

FINANCIAL REPORT



 Barnsley
College

For the year ending 31 July 2023



BARNSLEY COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

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Reference and administrative information

Key Management Personnel

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

Principal and CEO	Yiannis Koursis
Deputy Principal Development & Productivity	David Akeroyd
Deputy Principal Culture, Place & Communities	Liz Leek
Vice Principal Finance	Laila Lawton
Vice Principal Corporate Services	Tony Johnson
Vice Principal Technical & Professional Education	Gavin Batty
Vice Principal Quality	Ken Merry (to 26 May 2023)
Vice Principal Funding, Performance and Technology	Suki Rai (to 31 December 2022)

Board of Governors

A full list of Governors is given on pages 23-25 of these Financial Statements.
Heather Jackson acted as Director of Governance.

Professional advisers

Financial statements auditors and reporting accountants:

TC Group Limited
1 Rushmills
Northampton
NN4 7YB

Internal auditors:

RSM
5th Floor, Central Square
29 Wellington Street
Leeds, LS1 4DL

Bankers

Barclays Bank Plc
North East & Yorkshire Larger Business Team
PO Box 378, 71 Grey Street
Newcastle Upon Tyne, NE99 1JP

Santander
Bootle
Merseyside, L30 4GB

NatWest
26 Market Hill
Barnsley, S70 2QE

Solicitors

Shakespeare Martineau
1 Colmore Sq,
Birmingham, B4 6AA

DAC Beachcroft
St Pauls House
23 Park Square South
Leeds
LS1 2ND

Strategic Report

Objectives and Strategy

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

Legal Status

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

College Vision 2022/23

The College's 2022/23 vision was 'Transforming lives'. Leaders of the College recognised this to be applicable to students, staff and wider stakeholders. By providing exceptional education, the lives of people connected to, or coming in contact with the College have been transformed significantly in this academic year. The quality of our further education provision was recognised as outstanding by Ofsted in March 2022, making the College the first further education college in the country to be graded outstanding since the start of the COVID-19 pandemic and confirmed that the College remained one of the best colleges in the country.

Group Companies

The College has four subsidiary companies. The principal business of Barnsley College Development Company Limited is property development and administering the energy contract for the college; the principal business of Think Barnsley Limited is to provide employment opportunities for apprentices; the principal business of Independent Training Services Limited (ITS) is that of a training provider; and Smartstyle Technology Training Limited is that of general training. The Strategic Report covers the group results.

An Outstanding Tertiary College

The College continues to self-assess its performance as outstanding.

Delivering Outstanding Results

Achievement rates for young people and adult learners are very high and remain significantly above the national averages. Apprenticeship outcomes remain high and are significantly higher than national average.

Following changes in government policy, and associated inspection methodology applied by Ofsted, there is now an increased focus on measures other than achievement rates:

These include:

- Stakeholder satisfaction.
- Progress in mathematics and English towards achieving a minimum of grade 4 in these subjects.
- Progress from starting point in the development of knowledge, skills and behaviours.
- Securing positive progression/destinations when the learner leaves College.
- Ensuring the provision of offer meets the needs of local and regional skills gaps/employers.

Learner and employer surveys continue to show high levels of satisfaction with the College. A change in college policy has resulted in more learners studying and achieving GCSEs in both English and mathematics. New apprenticeship standards continue to be developed to create new pathways into employment.

Strategic Report (continued)

Resources

The College has various resources that it can deploy in pursuit of its strategic objectives. It is developing a robust estate and property strategy with governor input and a draft has already been produced. Tangible resources include the Old Mill Lane (main college site), the Sixth Form College and the Construction Centre building. Most recently, the Sci-Tech building has been refurbished as a Digital Hub, for the delivery of teaching and learning to learners looking for a digital-based qualification and to provide some digital training to all other College students. It is also available for use by local business and the community.

Financial

The group has £79.4m (2021/22: £75.6m) of net assets including long-term debt of £13.2m (2021/22: £14.0m) further details on financial performance can be found on pages 12 and 13.

People

The group employs 828 people, of whom 351 are teaching staff.

Reputation

The College has a good reputation locally and nationally. Maintaining and building upon a strong College brand is essential for the College's success at attracting students and external relationships.

Stakeholder Relationships

In line with other Colleges and with universities, Barnsley College has many stakeholders. These include:

- Students.
- Education sector funding bodies.
- FE Commissioner.
- Office for Students (OfS).
- Staff.
- Local employers (with specific links).
- Local authorities.
- Local Mayoral Combined Authorities (MCAs).
- Local schools.
- The local community.
- Other FE institutions.
- MPs.
- Trade unions.
- Professional bodies.

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

Strategic Report (continued)

Public Benefit

Barnsley College is an exempt charity under Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education as Principal Regulator for all FE Corporations in England. The members of the Governing Body, who are trustees of the charity, are disclosed on pages 23-25.

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

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

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

College Strategic Priorities 2022/23

As part of the College's normal strategic planning process, the College's Strategic Priorities were reviewed and updated as Strategic Pillars.

Strategic Pillars:

- Quality
- Curriculum
- Sustainability
- Reputation

College Strategic Priorities 2022/23 Update

This section of the Financial Statements summarises the College's progress against its key strategic priorities.

Quality

Outstanding quality of education

The College was inspected as Outstanding in March 2022. The College self-assessed as outstanding for 2022/23.

The College continues to invest significant resource in quality improvement. Staff benefit from a team of Teaching and Learning Coaches as well as a Quality Team. Both teams ensure that the student experience continues to be outstanding. Achievement rates for 16-18s, adults and apprentices are high, they improved on 2021/22 and are significantly above national rates. Overall, students in the Sixth Form achieved exceptional pass rates and 100% of applicants secured their first choice higher education destination. However, too few students exceed their target grades. A-level results were in line with their grades on entry. There was a high level of learner satisfaction with 95% of learners being satisfied with their course.

Strategic Report (continued)

Priorities for continued improvement included enhanced oversight of apprentices' progress through the implementation of a new learning and eportfolio platform, and reviewing the GCSE English and maths delivery model to secure enhanced student engagement and outcomes. The College continues to go above and beyond the requirements of Government policy by supporting all 16-18 year-old students who have not yet achieved a grade 4 in GCSE English and maths to re-sit these exams.

Every learner has an entitlement to receive impartial advice and guidance for progression through the central careers team if they require this support. All curriculum areas record 'intended destinations' throughout the year and recruitment is strong for progressing learners.

Outstanding personal development, behaviour and attitudes

All learners have intended destinations recorded and accountability measures and, where appropriate interventions are put in place. Learners have a programme of personal development and tutorial activity which is planned against a capability framework. Attendance at and participation in tutorial and enrichment activity is strong, with all areas across the college experiencing activities such as Industry Weeks.

Learners across the College continue to benefit from a strong health and wellbeing provision; health and wellbeing activity is provided for college students through over 20 partners who provide significant upskilling for college staff including mental health first aid training. During 2022/23, staff continued to ensure a significant amount of wellbeing support was offered to students to ensure the high-quality provision is maintained. The trauma informed approach to supporting students is sector leading and ensures that students receive the support that they need. All teaching and student-facing staff received further trauma informed and behaviour support training in July 2023.

Outstanding leadership and management

Leaders and managers continue to set extremely high expectations for students and staff. This ensures that students have higher ambitions for their future. Leaders continue to carefully manage the financial position of the College, which enables investment in high quality facilities such as the recent multi-million-pound investment in the Automotive Technologies Centre.

Leaders ensure that Labour Market Information (LMI) is used to inform the planning of the curriculum, and as a result, the College offer meets the local and regional skills needs. Staff are supported to develop their teaching practice through highly effective professional development.

Governance arrangements are extremely strong. The College operates an assurance-based model of governance. This allows governors to clearly identify the areas of provision and performance where they require further information to reassure them that the performance of the College remains strong.

Leaders ensure that the provision of safeguarding arrangements exceed the statutory requirements, including the work that has been done to ensure students are safe from peer-on-peer harassment, sexual assault, and domestic violence.

Enhance HE provision

The National Student Survey results continue to be excellent, with the College receiving an overall positivity measure of 96% regarding the Teaching, 11% above the sector average, and 97% with respect to Assessment and Feedback, 13% above sector average.

With respect to the most recent Graduate Outcomes Survey results, 50% of students who completed the survey are considered to have "Graduate Outcome".

Student outcome measures continue to exceed the Office for Students published threshold.

Strategic Report (continued)

The College has successfully introduced three new programmes last academic year: eSports Education, Creative Digital Media and Criminology, Communities & Criminal Justice. Feedback from external examiners continues to be positive.

Excellence in 14-16 provision

All direct entry and Nurture learners have recorded a post -16 intended destination and are targeted by impartial Job Shop team for formal advice and guidance to support their progression. Any learners who have identified employment without training as an intended destination received specific targeted support around their aspirations and destinations, against a careers education provision which is already strong. Attendance remains a priority.

Curriculum

Develop technical education provision with clear progression pathways.

Curriculum and clear progression pathways are effectively designed and enable progression across and within all curriculum areas. Progression by level and from Foundation Learning department to other vocational areas is good, and the transition process to vocational areas is supportive and effectively facilitated to meet the needs of the students. Student exit surveys show learners have a very good understanding of their next steps and has seen an improvement on the results from the year before. Whilst progression continues to replicate the positive improvement demonstrated in 2021/22, further work is needed to achieve the College's progression target.

The implementation of T-Levels continues to be extremely successful. 20% of T-Level Education, Construction and Digital students who completed their qualification achieved a distinction grade; 60% achieved a merit grade. Student destinations were excellent; of the completing 18% progressed into full-time employment in settings related to their studies, 24% progressed onto apprenticeships to further extend their technical learning and skill development and 56% secured university offers and will progress to higher education. One student (2%) is taking a gap year before taking up their place at university.

Retention on T-level programmes continued to be high. Excellent planning has taken place to prepare for the introduction of T Levels and in 2023/24 the College is offering eleven T Level pathways.

Excellent links and partnerships have been developed with businesses to further enhance student engagement with employers through industry exposure and highlight weeks, masterclasses, guest speakers and a range of other equally deep and meaningful ways in which our learners actively worked alongside industry experts. In 2022/23 students have benefitted significantly from rich opportunities to develop real-world work-ready skills and behaviours.

Develop and grow distinctive Higher Level Technical programmes underpinned by local and economic need.

The College continues to review and refresh its curriculum offer to meet the needs of its key stakeholders. Curriculum intent is very strong. LMI and stakeholder engagement positively influences and shapes a curriculum which richly supports the development of knowledge, skills, attitudes, and work-ready behaviours, effectively preparing students for their next steps.

Curriculum design focusses on developing students holistically, providing them with outstanding social and cultural acquisition opportunities.

Strategic Report (continued)

The combined work of Talent United, curriculum teams and the embedding of cultural capital has been exceptional. Students, employers, and guest speakers have spoken extremely positively about the two-way learning gained from the many industry weeks held across the year. Talent United is the College's employer engagement programme, which aims to bridge the gap between education and employment, by providing our students with employer-led and employer-based opportunities. This achieved by creating partnerships with companies and individuals who may be able to provide anything from guest speakers to workshops, workplace tours, work placements or apprenticeships.

The aspirational culture developed within the Sixth Form led to 85% of A-Level students who applied to UCAS securing their first-choice higher education provider and 21% securing a place at a Russell Group university.

Develop an Adult Education curriculum that address local skills priorities and provides clear pathways to skilled jobs.

There has been effective development of apprenticeship programmes, particularly at a higher level. Higher level apprenticeship provision is offered across Digital, Construction, Health, Business and Education sectors. The College has live enrolments across a range of higher-level apprenticeship standards, including the newly developed Chartered Management Degree Apprenticeship.

Students' digital literacy skills have been enhanced throughout the academic year. The momentum of engagement around digital upskilling, initially driven by need during 2020/21, continued into 2022/23. Students across all groups acknowledged the need for digital skills for life, work and study and career aspirations. Students have developed digital agility, familiarisation and understanding, and responded excellently to learning and working virtually and with new technologies and platforms.

The adult curriculum portfolio continues to be influenced by findings from our Local Skills Improvement Plans (LSIP) work with the chambers of commerce and businesses. Additionally, the Free Courses for Jobs Offer extended to include new level 3 programmes in the local and national skills shortages areas including Digital. 95 students completed such a course, which was an increase of 41 on the equivalent category of course from the previous year (then called National Skills Fund).

