

The Windsor Forest Colleges Group
Annual Report and Financial Statements
Year ended 31 July 2024

The Windsor Forest Colleges Group

Contents

Reference and administrative details	3
Strategic Report	5
Statement of Corporate Governance and Internal Control	18
Statement of Regularity, Propriety and Compliance	29
Statement of Responsibilities of the Members of the Corporation	30
Independent Auditor's Report on the Financial Statements	32
Independent Reporting Accountant's Report on Regularity	36
Statement of Comprehensive Income and Expenditure	38
Statement of Changes in Reserves	39
Balance Sheets	40
Statement of Cash Flows	42
Notes to the Financial Statements	43

The Windsor Forest Colleges Group

Reference and Administrative Details

Board of Governors

Ms A Wellings	Ms G May
Mr R Lewis	Ms T Coates
Mr A Haines	Mr K Virdee
Mr N Garat	Mr P Britton
Ms S Foley	Ms A Wheatley
Ms J Croft	Ms L Fellows
Ms S Sutherland	Mr I Thomson
Ms J Robertson	Mr J Clay
Ms A Spinks	

Group Director of Governance & Company Secretary

Ms T Reeve

Senior Management Team

Gillian May	Group Principal and Chief Executive Officer
Richard Munday	Deputy Chief Executive Officer (to 30 June 2024)
Lucy Gill	Group Finance Director (1 July 2024)
Amanda Down	Principal, Sixth Form
Anne Entwistle	Principal, Further Education
Jessica Berry	Vice Principal, Further Education (to 18 February 2024)
Karen Griffiths	Group Vice Principal (1 March 2024)
Tracy Reeve	Group Director of Governance

Principal and Registered Office

Slough and Langley College
Station Road
Langley
Berkshire
SL3 8BY

Professional advisors

External auditors

MHA
6th Floor,
2 London Wall Place
London
EC2Y 5AU

Solicitors

Field Seymour Parkes LLP,
1 London Street,
Reading,
RG1 4NP

Bankers

Santander UK PLC,
Bridle Road,
Bootle,
Merseyside,
L30 4GN

The Windsor Forest Colleges Group

Strategic report

OBJECTIVES AND STRATEGY

The Governing Body present their annual report together with the financial statements and auditor's report for The Windsor Forest Colleges Group for the year ended 31 July 2024.

Legal status

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

On 1st August 2022 the Group merged with Berkshire College of Agriculture (BCA). The College Group operates with one dormant subsidiary company BCA Landbase Limited.

Vision, Strategy and Objectives

Our Vision

Our students will be recognised locally & nationally for their positive impact on the communities and industries in which they choose to work.

Our Purpose

To inspire our students to gain the skills, knowledge and behaviours they need to be resilient and thrive in an ever-changing world.

Our Strategic Priorities

The Governors and senior leaders regularly review and appraise performance against five key strategic objectives. Each objective is owned by a Corporation sub-committee and is integrated into the Group risk register.

The key strategic priorities are delineated as follows:

1. **Growth:** With a particular emphasis on 16-19 study programmes, apprenticeships and adult provision.
2. **Finance:** Ensuring at least 'Good' financial health and year-on-year improvement in the point score.
3. **Quality and inclusion** Elevating academic standards and enhancing student outcomes. Augmenting social mobility through improved access to our enhanced provision.
4. **Development of Alliances:** Securing the strategic future of the Group.
5. **Investment in Our People and Group Resources:** Providing inspirational teaching and learning.

Our Strategic Priorities (continued)

In March 2024 the Group was inspected by Ofsted and received a grade of 'Good' in all categories and the highest grade of 'Strong' for the College's contribution to local and regional skills needs.

The Group is well-positioned to achieve a positive EBITDA by FY25, driven by increased funding resulting from significant post-merger growth in learner numbers. These investments in staff and systems lay a strong foundation for enhanced operational efficiency and long-term sustainability.

The strategic decision, post-merger, to harmonise all employee contracts onto the more favourable WFCG terms, demonstrating the Group's commitment to its workforce has resulted in unplanned additional payroll expenditure in 2023-4. Combined with the impact of 284 additional learners in 2023-4 and the associated lagged funding impact with these additional learners and delays to IT merger efficiencies for the removal of duplicate software fees has resulted in a deficit of £3,776,000 (2022-3 £3,802,000 deficit).

The merger has expanded the Group's capacity to respond to government funding priorities and future demands. Successful capital and revenue funding acquisitions have strengthened our regional presence and facilitated new and improved educational provisions, particularly in the Screen Industries and Green Retro Fit Skills, which are widely considered to be world class.

Resources

The College employs 920 people of whom 579 are involved directly in teaching.

In 2023-4 the College enrolled 7,074 students. The College's student population consists of 4,438 16-to-18-year-old students, 730 apprentices, 138 higher education students and 1,768 adult learners.

The College has £54,852,000 (2023: £59,612,000) of net assets including £7,054,000 pension liability (2023: pension liability of £6,793,000) and long-term debt of £660,000 (2023: £895,000).

Tangible resources include the College's three owned freehold properties, Berkshire College of Agriculture, Slough & Langley College, and Windsor College. In addition, the College has a 25-year leasehold for Strode's College, Egham, until 2042 with an option to extend for a further 25 years.

Stakeholders

The College is committed to active engagement with its local communities. We do this in a constructive and mutually beneficial way to improve access to the College, our facilities and resources, to exchange knowledge and skills with others and engage on local issues and community agendas.

Principles of working

- We believe in mutual exchange and dialogue, working actively to consult with local people, schools and colleges, community groups and local authorities.
- We aim to embed community engagement into our planning, people, resources and infrastructure.

Our community stakeholders include:

- Our neighbours, local people who reside near our colleges
- Our local schools, colleges and universities
- Community, voluntary, housing and charitable organisations
- Strode's Foundation (registered charity 312026) and Trustees, The Worshipful Company of Coopers
- Devolved and non-devolved local government and regional bodies including The Thames Valley Chamber of Commerce and the Local Enterprise Partnership
- Newly arrived residents supported through our language integration plans
- Other key stakeholders, for example Windsor Barracks
- Department for Work and Pensions
- Job Centre Plus
- Our local, regional and national employers

We have 5 key objectives:

1. Promoting and supporting education and training
2. Contributing to key civic agendas e.g. Community learning, vaccination centres, crime and safety, community learning
3. Sharing and exchanging knowledge and skills and wellbeing opportunities
4. Opening our physical environment and resources
5. Being good neighbours

Public benefit

In delivering its mission, the College provided identifiable public benefits through the advancement of education to 7,074 students, including 461 students with high needs. The College provides courses without charge to young people, to those who are unemployed and adults taking English and maths courses. The College adjusts its courses to meet the needs of local employers and provided training to 730 apprentices which continues to grow. The College is committed to providing information, advice and guidance to the students it enrolls and to finding suitable courses for as many students as possible regardless of their educational background.

DEVELOPMENT AND PERFORMANCE

Financial Review

The Group made a deficit of £4,760,000. Excluding the LGPS revaluation, the resulting deficit 2023-24 was £3,776,000. This compares to 2022-23, £5,996,000 surplus, £3,802,000 deficit excluding LGPS revaluation.

The Group received 83% of its total income for 2023-4 as grants from funding bodies, (2022-3: 83%) with 78% (2022-3: 78%) coming from the Education and Skills Funding Agency for 16-18 provision.

At the balance sheet date, the Group held net current liabilities of £365,000 (2023: net current assets of £2,543,000) and net assets of £54,852,000 (2023: £59,612,000), which includes a defined benefit pension liability of £ 7,054,000 (2023: £6,793,000).

