022	1,551	5,160	3	6,714
(Deficit) from the income and expenditure account	(459)	-	-	(459)
Other comprehensive income	5,389	-	-	5,389
Total comprehensive income	4,930	-	-	4,930
Transfers between revaluation and income and expenditure reserves	110	(110)	-	-
Balance at 31 July 2023	6,591	5,050	3	11,644
Surplus from the income and expenditure account	639	-	-	639
Other comprehensive income	(228)	-	-	(228)
Total comprehensive income	411	-	-	411
Transfers between revaluation and income and expenditure reserves	110	(110)	-	-
Balance at 31 July 2024	7,111	4,939	3	12,053

The notes on page 36 to 58 form an integral part of these financial statements.

Balance Sheet

	Note	2024 £'000	2023 £'000
Non-current assets			
Tangible fixed assets	11	29,617	23,429
Investments	12	-	-
		<u>29,617</u>	<u>23,429</u>
Current assets			
Trade and other receivables	13	2,019	6,914
Cash and cash equivalent	14	6,913	8,552
		<u>8,932</u>	<u>15,466</u>
Less: Creditors amounts falling due within one year	15	(7,461)	(7,572)
Net current assets		<u>1,471</u>	<u>7,894</u>
Total assets less current liabilities		31,088	31,323
Creditors: amounts falling due after more than one year	16	(19,035)	(19,679)
Provisions			
Defined benefit pensions scheme	18	-	-
Total net assets		<u>12,053</u>	<u>11,644</u>
Reserves		3	3
Restricted reserves			
Unrestricted reserves			
Income and expenditure account		7,111	6,591
Revaluation reserve		4,939	5,050
Total unrestricted reserves		<u>12,050</u>	<u>11,641</u>
Total reserves		<u>12,053</u>	<u>11,644</u>

The financial statements were approved and authorised for issue by the Corporation on 12/12/2024 and were signed on its behalf by:



Suzan McGladdery
Chair of the Corporation



David Malone
Accounting Officer

The notes on pages 36 to 58 form an integral part of these financial statements

Statement of Cash Flows

	2024 £'000	2023 £'000
Cash inflow from operating activities		
Surplus/(Deficit) for the year	639	(459)
Adjustment for non-cash items		
Depreciation	1,337	1,132
Decrease/(Increase) in debtors	4,893	(5,182)
(Decrease)/Increase in creditors due within one year	(118)	245
(Decrease)/Increase in creditors due after one year	(419)	6,810
Pension costs less contributions payable	(197)	656
Adjustment for investing or financing activities		
Investment income	(80)	(12)
Interest payable	211	351
Gain on disposal of Fixed assets	-	(3)
Net cash inflow from operating activities	6,266	3,537
Cash flows from investing activities		
Payments made to acquire fixed assets	(7,525)	(1,864)
Investment income	49	12
Net cash flow from investing activities	(7,476)	(1,852)
Cash flows from financing activities		
Interest paid	(211)	(210)
Repayments of amounts borrowed	(218)	(209)
Net cash flow from financing activities	(429)	(419)
(Decrease)/Increase in cash and cash equivalents in the year	(1,639)	1,266
Cash and cash equivalents at beginning of the year	8,552	7,286
Cash and cash equivalents at end of the year	6,913	8,552

The accompanying accounting policies and notes on pages 36 to 58 form an integral part of these financial statements.

Notes to the Financial Statements

1 Statement of Accounting Policies and Estimation Techniques

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

Basis of Accounting

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 to 2024 and Regulatory Advice 9; Accounts Direction issued by OfS 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.

These financial statements exclude the Colleges dormant subsidiaries and present information about the College only.

The financial statements are presented in Sterling (£).

Basis of Accounting

The financial statements are prepared under the historical cost convention as modified by the use of previous valuations as deemed cost at transition for certain non-current assets.

Going Concern

The activities of the College, together with the factors likely to affect its future development and performance are set out in the Report of the Members of the Corporation. The financial position of the College, its cashflow, liquidity and borrowings are described in the financial statements and accompanying Notes.