Sustainability

Develop the Organisational Development Strategy

The key focus of the Organisational Development Strategy was on levels of staff satisfaction, staff turnover (overall and in the first 12 months of employment), recruitment and staff training and development.

Staff satisfaction was high and on target with an average satisfaction rate of 90%. The response rate for the staff surveys was also high which gave confidence that the results were valid. The employee engagement project was concluded in year which focussed on listening to staff and the generation of new ideas. Staff turnover was 16.7% (target 17%), and staff turnover in the first twelve months of employment was 19.7% (target at 20%). The College had confirmation through a number of surveys that staff feel supported in achieving their objectives with appropriate training and development in place (90%). A new measure was included to gauge the impact of the newly introduced Recruitment Team, and this saw the average time to recruit to a vacancy reduce to 25 days, which was well within the target.

Strategic Report (continued)

Future proof the College's finances

The College delivered its July 2022 Financial Plan which set the key financial targets for 2022/23. Cash generation (EBITDA) is higher than expected and the College maintained good financial health.

The College exceeded its key financial targets for the year.

- Education Specific EBITDA target £4.4m, achieved £5.8m.
- Debt service cover target 1.5 times, achieved 2.54.
- ESFA Financial Health Grade score of at least 180 points, achieved 230 points "Good".

Develop the college infrastructure for digital transformation

Improvements have been made to business processes resulting in improved efficiency and quality of information available. Of the six projects planned for the year four were fully implemented. The College launched an integrated business planning system in year, replacing a spreadsheet-based planning tool.

Student access to IT devices remains positive with this provision being delivered through individual student held devices, classroom fixed devices, portable devices in trolleys and resource centre provision.

A number of changes have been made to internal reporting which have been received positively by college staff.

Improve carbon reduction and environmental sustainability

The College is committed to achieving net zero in operations by 2045. In December 2022 the College launched its sustainability strategy.

During the year the College took part in the Global SDG Teach in. The SDG (Sustainable Development Goal) Teach In is a campaign coordinated by SOS-UK (Students Organising for Sustainability UK). The campaign seeks to put the SDGs at the heart of education across all disciplines. The annual campaign calls upon educators to include the SDGs within their teaching, learning and assessment during the campaign. The College achieved #1 in Students Engaged and #2 in Staff Pledged globally.

Throughout the year teaching staff took part in development sessions aimed at embedding Education for Sustainable Development and the College rolled out Carbon Literacy training to all staff. The College achieved Bronze Carbon Literate Organisation status part way through the year.

Energy usage for the year was in line with 2021/22. Progress has been limited in year however the College is researching energy saving measures such as computer settings and auto shut downs of IT alongside estates management practices.

The College publishes its Streamlined Energy and Carbon Reporting on the college website.

Deliver the Property Strategy

The College Property Strategy seeks to deliver state-of-the-art learning environments students can thrive. It supports flexible and innovative approaches to pedagogical practice through use of 'open learning environments' and 'learning zones' where students can engage in high-quality immersive, interactive and collaborative learning opportunities which promote meaningful knowledge and skills development.

Strategic Report (continued)

The condition of the estate is generally in good repair with over 70% of the estate in good or better condition. The College completed the new Automotive Technologies Centre at its Honeywell campus during the year and there has been upgrades to lighting and heating systems across the estate. However, there are significant future capital projects which are required to meet changes in curriculum and address areas in poor condition.

The College Institute of Technology capital project, which is part of the South Yorkshire Institute of Technology, continued to develop throughout the year. The Capital Funding Agreement for the project was completed during the year and the College secured additional DfE project sustainability funding for the project. The project forms a key part of the College's commitment to supporting the government's drive for productivity increase on technical education, meeting employer's needs and the Levelling Up agenda.

Reputation

Expand status as a provider of choice for stakeholders

The College supports the local economy by working with more than 1,000 employers. The Business Development team, Talent United and Work Placement team work together to provide solutions for the local business needs and form strong links between the educational purpose of the College and increased productivity in the sub-region. Apprenticeship recruitment remains a high priority.

The extension of the College's academy structure was further strengthened with a total of 11 academies with large employers now in place. These represent the depth of relationships the College is now building with employers to become their trusted partner in meeting their skills needs moving forward.

Account Managers within the business development team are working closely with levy employers to maximise apprenticeships starts and provide a more holistic skills and talent recruitment proposition.

The College continues to maintain 89% of Barnsley schools market share overall. Applications from Dearne ALC and Outwood Shafton increased significantly compared to last year, however, there was a decline from both Penistone and Carlton.

Raise the College and its subsidiaries' profile both regionally and nationally

The College continues to develop its brands positively, utilising all instances that can highlight case studies and good news.

Social media following continued to grow across all channels over the last year with most growth seen in Facebook followers. This supports increased communications on this platform during the pandemic and proved a highly successful way to communicate with learners, parents, and schools.

The College had a range of positive news stories over the last year and has been approached a number of times to provide the Department for Education with quotes, case studies and video snippets for their social media platforms.

Strategic Report (continued)

The Executive team have been invited to contribute to and comment upon key education policy developments over the year. The Principal was a member of the working party leading to the development of the Skills for Jobs white paper and numerous opinion pieces have been published across multiple media over the year.

Extend and enhance the college position as an anchor institution

The College continues to work ever closer with all stakeholders.

The Principal and other Executive members are active across many sub regional and borough based developments which include the Barnsley Metropolitan Borough Council (BMBC) 2030 plan, Barnsley Hospital, Chamber of Commerce and other local strategic place shaping partnerships.

The College continues to support local events where appropriate to extend our reach into the community. Examples in 2022/23 include the libraries team judging a competition to publish a book that will be available to borrow in libraries across Barnsley. A cost-of-living event was also held in the College's Open Kitchen, which saw MPs and BMBC collaborate with the College for the benefit of residents.

There have been several academy launches in partnership with anchor and partner institutions, including Barnsley Premier Leisure and BMBC.

Deliver the College Business Centre

All the incubation pods in the College Business Centre are occupied, including one college alumni who has been successfully supported via iTrust. The opportunity is being actively promoted as part of the extended iTrust offer.

Financial performance indicators

The Board of Governors wishes to ensure that the College remains financially sound, protecting itself from unforeseen adverse changes in revenue streams, generating sufficient income to enable maintenance and improvement of its accommodation and equipment, and servicing its debt costs.

The College has ambitious growth plans and will continually focus on value for money in everything it does. In order to deliver its non-financial objectives, it is critical for the College to have a robust financial platform.

Its high-level financial objectives are:

- To deliver strong sustainable cash flows.
- To grow and diversify the revenue base.
- To generate sufficient surpluses to enable servicing of debt and financial stability.
- To meet lending covenants set out by lenders.

Strategic Report (continued)

This will be achieved through:

- The continuing prioritisation of Business Planning and Performance Review systems, delivering:
 - Strong financial planning and budgetary control.
 - Transparency in decision-making processes.
 - Accountability and budget ownership.
- Delivering an appropriate staffing resource with high levels of flexibility and skills.
- Revenue targeting and growth, developing a diversified business model and reducing reliance on core funding.
- Development of new facilities, delivering up-to-date and high-quality teaching and learning resources.
- Investment in learning technologies, delivering innovation in curriculum delivery and improving curriculum efficiency.

The College is committed to observing the importance of sector measures and indicators and uses the data available on the www.gov.uk website, which looks at measures such as success rates. The College is required to complete the annual Finance Record for the Education and Skills Funding Agency. The College is assessed by the Education and Skills Funding Agency as having Good financial health grading. The rating for the 2022/23 budget was set as good with the minimum points approved by the Board being 180 (good). The actual grade is good with 230 points.

Financial results

The overall, group revenue was £49.8m (2021/22: £44.9m), of this £1.8m is recognised for capital grants (2021/22: £1.6m). Underlying revenue was £48.0m (2021/22: £43.3m).

The financial results for 2022/23 are good.

The group's operating position before interest, depreciation and release of capital grants ("Education Specific EBITDA") was a surplus of £5.8m (2021/22: £4.6m).

The group delivered a surplus before other gains and losses of £1,187k (2021/22: £3,471k loss) after:

- Depreciation charges of £5,027k (2021/22: £6,438k).
- Bank interest and pension finance costs of £1,012k (2021/22: £1,235k).

The group generated operating cash flows of £10.7m (2021/22 £3.5m) which have been reinvested in capital assets.

The ESFA Financial Health Grade for the year was Good (2021/22: Good).

During the year cash balances increased by £1,753k.

The Local Government Pension Scheme administered by South Yorkshire Pensions Authority (SYPA) shows an actuarial position of nil. The actuary review resulted in an asset position of £8,756k (2021/22 deficit £2,046k). Under the FRS 102 accounting rules, this is shown this as a nil position within the balance sheet as the pension fund terms would not allow for the asset to be realised.

Strategic Report (continued)

Treasury policies and objectives

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

Short-term borrowing for temporary revenue purposes is authorised by the Accounting Officer. Such arrangements are restricted by limits in the College's Financial Memorandum previously agreed with the Education and Skills Funding Agency. All other borrowing requires the authorisation of the Corporation and shall comply with the requirements of the Financial Memorandum.

Cash flows and liquidity

At £10.7m (2021/22 £3.5m), net cash flow from operating activities was strong.

During the year, the College reduced its borrowing by £0.7m.

The size of the College's total borrowing and its approach to interest rates has been calculated to ensure a reasonable cushion between the total cost of servicing debt and operating cash flow. During the year, this margin was comfortably exceeded. Banking covenants were all met for 2022/23.

Developments

Tangible fixed asset additions during the year amounted to £7.5m. This was split between building work of £4.6m and equipment and fixtures of £2.9m. The main addition in the year was the completion of the new Automotive Technologies Centre project.

Sources of income

The group has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2022/23, the FE funding bodies provided 80% of the group's total income.

Reserves

The group has accumulated reserves of £79,394k and cash and short-term investment balances of £11,509k. The group wishes to maintain reserves and cash balances in order to be sustainable and safeguard for the future.

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 an 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 current target set by the Treasury for Government departments for payment to suppliers of valid invoices within 30 days is 100%. During the accounting period 1 August 2022 to 31 July 2023, the College paid 90% (2021/22: 93%) of its invoices within 30 days. The College incurred no interest charges in respect of late payment for this period.

Strategic Report (continued)

Future prospects

There are a number of future opportunities the College is seeking to maximise. Demographics in the area indicate an increased cohort of 16–18-year-olds over the coming years. The significantly improved results from the Sixth Form College provide an opportunity for growth in A levels. The College is seeking to develop its offer across a range of curriculum areas at higher levels through Higher Education and Higher apprenticeships.

Strategic priorities for 2023/24

The strategic priorities provide a roadmap for the College on the journey to achieving the College's vision of transforming lives. The priorities represent the areas where resources and time will be focused to ensure that student, staff and stakeholders get the best out of Barnsley College.

1. Quality

Delivering a beyond outstanding experience for both students and staff and being Ofsted inspection ready is the key focus. Key themes underpin the College's ambition to reach outstanding and beyond, each area driving teaching and learning. These are quality of education; personal development, behaviour, and attitudes; leadership and management and Higher Education. The College aims to deliver the highest quality provision for students, staff, and stakeholders to help them aspire to reach their full potential.

2. Curriculum

Our 2030 curriculum strategy recognises, anticipates and responds to influences which will determine and influence the future educational and economic landscape and ultimately the communities and world in which we live. Our strategic curriculum objectives are shaped by local, regional and national skills priorities, labour market and other intelligence, to ensure our education and training offer meets the needs and interests of our key stakeholders and prepares our students for the jobs of tomorrow. In 2023/24 the curriculum pillar includes three strategic curriculum objectives which relate to designing and delivering a purposeful and ambitious curriculum which will provide clear progression pathways for young people, a distinctive higher technical skills curriculum that is underpinned by local and economic need, along with wider adult learning programmes which provide clear pathways to skilled jobs.

3. Sustainability

The College must be safeguarded for the future, making sure it generates enough cash each year to continue to provide an outstanding experience for students and staff during their time with the College. The ultimate aim is to future proof the financial position. This involves investing in buildings, facilities, equipment, and the IT infrastructure. To generate cash the College needs to increase in size and ensure it operates efficiently. The College is committed to reducing its carbon footprint and is developing a long-term plan to achieve this.