The net cash out flow from operating activities was £1,613,000 (2023: £153,000 outflow), this resulted from the growth in student numbers and impact of lagged funding, alongside the pressure in pay costs.

Investing activities has resulted in a net cash out flow after grant receipts of £366,000 (2023: £161,000 in flow) and this reflects the College spending £2,519,000 on fixed assets (2023: £2,897,000).

The Group held cash at the end of the year of £4,325,000 (2023 £6,896,000).

The Group continued to make repayments on the inherited DfE loan with the merger with Berkshire college of Agriculture. The total balance outstanding at 31 July 2024 was £880,000 (2023: £1,100,000) and will be repaid over the next 4 years with quarterly capital repayments of £55,000. Interest is charged on the loan at the rates set by the ESFA.

The Group capital plans for the coming financial years are:

- Ongoing IT infrastructure investment £500,000 per year for the next 3 years
- Replacement of category 4 teaching buildings at BCA (known as 'Top Farm Drive') £750,000
- Refurbishment of Alms Houses at Strode's College £95,000
- Refurbishment and repair of the grade 1 listed buildings at BCA following sale of land at Honey Lane, Maidenhead. The current estimated costs for the restoration and repair of the listed assets at BCA are £12,000,000. This will be funded via the sale of 6 acres of land at BCA adjacent to Honey Lane, Maidenhead, Berkshire. Planning permission has been secured for 26 dwellings. The Group exchanged contract for the sale of the land to a developer in November 2024.

The Group has accumulated reserves of £54,852,000 (2023: £59,612,000) and cash and short-term investment balances of £4,325,000 (2023: £6,896,000). The Group accumulates reserves and cash balances to create a contingency fund to meet future capital requirements.

Financial Review (continued)

The Group has one dormant subsidiary company, BCA Landbase Limited.

At 31 July 2024 an impairment review was completed by the Group on the carrying value of the business goodwill. The business goodwill arose on the acquisition of the trade and assets of Arborcare Associates Limited for £39,496 on 1 August 2018. Following the impairment review and in line with the strategic operations of the Group the carrying value of £15,798 was reduced to nil.

FUTURE PROSPECTS

Future developments

The Group is working with industry partners to develop new courses highlighted in the Local Skills Improvement Plan (LSIF) supporting the screen industries. A successful LSIF bid has built a virtual production and editing suite which has resulted in a new and exciting curriculum offer for Windsor College in 2024-25.

New state of the art facilities has attracted Apprentices and employers alike and is gaining national attention. Apprenticeships in film production and content creation are now actively recruiting and offering learners direct access to the film and media industry. Alongside our 16-19 and Apprenticeship programmes the Group has exciting plans for a range of commercial, community and adult courses that support both career changers and upskilling for those already in this field.

The Group is investing in technology with a three-year strategy aimed at meeting the new Department for Education (DfE) standards. This includes upgrading our IT infrastructure to embrace a Cloud First approach and equipping students with industry-standard devices.

The Group's efforts in AI, particularly the launch of the first Private AI in Further Education in October 2023, have made a significant impact on the sector, earning recognition from both the DfE and Pearson.

Financial plan

The Board of Governors approved a financial plan in July 2024. The Group is committed to observing the importance of sector measures and indicators and uses the *FE Choices* data available on the Gov.uk website which looks at measures such as success rates. Windsor Forest Colleges Group is required to complete an annual College Financial Forecasting Return (CFFR) for the ESFA.

Treasury policies and objectives

Treasury Management is the management of the Group's cashflows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks. The Group has a separate Treasury Management Policy in place which includes its banking arrangements. Following the Office for National Statistics (ONS) reclassification of colleges, future borrowing must be authorised by the Department for Education (DfE).

Reserves

The Group has no formal Reserves Policy but recognises the importance of reserves in the financial stability of any organisation and ensures that there are adequate reserves to support the Group's core activities. The Group reserves include £12,420,000 held in revaluation reserve. As at the balance sheet date the Income and Expenditure reserve stands at £42,432,000.

The Income and Expenditure reserve includes Pension Provisions of £7,054,000 (2023: £6,793,000). Windsor Forest Colleges Group reserves include £nil (2023: £nil) held as restricted reserves.

It is the Corporation's intention to begin increasing non-pension related reserves of the life of the strategic plan, with the generation of annual operating surpluses.

PRINCIPAL RISKS AND UNCERTAINTIES

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

A risk register is maintained by the Group which is reviewed at every Audit Committee meeting and Board meeting.

The main risk factors affecting the College Group are outlined below along with the action taken to minimise them:

- Risk 1 - Failure to meet the budget/forecast to reduce the operating deficit results in negative EBITDA and poor financial health. Actions - The board-approved FY25 budget reflects improving financial performance, driven by increased 16-18 ESFA-funded learners, completed leadership restructuring and reduced post-merger costs, with Q1 accounts aligning with budget and strong enrolments supporting future income growth. Adult education income continues to grow, financial health is closely monitored, robust controls ensure accurate reporting,
- Risk 2 - IT failure with loss of data for staff and students associated with the increase in cyber-attacks across FE Sector. Actions - Comprehensive IT protections include firewalls, virus filtering, multi-site backups, limited VPN access, and robust monitoring systems to mitigate cyber threats, alongside annual Cyber Essentials accreditation and adherence to new DfE IT standards. Ongoing risks include delays in IT migration, high-risk legacy phone systems transitioning to TEAMS VoIP by February, and GDPR compliance ensured through staff training and data protection assessments.
- Risk 3- Uncertainty and risks associated with emerging national curriculum reforms. Actions - Curriculum planning continues to prioritise student needs, supported by specialist IAG and confirmed T Level rollout. Employer engagement has been strengthened through curriculum co-design, and Strode's revised offer will expand vocational and Level 2 provision in October 2024, aligned with the updated Accountability Agreement and LSIP.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

- Risk 4 - External safeguarding risk, the risk of radicalisation and extremism and sexual exploitation on campus. Actions - Safeguarding is integral to staff and student training, with regular updates and a comprehensive strategy validated by the Leaders in Safeguarding award and Ofsted confirmation of effectiveness in 2024. Strong external partnerships, continuous action plan updates, specialised training, and IT monitoring ensure robust safeguarding and PREVENT measures across the college group.

KEY PERFORMANCE INDICATORS

The non-financial key performance indicators, targets and results are set out below.

Key performance indicator	Measure/Target	Actual for 2023/4
Student numbers 14-19 Study Programmes	4,290	4,439
Adult Learners (including Higher Education)	1,800	1,945
Student achievement 14-19 Study Programmes	90%	83%
Adult Learners	90%	80%
Staff satisfaction (via survey)	95%	94.2%
Ofsted rating	Good	Good

Student achievements

The College Group continues to deliver strong outcomes across its provisions, maintaining its self-assessment of being a 'Good' provider as confirmed by the Ofsted inspection in March 2024. Skills provision within the Group remains self-assessed as 'Strong,' reflecting its commitment to delivering high-quality, industry-relevant education.

A focus on continuous improvement has driven positive student outcomes, particularly at Slough & Langley College, where achievement rates continue to rise, complementing the consistently strong performance elsewhere in the Group. Across the Group, careful curriculum planning has ensured an offer that is relevant and responsive to the diverse needs of its communities. A new curriculum for Strode's College, planned for the 2025/26 academic year, will further enhance this strategic alignment.