The College currently has £3,553,000 of loans outstanding with bankers on terms negotiated in 2010. The terms of the existing agreement are for up to another 13 years. The College's forecasts and financial projections indicate that it will be able to operate within this existing facility and covenants until at least 31st December 2025.

The College has considered the worsening economic climate after the July 2023 year-end and the pressures of increasing inflation. The College will undertake efficiency exercises including benchmarking to prioritise its expenditure to maintain its financial viability.

Accordingly, the College has a reasonable expectation that it has adequate resources to **continue** in operational existence until at least 31st December 2025 and for this reason will continue to adopt the going concern basis in the preparation of its financial statements.

Notes to the Financial Statements

Recognition of Income

Grants – Government and Non-government

Revenue Grant Funding

Government revenue grants are accounted for under the accrual model and are recognised where a reliable estimate of the fair value of the asset received or receivable can be made on a systematic basis over the periods in which the related costs for which the grant compensates are recognised. Adult Education Budget ('AEB') grant funding income recognised is a best estimate of the amount receivable in accordance with the annual main funding guidance published by the ESFA and either determined as part of the reconciliation process or by separate agreement between the college and the ESFA at the reporting period end date. Any subsequent agreement to determination of the AEB funding after the reporting end date which is not provided for in the annual main funding guidance is not reflected in the income recognised.

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 apprenticeships income is measured in line with best estimates of the provision delivered in the year.

The recurrent grant from the Office for Students ('OfS') represents the funding allocations attributable to the current financial year and is recognised when received or receivable.

Grants from non-government sources, including grants relating to assets, are recognised in income when the performance-related conditions have been met and the grant will be received. Income received in advance of performance related conditions being met is recognised as a liability.

Capital Grant Funding - Government Grants

Government capital grants for assets, other than/including land, are accounted for under the accruals model and for land the performance model. The grant income received or receivable will be recognised over the expected useful life of the asset, with any amount of the asset-related grant that is deferred being recognised as deferred income. The deferred income is allocated between creditors due within one year and those due after more than one year.

Other Income

Income from the supply of services is recognised at fair value of the consideration received or receivable and represents the value of services to the extent there is a right to consideration. Income from tuition fees, including employer funding for co-investment funded apprenticeships is recognised over the period for which it is received. All income from short-term deposits is accrued in the period in which it is earned on a receivable basis.

Accounting for Post-employment Benefits

Retirement benefits to employees of the Corporation are principally provided by Teachers' Pensions Scheme (TPS) and the Local Government Pension Scheme (LGPS) (West Yorkshire Pension Fund) ("WYPPF"), which are multi-employer defined benefit plans.

Notes to the Financial Statements

Accounting for Post-employment Benefits (continued)

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 Corporation in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of valuations using a projected unit method. The TPS is a multi-employer scheme but sufficient information is not available to use defined benefit accounting and therefore it is accounted for as a defined contribution scheme, with the amount charged to the statement of comprehensive income being the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The LGPS is a funded scheme, and the assets of the scheme are held separately. Pension schemes are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. 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. The net interest cost on the net defined benefit liability/asset is charged to comprehensive income and included within finance costs.

The LGPS assets are managed by the scheme trustees at scheme level, and the determination / allocation of assets to each individual employer in the scheme is managed by the scheme actuary. The assets are allocated to each employer for accounting purposes based on the valuation of the assets at the latest triennial valuation as adjusted for subsequent contributions received from the employer, asset returns and benefit payments made (either on a cash basis or actuarial basis).

The retirement benefit obligation recognised represents the deficit or surplus in the defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short Term Employment Benefits

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

Non-current Assets - Tangible Fixed Assets

Land and Buildings

Land and buildings inherited from the Local Education Authority are stated in the balance sheet at valuation at the date they were inherited on the basis of deemed cost. Land and buildings acquired since incorporation are included in the balance sheet at cost. Freehold land is not depreciated as it is considered to have an infinite useful life. Freehold buildings are depreciated over their expected useful economic life to the Corporation of 50 years.

Notes to the Financial Statements

Land and Buildings (continued)

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 capital grant account and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

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.