4. Reputation

The College is proud of Barnsley and the communities it works with. It aims to continue to build strong links with students, staff, schools, and businesses, reinforcing the College's place in the local community as an outstanding education provider and anchor institution. The College's students go on to do amazing things after leaving the College, whether that is through work or further study, and alumni prove the College is achieving the vision of transforming lives. As the College strives for beyond outstanding, its brand and reputation, as well as the quality and financial position, underpins the ability to recruit students and engage with external audiences.

Strategic Report (continued)

Principal risks and uncertainties

The College has developed further the system of internal control, including financial, operational and risk management that is designed to protect the College's assets and reputation.

Based on the strategic pillars and goals, the Executive undertakes a comprehensive review of the risks to which the College is exposed and acknowledges these in the Board Assurance Framework (BAF). The Board Assurance Framework identifies the key risks, the likelihood of those risks occurring, their potential impact on the College and the actions being taken to reduce and mitigate the risks and covers assurance gained. Systems and procedures are identified which mitigate potential impact on the College and the subsequent year's annual risk management report will review effectiveness and progress against risk mitigation actions. In addition to the annual review, the Executive will also consider any risks that may arise as a result of a new area of work being undertaken by the College.

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

Protecting tertiary status

Barnsley College operates in a tertiary system whereby all level three provision in the local area takes place in the College. The only exception to this is a comprehensive school situated within the borough but not local to the College. The risk of other providers offering level three courses is managed through two strategies: quality and relationships. By offering high quality courses with outstanding outcomes there will be less chance of local schools opening sixth forms and thereby increasing competition for students. We maintain excellent relationships locally to keep school head teachers informed of our performance and participate in key local fora to foster good relations.

Compliance with the rules of regulatory, funding, and legal bodies

Non-compliance with regulatory, funding, and legal bodies evidences an inability to act in accordance with rules or requests and exposes the College community to substantial risk by avoidance or evasion of required procedures and/or processes. The scope for impact in terms of income, reputation and students could be significant if not managed sufficiently. The College places reliance on a variety of systems which aid compliance with requirements across a range of provision, and has expertise within the Management Information and Systems Team (MIS) function to monitor, guide and train curriculum areas on actions that will ensure that rules and procedures are followed.

IT disaster recovery and response

The threat to the operations of the College related to a failure of IT systems is significant, with the education sector being subject to a series of attacks in recent times. Disaster Recovery (DR) planning outlines IT technologies and practices to prevent or minimise business disruption and/or data loss resulting from a variety of events, including cyberattacks, system or equipment failures, power outages and natural disasters. The College's risk management system includes use of cloud-based systems, regular backing up of systems, a key relationship with JISC for internet-based activities, and measures to ensure that users safeguard the system through passwords and multi-factor authentication. Suitable and sufficient insurance is in place and the disaster recovery procedures are tested periodically.

Strategic Report (continued)

Servicing of debt and financial stability

Inability to generate sufficient surpluses to enable the servicing of debt will potentially impact on the College's financial health grade, compliance with the bank covenants, ability to cover interest payments and an ability to invest in buildings and equipment. An established and embedded system of business planning and performance review is key to the mitigation of this risk, as well as a prudent method of managing finance which decreases the likelihood of the College missing its key financial targets. Safeguards include sound financial forecasting, overdraft facilities being in place and regular reporting on financial performance. The current macro-economic climate and continuing volatility is a risk to the college but is minimised through the robust business planning and performance review process; the financial plan was a bottom-up forecast including inflation assumptions at a granular level, these assumptions are then tested throughout the year at the performance review meetings and monitored through routine financial reporting. Major capital projects are well managed. Relationships with key stakeholders such as the banks and ESFA are also well managed with regular meetings.

Quality

A failure to deliver "Outstanding" for Overall Effectiveness in an Ofsted inspection could result in a loss of reputation, have a high impact on student outcomes and lead to subsequent financial loss. The College makes critical strategic decisions on how education is organised in the College, how resources are allocated and ensures that the necessary monitoring systems are in place to give assurance that the key areas of the Education Inspection Framework are being met. Established teaching and learning and quality systems are in place to support continuous development and tackle under-performance, and governors are regularly appraised of performance under the assurance-based model of governance. An ever-ready plan is in place to assist with an on-going preparedness which will minimise the requirement for urgent action when an inspection is imminent.

Student recruitment

Successful recruitment of students in 16-19, HE and apprenticeships is essential to ensure that College mitigates financial and reputational damage, as well as being able to invest in the curriculum and support an outstanding student experience. Rigorous planning is in place to ensure realistic future recruitment targets are set through the business planning process, taking into account external demographic profiles and internal progression targets. Critical marketing activities and events which directly involve future students and parents take place, as well as targeted information, advice, and guidance to maximise future student achievement.

Support for students is well established from transport to college through to on course help and personal tutorial support.

Strategic Report (continued)

Apprenticeship income

Income from apprenticeships is a critical area for the future growth and sustainability of the College. The College plans prudently for apprenticeship income. The impact of a reduction in income is manageable within the College's financial model. The risk is mitigated by a focus on growth through business development and quality of provision, and the apprenticeships department will play a critical role in ensuring that doing apprenticeships at the College will be attractive.

Maintain adequate funding of pension liabilities

The financial statements report the share of the Local Government Pension Scheme (LGPS) deficit on the College's balance sheet in line with the requirements of FRS 102. The College forecasts accommodate a rise in pension costs for LGPS and future rises in the Teachers' Pension contributions.

Government funding

The College has considerable reliance on continued government funding through the further education sector funding bodies and the Office for Students (previously HEFCE). In 2022/23, 80% of the Group revenue was ultimately publicly funded and this level is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Going concern statement

After making appropriate enquiries and considering forecasts on the College and its subsidiaries, the Corporation considers that the College has adequate resources to continue in operational existence for the foreseeable future. The going concern assessment considered the College financial operating forecasts and cash flow forecasts to July 2025. It also tested the mitigations in place against a critical scenario with a loss of £2.5m income (6% of total forecast income 2024/25) that leads to a breach in bank covenants. This would be an extreme scenario for the College and the extent to which this impacts upon the financial targets, cash flow and bank covenants is manageable; the Corporation is confident it has appropriate mitigations in place to reduce the likelihood. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The College will set an EBITDA budget at least 10% of income for 2024/25. The business-planning model is well established and delivers a budget that is prudent, achievable, and risk-managed. There is a high level of competency in financial management across the College. Historically the College has outperformed its budget.

Cash flow forecast projections indicate the College has sufficient cash until at least July 2025. The lowest cash balances are in March 2025. The March 2025 balance is forecast at £3.9m.

College forecasts indicate that all bank covenants will be met until at least July 2025. The College has sufficient headroom in its bank covenants to withstand a level of financial disruption. The testing identified a critical scenario with a loss of income of £2.5m (6% of forecast income in 2024/25), leading to a breach in bank covenants. The College's internal control processes include existing mitigations against the impact and likelihood of the scenario. However, the College can also call on other measures where needed, including restricting expenditure and placing staff recruitment on hold to reduce in-year costs and to protect college cash reserves.

Strategic Report (continued)

The College operates a robust business planning and performance review process which is ongoing throughout the year, so where plans and assumptions are not in in with the financial plan these can quickly be identified and mitigated.

The College financial forecasts are prepared on a prudent basis. The operating forecasts and the cash flow forecasts until July 2025 provide assurance the College has adequate resources until at least that date. The reverse stress testing of bank covenants provide additional evidence to support that conclusion. The College has robust business continuity plans, risk management and financial management processes and so is well placed to respond to future uncertainty in a timely manner. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The College has considered the financial position of its subsidiaries and concludes that Independent Training Services Limited and Smartstyle Technology Training Limited are reliant on the College for financial support. The College has assessed whether it has the resources to provide this support and has concluded it does. With the consent of the DfE the College has confirmed its continued financial support for both entities for at least 12 months.

The Corporation is confident it has appropriate mitigations in place to reduce the likelihood and impact of the critical scenario tested.

Equality and diversity

Barnsley College is committed to ensuring equality of opportunity for all who learn and work here. The College respects and values positively differences in race, gender, sexual orientation, disability, ability, class, and age. The College strives vigorously to remove conditions, which place people at a disadvantage and will actively combat bigotry. The College has a no-tolerance policy towards bullying, harassment and victimisation and actively tackles the behaviours, which transgress this policy.

The College's Single Equality Scheme and action plan are published on the College's internet site and are monitored regularly by the Executive and the Board of Governors.

The College considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the College continues. The College's policy is to provide training,

Career development and opportunities for promotion, which are, as far as possible, identical to those for other employees.

Disability statement

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

- a) The College's Student Services and Additional Learning Support (ALS) departments provide information, advice and arranges support where necessary for students with disabilities.
- b) 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 from the ALS department.
- c) The Admissions Policy for all students is described in the College Information, Advice and Guidance (IAG) Policy. Appeals against a decision not to offer a place are dealt with under the Complaints Policy.

Strategic Report (continued)

- d) 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 Student Support staff 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.
- e) Specialist programmes are described in college prospectuses, and achievements and destinations are recorded and published in the standard College format.
- f) Counselling and welfare services are described in the College Student Guide, which is issued to students together with the Complaints and Behaviour Support Policy leaflets at induction.

Facility Time

In accordance with the Trade Union (Facility Time Publication Requirements) Regulations 2017, we are required to publish certain information on trade union officials and facility time.

Facility time covers duties carried out for the trade union or as a union learning representative, for example, accompanying an employee to disciplinary or grievance hearing. It also covers training received and duties carried out under the Health and Safety at Work Act 1974.

The regulations require the following information to be published on the employer's website:

- Table 1: The number of employees who were relevant union officials during the relevant period, and the number of full time equivalent employees
- Table 2: The percentage of time spent on facility time for each relevant union official
- Table 3: The percentage of pay bill spent on facility time
- Table 4: The number of hours spent by relevant union officials on paid trade union activities as a percentage of total paid facility time hours.

This report covers the period 1 April 2022 to 31 March 2023

Table 1: Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
4	4

Strategic Report (continued)

Table 2: The percentage of time spent on facility time for each relevant union official.

How many of our employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time.

Percentage of Time	Number of employees
0%	3
1-50%	1
51%-99%	0
100%	0

Table 3: The percentage of pay bill spent on facility time

Percentage of the total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

Total number of hours of paid facility time	25
Total cost of facility time	£479
Total pay bill	£29,471K
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.002%

Table 4: The number of hours spent by relevant union officials on paid trade union activities as a percentage of total paid facility time hours.

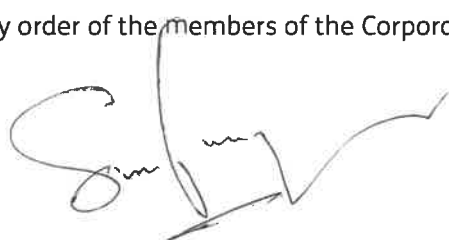
Hours spent by employees who were relevant union officials during the relevant period on paid trade union activities as a percentage of total paid facility time hours.

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	0%
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Disclosure of information to auditors

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

Approved by order of the members of the Corporation on 12 December 2023 and signed on its behalf by:



Simon Perryman
 Chair of Governors

Statement of Corporate Governance and Internal Control

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

The College endeavours to conduct its business:

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

In the opinion of the Governors, the College complies with/exceeds all the provisions of the Code, and it has complied throughout the year ended 31 July 2023. The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes full account of The Code of Good Governance for English Colleges issued by the Association of Colleges in March 2015, which it formally adopted on 14 July 2015. Further, the updated Codes published in May 2019 and September 2021.