Strode's & Windsor Colleges

The colleges have sustained a 96% A-Level pass rate and improved BTEC outcomes to a 98% pass rate. Achievement rates for 16-18 students on all long courses have improved from 72.5% to 79.5%. GCSE English and maths pass rates remain above average. Students with Learning Difficulties and/or Disabilities (LLDD) achieve outcomes in line with their peers.

Students receive high quality support and satisfaction remains positive.

Students progress to positive destinations including apprenticeships, Higher Education Institutes, and training schemes. Data for 2024 is in line with 2023 with 60% of students progressing to HEIs.

Student achievements (continued)

The focus remains on high-grade achievement, attendance and value-added scores, alongside closing gaps in achievement for specific learner groups and further enhancing student satisfaction.

BCA and Slough & Langley Colleges

Achievement rates at Slough & Langley College continue to improve, while BCA sustains an 89% achievement rate, placing it in the upper quartile nationally. Employer engagement has strengthened skills development and industry readiness, particularly for learners with Education, Health, and Care Plans (EHCPs).

Student satisfaction remains high.

90% of intended destinations are positive. These are currently being verified by an external provider.

The key focus for quality improvement is to increase the attendance for all provision types. To ensure a consistent approach to employer engagement and skills development through the introduction of skills passports and redesigned professional development sessions

Higher Education

Pass rates remain high at 97%. Strong support is provided for students and satisfaction levels with the quality of teaching (96.55%) are significantly above national benchmarks (85.43%). Rigorous academic standards have been sustained resulting in high achievement and good progression.

Priorities include the further development of digital learning platforms across all provisions, the sustained use of high quality and effective assessment methods and the continued growth and development of the provision to include Higher Technical Qualifications.

Adult Education

A flexible and agile adult course offering across the Group is closely tailored to community and employer need and instrumental in supporting healthy growth in adult provision. The Group celebrated particularly strong ESOL pass rates (16-18 at 97%, 19+ at 90%), a growing blended learning provision and close connections with community stakeholders in our outreach programme. Robust progression and personal development processes underpin the success of the adult provision.

Priorities include improving attendance, GCSE English achievement, access to technology for learning, and year-round provision in outreach centres.

Apprenticeships

Growth in learner numbers and retention is evident, with achievement rates exceeding 60% and demonstrating an improving trend for the Group reflected the 'Good' judgement in Ofsted. A strong pipeline reflects the strategic focus of the Group on specific areas such as construction, engineering, motor vehicle, business administration and land-based apprenticeships.

Student achievements (continued)

Priorities include further developing links with key employers and local stakeholders to ensure that course content and delivery remains relevant and responsive to market demand.

Curriculum Development

The Group continues to consolidate and improve its wide range of provisions, establishing itself as one of the largest providers in the region. Our strategic plan is focused on delivering high-quality education and skills that meet the needs of the local and regional communities. In March 2024 the Group was inspected by Ofsted and was awarded a grade of 'Good' in all categories.

The Employer Engagement Strategy has strengthened both strategic and operational relationships with employers, who play a vital role in developing the skills and knowledge of our students. This was highlighted as a strength in the Ofsted Inspection which took place in March 2024 where the College Group was awarded the grade of 'Strong' (the highest grade) for our contribution to meeting local and regional skills.

As a leading provider of Further Education, the Group has successfully delivered a range of educational programmes that align with the community needs. A key priority is preparing students for the next stage of their lives, whether that involves progressing to higher education or entering the workforce.

The College Group recognises that students have greater employment opportunities when they achieve higher levels of study. To support this, progression routes are embedded within programmes of study. Industry Placement is an integral part of all full-time study.

Furthermore, partnerships with organisations such as Jobcentre Plus and Local Authorities have resulted in contract growth, supporting us to become the anchor institution for skills and training in the region. The College Group receives both local and national recognition for supporting people into employment.

The College Group is committed to improving the quality of teaching, learning, and assessment. The impact of this can be seen in 2023/24 in the growth of both fulltime and part time students (305 additional learners in 2023/24) and our Higher Education provision.

Increased opportunities for sharing best practices and resources across the Group have been facilitated, alongside a strong emphasis on continuous professional development. The Group encourages research and 'back to floor' industry placement for staff, this alongside the comprehensive teacher training to ensure that teaching remains relevant and up to date.

Looking ahead, the Corporation approved a new five-year Strategic Plan (2024-2029), which reflects the values identified as important by staff and incorporates extensive consultation on the overall strategy. As of August 1, 2024, the Group restructured its senior leadership team to ensure a consistent approach to the quality of education, leadership, and management.

The strategic plan is designed to support growth, as demonstrated by the successful merger with Berkshire College of Agriculture in August 2022. The introduction of T Levels in the agriculture,

Curriculum Development (continued)

health, digital and business has resulted in an increase in capital equipment purchases that keep the curriculum to industry standards.

The Group delivers 'Multiply' provision in English, maths and digital skills on behalf of Slough Borough Council and The Royal Borough of Windsor & Maidenhead. This provision coupled with the ongoing growth in our community work has enabled the Group to grow the adult provision for the first time in several years.

Payment performance

The Late Payment of Commercial Debts (Interest) Act 1998, in the absence of agreement to the contrary, requires organisations to make payments within 30 days. During the accounting period 1 August 2023 to 31 July 2024, the College Group paid 95 per cent of its invoices within 60 days and the average credit days taken was 40 days. The Group incurred no interest charges in respect of late payment for this period.

Trade union facility time

The College Group employs 920 people, of whom 579 are teaching staff.

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

Numbers of employees who were TU representatives in relevant period (to 31 st March 2023)	FTE employee number
6	4.88

Percentage of time	Number of employees
0%	0
1-50%	6
51-99%	0
100%	0

Total cost of facility time	£12,539
Total pay bill	£23,914,246
Percentage of total bill spent on facility time	0.05%

Time spent on paid trade union activities as a percentage of total paid facility time	100%
---	------

EQUALITY AND DIVERSITY

Gender pay gap reporting

The College Group is committed to equality and diversity and employs people according to the requirements of the roles, not according to gender.

The gender pay gap shows the percentage difference between the average salaries of women and men across the entire workforces, irrespective of role. It should be noted that the gender pay gap is different from Equal Pay which measures whether there is a difference in what a man and a woman in specific equivalent roles are paid.

	Year ending 31 March 2023
Mean gender pay gap	7.43%
Median gender pay gap	14.4%
Mean bonus gender pay gap	0%
Median gender bonus gap	0%
Proportion of males/females receiving a bonus	0%/0%

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

	Males	Females
1 - Lower quartile	29%	71%
2	28.9%	71.1%
3	29.6%	70.4%
4 - Upper quartile	29.6%	70/4%

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

Disability statement

The College Group seeks to achieve the objectives set down in the Equality Act 2010 through its strategic Equality Action Plan 2024-28 which gives consideration to the objectives of elimination of discrimination, the advancement of equality of opportunity and fostering good relations between all staff and students.

Equal opportunities

The College Group is committed to supporting and promoting equity of opportunity in all aspects of college life. We are home to people from many cultures and backgrounds.

The Group is strongly opposed to discrimination, unfairness and injustice. We believe in treating everyone fairly and celebrating our differences. We do not tolerate language or behaviour that makes others uncomfortable.

This includes being treated differently based on any of the 'nine protected characteristics' under the Equality Act (2010), which are legally protected from discrimination. These characteristics include age, disability, race, sex, gender reassignment, marriage and civil partnership, pregnancy

Equal opportunities (continued)

and maternity, religion or belief, and sexual orientation. Alongside the Equality Act (2010), we are committed to fulfilling our obligations under the Public Sector Equality Duty (2011).