Equipment

Equipment costing less than £1,000 per individual item is written off to the income and expenditure account in the period of acquisition (unless part of a larger annual replenishment, for example, computer equipment or furniture). Equipment inherited from the Local Education Authority is included in the balance sheet at valuation, but has subsequently been written down to nil value. All other equipment is capitalised at cost.

All equipment acquired since incorporation is depreciated on a straight-line basis over 4 years, representing its estimated economic life.

Assets under Construction

Assets under construction are accounted for at cost, based on the value of architect's 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

Subsequent costs, including replacement parts, are only capitalised when it is probable that such costs will generate future economic benefits. Any replaced parts are then derecognised. All other costs of repairs and maintenance are expenses as incurred. These subsequent costs are then depreciated over their estimated useful life which will depend on a variety of criteria (refurbishments over 10 years).

Impairments of Fixed Assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, an estimate is made of the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment of revalued assets, is treated as a revaluation loss. All other impairment losses are recognised in comprehensive income.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in comprehensive income or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Notes to the Financial Statements

Leased Assets

Costs in respect of operating leases are charged on a straight-line basis over the lease term to the Statement of Comprehensive Income and Expenditure.

Leasing agreements which transfer to the College substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright and are capitalised at their fair value at the inception of the lease and depreciated over the shorter of the lease term or the useful economic lives of equivalently owned assets. The capital element outstanding is shown as obligations under finance leases. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding. Where finance lease payments are funded in full from funding council capital equipment grants, the associated assets are designated as grant-funded assets.

Financial Instruments

The College has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

Financial Assets and Liabilities

Financial assets and financial liabilities are recognised when the College becomes a party to the contractual provisions of the instrument.

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 financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets measured at fair value through the profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable within one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of Financial Assets and Liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Notes to the Financial Statements

Taxation

The College is considered to pass the tests set out in Paragraph 1 Schedule 6 of the 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 (VAT), so that it can only recover a minor element of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the costs of tangible fixed assets by nature.

Cash and Cash Equivalents

Cash including cash in hand and sums on short term deposits with recognised banks and building societies and government securities. An investment qualifies as a cash equivalent when it has maturity of 3 months or less from the date of acquisition.

Provisions and Contingent Liabilities

Provisions are recognised when the Corporation has a present legal or constructive obligation as a result of a past event. It is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the statement of comprehensive income in the period it arises. A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

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

Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

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

Determine whether leases entered into by the College either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.

Notes to the Financial Statements

Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty (continued)

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.

Determine the existence of a minimum funding requirement for the Local Government Pension Scheme to including in the asset ceiling in measuring and recognising a surplus in the scheme. This judgement is based on an assessment of the nature of the scheme as a statutory scheme and is the inherent implied continuance and the operation of the primary and secondary contributions.

Other key sources of estimation uncertainty:

Tangible Fixed Assets

Tangible fixed assets, are depreciated over their useful lives considering 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 considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposed values.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit position 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 18, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions position 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 on the pension obligation.

Agency Arrangements

The College acts as an agent in the collection and payment of discretionary support funds. Related payment received from the ESFA and subsequent disbursements to students are excluded from the Income and Expenditure account of the College where the College is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Notes to the Financial Statements

2 Funding Body Grants

	2024 £'000	2023 £'000
Recurrent grants		
West Yorkshire Combined Authority - Adult Education Budget	4,772	4,945
Education and Skills Funding Agency – 16-18	12,745	10,483
ESFA Adult Education Budget	-	49
Education and Skills Funding Agency – apprenticeships	2,589	2,469
Office for Students	140	239
Specific grants		
Education and Skills Funding Agency - 16-18 Tuition Funding	254	268
Education and Skills Funding Agency	158	946
Releases of government capital grants	682	435
Teacher Pension Contribution	440	353
Total	<u>21,780</u>	<u>20,187</u>

3 Tuition Fees and Education Contracts

	2024 £'000	2023 £'000
Adult education fees	263	239
Apprenticeship fees and contracts	21	62
Fees for HE loan supported courses	996	1,076
Fees for FE loan supported courses	338	378
Total tuition fees	<u>1,618</u>	<u>1,755</u>
Education contracts	<u>1,116</u>	<u>818</u>
Total	<u>2,734</u>	<u>2,573</u>

Office for Students (OfS) registered colleges are required to include a note analysing grant and fee income received in a single additional table. OfS' requirements overlap with the existing structure of Education and Skills Funding Agency's (ESFA) finance record. An additional table is provided with the required analysis.