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

Statement of Corporate Governance and Internal Control (continued)

The Corporation

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

Name	Date of Appointment	Term	Date of resignation	Status	Committees served	% of Corporation meetings attended in 22/23	% of Audit Committee meetings attended in 22/23
L Clarke	12.07.22	When ceases to be a student	11.07.23	Student		50%	
C Charlesworth	24.03.20	4 years	n/a	Staff		70%	
C Cooper-Smith	09.11.21 Reappointed 21.11.23	4 years	n/a		A	90%	100%
G Day	15.12.20	4 years	n/a			70%	
A Denniff	15.12.20	2 ½ years	15.06.23			56%	
K Dickinson	13.12.16 Reappointed 19.05.20	4 years	n/a	Chair of ITS, Think & BCDC		100%	
M Fogarty	27.09.22	3 years	n/a		A	60%	25%
G Graham	27.09.22	4 years	n/a		A	80%	50%
C Huddart	25.01.23	4 years	n/a			83%	
D Hutchinson	27.09.22	4 years	n/a		A	60%	0%

Statement of Corporate Governance and Internal Control (continued)

Name	Date of Appointment	Term	Date of resignation	Status	Committees served	% of Corporation meetings attended in 22/23	% of Audit Committee meetings attended in 22/23
B Jacobs	19.05.20	When ceases to be a student	11.07.23	Student		100%	
H Jagger	18.07.17 Reappointed 18.05.21	4 years	n/a		G&S R	90%	
S Jandu	15.12.20	3 years	22.10.22		A	100%	0%
T Johnson	19.05.20 Reappointed 16.05.23	3 years	n/a			33%	
M Lang	19.05.20 Reappointed 21.11.23	4 years	n/a	Chair Audit from 30.11.21	A	90%	100%
K Neale	27.09.22	3 years	n/a			90%	
S Perryman	09.09.15 Reappointed 05.02.19 Reappointed 12.07.22	3 years	n/a	Chair of Board & Governance & Search	G&S R	90%	
D Shepherd	21.10.14 Reappointed 18.12.18	4 years	18.10.22		A	100%	25%

Barnsley College
 Financial Statements
 For the year ended 31 July 2023

Statement of Corporate Governance and Internal Control (continued)

Name	Date of Appointment	Term	Date of resignation	Status	Committees served	% of Corporation meetings attended in 22/23	% of Audit Committee meetings attended in 22/23
C Sudbury	16.05.23	4 years	n/a			100%	
H Weatherston	16.06.20	4 years	n/a			90%	
Y Kouris	30.04.19	When ceases to be Principal	n/a	Principal/CEO and member	G&S	100%	
D Akeroyd	01.11.23	When ceases to be Principal	n/a	Principal/CEO and member	G&S	100%	
E Dawson	28.11.23		n/a		A (co-opted)	n/a	100%

Key to Committees: G&S – Governance and Search A – Audit R – Remuneration.

Statement of Corporate Governance and Internal Control (continued)

It is the Corporation's responsibility to bring independent judgement to bear on issues of strategy, performance, resources, and standards of conduct. Under the powers provided by the Further Education Corporation Modification Order 2012, the Corporation revised and approved its Instrument and Articles of Government with effect from 1 August 2013. The Corporation is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as health and safety and environmental issues.

The Corporation meets seven times a year on a formal basis and three times to address single issues through creative sessions. It also reviews areas of performance through a programme of deep dives.

The Corporation conducts its business through a number of committees. Each committee has terms of reference which are reviewed annually and are approved by the Corporation. These committees are *Governance and Search (G & S)*, *Audit and Remuneration*. Full minutes of all meetings, except those deemed confidential by the Corporation, are available from the Director of Governance to the Board at:

Barnsley College
PO Box 266
Barnsley
S70 2YW

The Director of Governance maintains a register of financial and personal interests of the Governors. The register is available for inspection at the above address.

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

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

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

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

Remuneration Committee

Throughout the year ending 31 July 2023, the College's Remuneration Committee comprised three members of the Corporation. The Committee's responsibilities are to make recommendations to the Board on the remuneration and conditions of service of the Accounting Officer and other senior post holders.

The governing body adopted the AoC's Senior Staff Remuneration Code in March 2019 and assesses pay in line with its principles.

Statement of Corporate Governance and Internal Control (continued)

The remuneration committee is concerned with all aspects of the employment of senior post holders, including recruitment, promotion, retention, setting and reviewing performance targets and conditions of employment of senior post holders, taking account of affordability, comparative information on the remuneration, benefits and conditions of employment from within the further education sector and other organisations of a comparable size/turnover.

The remuneration package of key management staff, including the Principal and Chief Executive, is subject to annual review by the remuneration committee of the governing body who use benchmarking information to provide objective guidance. Following the reclassification of the College sector in November 2022, the remuneration committee also take into account and follow where appropriate the requirements of the Department for Education's senior pay controls.

The College's Pay Policy applies to all staff including senior post holders. In conjunction with the Appraisal Policy, it is designed to motivate staff to achieve the College's strategic objectives. Both the Appraisal Policy and the Pay Policy were reviewed in January 2022. The College has adopted the AoC Code of Good Governance amendment covering College's Senior Post Holder Remuneration.

Decisions on the salaries of senior post holders are informed by market data including

- Salary benchmark data for same-level staff in comparable Colleges (derived from the AoC Survey of Remuneration of Management staff and Senior Post holders to include Colleges in Yorkshire & Humberside and with similar turnover).
- Economic conditions and competitive forces within the local community.
- Pay awards given to wider College staff.
- Affordability, as determined by the College's financial performance.
- Whole College performance against strategic objectives and key performance indicators approved by the Board.
- Individual performance against objectives set as part of the annual appraisal process.
- Benefits in kind.
- Pension entitlements.
- Department for Education's senior pay controls.

The College Appraisal Policy sets out the framework under which appraisals for all staff are carried out and explains the alignment of individual objectives with the College's strategic priorities, purpose, and values. In respect of senior post holders, the performance objectives are agreed by the remuneration committee and reports on their performance are provided to the committee to inform their decision-making in respect of the consideration of salary progression.

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

Details of remuneration for the year ended 31 July 2023 are set out in note 7 to the financial statements.

Appointments to the Corporation

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Governance and Search Committee, consisting of three members of the Corporation, which is responsible for the selection, and nomination of any new member for the Corporation's consideration. The Corporation is responsible for ensuring that appropriate training is provided as required.

Statement of Corporate Governance and Internal Control (continued)

Members of the Corporation are appointed for a term of office not exceeding four years.

Corporation performance

The Board evaluated its performance at the end of the year through an external review, carried out by Sandra Prail on behalf of the Association of Colleges. Final results were presented to the Board at its Strategic Seminar in January 2023 and an action plan was agreed and published on the website.

The College introduced an Assurance Based Governance Model in 2020. The model identifies and records the key sources of assurance that inform management and the board on the effectiveness of the key controls and processes that are relied upon to manage risk and achieve the College's objectives. The model was reviewed as part of the internal audit process in 2020.

Governor Training and Development

Barnsley College is committed to providing a range of training and development opportunities for their Governors and Governance Professionals. All new governors have completed a comprehensive induction process and ongoing training and support are available through in-house and externally organised events.

The following activities were undertaken in the year ending July 2023.

Training & Development Activity	Governors Involved
College, AoC and Unloc Induction programmes	New Independent, Staff and Student Governors
AoC Chairs & Principals Development Network	Chair and Principal
AoC Annual Conference	Chair, Vice Chairs
Statutory Link Governor Meetings	Statutory Link Governors
Curriculum Link Governor Meetings	Curriculum Link Governors
Strategic Seminar	All Governors
College Governor Training & Briefings (Student Voice, Property Strategy, Policy & Education Landscapes, Levelling Up, Anchor Institutions & Partnerships)	All Governors
Deep Dives (Apprenticeships and English and maths)	All Governors
Governance Professional Training & Development (various)	Governance Professional

Audit Committee

The Audit Committee comprises five members of the Corporation (excluding the Accounting Officer and Chair). The Committee operates in accordance with written terms of reference approved by the Corporation.

The Audit Committee meets on at least a termly basis and provides a forum for reporting by the College's internal, regularity and financial statements auditors, who have access to the Committee for independent discussion, without the presence of College management. The Committee also

Statement of Corporate Governance and Internal Control (continued)

receives and considers reports from the main FE funding bodies, as they affect the College's business.

The College's internal auditors monitor 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, regularity and financial statements auditors and their remuneration for both audit and non-audit work.

The audit committee met four times in the year to 31 July 2023. The members of the committee and their attendance records are shown below:

C Cooper-Smith	4 meetings attended
E Dawson	4 meetings attended
M Fogarty	1 meetings attended
G Graham	2 meetings attended
S Jandu	0 meetings attended
M Lang	4 meetings attended
D Shepherd	1 meetings attended

Governance & Search Committee

The Governance & Search Committee comprises of three members of the Corporation and meets twice a year. The committee advises the Board on the constitution of the Board and its recruitment and selection procedures. It also considers the skills required of members, terms of office and succession planning. The Committee is responsible for making recommendations to the Board on its Conduct of Business and any other governance policies.

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 they are personally responsible, in accordance with the responsibilities assigned to them in the Financial Memorandum/Financial Agreement between Barnsley College and the funding bodies. They are also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Barnsley College for the year ended 31 July 2023 and up to the date of approval of the annual report and accounts.

Statement of Corporate Governance and Internal Control (continued)

Colleges were reclassified to the central government sector with effect from 29 November 2022. The College has updated policies, procedures and approval processes to ensure compliance with the new requirements following reclassification. Systems and processes have been established to identify and handle any transactions for which DfE approval is now required and these have been applied since reclassification.

Capacity to handle risk

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

The risk and control framework

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

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

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

Risks faced by the corporation

The corporation reviews the Board Assurance Framework (BAF) at board meetings on a quarterly basis, with additional monitoring at the Audit Committee. The BAF identifies the key risks, the likelihood of those risks occurring, their potential impact on the College and the actions being taken to reduce and mitigate the risks and covers assurance gained. Furthermore, all corporation reports are assessed against risk criteria.

An assessment of the principal risks facing the College are headlined below; a summary of these risks can be found within the strategic report pages 16-18.

- Protecting tertiary status
- Compliance with the rules of regulatory, funding, and legal bodies
- IT disaster recovery and response
- Servicing of debt and financial stability
- Quality
- Student recruitment

Statement of Corporate Governance and Internal Control (continued)

- Apprenticeship income
- Maintaining adequate funding of pension liabilities
- Government funding

Control weaknesses identified

The College retains an internal audit service to audit its systems of internal control. The 2022/23 internal audit plan was developed with clear links to the College's Board Assurance Framework. The College senior managers agreed the recommendations made by the Internal Audit Service to improve controls and the follow-up audit confirmed that the College has made good progress in implementing the actions agreed.

During the year an external ESFA audit was concluded stating 'satisfactory opinion on the use of funds'.

There have not been any significant internal control weaknesses identified during 2022/23 and up to the date of signing.

Responsibilities under the funding agreement

The Corporation keeps under review compliance with ESFA and other devolved authority grant funding agreements and contracts ensuring that funding is used for the purposes given or generated. The Corporation also receives reports on specific conditions of grants such as capital grants. The Corporation ensures that the College makes key returns to the ESFA accurately and on time, including the Financial Statement and Finance Record in December 2022 and the Financial Plan in July 2023. The programme of internal audit tests includes a risk-based approach to testing compliance with funding agreements.

Statement from the Audit Committee

The Audit Committee has advised the board of governors that the corporation has an adequate and effective framework for risk management, governance and internal control. The specific areas of work undertaken by the Audit Committee in 2022/23 are:

- A Risk Management Deep Dive. This audit provided substantial assurance with no recommendations.
- A Business Continuity Planning and Disaster Recovery review which provided substantial assurance.
- A Key Financial Controls; Purchasing and Creditors review which provided reasonable assurance with two medium actions agreed.
- An Appraisal Process Review which provided reasonable assurance which identified two low and one medium action,
- A Procurement and Contract Management review which provided reasonable assurance with two medium and four low actions agreed.
- The financial statements and regularity audit scope and objectives were agreed by the committee. The committee also received the regularity self-assessment questionnaire. The committee were satisfied with the statements and evidence provided to support the preparation and completion of the financial statements.
- A review of the 2022/23 fraud register through the annual fraud report.

Statement of Corporate Governance and Internal Control (continued)

Review of effectiveness

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

- The work of the internal auditors.
- The work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework.
- Comments made by the College's financial statements auditors in their management letters and other reports.

The Accounting Officer has been advised on the implications of the result of his review of the effectiveness of the system of internal control by the Audit Committee, which oversees the work of the internal auditor and other sources of assurance, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Executive 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 Executive and the Audit Committee also receive regular reports from internal audit and other sources of assurance, which include recommendations for improvement.