The College's Equality and Diversity Policy is regularly monitored, implemented and published on both the College's intranet and website. We have also developed specific policies and guidance to support equality, guidance for supporting trans and gender non-conforming students and staff, an LGBTQ+ Inclusion Action Plan, and a Race Equality Action Plan.

The Group has a mandatory Equality and Diversity training programme for all staff. Refresher training and updates are integrated into staff professional development.

The Windsor Forest Colleges Group is a 'Disability Confident' employer, committed to the principles and objectives of this standard. The Group carefully considers all employment applications from all individuals, taking into account their abilities and guarantees an interview to any disabled applicant who meets the essential criteria for the position. If a current employee becomes disabled, every effort is made to ensure their continued employment with the College.

Additionally, the College Group provides access to an independent assistance programme, free to all staff, offering support on a wide range of work, family, and personal issues.

Personal Tutors in each curriculum area offer individual and Group tutorials to develop students' personal, social and employability skills, as well as provide support on various issues. The Tutorial programmes further support students' personal development by promoting health and well-being, safety, and raising awareness of equality and diversity.

GOING CONCERN

After making appropriate enquiries, the Corporation is confident that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the financial statements.

The Group has maintained its commitment to quarterly repayments of the £55,000 DfE. While the deficit position for 2023–24, coupled with operating and investing cash outflows, resulted in a breach of the loan covenant set by the ESFA, the ESFA has provided a formal waiver for this breach for 2023–24.

Looking ahead, the Group is focused on strengthening its financial position and achieving 'Good' financial health in 2024–25. Recognising the challenges of two consecutive deficits and a significant upcoming capital project, robust cash flow management is a priority. Detailed programmes are in place to align income and expenditure effectively by closely monitoring cash flow, optimising resource allocation and phasing expenditures to match anticipated funding and income streams. Growth in learner numbers and increased funding both in year and lagged have resulted in a strong recovery in the first quarter of 2024-25. The forecasted position for 2024-25 is a positive EBITDA, income growth and cash generation. Assumptions around funding for the employer's NIC increase and pay awards are being carefully evaluated, the Group is seeking to utilise the proposed DfE NIC grant to offset additional costs associated with the recent announcement. The Group has

GOING CONCERN (continued)

not made a cost of living pay award in 2024-25 but has maintained pay progression banding for staff, this has been fully costed and provided for. Staff costs for the first quarter of 2024-25 remain below budget.

EVENTS AFTER THE REPORTING PERIOD

Subsequent to the balance sheet date, the Group has exchanged contracts for the sale of its land at Honey Lane, Hurley, Maidenhead. This sale is subject to conditions including planning authority approval of heritage works and surface water drainage schemes. The net proceeds will be retained exclusively for the repair and restoration of the Grade I listed Hall Place at BCA, in compliance with planning conditions and the exceptional circumstances clause under the UK National Planning Policy Framework (NPPF). The current estimated cost for the restoration and repair of the listed assets at BCA are £12,000,000.

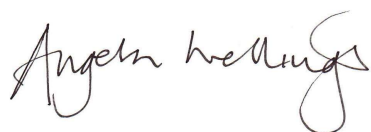
The Department for Education (DfE) confirmed at the time of the College Group's merger in 2022 that proceeds from this sale would remain designated for this purpose, ensuring adherence to planning requirements.

This transaction reflects the College Group's commitment to preserving historically significant assets while complying with planning and financial regulations.

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 20 December 2024 and signed on its behalf by:



Angela Wellings

Chair

The Windsor Forest Colleges Group

Governance Statement

The following statement is provided to enable readers of the annual report and accounts of the college to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2023 to 31 July 2024 and up to the date of approval of the annual report and financial statements.

GOVERNANCE CODE

The Windsor Forest Colleges Group (WFCG) endeavours to conduct its business:

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

In the opinion of the Governors, the College complies with the provisions of the Code, and it has complied throughout the year ended 31 July 2024. This opinion is based on an external Governance Review reported to the Board on 3 July 2024. This external review was conducted by Rockborn Limited. 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 FE Code of Good Governance issued by the Association of Colleges in September 2023, which it formally adopted on 13 December 2023.

THE CORPORATION

Members of the Corporation

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

	Date of appointment	Term of office	Date of Resignation	Status of appointment	Committees Served	Attendance at Board & Committees
Ms A Wellings	11.03.2009 New term agreed to 03.2017 5.10.2016 new term agreed to 03.2021 8.7.2020 new term agreed to 31.7.2021 18.2.21 new term agreed to July 2024 03.07.24 extended term agreed to December 2024	4 years		External (Vice Chair of Corporation to 18.2.21. Chair of Corporation from 18.2.2021)	Remuneration; Resources; Quality & Curriculum; Strategy, Governance & Search	63%
Ms G May	18.4.2021	n/a		Principal (Accounting Officer)	Strategy, Governance & Search; Resources; Quality & Curriculum; CDSG	100%
Mr P Britton	19.5.2021	4 years		External	Strategy, Governance & Search; Remuneration	75%

	Date of appointment	Term of office	Date of Resignation	Status of appointment	Committees Served	Attendance at Board & Committees
Ms T Coates	07.10.2015 03.07.2019 new term agreed to 07.10.2023 05.07.23 new two-year term agreed to 31.07.25	2 years		External	Strategy, Governance & Search (Chair); Quality & Curriculum (Chair); Remuneration	85%
Ms J Croft	01.08.22	4 years		External	Audit (Chair), CDSG (Chair)	83%
Ms S Foley	19.5.2021	4 years		External	Resources (Chair); CDSG	78%
Mr N Garat	9.12.2020	4 years		External	Audit, Quality & Curriculum	79%
Ms L Fellows	01.04.24 (Formal induction 30.07.24)	4 years		External	Resources	0%
Ms P Goodwin	01.08.22	2 years	Resigned 31.03.24	External	Remuneration; Strategy Governance & Search, CDSG	19%
Mr A Haines	07.12.2015 3.7.2019 new term agreed to 7.12.2023 13.12.23 new term agreed to 12.12.25	2 years		External	Audit	100%
Mr R Lewis	9.5.2017 9.12.2020 new term agreed to 9.5.2025	4 years		External	Remuneration (Chair); Strategy, Governance & Search; Audit; Quality & Curriculum	100%

	Date of appointment	Term of office	Date of Resignation	Status of appointment	Committees Served	Attendance at Board & Committees
Ms A Spinks	20.03.24	4 years		External	Quality & Curriculum; Resources	50%
Ms S Sutherland	01.08.22 20.03.24 new 4-year term agreed to 31.07.26	4 years		External	Quality & Curriculum; Resources	86%
Mr I Thomson	01.08.22	4 years		External	Audit; Strategy Governance & Search; CDSG	83%
Mr P Tyndale	07.10.2015 03.07.2019 new term agreed to 07.10.2023	4 years	Term ended 07.10.23	External	Resources; Remuneration	100%
Mr K Virdee	9.5.2017 29.4.2020 new term agreed to 9.5.2024	4 years	Resigned 14.10.24	External	Remuneration; Resources	53%
Mr J Clay	04.10.23	4 years		Staff	Quality & Curriculum	86%
Ms J Robertson	01.08.22 Current term of office to 30.11.24	4 years		Staff	Quality & Curriculum	89%
Ms A Wheatley	7.7.2021	4 years		Staff	Quality & Curriculum	89%
Ms K Pavlovskaya	1.8.2023	1 year	Term ended 31.07.24	Student 23/24 (Sixth Form)	Quality & Curriculum	43%
Ms A Khan	1.05.23	1½ years	Term ended 31.07.24	Student 22/23 and 23/24 (FE)	Quality & Curriculum	50%

Members of the Corporation (continued)

Tracy Reeve, Director of Governance acted as Clerk to the Corporation from 1 August 2022.