Total Grant and Fee Income

	2024 £'000	2023 £'000
Grant income from the Office for Students	140	239
Grant Income from other bodies	21,640	19,948
Fee income for taught awards (exclusive of VAT)	2,734	2,573
Total HE grant and fee income	<u>24,514</u>	<u>22,760</u>

Notes to the Financial Statements

4 Research Grants and Contracts

	2024 £'000	2023 £'000
National Funds	1,716	1,077
European Funds	425	(409)
Total	<u>2,141</u>	<u>668</u>

5 Other Income

	2024 £'000	2023 £'000
Other income generating activities	676	298
Miscellaneous income	545	394
Net interest on defined benefit scheme	31	-
Interest receivable	49	12
Total	<u>1,301</u>	<u>704</u>

6 Staff Costs

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

	2024 No.	2023 No.
Teaching staff	235	222
Non-teaching staff	242	239
	<u>477</u>	<u>461</u>

The above figures include a total of 13 (2023: 11) staff on fixed term contracts.

Notes to the Financial Statements

6 Staff Costs (continued)

Staff costs for the above persons

	2024 £'000	2023 £'000
Wages and salaries	12,725	11,405
Social security costs (Including Apprentice Levy)	1,207	1,079
Other pension costs	2,206	2,728
Payroll sub total	16,138	15,212
Contracted out staffing services	854	893
	<hr/> 16,992	<hr/> 16,105
Restructuring costs - Contractual	131	87
Restructuring costs - Non contractual	23	11
	<hr/> 17,146	<hr/> 16,203

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

0 - £25,000	5
£25,001 - £50,000	1
£50,001 - £100,000	-
£100,001 - £150,000	-
£150,000+	-
Total	6

Included in staff restructuring costs are special severance payments totaling £22,600 (2023 - £11,400). There were two non-contractual payments of £12,200 and £10,400 (2023: £11,400).

In the previous year restructuring costs were accrued and paid in 2024, the element on special severance payments paid in 2024 were £3,697, £2,974 and £1,500.

A general pay award of 6.5% was made with effect from 1st August 2023 which was approved by the Corporation.

The Corporation also makes available to staff salary sacrifice schemes for childcare vouchers, Ride to Work and holiday buy back. Staff costs are recorded at the full gross value before the deduction of the salary sacrifice.

Notes to the Financial Statements

6 Staff Costs (continued)

Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the Senior Leadership Team. During the financial year, this comprised of the Principal, Deputy Principal (Quality, Curriculum Development and Student Service), Vice Principal (Corporate Services), Director of Commercial Services and Partnerships and the Clerk to the Corporation.

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

	2024	2023
The number of key management personnel including the Accounting Officer was:	5	6

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

	Key Management Personnel		Other Staff	
	2024 No.	2023 No.	2024 No.	2023 No.
£60,001 to £65,000	-	-	1	-
£65,001 to £70,000	-	-	-	1
£70,001 to £75,000	-	1	1	-
£75,001 to £80,000	1	1	-	-
£85,001 to £90,000	-	1	-	-
£90,001 to £95,000	-	1	-	-
£95,001 to £100,000	1	2	-	-
£100,001 to £105,000	1	-	-	-
£135,001 to £140,000	-	-	-	-
£140,001 to £145,000	1	-	-	-
	<u>4</u>	<u>6</u>	<u>2</u>	<u>1</u>

There is also within the key management personnel, but not included above, one part time worker when grossed up was paid in the £50,001 to £55,000 band in 2024 (2023 this individual fell into the £45,001 to £50,000 band).