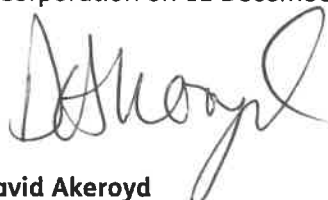
The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the Executive Leadership Team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its Board meeting on 12 December 2023, the Corporation carried out the annual assessment for the year ended 31 July 2023 by considering documentation from the Executive and internal audit and taking account of events since 31 July 2023.

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 assurance 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 Corporate body and the safeguarding their assets" and has met its contractual responsibilities under its funding agreements and contracts with its funding bodies including the ESFA.

Approved by order of the members of the Corporation on 12 December 2023 and signed on its behalf by



Simon Perryman
Chair of Governors



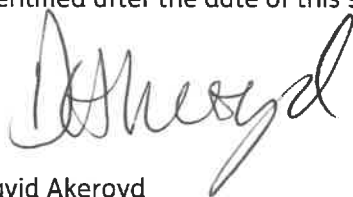
David Akeroyd
Accounting Officer

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, propriety and compliance, and the requirements of grant funding agreements and contracts with ESFA, and has considered its responsibility to notify ESFA of material irregularity, impropriety and non-compliance with those authorities and terms and conditions of funding.

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

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



David Akeroyd
Accounting Officer
12 December 2023

Statement of the chair of governors

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



Simon Perryman
Chair of governors
12 December 2023

Statement of Responsibilities of the Members of the Corporation

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

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

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

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess whether the corporation is a going concern, noting the key supporting assumptions qualifications or mitigating actions as appropriate
- prepare financial statements on the going concern basis, unless it is inappropriate to assume that the college will continue in operation.

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

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

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

Members of the corporation are responsible for ensuring that expenditure and income are applied for the purposes intended 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 ESFA and other public bodies are not put at risk.

Statement of Responsibilities of the Members of the Corporation (continued)

Approved by order of the members of the corporation on 12 December 2023 and signed on its behalf by:

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

Simon Perryman
Chair of Governors

Independent auditor's report to the Members of the Corporation of Barnsley College

Opinion

We have audited the financial statements of Barnsley College (the 'parent corporation') and its subsidiaries (the 'group') for the year ended 31 July 2023, which comprise the Consolidated and College Statement of Comprehensive Income, Consolidated and College Statement of Changes in Reserves, Consolidated and College Balance Sheet, Consolidated Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent corporation's affairs as at 31 July 2023 and of the group's surplus of income over expenditure and of the parent corporation's surplus of income over expenditure for the year then ended; and
- have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice: Accounting for Further and Higher Education

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent corporation 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 Corporation's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

**Independent auditor's report to the Members of the Corporation of Barnsley College
(continued)**

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Office for Students ('OfS') accounts direction (issued October 2019)

In our opinion, in all material respects:

- funds from whatever source administered by the parent corporation for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- funds provided by the OfS, the Education & Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions, and any other terms and conditions attached to them, and
- the requirements of the OfS 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 & Skills Funding Agency requires us to report to you if, in our opinion:

- the parent corporation has not kept adequate accounting records; or
- the group and parent corporation's annual accounts are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of the following matters where the OfS accounts direction requires us to report to you where:

- the group and parent corporation's grant and fee income, as disclosed in the note to the accounts, has been materially misstated.

Independent auditor's report to the Members of the Corporation of Barnsley College (continued)

Responsibilities of the Members of the Corporation for the financial statements

As explained more fully in the statement of responsibilities of the Members of the Corporation set out on page 34, the Members of the Corporation are 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 Members of 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 Members of the Corporation are responsible for assessing the group's and parent corporation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Members of the Corporation either intends to liquidate the group or parent corporation or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and parent corporation, and the sector in which it operates. We determined that the following laws and regulations were most significant;
 - financial reporting legislation (FEHE SORP, United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102, the Colleges Accounts Direction and the OfS Accounts Direction;
 - regulatory environment (including the ESFA funding rules 2022 to 2023 and the OfS; framework and relevant OfS regulatory notices)
 - Further and Higher Education Act 1992.

**Independent auditor's report to the Members of the Corporation of Barnsley College
(continued)**

- We understood how the group and parent corporation is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes and papers provided to the Audit Committee.
- We assess the susceptibility of the group and parent corporation's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the group to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the group and parent corporation has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.
- We performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- We reviewed minutes of meetings of those charged with governance;
- We reviewed internal audit reports;
- We reviewed financial statement disclosures and tested to supporting documentation to assess compliance with applicable laws and regulations

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

Use of our report

This report is made solely to the Members of the Corporation, as a body, in accordance with the terms of our engagement letter. Our audit work has been undertaken so that we might state to the Members of the Corporation those matters we are required to state to it 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 and the Members of the Corporation as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

TC Group

Registered Auditor

Northampton, United Kingdom

Date: 13/12/2023

Independent Reporting Accountant's Assurance Report on Regularity

To the corporation of Barnsley College and Secretary of State for Education, acting through Education and Skills Funding Agency ('ESFA')

In accordance with the terms of our engagement letter dated 17 July 2023 and further to the requirements and conditions of funding in ESFA's grant funding agreements and contracts, or those of any other public funder, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest that, in all material respects, the expenditure disbursed and income received by Barnsley College during the period 1 August 2022 to 31 July 2023 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

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

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

Respective responsibilities of Barnsley College and the reporting accountant

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

Our responsibilities for this engagement are established in the United Kingdom by the Code our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Code. We report to you whether anything has come to our attention in carrying out our work which suggests that, in all material respects, expenditure disbursed and income received during the period 1 August 2022 to 31 July 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

Independent Reporting Accountant's Assurance Report on Regularity (continued)

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

The work undertaken to draw our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across the college's activities.
- Further testing and review of the Regularity Self Assessment Questionnaire (RSAQ), including enquiry, identification of control processes and examination of supporting evidence across all areas identified and additional verification work as considered necessary; and
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance.
- Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

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

TC Group

TC Group

Northampton, United Kingdom

Date: 13/12/2023

Consolidated and College Statement of Comprehensive Income

	Notes	Year ended 31 July 2023		Year ended 31 July 2022	
		Group £'000	College £'000	Group £'000	College £'000
Income					
Funding body grants	2	39,839	39,216	37,452	37,035
Tuition fees and education contracts	4	7,751	7,359	5,771	5,203
Other income	5	2,071	2,017	1,651	1,592
Investment income	6	141	141	13	13
Total income		49,802	48,733	44,887	43,843
Expenditure					
Staff costs	7	27,391	26,817	27,811	27,088
Other operating expenses	8	15,185	14,833	12,874	12,530
Depreciation and impairment	11	5,027	5,027	6,438	6,426
Interest and other finance costs	9	1,012	1,016	1,235	1,229
Total expenditure		48,615	47,692	48,358	47,273
Surplus/(deficit) before other gains and losses		1,187	1,041	(3,471)	(3,430)
(Loss)/profit on disposal of assets		-	-	(19)	(19)
Surplus/(deficit) before tax		1,187	1,041	(3,490)	(3,449)
Taxation	10	-	-	-	-
Surplus/(deficit) for the year		1,187	1,041	(3,490)	(3,449)
Actuarial gain in respect of pensions schemes	24	10,802	10,494	24,653	24,210
Restriction of actuarial surplus	24	(8,151)	(7,841)	(111)	-
Total Comprehensive Income for the year		3,838	3,694	21,052	20,761

All items of income and expenditure relate to continuing activities.


Consolidated and College Statement of Changes in Reserves

	Income and Expenditure account	Restricted Reserve	Total
Consolidated	£'000	£'000	£'000
Balance at 1 August 2021	54,504	-	54,504
(Deficit) from the income and expenditure account	(3,490)	-	(3,490)
Other comprehensive income	24,542	-	24,542
Total comprehensive income for the year	<u>21,052</u>	-	<u>21,052</u>
Balance at 31 July 2022	<u>75,556</u>	-	<u>75,556</u>
Surplus from the income and expenditure account	1,187	-	1,187
Other comprehensive income	2,651	-	2,651
Total comprehensive income for the year	<u>3,838</u>	-	<u>3,838</u>
Balance at 31 July 2023	<u>79,394</u>	-	<u>79,394</u>
College			
Balance at 1 August 2021	54,569	-	54,569
(Deficit) from the income and expenditure account	(3,449)	-	(3,449)
Other comprehensive income	24,210	-	24,210
Total comprehensive income for the year	<u>20,761</u>	-	<u>20,761</u>
Balance at 31 July 2022	<u>75,330</u>	-	<u>75,330</u>
Surplus from the income and expenditure account	1,041	-	1,041
Other comprehensive income	2,653	-	2,653
Total comprehensive income for the year	<u>3,694</u>	-	<u>3,694</u>
Balance at 31 July 2023	<u>79,024</u>	-	<u>79,024</u>

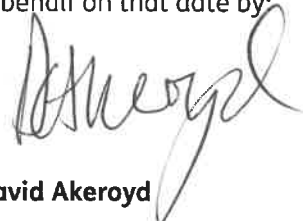
Consolidated and College Balance Sheets as at 31 July 23

	Notes	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Non current assets					
Tangible Fixed assets	11	92,224	92,279	89,785	89,838
Investments	12	-	-	-	-
		92,224	92,279	89,785	89,838
Current assets					
Stocks		91	91	93	93
Trade and other receivables	13	3,438	2,510	3,784	3,033
Cash and cash equivalents	18	11,509	11,079	9,756	8,986
		15,038	13,680	13,633	12,112
Less: Creditors – amounts falling due within one year	14	(12,263)	(12,196)	(9,092)	(8,774)
Net current assets		2,775	1,484	4,541	3,338
Total assets less current liabilities		94,999	93,763	94,326	93,176
Creditors – amounts falling due after more than one year	15	(13,156)	(13,156)	(13,974)	(13,974)
Provisions					
Defined benefit obligations	17	-	-	(2,046)	(2,046)
Other provisions	17	(2,449)	(1,583)	(2,750)	(1,826)
Total net assets		79,394	79,024	75,556	75,330
Unrestricted Reserves					
Income and expenditure account		79,394	79,024	75,556	75,280
Restricted reserve		-	-	-	-
Total reserves		79,394	79,024	75,556	75,330

The financial statements on pages 42-73 were approved and authorised for issue by the Corporation on 12 December 2023 and were signed on its behalf on that date by:



Simon Perryman
 Chair



David Akeroyd
 Accounting Officer

Consolidated Statement of Cash Flows

	Notes	2023	2022
		£'000	£'000
Cash flow from operating activities			
(Deficit)/surplus for the year		1,187	(3,490)
Adjustment for non-cash items			
Depreciation		5,028	6,438
Release of deferred capital grants		(1,845)	(1,582)
Decrease/(increase) in stocks		2	(25)
Decrease/(increase) in debtors		346	(1,036)
Increase in creditors due within one year		4,944	349
Decrease in provisions		(361)	(411)
Pensions costs less contributions payable		528	2,008
Adjustment for investing or financing activities			
Investment income		(141)	(13)
Interest payable		1,012	1,235
Loss on sale of fixed assets		-	19
Net cash flow from operating activities		<u>10,700</u>	<u>3,492</u>
Cash flows from investing activities			
Investment income		141	13
Payments made to acquire fixed assets		(6,815)	(2,000)
		<u>(6,674)</u>	<u>(1,987)</u>
Cash flows from financing activities			
Interest paid		(804)	(787)
Interest element of finance lease rental payments		(71)	(10)
Repayments of amounts borrowed		(1,245)	(1,213)
Capital element of finance lease rental payments		(153)	(235)
		<u>(2,273)</u>	<u>(2,245)</u>
Increase/(decrease) in cash and cash equivalents in the		<u>1,753</u>	<u>(740)</u>
Cash and cash equivalents at beginning of the year	18	9,756	10,496
Cash and cash equivalents at end of the year	18	11,509	9,756

Notes to the Financial Statements

Statement of accounting policies and estimation techniques

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

Basis of preparation

These financial statements have been prepared in accordance with the *Statement of Recommended Practice: Accounting for Further and Higher Education 2019* (the 2019 FE HE SORP), the *College Accounts Direction for 2022 to 2023* 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.

The financial statements are presented in Sterling (£), which is the functional currency.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention, as modified by the use of previous valuations as deemed cost for certain non-current assets at the transition to FRS 102 date.