The Governance Framework

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

The Corporation is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as health and safety and environmental issues. The Corporation meets at least five times a year on a half-termly basis with an additional annual Strategy Event and Extraordinary meetings when required.

The Corporation conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Corporation. These committees are Audit, Resources, Quality and Curriculum, Remuneration, and Strategy Governance & Search. Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College's website at www.windsor-forest.ac.uk or from the Director of Governance at:

The Windsor Forest Colleges Group
Station Road
Langley
Berkshire SL3 8BY

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.

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 Strategy Governance and Search committee, consisting of seven 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.

Members of the Corporation are appointed for a term of office not exceeding four years and the expected practice is for members to serve a maximum of two terms (unless there are extenuating circumstances).

Corporation performance

There is an annual appraisal of all Governors by the Chair of the Board, which contributes to informing the overall performance and highlights areas for future training and the annual governance improvement plan.

There are Governor Strategy Days held every year and these assist in allowing time for strategic conversations as well as informing and updating the Board in order to improve its performance, e.g., legal updates. The chair has attended a number of AoC network meetings. The Chairs of Audit Committee, Resources Committee and Quality & Curriculum attended specific AoC specialist briefings relevant to these Chairs. A number of ETF webinars have been attended including risk management and EDI training by a number of governors.

The Corporation commissioned an external review of governance during 2023/24 which was undertaken by Rockborn Limited. The final report was received by the Board on 3 July 2024 and has been published on the College website. Any recommendations made on best practice have been included in the Governance Quality Improvement Plan 2024/25, and approved by the governing body in September 2024 and have been agreed with Rockborn Ltd.

Remuneration Committee

Throughout the year ending 31 July 2024, the College's Remuneration Committee comprised five members of the Corporation. The Committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Accounting Officer and other senior post-holders.

Details of remuneration for the year ended 31 July 2024 are set out in note 9 to the financial statements.

The WFCG Board adopted the Association of College's Remuneration Code for Senior Postholders in July 2019.

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

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

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

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

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

Committee member	Meetings attended
Ms J Croft	4
Mr N Garat	3
Mr A Haines	4
Mr R Lewis	4
Mr I Thomson	4

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.

Scope of responsibility (continued)

The Corporation has delegated the day-to-day responsibility to the Group Principal & CEO, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which she is personally responsible, in accordance with the responsibilities assigned to her in the Financial Memorandum between WFCG and the funding bodies. She is also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of college policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in WFCG for the year ended 31 July 2024 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Corporation has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Corporation is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the period ending 31 July 2024 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Corporation with the college Risk register being a standing item at every sub-committee and Board meeting.

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. It includes:

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

The Windsor Forest Colleges Group has an internal audit service, which operates in accordance with the requirements of the ESFA's *Post 16 Audit Code of Practice*. The work of the internal audit service is informed by an analysis of the risks to which the College is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are

The risk and control framework (continued)

endorsed by the Corporation on the recommendation of the audit committee. At minimum, annually, the Head of Internal Audit (HIA) provides the governing body with a report on internal audit activity in the College. The report includes the HIA's independent opinion on the adequacy and effectiveness of the College's system of risk management, controls and governance processes.

Risks faced by the Corporation

The College's risks are identified in the risk register and their overall risk score is calculated for the impact and likelihood of the risk occurring based on a formal risk scoring system. The College Risk Register is reviewed at each sub-committee and Corporation meeting as a standing agenda item. The most significant risks are listed earlier in this report.

Control weaknesses identified

During 2023-4 the ESFA completed a statutory funding audit for 2022-3. Control weaknesses identified:

- Lack of evidence regarding the impact of prior learning for a number of former BCA learners. The premerger paperwork did not give a link to between the prior learning and any reduction to content. Post merger, BCA has moved to the Windsor Forest Group paperwork which addresses this issue going forward. The skills scan and training plan have been reviewed for the 2024-25 cohort.
- Off the job training calculations recorded incorrectly on the commitment statement for 9 former BCA learners. The calculation was made using an incorrect formula prior to merger. Post merger the correct formula has been applied using the Windsor Forest Group paperwork.

During the year there were two incidents of theft of petty cash at the BCA campus. A full investigation was completed by a member of SLT and not a member of the finance team and improvements to controls is not have been made:

- A reduction of cash held on site by the finance team and staff expenses reimbursed via bank transfer.
- Cash moved between safes by 2 staff members and not 1.

Responsibilities under Accountability Agreements

Members of the College Senior Leadership Team review and monitor the College's contractual responsibilities under the funding agreements with the ESFA. Any significant matters are also considered with the College's Committees and Board.

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

Responsibilities under Accountability Agreements (continued)

approval processes in line with these new requirements to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

Statement from the Audit Committee

The Audit Committee has advised the Board of Governors that the Corporation has an effective framework for governance and risk management in place. The audit committee believes the Corporation has effective internal controls in place.

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

- internal audit reviews of Safeguarding, Bursary Funding, Key Financial Controls, learner numbers and follow up of recommendations
- ESFA external funding audit 2022/23
- regular review of the College's risks as shown in the Risk Management Plan
- review of the External Audit Management Report on the 2022-23 and 2023-24 Accounts

Review of effectiveness

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

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

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

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

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

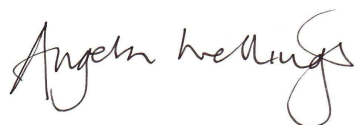
Review of effectiveness (continued)

exception. At its December 2024 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2024 by considering documentation from the senior management team and internal audit and taking account of events since 31 July 2024.

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

Approved by order of the members of the Corporation on 20 December 2024 and signed on its behalf by:

Angela Wellings



Chair

20 December 2024

Gillian May



Accounting Officer

20 December 2024

The Windsor Forest Colleges Group

Statement of Regularity, Propriety and Compliance

As accounting officer, I confirm that the Corporation has had due regard to the framework of authorities governing regularity, 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.

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



Gillian May
Accounting officer
20 December 2024

Statement of the Chair of Governors

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



Angela Wellings
Chair of Governors
20 December 2024

The Windsor Forest Colleges Group

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

Approved by order of the members of the Corporation on 20 December 2024 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Angela Wellings', with a stylized, cursive script.

Angela Wellings

Chair of Governors

THE WINDSOR FOREST COLLEGES GROUP

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF THE WINDSOR FOREST COLLEGES GROUP FOR THE YEAR ENDED 31 JULY 2024

Independent Auditor's Report to the Corporation of The Windsor Forest Colleges Group

Opinion

We have audited the financial statements of the Corporation of The Windsor Forest Colleges Group (the 'College') for the year ended 31 July 2024 which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Balance Sheet, the Statement of Cash Flows, the principal accounting policies, and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is 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 College's affairs as at 31 July 2024 and College's income over expenditure for the year then ended; and
- have been properly prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education, UK GAAP and the current College Accounts Direction.

Basis for opinion

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

Conclusions relating to going concern

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

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

THE WINDSOR FOREST COLLEGES GROUP

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF THE WINDSOR FOREST COLLEGES GROUP FOR THE YEAR ENDED 31 JULY 2024

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Opinions on other matters prescribed in the Office for Students' Accounts Direction (OfS 2019.41)

In our opinion, in all material respects

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

Under the Office for Students' Accounts Direction, we are required to report to you, if we have anything to report in respect of the following matters:

- The College's grant and fee income, as disclosed in note number 4 to the financial statements, has been materially misstated; or
- The College's exemption from reporting upon expenditure on access and participation activities for the financial year,

We have no matters to report arising from this responsibility.

**INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF THE WINDSOR FOREST
COLLEGES GROUP
FOR THE YEAR ENDED 31 JULY 2024**

Responsibilities of the Governing Body

As explained more fully in the Statement of Corporation Responsibilities on page 29, the Members of the Governing Body are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governing Body 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 Governing Body is responsible for assessing the college's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governing Body either intends to liquidate the College or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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

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

- Obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the college operates in and how the college is complying with the legal and regulatory frameworks;
- Enquiry of management, those charged with governance and the College's solicitors (or in-house legal team) around actual and potential litigation and claims;
- Enquiry of College staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Performing 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.
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

THE WINDSOR FOREST COLLEGES GROUP

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF THE WINDSOR FOREST COLLEGES GROUP FOR THE YEAR ENDED 31 JULY 2024

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

MHA

Chartered Accountants and Registered Auditor
London, United Kingdom

Date:

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

THE WINDSOR FOREST COLLEGES GROUP

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY FOR THE YEAR ENDED 31 JULY 2024

Independent Reporting Accountant's Assurance Report on Regularity

To: The corporation of The Windsor Forest Colleges Group and Secretary of State for Education, acting through Education and Skills Funding Agency (ESFA)

In accordance with the terms of our engagement letter dated 12 August 2024 and further to the requirements and conditions of funding in ESFA's grant funding agreements and contracts, or those of any other public funder, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by the Windsor Forest Colleges Group during the period 1 August 2023 to 31 July 2024 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the Post-16 Audit Code of Practice (the Code) issued by 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 the Windsor Forest Colleges Group 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 the Windsor Forest Colleges Group 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 the Windsor Forest Colleges Group and ESFA for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Windsor Forest Colleges Group and the reporting accountant

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

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

Approach

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

THE WINDSOR FOREST COLLEGES GROUP

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
FOR THE YEAR ENDED 31 JULY 2024**

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across all of the College's activities;
- Further testing and review of self-assessment questionnaire including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- 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 2023 to 31 July 2024 has not been applied to purposes intended by Parliament, that the financial transactions do not conform to the authorities that govern them.

MHA

Chartered Accountants and Registered Auditor
London, United Kingdom

Date:

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

THE WINDSOR FOREST COLLEGES GROUP

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JULY 2024

	Note	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Income from:				
Funding body grants	4	37,448	37,448	35,512
Tuition fees and educational contracts	5	4,301	4,301	3,927
Other activities:				
Other grants and contracts	6	633	633	691
Unrestricted donations	6	45	45	12
Investment income	7	257	257	235
Other income	8	2,699	2,699	2,511
Total income		45,383	45,383	42,888
Expenditure on:				
Staff costs	9	32,574	32,574	30,166
Other operating expenses	10	11,965	11,965	11,766
Depreciation	14	4,037	4,037	4,095
Interest and other finance costs	11	341	341	523
Amortisation	13	4	4	4
Restructuring costs	9	238	238	136
Total expenditure		49,159	49,159	46,690
Deficit for the year		(3,776)	(3,776)	(3,802)
Actuarial gain/(loss) in respect of pension schemes	25	(984)	(984)	9,798
Total comprehensive expenditure for the year		(4,760)	(4,760)	5,996
Represented by:				
Total funds brought forward		59,612	59,612	53,616
Total comprehensive expenditure for the year		(4,760)	(4,760)	5,996
Total funds carried forward		54,852	54,852	59,612

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 43 to 76 form part of these financial statements.

THE WINDSOR FOREST COLLEGES GROUP

**STATEMENT OF CHANGES IN RESERVES
AS AT 31 JULY 2024**

	Income and expenditure account £000	Revaluation reserve £000	Total equity £000
At 1 August 2022	40,916	12,700	53,616
Comprehensive income for the year			
Deficit from the income and expenditure account	(3,802)	-	-
Comprehensive income for the year	(3,802)	-	(3,802)
Other comprehensive income for the year			
Other comprehensive income	9,798	-	9,798
Transfers between revaluation and income and expenditure reserves	140	(140)	-
Other comprehensive income for the year	9,938	(140)	9,798
Total comprehensive income for the year	6,136	(140)	5,996
Contributions by and distributions to owners			
At 1 August 2023	47,052	12,560	59,612
Comprehensive income for the year			
Deficit from the income and expenditure account	(3,776)	-	(3,776)
	(3,776)	-	(3,776)
Other comprehensive income for the year			
Other comprehensive income	(984)	-	(984)
Transfers between revaluation and income and expenditure reserves	140	(140)	-
Total comprehensive income for the year	(4,620)	(140)	(4,760)
At 31 July 2024	42,432	12,420	54,852

THE WINDSOR FOREST COLLEGES GROUP
REGISTERED NUMBER:

BALANCE SHEET
AS AT 31 JULY 2024

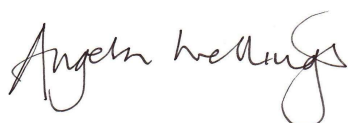
	Note	2024 £000	2024 £000	2023 £000	2023 £000
Fixed assets					
Intangible assets	13		-		19
Tangible assets	14		91,724		93,242
			<u>91,724</u>		<u>93,261</u>
Current assets					
Stocks		91		90	
Trade and other receivables	16	1,344		1,368	
Cash and cash equivalents		4,324		6,896	
		<u>5,759</u>		<u>8,354</u>	
Creditors: amounts falling due within one year	17	(6,124)		(5,811)	
Net current liabilities / assets			<u>(365)</u>		<u>2,543</u>
Total assets less current liabilities			<u>91,359</u>		<u>95,804</u>
Creditors: amounts falling due after more than one year	18		(29,222)		(29,111)
Provisions for liabilities	19		(231)		(288)
Net assets excluding pension asset / (liability)			<u>61,906</u>		<u>66,405</u>
Defined benefit pension scheme asset / (liability)	25		(7,054)		(6,793)
Total net assets			<u>54,852</u>		<u>59,612</u>
Corporation reserves					
Income and expenditure account		42,432		47,052	
Revaluation reserve		12,420		12,560	
Total unrestricted funds			<u>54,852</u>		<u>59,612</u>
Total funds			<u>54,852</u>		<u>59,612</u>

THE WINDSOR FOREST COLLEGES GROUP
REGISTERED NUMBER:

BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2024

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:



A Wellings
Chair of Governors
Date: 20 December 2024



G May
Accounting Officer

The notes on pages 43 to 76 form part of these financial statements.

THE WINDSOR FOREST COLLEGES GROUP

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024**

	Note	2024 £000	2023 £000
Cash flows from operating activities			
Net cash used in operating activities	20	(1,614)	(153)
Cash flows from investing activities			
Investment income	7	257	235
Receipt of deferred capital grants		1,896	2,823
Payments made to acquire tangible fixed assets	14	(2,519)	(2,897)
Net cash (used in)/provided by investing activities		(366)	161
Interest paid	11	(341)	(501)
Repayment of amounts borrowed	17,18	(251)	(1,534)
Net cash used in financing activities		(592)	(2,035)
Change in cash and cash equivalents in the year		(2,572)	(2,027)
Cash and cash equivalents at the beginning of the year		6,896	8,923
Cash and cash equivalents at the end of the year	21	4,324	6,896

The notes on pages 43 to 76 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

1. General information

The Windsor Forest Colleges Group is a corporation established under the Further and Higher Education Act 1992 as an English general college of further education. The address of the College's principal place of business and the nature of the College's operations is set out in the Report of the Governing Body.