Notes to the Financial Statements

6 Staff Costs (continued)

Emoluments of key management personnel, Accounting Officer and other higher paid staff (continued).

Key management personnel compensation is made up as follows:	2024 £'000	2023 £'000
Salaries – gross of salary sacrifice and waived emolument	431	367
Employer's National Insurance	53	46
Benefits in kind	10	3
	<u>494</u>	<u>416</u>
Pension costs	96	64
	<u>96</u>	<u>64</u>
Total emoluments	<u>590</u>	<u>480</u>

Emoluments include gross salaries and employer national insurance.

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

The above emoluments include amounts payable to the Accounting Officer (who is also the highest paid member of staff) of:

Accounting Officer	2024 £'000	2023* £'000
Salaries	137	109
Pension contributions	35	17
Relocation	5	3
	<u>177</u>	<u>129</u>

*In 2022/23, the College had two Accounting Officers in post. The Vice Principal Corporate Services held the position from 1 August 2022 to 31 December 2022 with a salary of £38K and pension of £7K. The Principal held the position from 1st January 2023 onwards with a salary of £72K, pension of £10K and relocation expenses of £3K.

The pension costs in respect of the Accounting Officer and key management personnel are in respect of employer's contributions paid to the West Yorkshire Pension Scheme and the Teachers Pension Scheme and are paid at the same rate as for other employees.

Members of the Board of Governors, other than the principal, and staff representatives, did not receive any payment from the College other than reimbursement of travel and subsistence expenses incurred in the course of their duties.

The total expenses paid to Governors (1 Governor) during the year was £199.80 (2023: £30.60: 1 Governor). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending Governor meetings and events in their official capacity.

Notes to the Financial Statements

6 Staff Costs (continued)

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

Key management personnel had their pay reviewed from 1 January 2024. They received an increase of 6.25% backdated to 1st August 2023. These increases were approved by the Corporation. Emoluments of key management personnel are recommended to Corporation by the Senior Staff Employment committee who also review the performance of Principal, Vice Principal, Deputy Principal and the Clerk to the Corporation.

Relationship of Group Principal & Chief Executive's pay	2024	2023
Principal & Chief Executive's basic salary as a multiple of the median of all staff, where the median pay is calculated on a full- time equivalent basis for the salaries paid by the provider to its staff	4.6	4.6
Principal & Chief Executive's total remuneration as a multiple of the Median of all staff, where the median pay is calculated on a full- time equivalent basis for the salaries paid by the provider to its staff	5.0	4.8

7 Other Operating Expenses

	2024 £'000	2023 £'000
Teaching costs	5,037	4,267
Non-teaching costs	1,498	854
Premises costs	2,088	1,787
Total	<u>8,623</u>	<u>6,908</u>
Other operating expenses include:	2024 £'000	2023 £'000
Auditors' remuneration (excluding VAT):		
Financial statements audit	58	64
Internal audit fees	15	15
Other services provided by financial statements auditor *		
Teachers Pensions	1	1
Governor Training	1	-
Other non-audit services	3	-
Hire of assets under operating leases	<u>360</u>	<u>336</u>

Notes to the Financial Statements

8 Write Offs, Losses, Guarantees, Letters of Comfort, Compensation

Included within expenditure are the following transactions, individual transactions exceeding £5,000 are identified separately.

	Total	Individual amounts above £5,000	Reason
Compensation Payments	-	-	
Write Offs and losses	£25,344	£14,774	Non-recovered grant payment.
Guarantees, letters of comfort and indemnities	-	-	

9 Interest Payable and Other Finance Costs

	2024 £'000	2023 £'000
On bank loans, overdrafts and other loans: Repayable within five years, by instalments Repayable wholly or partly in more than five years	211	210
Net interest on defined pension liability (Note 18)	-	141
Total	211	351