Basis of consolidation

The consolidated financial statements include the College and its subsidiaries, Independent Training Services Limited, Smartstyle Technology Training Limited, Barnsley College Development Company Limited and Think Barnsley Limited, controlled by the Group. Intra-group sales and profits are eliminated fully on consolidation. All financial statements are made up to 31 July 2023. In accordance with FRS102, the activities of the student union have not been consolidated, as the College does not control them.

Going concern

After making appropriate enquiries and considering forecasts on the College and its subsidiaries, the Corporation considers that the College has adequate resources to continue in operational existence for the foreseeable future. The going concern assessment considered the College financial operating forecasts and cash flow forecasts to July 2024. It also tested the mitigations in place against a critical scenario with a loss of £2.5m income (6% of total forecast income 2024/25) that leads to a breach in bank covenants. This would be an extreme scenario for the College and the extent to which this impacts upon the financial targets, cash flow and bank covenants is manageable; the Corporation is confident it has appropriate mitigations in place to reduce the likelihood. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The College will set an EBITDA budget of £4.3m for 2024/25. The business-planning model is well established and delivers a budget that is prudent, achievable, and risk-managed. There is a high level of competency in financial management across the College. Historically the College has outperformed its budget.

Cash flow forecast projections indicate the College has sufficient cash until at least July 2025. The lowest cash balances are in March 2025. The March 2025 balance is forecast at £3.9m.

Notes to the Financial Statements (continued)

College forecasts indicate that all bank covenants will be met until at least July 2025. The College has sufficient headroom in its bank covenants to withstand a level of financial disruption. The testing identified a critical scenario with a loss of income of £2.5m (6% of forecast income in 2024/25), leading to a breach in bank covenants. The College's internal control processes include existing mitigations against the impact and likelihood of the scenario. However, the College can also call on other measures where needed, including restricting expenditure and placing staff recruitment on hold to reduce in-year costs and to protect College cash reserves.

The college operates a robust business planning and performance review process which is ongoing throughout the year, so where plans and assumptions are not in in with the financial plan these can quickly be identified and mitigated.

The College financial forecasts are prepared on a prudent basis. The operating forecasts and the cash flow forecasts until July 2025 provide assurance the College has adequate resources until at least that date. The reverse stress testing of bank covenants provide additional evidence to support that conclusion. The College has robust business continuity plans, risk management and financial management processes and so is well placed to respond to future uncertainty in a timely manner. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The College has considered the financial position of its subsidiaries and concludes that Independent Training Services Limited and Smartstyle Technology Training Limited are reliant on the College for financial support. The College has assessed whether it has the resources to provide this support and has concluded it does. The College has confirmed its continued financial support for both entities until at least July 2025.

The Corporation is confident it has appropriate mitigations in place to reduce the likelihood and impact of the critical scenario tested.

Recognition of income

Revenue grant funding

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

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

All support grant allocations and subsequent expenditure has been included in the Statement of Comprehensive Income.

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

Notes to the Financial Statements (continued)

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

Capital grant funding

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

Fee income

Income from tuition fees is stated gross of any expenditure, which is not a discount and is recognised in the period for which it is received.

Investment income

All income from short-term deposits is credited to the statement of comprehensive income in the period in which it is earned on a receivable basis.

Accounting for post-employment benefits

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

Teachers Pension Scheme

The Teachers Pension Scheme (TPS) is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of valuations using a prospective benefit method. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution plan and the contributions recognised as an expense in the income statement in the periods during which services are rendered by employees.

South Yorkshire Local Government Pension Scheme (LGPS)

The LGPS is a funded scheme. The assets of the LGPS are measured using closing fair values. LGPS liabilities are measured using the projected unit credit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements, and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Comprehensive Income and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in interest and other finance costs.

Notes to the Financial Statements (continued)

Actuarial gains and losses are recognised immediately in actuarial gains and losses in Other Comprehensive Income.

Short-term Employment benefits

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

Enhanced Pensions

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

Non-current Assets - Tangible fixed assets

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

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

Land and buildings

Land and buildings acquired since incorporation are included in the balance sheet at cost or deemed cost on transition. Freehold land is not depreciated as it is considered to have an infinite useful life. Freehold buildings are depreciated over their expected useful economic life to the College of between 10, 20 and 50 years.

Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred income account within creditors and are released to the income and expenditure account when the performance conditions specified within the capital grant are met.

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.

Assets under construction

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs incurred to 31 July 2023. They are not depreciated until they are brought into use.

Subsequent expenditure on existing fixed assets

Where significant expenditure is incurred on tangible fixed assets after initial purchase it is charged to income in the period it is incurred, unless it increases the future benefits to the College, in which case it is capitalised and depreciated on the relevant basis.

Notes to the Financial Statements (continued)

Equipment

Equipment costing less than £1,000 per individual item (£150 in respect of electrical equipment) is recognised as expenditure in the period of acquisition. All other equipment is capitalised at cost. Equipment inherited from the local education authority is included in the balance sheet at valuation.

Inherited equipment is depreciated on a straight-line basis over its remaining useful economic life to the College of between one and ten years. All other capitalised equipment is depreciated on a straight-line basis over its remaining useful economic life as follows:

- Motor vehicles and general equipment 3 years
- Computer equipment 3 years
- Furniture and Fittings 5 to 20 years

Software costing more than £10,000 is capitalised at cost and depreciated on a straight-line basis over its useful economic life between three and seven years.

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

Borrowing costs

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

Leased assets

Costs in respect of operating leases are charged on a straight-line basis over the lease term to the Statement of Comprehensive Income. Leasing agreements, which transfer to the College substantially all the benefits and risks of ownership of an asset are treated as finance leases.

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

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

Investments

Investments in subsidiaries

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

Inventories

Inventories are stated at the lower of their cost and net realisable value, being selling price less costs to complete and sell. Where necessary, provision is made for obsolete, slow-moving, and defective items.

Notes to the Financial Statements (continued)

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All loans, investments and short-term deposits held by the Group are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost; however, the Group has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated on the balance sheet at historical cost. Loans and investments that are payable or receivable within one year are not discounted.

Taxation

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

The College is partially exempt in respect of Value Added Tax, so that it can only recover circa 2% of the VAT charged on its inputs. All VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature, with any partial recovery netted off against these figures.

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

Provisions and contingent liabilities

Provisions are recognised when

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

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

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

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

Notes to the Financial Statements (continued)

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. An investment qualifies as a cash equivalent when it has maturity of 3 months or less from the date of acquisition.

Key accounting judgements and estimates

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

Impairment

Determine whether there are indicators of impairment of the group's tangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

The college undertakes an annual review for impairment indicators, and where indicators are identified then judgment is applied in determining whether an impairment is required. There has been no impairment for the year ending 31 July 2023.

Other key sources of estimation uncertainty

Cost of remedial works

The cost of remedial works required to the Old Mill Lane building are included in the accounts of Barnsley College Development Company Limited and hence the Group. The cost of the work required is uncertain however a provision has been made based on the directors' best estimate of the costs expected to be incurred, which includes assessments made by third party experts. The provision at 31 July 2023 was £866k (2021/22: £923k).

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 2019 has been used by the actuary in valuing the pensions liability at 31 July 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Notes to the Financial Statements (continued)

2 Funding body grants	Year ended 31 July 2023		Year ended 31 July 2022	
	Group £'000	College £'000	Group £'000	College £'000
Recurrent grants				
Education and Skills Funding Agency - adult	3,405	3,405	3,008	3,011
Education and Skills Funding Agency - 16-18	28,858	28,858	27,245	27,245
Education and Skills Funding Agency - 14-16	207	207	214	214
Education and Skills Funding Agency - apprenticeships	4,552	3,929	4,566	4,146
Office for Students	139	139	144	144
Specific grants				
Teacher Pension Scheme contribution grant	833	833	693	693
Release of capital grants	1,845	1,845	1,582	1,582
Total	39,839	39,216	37,452	37,035

3 Grant and fee income	Year ended 31 July 2023		Year ended 31 July 2022	
	Group £'000	College £'000	Group £'000	College £'000
Grant and fee income				
Grant and fee income from the Office for Students	139	139	144	144
Fee income for taught awards (exclusive of VAT)	1,776	1,776	1,676	1,676
Fee income for non-qualifying courses	481	387	465	381
Total	2,396	2,302	2,285	2,201

4 Tuition fees and education contracts	Year ended 31 July 2023		Year ended 31 July 2022	
	Group £'000	College £'000	Group £'000	College £'000
Adult education fees	243	243	239	239
Apprenticeship fees and contracts	50	28	50	29
Fees for FE loan supported courses	481	387	461	380
Fees for HE loan supported courses	1,776	1,776	1,676	1,676
Total tuition fees	2,550	2,434	2,426	2,324
Education contracts	5,201	4,925	3,345	2,879
Total	7,751	7,359	5,771	5,203

Notes to the Financial Statements (continued)

5 Other income	Year ended 31 July		Year ended 31 July	
	2023 Group	2023 College	2022 Group	2022 College
	£'000	£'000	£'000	£'000
Catering and residences	1,218	1,218	821	821
Other income generating activities	332	278	344	285
Farming activities	103	103	25	25
Miscellaneous income	418	418	461	461
Total	2,071	2,017	1,651	1,592

6 Investment income	Year ended 31 July		Year ended 31 July	
	2023 Group	2023 College	2022 Group	2022 College
	£'000	£'000	£'000	£'000
Other interest receivable	141	141	13	13
Total	141	141	13	13

7 Staff costs

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

	2023 Group	2023 College	2022 Group	2022 College
	No.	No.	No.	No.
Teaching staff	351	338	348	336
Non-teaching staff	477	464	524	515
	828	802	872	851

Staff costs for the above persons

	2023 Group	2023 College	2022 Group	2022 College
	£'000	£'000	£'000	£'000
Wages and salaries	21,311	20,846	20,530	19,906
Social security costs	1,932	1,859	1,849	1,787
Other pension costs	4,148	4,112	5,432	5,395
Total staff costs	27,391	26,817	27,811	27,088

Notes to the Financial Statements (continued)

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the College. They encompass the Executive who through their weekly meetings direct the strategic direction of the College. The key management personnel are listed on page 3.

Staff costs include compensation paid to key management personnel for loss of office.

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

	2023	2022
	No.	No.
The number of key management personnel including the Accounting Officer was:	8	8

The 2023 key management personnel counts staff leaving and joining the organisation. The number of key management personnel posts is 8 (2021/22: 8).

The number of key management personnel and other staff who received annual emoluments over £60,000, excluding pension contributions and employer's national insurance but including benefits in kind, in the following ranges was:

	Key management personnel		Other staff	
	2023	2022	2023	2022
	No.	No.	No.	No.
£15,001 to £20,000 p.a.	-	-	-	-
£20,001 to £25,000 p.a.	-	-	-	-
£35,001 to £40,000 p.a.	1	-	-	-
£60,001 to £65,000 p.a.	-	-	8	6
£65,001 to £70,000 p.a.	-	-	3	-
£70,001 to £75,000 p.a.	1	-	-	-
£75,001 to £80,000 p.a.	-	-	-	-
£80,001 to £85,000 p.a.	-	-	-	-
£85,001 to £90,000 p.a.	2	2	-	-
£90,001 to £95,000 p.a.	1	1	-	-
£95,001 to £100,000 p.a.	2	2	-	-
£100,001 to £105,000 p.a.	-	2	-	-
£160,001 to £165,000 p.a.	1	-	-	-
£175,001 to £180,000 p.a.	-	1	-	-
	8	8	11	6

The values below the £60,000 banding are pro-rata values for staff that left in year.

Notes to the Financial Statements (continued)

The number of staff with a full time equivalent basic salary over £100k is included in the table below.

Basic pay only	Number of staff	
	2023	2022
	No.	No.
£160,001 to £165,000 p.a.	1	1
	<u>1</u>	<u>1</u>

The number of staff with a full time equivalent total emoluments over £100k is included in the table below. The bandings do not include employer's national insurance costs.

Total emoluments	Number of staff	
	2023	2022
	No.	No.
£100,001 to £105,000 p.a.	-	2
£160,001 to £165,000 p.a.	1	-
£175,001 to £180,000 p.a.	-	1
	<u>1</u>	<u>3</u>

The salary is determined at the July year-end. This does not include staff who joined or left during the year.