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

2. Accounting policies

2.1 Basis of preparation of financial statements

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 2023 to 2024 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 Corporation's accounting policies.

The financial statements incorporate those of the College only. The College's only subsidiary, BCA Landbase Limited, has been dormant for the current and previous period. Therefore, consolidated financial statements for the College Group have not been prepared.

The financial statements are presented in sterling which is the functional currency of the Corporation and rounded to the nearest thousand pound.

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

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.2 Going concern

The activities of the College, together with the factors likely to affect its future development and performance are set out in the Operating and Financial Review, which includes an assessment of the potential financial impact of the current inflationary environment and on-going impact of the employee terms and conditions harmonisation post the merger of TWFCG and BCA on 1 August 2022. The financial position of the College, its cashflow, liquidity and borrowings are described in the Financial Statements and accompanying Notes.

The College's forecasts and financial projections indicate that it will be able to operate within its existing cash reserves for the foreseeable future.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.3 Income

Revenue grant funding

Government revenue grants are accounted for under the accruals model and are recognised on a systematic basis over the periods in which the related costs for which the grant compensates are recognised.

Adult Education Budget ('AEB') grant funding income is recognised as a best estimate of the amount receivable in accordance with the main funding guidance published by the ESFA and either determined as part of the reconciliation process or by separate agreement by the College and the ESFA at the reporting end date. Any subsequent agreement to determination of the AEB funding after the reporting end date which is not provided for in the annual main funding guidance is not reflected in the income recognised.

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

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

The recurrent grant from OfS represents the funding allocations attributable to the current financial year and is recognised when received or receivable. 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. The grant income received or receivable will be recognised over the expected useful life of the asset, with any amount of the asset-related grant that is deferred being recognised as deferred income. The deferred income is allocated between creditors due within one year and those due after more than one year.

Other, 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 recognised in the period for which it is received and includes all fees payable by students or their sponsors.

Investment income

All income from short-term deposits is credited to the Statement of Comprehensive Income and Expenditure in the period in which it is earned on a receivable basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.4 Accounting for post-employment benefits

Post-employment benefits to employees of the Corporation 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.

Teachers' Pension Scheme (TPS)

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

The TPS is a multi-employer scheme and is unable to identify the share of its underlying assets and liabilities between employers. As a consequence the Corporation is unable to use defined benefit accounting. The TPS is therefore treated as a defined contribution plan and the contributions recognised as an expense in the Statement of Comprehensive Income in the periods during which services are rendered by employees.

Local Government Pension Scheme (LGPS)

The LGPS is a funded scheme, and the assets of the scheme are held separately. Pension schemes are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability/asset is charged to comprehensive income and included within finance costs. Re-measurement comprising actuarial gains and losses, and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

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

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

2.5 Enhanced pensions

The actual cost of any enhanced ongoing pension to a former member of staff is paid by the 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 comprehensive 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.6 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.

2.7 Taxation

The Corporation is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Corporation is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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 Corporation is partially exempt in respect of Value Added Tax, so that it can only recover around 1% of the VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

2.8 Intangible fixed assets - goodwill

Goodwill is capitalised and written off evenly over 10 years as in the opinion of the College, this represents the period over which the goodwill is expected to give rise to economic benefits.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.9 Tangible fixed assets and depreciation

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

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

Land and buildings

Land and buildings inherited from the Local Education Authority are recognised in the balance sheet at deemed cost less accumulated depreciation and accumulated impairment losses.

The central College building of Berkshire College of Agriculture is a 300-year-old Grade I listed building.

Finance costs, which are directly attributable to the construction of land and buildings, are not capitalised as part of the cost of those assets.

Land and buildings owned by third parties

The College occupies land and the buildings at the Strode's campus which are owned outright by the "Strode's Foundation" which is a foundation registered with the Charity Commission. The Charitable Objectives of the Foundation is for the education of students of the former Strode's College and Egham area.

Provided the College continues to deliver to the conditions set by the Foundation allowing it to meet its charitable objectives then the College is entitled to continue to use the Foundation's assets.

The College has in place a formal lease with the Foundation that conveys to the College the exclusive right to occupy these buildings for a period of 25 years from 2017. Within the lease the College has the option to extend the lease for a period of 25 years. Either prior to or at the end of the 25 year lease the college intends to apply to extend this agreement for a further period beyond the ultimate 60 year end date. This process would continue into perpetuity.

The College pays an annual rent of £20,000 for the use of the land and buildings.

Whilst legal title to the land and buildings remains with the Foundation, all economic benefit passes to the College. In accordance with the relevant Financial Reporting Standards (FRS 102 17.15), the assets have been stated in the balance sheet at valuation on the basis of deemed cost.

On the basis that:

- the College has effective unrestricted use of the land as it does not plan to breach any of the underlying terms of its legal agreement with the Foundation; and
- plans are in place to extend the formal lease agreement into perpetuity.
- the Corporation has adopted a policy of not depreciating the value of land owned by the Strode's Foundation.
- the land and buildings owned by third parties are depreciated in line with land and buildings set out above.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.9 Tangible fixed assets and depreciation (continued)

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 2024. 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 the Statement of Comprehensive Income in the period it is incurred, unless it increases the future benefits to the Corporation, in which case it is capitalised and depreciated on the relevant basis.

Equipment

Equipment costing less than £5,000 per individual item is written off to the statement of comprehensive income in the period of acquisition. All other equipment is capitalised at cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold land	- Not depreciated
Freehold buildings (including major improvements)	- 10 to 50 years
Minor adaptations	- 5 to 15 years
Plant and machinery	- 5 to 15 years
Motor vehicles	- 4 to 10 years
Office equipment	- 4 to 10 years
Computers	- 3 to 5 years

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

Where improvements to land and buildings are made with the aid of specific grants they are capitalised and depreciated as above.

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

2.10 Borrowing costs

Borrowing costs are recognised as expenditure in the period in which they are incurred. Borrowing costs which are directly attributable to the acquisition, construction or production of freehold buildings are added to the cost of those properties until such a time as those properties are ready for their intended use.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

2. Accounting policies (continued)

2.11 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. Any lease premiums or incentives relating to leases signed after 1 August 2014 are spread over the minimum lease term.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

2.12 Stocks

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

2.13 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 approximately 0.5% of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

2.14 Trade and other receivables

Trade and other receivables are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.15 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 a maturity of 3 months or less from the date of acquisition.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

2. Accounting policies (continued)

2.16 Provisions and contingent liabilities

Provisions are recognised when:

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

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a 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 Corporation 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 Corporation. 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.

The only provisions recognised by the Corporation in its Financial Statements are the defined benefit obligations, arising under the Local Government Pension Scheme, and the enhanced pension benefit obligations, arising from the Teachers' Pension Scheme.

2.17 Agency arrangements

The Corporation acts as an agent in the collection and payment of certain learner support funds, local authority payments and charitable funds. Related payments received from the funding and other bodies and subsequent disbursements to students are excluded from the income and expenditure of the Corporation where the Corporation is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

2.18 Financial instruments

The Corporation only holds basic Financial Instruments. The financial assets and financial liabilities of the School are as follows:

Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 16. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors, accruals, other creditors and bank loans will be classified as financial instruments, and are measured at amortised cost as detailed in Notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

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

- Determine whether leases entered into by the College either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determine whether there are indicators of impairment of the College's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- When assets or liabilities are acquired, these are measured at a fair value that reflect the conditions at the date of acquiring.

Other key sources of estimation uncertainty

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit obligation depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in Note 25, will impact the carrying amount of the pension obligation. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions obligation at 31 July 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension obligation.