10 Taxation

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

11 Tangible Fixed Assets

	Freehold Land and Buildings £'000	Equipment £'000	Assets Under Construction £'000	Total £'000
Cost or valuation				
At 1 August 2023	30,785	7,047	1,342	39,174
Additions	229	1,227	6,069	7,525
At 31 July 2024	31,014	8,274	7,411	46,699
Depreciation and impairments				
At 1 August 2023	9,498	6,247	-	15,745
Charge for the year	850	487	-	1,337
At 31 July 2024	10,348	6,734	-	17,082
Net book value at 31 July 2024	20,666	1,540	7,411	29,617
Net book value at 31 July 2023	21,287	800	1,342	23,429

Notes to the Financial Statements

11 Tangible Fixed Assets (continued)

Tangible fixed assets inherited from Calderdale Council at incorporation with a net book value of £4,939,000 (2023: £5,050,000) have been valued by the College and are being written off over their remaining useful economic lives.

If inherited tangible fixed assets had not been valued, they would have been included at nil book value being cost nil and aggregate depreciation of nil.

12 Investments

	Total
	£'000
Cost	
At 1 August 2023 and 31 July 2024	450
Amounts Written Off	(418)
At 1 August 2023 and 31 July 2024	
Amounts owed to dormant subsidiary transferred to	(32)
Net Book amount at 31 July 2024 and 31 July 2023	-

The College owns 100% of the issued ordinary shares of Calderdale Associates Limited and Calderdale Catering Limited. Both companies have been dormant from 1 August 2002. In addition, the College owns 100% of the issued ordinary shares of Step Training Limited which has remained dormant since its creation in January 2007. The College also owns 100% of the shares of the dormant company Halifax New College Limited. All four companies are incorporated in England and Wales.

13 Debtors

	2024	2023
	£'000	£'000
Amounts falling due within one year:		
Trade receivables	289	41
Prepayments and accrued income	1,442	6,704
Amounts owed by the ESFA	288	169
Total	2,019	6,914

Calderdale College is part of a joint venture agreement with West Yorkshire Consortium of Colleges Limited (WYCC) and the Principal of the College is a Director of WYCC.

The College paid subscriptions to WYCC of £3,000 in 2023/24 (2022/23 £3,000).

Notes to the Financial Statements

14 Analysis of Changes in Net Funds

	At 1 August 2023 £'000	Cash flows £'000	At 31 July 2024 £'000
Cash and cash equivalents	8,552	(1,639)	6,913
Bank Loans	(3,771)	218	(3,553)
Net Funds	4,781	(1,421)	3,360

15 Creditors: Amounts Falling Due Within One Year

	2024 £'000	2023 £'000
Bank loans (Note 17)	225	218
Trade payables	572	334
Other taxation and social security	273	317
Other Creditors	2,265	953
Accruals and deferred income	2,459	4,029
Holiday pay accrual	619	560
Government grants - capital	1,048	842
Amounts owed to the ESFA	-	319
Total	7,461	7,572

16 Creditors: Amounts Falling Due After One Year

	2024 £'000	2023 £'000
Bank loans (Note 17)	3,328	3,553
Government grants - capital	15,707	16,126
Total	19,035	19,679

17 Debt

Bank loans

Bank loans are repayable as follows:

	2024 £'000	2023 £'000
In one year or less	225	218
Between one and two years	236	225
Between two and five years	768	737
In five years or more	2,324	2,591
Total	3,553	3,771

The bank loan with an arrangement principal of £3,553,000 is repayable by instalments falling due between 1 August 2024 and 30 September 2036 at an interest rate of 5.5% per annum on £2,813,000 and 3-month Sterling Overnight Index Average (Sonia) plus 1.3% on £740,000.

Notes to the Financial Statements

18 Pensions and Similar Obligations

The College's employees belong to two principal post-employment benefit plans: the Teachers' Pensions 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 the West Yorkshire Pension Fund (WYPF). Both are multi-employer defined-benefit pension schemes.

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

Total pension cost for the year	2024 £'000	2023 £'000
Teachers' Pension Scheme: contributions paid	1,137	915
Local Government Pension Scheme: Contributions paid	1,266	1,157
FRS 102 (28) charge	(208)	656
Past Service Cost	11	-
Charge to the Statement of Comprehensive Income	1,069	1,813
Total Pension Cost for Year within staff costs	2,206	2,728

At 31 July, there was £290K outstanding employer's contributions due to the two schemes (WYPF £146K & TPS £144K) which were both paid over in August 2024 (2023: £230K: WYPF £125K, TPS £105K).