Key management personnel emoluments are made up as follows:

	2023	2022
	£'000	£'000
Salaries – gross of salary sacrifice and waived emoluments	732	849
Employers National Insurance	94	111
	<u>826</u>	<u>960</u>
Pension contributions	138	141
Total emoluments	<u>964</u>	<u>1,101</u>

The above compensation includes amounts paid to the Principal and Chief Executive who is the Accounting Officer.

Their pay and remuneration is as follow:

	2023	2022
	£'000	£'000
Salaries – gross of salary sacrifice and waived emoluments	165	178
Employers National Insurance	22	24
	<u>187</u>	<u>202</u>
Pension contributions	39	38
Total emoluments	<u>226</u>	<u>240</u>

Notes to the Financial Statements (continued)

The Vice Principal Funding, Performance and Data left the College employment on 31 December 2022. The postholder was retained on a consultancy basis until February 2023 to ensure smooth transition. The consultancy day rate was equivalent to the employed cost. The total consultancy paid during the year was £6k.

Relationship of Principal/Chief Executive pay, and remuneration expressed as a multiple

	2023	2022
	£'000	£'000
Principal's basic salary as a multiple of the median of all staff	6.4	6.8
Principal and CEO's total remuneration as a multiple of the median of all staff	7.8	9.0

The above excludes agency costs.

Compensation for loss of office paid to former key management personnel

The members of the Corporation other than the Accounting Officer did not receive any payment from the institution other than the reimbursement of travel and subsistence expenses incurred in the course of their duties. There was no compensation or loss of office paid to key management personnel.

8 Other operating expenses

	2023	2023	2022	2022
	Group	College	Group	College
	£'000	£'000	£'000	£'000
Teaching costs	4,678	4,578	3,821	3,984
Non-teaching costs	7,489	7,269	6,612	6,250
Premises costs	3,017	2,985	2,441	2,296
Total	15,184	14,832	12,874	12,530

Other operating expenses include:

	2023	2022
	£'000	£'000
Auditors' remuneration:		
Internal audit	41	44
Financial statements audit – college and group	53	51
Financial statements audit - subsidiaries	13	21
Other services provided by the financial statements' auditor -	4	-
taxation compliance	8	10
taxation advisory	-	4
other assurance services	4	-
Hire of assets under operating leases	131	74

All fees are exclusive of VAT

Notes to the Financial Statements (continued)

9 Interest and other finance costs

Group	2023	2022
	£'000	£'000
On bank loans, overdrafts and other loans	804	787
On finance leases	71	10
Net interest on defined pension liability (note 24)	137	438
Total	1,012	1,235

College	2023	2022
	£'000	£'000
On bank loans, overdrafts and other loans	804	787
On finance leases	71	10
Net interest on defined pension liability (note 24)	141	432
Total	1,016	1,229

10 Taxation

Group	2023	2022
	£'000	£'000
Prior period tax charge	-	-
Total	-	-

College	2023	2022
	£'000	£'000
Prior period tax charge	-	-
Total	-	-

Notes to the Financial Statements (continued)

11 Fixed Assets

Group	Freehold Land and buildings	Assets under construction	Equipment	Furniture and fittings	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 August 2022	102,120	136	5,614	11,519	119,389
Additions	2,867	1,747	2,032	821	7,467
Transfers	124	(124)	-	-	-
Disposals	(2,595)	-	(1,494)	(140)	(4,229)
At 31 July 2023	102,516	1,759	6,152	12,200	122,627
Depreciation					
At 1 August 2022	19,241	-	3,843	6,520	29,604
Charge for the year	2,712	-	1,123	1,193	5,028
Elimination in respect of disposals	(2,595)	-	(1,494)	(140)	(4,229)
At 31 July 2023	19,358	-	3,472	7,573	30,403
Net book value at 31 July 2023	83,158	1,759	2,680	4,627	92,224
Net book value at 31 July 2022	82,879	136	1,771	4,999	89,785

College	Freehold Land and buildings	Assets under construction	Equipment	Furniture and fittings	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 August 2022	102,174	136	5,616	11,489	119,415
Additions	2,868	1,747	2,010	843	7,468
Transfers	124	(124)	-	-	-
Disposals	(2,595)	-	(1,478)	(132)	(4,205)
At 31 July 2023	102,571	1,759	6,148	12,200	122,678
Depreciation					
At 1 August 2022	19,241	-	3,832	6,504	29,577
Charge for the year	2,712	-	1,114	1,201	5,027
Elimination in respect of disposals	(2,595)	-	(1,478)	(132)	(4,205)
At 31 July 2023	19,358	-	3,468	7,573	30,399
Net book value at 31 July 2023	83,213	1,759	2,680	4,627	92,279
Net book value at 31 July 2022	82,933	136	1,784	4,985	89,838

Notes to the Financial Statements (continued)

At 1 August 2014, two buildings were revalued as part of the FRS 102 transition. The buildings included within fixed assets were revalued at £9.2m. Building valuations were carried out by a RICS surveyor and are based on depreciated replacement cost.

If inherited land and buildings had not been revalued before being deemed as cost on transition, they would have been included at the following historical cost amounts:

	£'000
Cost	7,276
Aggregate depreciation based on cost	4,152
Net book value based on cost	3,124

Land and buildings includes land valued at £1.8m that is not depreciated.

The net book value of equipment includes an amount of £652k (2021/22 – £49k) in respect of assets held under finance leases. The depreciation charge on these assets for the year was £163k (2021/22 – £74k).

The disposals in year were because of the college's routine fixed asset audit.

12 Non-current investments

	College 2023	College 2022
	£	£
Investments in subsidiary companies	101	101
Total	101	101

The College owns 100 per cent of the issued ordinary £1 shares of Barnsley College Development Company Limited, a company incorporated in England and Wales. The principal business of Barnsley College Development Company Limited is property development.

The College owns 100 per cent of the issued ordinary £1 shares of Think Barnsley, a company incorporated in England and Wales. The principal business of the company is to provide employment opportunities for apprentices.

The College appoints the Trustees of the charity Independent Training Services Limited (ITS), a limited company by guarantee and incorporated in England and Wales and is therefore considered to exercise control. ITS owns 100 per cent of the issued ordinary shares of Smartstyle Technology Training Limited. The principal business of Independent Training Services Limited and Smartstyle Technology Training Limited is educational training.

Notes to the Financial Statements (continued)

13 Trade and other receivables

	Group	College	Group	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade receivables	974	471	1,262	903
Prepayments and accrued income	2,321	1,896	1,766	1,376
Other debtors	130	130	388	316
Amounts due from subsidiaries	-	-	-	77
Amounts owed by the ESFA	13	13	368	361
Total	<u>3,438</u>	<u>2,510</u>	<u>3,784</u>	<u>3,033</u>

14 Creditors: amounts falling due within one year

	Group	College	Group	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	1,279	1,279	1,245	1,245
Obligations under finance leases	101	101	63	63
Trade payables	3,092	3,005	2,258	1,743
Amounts owed to subsidiaries	-	43	-	245
Other taxation and social security	468	470	455	471
Accruals and deferred income	4,258	4,233	3,960	3,896
Deferred income – government capital grants	2,693	2,693	549	549
Amounts owed to the ESFA	372	372	562	562
Total	<u>12,263</u>	<u>12,196</u>	<u>9,092</u>	<u>8,774</u>

15 Creditors: amounts falling due after one year

	Group	College	Group	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Bank loans	12,630	12,630	13,909	13,909
Obligations under finance leases	461	461	-	-
Deferred income – government capital grants	65	65	65	65
Total	<u>13,156</u>	<u>13,156</u>	<u>13,974</u>	<u>13,974</u>

Notes to the Financial Statements (continued)

16 Maturity of debt

(a) Bank loans and overdrafts

Bank loans and overdrafts are repayable as follows:

	Group	College	Group	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
In one year or less	1,279	1,279	1,245	1,245
Between one and two years	1,315	1,315	1,279	1,279
Between two and five years	4,123	4,123	4,066	4,066
In five years or more	7,192	7,192	8,564	8,564
Total	13,909	13,909	15,154	15,154

The College has loans with Barclays Bank and Santander. The balance of the Barclays loan at 31 July 2023 was £3,441k. The full amount of the initial loan was £9,000k of which £8,474k attracted interest at a fixed rate of 6.27% per annum and the balance of £576k attracted interest at a floating rate of 1.8% above the bank's base rate. The £9,000k loan is repayable by instalments ending June 2028 and is secured by fixed charges on certain freehold buildings. Following the approval of new debt to finance a new Sixth Form College Barclays Bank increased their margin to 1.8% until July 2016 1.9% until July 2018 and 2.0% thereafter.

The Santander loans are all unsecured, of which three are fixed and one is a variable rate loan. One fixed rate loan was for an initial amount of £3,128k. At the year-end, there was £2,176k outstanding on this loan at 4.46% until 2029. A further loan of £7,335k was acquired in May 2016, which converted to a fixed and variable loan. At the year-end, the balances of the loans were £2,551k on a further fixed term loan at a fixed interest rate of 4.81% until 2029 and £2,562k on a variable loan of at 1.80% above LIBOR until 2029. A loan with Santander for £4,440k is fixed at 4.82%. The balance of this loan at 31 July 2023 was £3,179k.

All the loans are subject to covenants, all of which have been met for the financial year ended 31 July 2023.

(b) Finance leases

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

	Group	College	Group	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
In one year or less	101	101	63	63
Between one and two years	126	126	-	-
Between two and five years	306	306	-	-
In five or more years	29	29	-	-
Total	562	562	63	63

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

Financial instruments are all basic under the definitions in FRS102.

Notes to the Financial Statements (continued)

17 Provision for liabilities and charges

	Defined benefit obligations	Enhanced pensions	Other	Total
	£'000	£'000	£'000	£'000
At 1 August 2022	2,046	1,826	924	4,796
Impact of changes in assumptions	(10,802)	(155)	-	(10,957)
Expenditure in the period	(1,472)	(148)	(58)	(1,678)
Current Service Cost	2,000	-	-	2,000
Interest Cost	77	60	-	137
Restriction of actuarial surplus	8,151			8,151
At 31 July 2023	-	1,583	866	2,449

Defined benefit obligations relate to the liabilities under the College's membership of the Local Government Pension Scheme. Further details are given in note 24.

The enhanced pension provision relates to the cost of staff who have already left the College's employ and commitments for reorganisation costs from which the College cannot reasonably withdraw at the balance sheet date. This provision has been recalculated in accordance with guidance issued by the funding bodies.

The principal assumptions for this calculation are:

	2023	2022
Price inflation	3.00%	2.80%
Discount rate	5.05%	3.50%

Other provisions relate to provisions held by Barnsley College Development Company Limited. It represents an estimate of the cost to the company in fulfilling its obligations under its design and build contract with the College. The extent of future works is to be determined and in the current climate, it is expected the works will not be undertaken within the next year.

Notes to the Financial Statements (continued)

18 Cash and cash equivalents

	At 1 August 2022	Cash flows	Other changes	At 31 July 2023
	£'000	£'000	£'000	£'000
Cash and cash equivalents	9,756	1,753	-	11,509
Total	9,756	1,753	-	11,509

19 Analysis of net debt

	At 1 August 2022	Cash flows	Other changes	At 31 July 2023
	£'000	£'000	£'000	£'000
Cash and cash equivalents	9,756	1,753	-	11,509
Bank loans due within one year	(1,245)	(34)	-	(1,279)
Bank loans due greater than one year	(13,909)	1,279	-	(12,630)
Finance lease obligations	(63)	153	(652)	(562)
Total	(5,461)	3,151	(652)	(2,962)

20 Capital and other commitments

	Group and College	
	2023	2022
	£'000	£'000
Commitments contracted for at 31 July	1,367	3,483

21 Post Balance Sheet Event

There are no post balance sheet events to disclose.