Teachers Pension Scheme

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

Valuation of the Teachers Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation was carried out as at 31 March 2020 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2024 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

Notes to the Financial Statements

18 Pensions and Similar Obligations (continued)

Valuation of the Teachers Pension Scheme

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

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

As a result of the valuation, new employer contribution rates for set at 28.6% of pensionable pay from 1st April 2024 until 1 April 2028 (compared to 23.68% under the previous valuation including a 0.08% administration charge). DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2023-24 academic year, and currently through to July 2025.

The pension costs paid to TPS in the year amounted to £1,102,00 (2023: £915,000).

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined benefit plan, with the assets held in separate funds administered by West Yorkshire Pension Fund. The total contribution made for the year ended 31 July 2024 were £1,690,000 (2023: £1,545,000) of which employer's contributions totaled £1,280,000 (2023: £1,157,000) and employees' contributions totaled £410,000 (2023: £338,000). The agreed contribution rates for future years are 19.3% for employers and range from 5.5% to 12.5% for employees, depending on salary according to a national scale.

The next scheme valuation for LGPS will be 31 March 2025, with the new employer contribution rates applicable from 1 April 2026.

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

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

Notes to the Financial Statements

18 Pensions and Similar Obligations (continued)

Principal Actuarial Assumptions

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

	At 31 July 2024	At 31 July 2023
Rate of increase in salaries	3.9%	3.9%
Future pensions increases	2.6%	2.6%
Discount rate for scheme liabilities	5.0%	5.0%
Inflation assumption (CPI)	2.6%	2.6%

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

	At 31 July 2024	At 31 July 2023
Retiring today		
Males	20.8	21.0
Females	24.0	24.1
Retiring in 20 years		
Males	21.7	22.2
Females	24.7	25.1

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

	Fair Value at 31 July 2024 £'000	Fair Value at 31 July 2023 £'000
Equity instruments	30,738	27,978
Property	1,047	1,153
Government Bonds	3,411	2,585
Corporate Bonds	1,551	1,572
Cash	1,047	1,362
Other	969	279
Total fair value of plan assets	38,763	34,929
Actual Return on Plan Assets	3,543	895

Recognition of net asset

	2024 £'000	2023 £'000
Fair value of plan assets	38,763	34,929
Present value of plan liabilities	(32,927)	(31,889)
Net asset	5,836	3,040
Restriction to level of ceiling before interest on asset restriction	(5,836)	(3,040)
Net asset recognised in the balance sheet	-	-

Notes to the Financial Statements

18 Pensions and Similar Obligations (continued)

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

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	1,072	1,813
Past Service Cost	11	-
Total	1,083	1,813
Amounts included in interest payable		
Net interest on defined pension asset/liability	31	(141)
Amounts recognised in Other Comprehensive Income	2024 £'000	2023 £'000
Asset gains(losses) arising during the period	1,789	(285)
Liability gains(losses) during the period	627	8,714
Restriction to level of ceiling including interest on asset restriction	(2,644)	(3,040)
Amount recognised in Other Comprehensive Income	(228)	5,389
Asset and Liability Reconciliation	2024 £'000	2023 £'000
Changes in the present value of defined benefit		
Defined benefit obligations at start of period	31,889	37,965
Current service cost	1,072	1,813
Interest cost	1,571	1,321
Contributions by Scheme participants	410	388
Actuarial (gains) and losses on liabilities	(627)	(8,714)
Net benefits paid out	(1,399)	(884)
Past service costs	11	-
Defined benefit obligations at end of period	32,927	31,889
Changes in fair value of plan assets	2024 £'000	2023 £'000
Fair value of plan assets at start of period	34,929	33,373
Interest on plan assets	1,754	1,180
Return on assets	1,789	(285)
Employer contributions	1,280	1,157
Contributions by Scheme participants	410	388
Net benefits paid	(1,399)	(884)
Fair value of plan assets at end of period	38,763	34,929

Notes to the Financial Statements

19 Capital Commitments

	2024 £'000	2023 £'000
Land and buildings		
Commitments contracted for at 31 July	896	2,302

20 Lease Obligations

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

	2024 £'000	2023 £'000
Future minimum lease payments due:		
Land and buildings		
Not later than one year	328	326
Later than one year not later than five years	1,270	1,301
Later than five years	208	505
	1,806	2,132

21 Related Party Transactions

Key Management compensation is given in Note 6

Calderdale College is part of a joint venture agreement with West Yorkshire Consortium of Colleges Limited (WYCC) and the Principal of the College is a director of WYCC.

The College paid subscriptions to WYCC of £3,000 in 2023/24 (22/23 £3,000).

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

22 Access and Participation Expenditure

	2024 £'000	2023 £'000
Access investment	46	46
Financial support provided to students	15	16
Support for disabled students	-	-
--Research and evaluation related to access and participation	-	-
Total access and participation expenditure	61	62

Note. "Financial support provided to students" for 2022 includes £15,000 funded by OfS.

The College's access and participation plan is available on the College's website at:

<https://www.calderdale.ac.uk/university-centre/access-agreement/>

Notes to the Financial Statements

23 Amounts Disbursed as Agent

Learner support funds

	2024 £'000	2023 £'000
Balance brought forward	1,027	899
Funding body grants – bursary support	125	130
Funding body grants – discretionary learner support	408	364
	<u>1,560</u>	<u>1,393</u>
Disbursed to students	(285)	(251)
College Allocation	(64)	
Paid on behalf of students	(413)	(115)
Balance unspent as at 31 July as included in creditors	<u>798</u>	<u>1,027</u>

ESF Co-Financing (incl. Skills support for the workforce)

	2024 £'000	2023 £'000
Balance brought forward	224	725
ESFA Grants	-	3,224
	<u>224</u>	<u>3,949</u>
Disbursed to partners	-	(3,000)
College Allocation	(209)	(725)
Balance unspent as at 31 July	<u>15</u>	<u>224</u>

Sheffield Skills Bank

	2024 £'000	2023 £'000
Balance brought forward	40	206
Receipts	-	-
		206
Disbursed to partners	(40)	(166)
Repaid	-	-
College Allocation	-	-
	<u>-</u>	<u>-</u>
Balance unspent as at 31 July	<u>-</u>	<u>40</u>

Notes to the Financial Statements

23 Amounts Disbursed as Agent (continued)

Kickstart

	2024 £'000	2023 £'000
Balance brought forward	1	4
Receipts	-	-
	<hr/> 1	<hr/> 4
Disbursed to partners	-	-
College Allocation	(1)	(3)
	<hr/>	<hr/>
Balance unspent as at 31 July	<hr/> <hr/> -	<hr/> <hr/> 1

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

Conclusion

We have carried out an engagement, in accordance with the terms of our engagement letter dated 6 August 2024 and further to the requirements of the grant funding agreements and contracts with the Education and Skills Funding Agency (the “ESFA”) and the Department for Education (the DfE) or those of any other public funder, to obtain limited assurance about whether the expenditure disbursed and income received by Calderdale College during the period 1 August 2023 to 31 July 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 August 2023 to 31 July 2024 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Basis for conclusion

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

We have complied with the independence and other ethical requirements of the FRC’s Ethical Standard and the ethical pronouncements of the ICAEW. We also apply International Standard on Quality Management (UK) 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements and accordingly maintain comprehensive systems of continuing quality management. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Corporation of Calderdale College for regularity

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

Reporting accountant’s responsibilities for reporting on regularity

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

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

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

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 August 2023 to 31 July 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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

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

Use of our report

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

A handwritten signature in dark ink that reads "RSM UK Audit LLP". The letters are cursive and slightly slanted to the right.

RSM UK AUDIT LLP
Chartered Accountants
Two Humber Quays
Wellington Street West
Hull
HU1 2BN

Date **13/12/ 2024**