Notes to the Financial Statements (continued)

22 Lease obligations

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

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Future minimum lease payments due				
Land and buildings				
Not later than one year	161	146	80	50
Later than one year and not later than five	135	135	54	54
Later than five years	982	982	996	996
	<u>1,278</u>	<u>1,263</u>	<u>1,130</u>	<u>1,100</u>
Other				
Not later than one year	2	2	2	1
Later than one year and not later than five	-	-	-	-
Later than five years	-	-	-	-
	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>
Total lease payments due	<u>1,172</u>	<u>1,142</u>	<u>1,132</u>	<u>1,101</u>

23 Financial assets and liabilities

	2023 £'000	2022 £'000
Financial assets measured at amortised cost	13,989	12,602
Financial liabilities measured at amortised cost	20,979	20,782

Financial assets and liabilities reflect contractual obligations to and from the College that will be settled in cash.

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, other creditors and accruals.

Notes to the Financial Statements (continued)

24 Defined benefit obligations

The College's employees belong to two principal post-employment benefit plans: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by South Yorkshire Pension Fund (SYPF). Both are multi-employer defined-benefit plans.

Total pension cost for the year	2023	2022
	£000	£000
Teachers' Pension Scheme: contributions paid	2,211	3,052
Local Government Pension Scheme:		
Contributions paid	1,988	1,898
FRS 102 (28) charge	528	2,004
Charge to the Statement of Comprehensive	2,516	3,902
Enhanced pension charge to Statement of	(243)	(365)
Comprehensive Income		
Total Pension Cost for year within staff costs	4,484	3,537

Contributions amounting to £439k (2021/22 £409k) were payable to the schemes at 31 July and are included within creditors.

Teachers' Pension Scheme

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

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

Under the definition set out in FRS102 (28.11) the TPS is a multi-employer pension plan. The College is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the College has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contributions plan. The College has set out above the information available on the plan and the implications for the College in terms of the anticipated contribution rates.

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

Notes to the Financial Statements (continued)

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

As a result of the valuation, new employer contribution rates will rise to 28.68% from April 2024 (compared to 23.68% during 2018/19). DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs until March 2025.

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

The pension costs paid to TPS in the year amounted to £2,211k (2021/22: £3,052k).

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by SYPF.

Unless disclosed separately the information in this note covers the college group.

The total contributions made for the year ended 31 July 2023 were £1,988,000, of which employer's contributions totalled £1,472,000 and employees' contributions totalled £516,000. The agreed contribution rates for future years 14.8% to March 2023, and expected to be 18.6% to March 2024, 20.1% to March 2025 and 21.6% to March 2026. For employers and range from 5.5% to 12.9% for employees, depending on salary.

Principal Actuarial Assumptions

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

College	At 31 July 2023	At 31 July 2022
Rate of increase in salaries	3.60%	2.8%
Future pensions increases	3.00%	3.1%
Discount rate for scheme liabilities	5.05%	3.5%
Inflation assumption (CPI)	3.00%	3.1%
Commutations of pensions to lump sum	50%	50%
ITS		
Rate of increase in salaries	3.60%	2.8%
Future pensions increases	3.00%	3.1%
Discount rate for scheme liabilities	5.05%	3.5%
Inflation assumption (CPI)	3.00%	3.2%
Commutations of pensions to lump sum	50%	50%

Notes to the Financial Statements (continued)

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

	Group	College	Group	College
	At 31 July	At 31 July	At 31 July	At 31 July
	2023	2023	2022	2022
	years	years	years	years
<i>Retiring today</i>				
Males	20.6	20.6	21.3	21.3
Females	23.6	23.6	24.3	24.3
<i>Retiring in 20 years</i>				
Males	21.4	21.4	21.8	21.8
Females	25.0	25.0	25.3	25.3

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

	Group	College	Group	College
	Fair Value	Fair Value	Fair Value	Fair Value
	at 31 July	at 31 July	at 31 July	at 31 July
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Equity instruments	45,176	43,671	43,487	42,000
Debt instruments	14,404	13,924	14,069	13,588
Property	5,238	5,063	5,756	5,559
Cash	655	633	640	618
Other	-	-	-	-
Total fair value of plan assets	65,473	63,291	63,952	61,765
Weighted average expected long term rate of return as 31 July	1.7%		2.7%	
Actual return on plan assets	1,526		2,334	

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

	Group	College	Group	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Fair value of plan assets	65,473	63,291	63,952	61,765
Present value of plan liabilities	(57,211)	(55,450)	(65,887)	(63,811)
Restriction of surplus	(8,262)	(7,841)	(111)	-
Net pensions liability	-	-	(2,046)	(2,046)

Notes to the Financial Statements (continued)

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

	Group 2023	College 2023	Group 2022	College 2022
	£'000	£'000	£'000	£'000
Amounts included in staff costs				
Current service cost	2,000	1,978	3,445	3,420
Administration expenses	-	-	-	-
Total	2,000	1,978	3,445	3,420

Amounts included in investment income

	Group 2023	College 2023	Group 2022	College 2022
	£'000	£'000	£'000	£'000
Net interest cost	77	81	403	397
Total	77	81	403	397

Amount recognised in Other Comprehensive Income

	Group 2023	College 2023	Group 2022	College 2022
	£'000	£'000	£'000	£'000
Changes in assumptions underlying the present value of plan liabilities	10,802	10,494	24,653	24,210
Restriction of surplus	(8,151)	(7,841)	(111)	-
Amount recognised in Other Comprehensive Income	2,651	2,653	24,542	24,210

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

	Group 2023	College 2023	Group 2022	College 2022
	£'000	£'000	£'000	£'000
Net defined benefit liability in scheme at 1 August	(2,046)	(2,046)	(24,177)	(23,855)
Movement in year:				
Current service cost	(2,000)	(1,978)	(3,445)	(3,420)
Administration expenses	-	-	-	-
Employer contributions	1,472	1,452	1,437	1,416
Net interest on the defined liability	(77)	(81)	(403)	(397)
Actuarial gain or loss	10,802	10,494	24,653	24,210
Restriction of surplus	(8,151)	(7,841)	(111)	-
Net defined liability at 31 July	-	-	(2,046)	(2,046)

Notes to the Financial Statements (continued)

Asset and Liability Reconciliation

Changes in the present value of defined benefit obligations	Group 2023	College 2023	Group 2022	College 2022
	£'000	£'000	£'000	£'000
Defined benefit obligations at start of period	65,887	63,811	85,795	83,295
Current service cost	2,000	1,978	3,445	3,420
Interest cost	2,332	2,251	1,393	1,353
Contributions by Scheme participants	516	510	515	509
Experience gain	10,985	10,718	386	374
Changes in financial assumptions	(23,022)	(22,413)	(24,332)	(23,902)
Estimated benefits paid	(1,477)	(1,405)	(1,315)	(1,238)
Defined benefit obligations at end of period	57,211	55,450	65,887	63,811

	Group 2023	College 2023	Group 2022	College 2022
	£'000	£'000	£'000	£'000
Fair value of plan assets at start of period	63,952	61,765	61,618	59,440
Interest on plan assets	4,342	4,190	990	956
Return on plan assets	(3,332)	(3,221)	707	682
Employer contributions	1,472	1,452	1,436	1,415
Contributions by Scheme participants	516	510	515	509
Estimated benefits paid	(1,477)	(1,405)	(1,314)	(1,237)
Administration expenses	-	-	-	-
Fair value of plan assets at end of period	65,473	63,291	63,952	61,765

Notes to the Financial Statements (continued)

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme obligations are set out below:

Change in assumptions at 31 July 2023:	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	1,208
1 year increase in member life expectancy	4%	2,218
0.1% increase in the Salary Increase Rate	0%	94
0.1% increase in the Pension Increase Rate (CPI)	2%	1,137

Guaranteed Minimum Pension

Defined benefit pension schemes will be affected by the ultimate resolution of the equalisation of benefits for men and women in relation to Guaranteed Minimum Pension (GMP) provisions. The 2018 Lloyds Bank court judgement provided clarity in this area. A further High Court ruling in 2020 extended GMP equalisation costs to historic transfers, potentially creating a further liability for pension schemes. The LGPS has allowed for the impact of full GMP indexation in the calculation of the latest funding valuation results in respect of the 2018 ruling. The actuaries believe the 2020 ruling is unlikely to have a significant impact, so they have not made any allowance for this in their calculations.

Transitional Protection Arrangements (McCloud)

Following the loss of a court case (the McCloud judgement) which found that transitional protections put in place when two public sector pension schemes were reformed were age discriminatory, the government committed in July 2019 to seeking a remedy across all public sector schemes. The key feature of the proposed remedy was to extend the final salary scheme underpin to a wider group of members for service up to 31 March 2022. The College's pension liabilities in respect of the South Yorkshire Pension Fund have increased due to this. The fund actuary has included an allowance that is substantially in line with the judgement and the effect of any minor proposed changes will have an estimated liability of nil. The schemes actuaries have rolled forward the previous allowance and no additional adjustment has been made for the current year.

Widower Benefits (Goodwin)

Following a recent Employment Tribunal ruling that a female member in an opposite sex marriage is treated less favourably than a female in a same sex marriage or civil partnership, and that treatment amounts to direct discrimination on the grounds of sexual orientation, the government announced in July 2020 that it believed changes would be required to all public sector schemes with similar arrangements. For the College, this will increase the liability in respect of the South Yorkshire Pension Fund, but no allowance has been made in the accounting figures as it is expected that the impact on the liabilities will be immaterial (circa 0.1-0.2% of the obligations) and there is currently insufficient data available to estimate a cost

Notes to the Financial Statements (continued)

25 Related party transactions

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

Summary of transactions with organisations connected to members of the Board of Governors

Related Party	Related party at the College	Transactions during the year	Income Related	Expenditure Related	Debtor Balance at 31 July 2023	Creditor Balance at 31 July 2023	Nature of Goods or Services purchased by the other party	Nature of Goods or Services purchased by the College
Barnsley & Rotherham Chamber of Commerce	Principal	£7,980	£863	£4,524	£0	£0	Hospitality	Membership fees and Events
Barnsley Civic	Governor	£12,593	£267	£12,326	£144	£0	Ticket Commission	Room Hire and Performance Tickets
Barnsley MBC	Governor	£1,698,812	£1,444,597	£254,215	£192,034	£183,331	Element 3 Funding and 14-16 contributions	Rent & Rates, Employer Incentive Payments
Barnsley Museum and Heritage Trust	Governor	£5,101	£0	£5,101	£0	£0	n/a	Partnership Agreement and Room Hire
iTrust Barnsley CIC	Principal	£750	£0	£750	£0	£0	n/a	Grant Payments
Leeds Trinity University	Governor	£120,447	£1,095	£119,352	£0	£117,000	FE Tuition Fees	HE Validation Fees
NOCN	Governor	£51,389	£0	£51,389	£0	£5,783	n/a	Exam Fees
Sheffield City Region Providers Network	Principal	£76,200	£0	£76,200	£0	£0	n/a	Collaborative Projects
Sheffield Hallam University	Governor	£80,863	£0	£80,863	£0	£0	n/a	HE Validation Fees and Collaborative Projects
SHI Corporation UK Ltd	Governor	£37,854	£1,500	£36,354	£1,364	£0	Sponsorship	IT Hardware
South Yorkshire Pensions Authority	Governor	£3,571	£0	£3,571	£0	£120	n/a	Actuarial Valuation and Recharged Pensions
Wellspring Academy Trust	Principal	£375	£375	£0	£375	£0	FE Tuition Fees	n/a

Notes to the Financial Statements (continued)

ITrust Barnsley Ltd is a joint venture between Barnsley College and The Barnsley Chronicle.

The total expenses paid to or on behalf of the governors during the year was £1,019 (2021/22: £1,059). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending governor meetings and charity events in their official capacity. There were transactions with group companies in the year during normal course of business; this was in relation to the administration of energy contract with BCDC.

The value of expenditure with BCDC was £1,028k and the amount due on 31 July to BCDC was £436k.

No governor has received any remuneration or waived payments from the College or its subsidiaries during the year (2021/22: Nil).

26 Amounts disbursed as agent - Learner support funds (Group)

	2023	2022
	£'000	£'000
16-18 bursary grants	1,828	1,629
Other Funding body grants	127	285
	<u>1,955</u>	<u>1,914</u>
Disbursed to students	(1,511)	(1,235)
Administration costs	(72)	(60)
	<u>372</u>	<u>619</u>
Balance unspent as at 31 July, included in creditors	<u>372</u>	<u>619</u>

Funding body grants are available solely for students. In the majority of instances, the college only acts as a paying agent. In these circumstances, the grants and related disbursements are therefore excluded from the Statement of Comprehensive Income.



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