THE WINDSOR FOREST COLLEGES GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

4. Funding body grants

	2024 £000	2023 £000
Recurrent grants		
Education and Skills Funding Agency - adult education budget	2,720	2,641
Greater London Authority - Adults	275	445
Education and Skills Funding Agency - 16-18	29,291	27,633
Education and Skills Funding Agency - apprenticeships (funded)	2,237	2,114
Office for students - HE	63	51
Specific grants		
Education and Skills Funding Agency - non-recurrent grants	300	322
Education and Skills Funding Agency - Teacher Pension Scheme contribution grant	1,083	885
Releases of government capital grants	1,479	1,421
	<u>37,448</u>	<u>35,512</u>

Higher education income, which relates to level 4 courses and above, is further analysed in the table below:

	2024 £000	2023 £000
Grant income from OfS	63	51
Fee income for taught awards (exclusive of VAT)	<u>508</u>	<u>490</u>

5. Tuition fees and education contracts

	2024 £000	2023 £000
Adult education fees	700	739
Apprenticeship fees and contracts	43	67
Fees for FE loan supported contracts	173	175
Fees for HE loan supported contracts	508	490
Total tuition fees	<u>1,424</u>	<u>1,471</u>
Education contracts	2,877	2,456
	<u>4,301</u>	<u>3,927</u>

THE WINDSOR FOREST COLLEGES GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

6. Other activities

	Unrestricted funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Other grants and contracts	633	633	691

Donations

	Unrestricted funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Unrestricted donations	45	45	12

7. Investment income

	Unrestricted funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Other interest receivable	257	257	235

THE WINDSOR FOREST COLLEGES GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

8. Other income

	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Catering and residences	734	734	668
Other income generating activities	543	543	489
Estate income	140	140	97
Miscellaneous income	419	419	471
Student transport	863	863	786
Total 2024	2,699	2,699	2,511

9. Staff costs

	2024 £000	2023 £000
Wages and salaries	24,834	21,210
Social security costs	2,411	2,078
Pension costs	4,850	5,467
	32,095	28,755
Contracted out staffing services	479	1,411
Fundamental restructuring costs - contractual	230	116
Fundamental restructuring costs - non contractual	8	20
	32,812	30,302

Included within the £479,000 (2023 - £1,411,000) of contracted out staff services is £64,000 (2023 - £324,000) of temporary support staff costs arising as a result of the merger.

The College paid 3 severance payments in the year which were all in the band, £0 - £25,000. (2023 - 6 payments in band, £0 - £25,000. 3 payments in band £25,000 - £50,000).

3 of the 3 staff referred to above were made redundant. Included in staff restructuring costs are special severance payments totalling £8,000 (2023 - £20,000). Individually, the payments were £6,000, £1,500 and £919.

THE WINDSOR FOREST COLLEGES GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

9. Staff costs (continued)

The average number of persons employed by the Corporation during the year was as follows:

	2024 No.	2023 No.
Teaching staff	579	540
Non teaching staff	341	339
	920	879

Key Management Personnel compensation

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the Senior Leadership Team which comprises those individuals listed on page 1. Staff costs include compensation paid to key management personnel for loss of office.

	2024 No.	2023 No.
The number of Key Management Personnel posts including the Accounting Officer was:	8	12
	8	12

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

Emoluments of Key Management Personnel, Accounting Officer and other higher paid staff

The number of Key Management Personnel and other staff who received emoluments, excluding employer contributions to national insurance and pensions but including benefits-in-kind, during the year in the following ranges was:

	Key Management Personnel 2024 £000	<i>Key Management Personnel 2023 £000</i>	Other staff 2024 £000	<i>Other staff 2023 £000</i>
£50,001 - £55,000	1	-	-	-
£55,001 - £60,000	1	1	-	-
£60,001 - £65,000	-	-	5	2
£65,001 - £70,000	-	-	1	1
£70,001 - £75,000	-	1	-	-
£75,001 - £80,000	-	1	-	-
£80,001 - £85,000	-	2	2	1
£85,001 - £90,000	1	-	-	-
£90,001 - £95,000	1	-	-	-
£105,001 - £110,000	-	1	-	-
£110,001 - £115,001	2	1	-	-
£115,001 - £120,000	-	1	-	1
£120,001 - £125,000	1	2	-	1
£125,001 - £130,000	-	1	-	-
£160,001 - £165,000	-	1	-	-
£165,001 - £170,000	1	-	-	-
	8	<i>12</i>	8	<i>6</i>

The above table only reflects other staff who received emoluments, excluding employer contributions to national insurance and pensions but including benefits-in-kind, of more than £60,000 for the year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

9. Staff costs (continued)

	2024 £000	2023 £000
Key Management Personnel remuneration is made up as follows:		
Salary	805	1,249
Benefits-in-kind	7	4
	<hr/> 812	<hr/> 1,253
Pension contributions	195	219
	<hr/> 1,007	<hr/> 1,472
Total Key Management Personnel remuneration	<hr/> 1,007 <hr/>	<hr/> 1,472 <hr/>

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

	2024 £000	2023 £000
Salary	167	163
Benefits-in-kind	2	1
	<hr/> 169	<hr/> 164
Pension contributions	42	38
Total remuneration	<hr/> 211 <hr/>	<hr/> 202 <hr/>

The governing body adopted the AoC's Senior Staff Remuneration Code for Senior Postholders in December 2020 and will continue to assess pay in line with its principles in future.

The remuneration package of Senior Postholders, including the Group Principal and Chief Executive, is subject to annual review by the Remuneration Committee of the governing body who use benchmarking information to provide objective guidance.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

9. Staff costs (continued)

	2024	2023
Relationship of Group Principal and Chief Executive pay and remuneration expressed as a multiple:		
Group Principal and Chief Executive's basic salary as a multiple of the median basic salary of all staff	5.90	6.10
Group Principal and Chief Executive's total remuneration as a multiple of the median total remuneration of all staff	6.10	6.10
Compensation for loss of office paid to former Key Management Personnel		
	2024 £000	2023 £000
Compensation paid to former Key Management Personnel - contractual	-	56

Governors' remuneration

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

The accounting officers and staff members only receive remuneration in respect of services they provide undertaking their roles of Principal and staff members under contracts of employment and not in respect of their roles as governors.

Details of expenses paid to or on behalf of the Governors are disclosed in note 27.

THE WINDSOR FOREST COLLEGES GROUP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

10. Other operating expenses

	2024	2023
	£000	£000
Teaching costs	2,845	3,199
Non-teaching costs	5,547	5,273
Premises costs	3,573	2,845
Exceptional Merger Costs	-	449
	11,965	11,766
	2024	2023
	£000	£000
Other operating expenses include:		
Auditor's remuneration - Audit of the financial statements	45	45
Auditor's remuneration - Other services provided by the financial statements auditor	15	17
Internal audit	28	21
Hire of assets under operating leases	150	145
	238	228

THE WINDSOR FOREST COLLEGES GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

11. Interest and other finance costs

	Unrestricted funds 2024 £000	Total funds 2024 £000
Pension finance costs	289	289
On bank loans, overdrafts and other loans	52	52
	<hr/> 341	<hr/> 341
	<hr/> <hr/>	<hr/> <hr/>
	<i>Unrestricted funds 2023 £000</i>	<i>Total funds 2023 £000</i>
Pension finance costs	489	489
On bank loans, overdrafts and other loans	34	34
	<hr/> 523	<hr/> 523
	<hr/> <hr/>	<hr/> <hr/>

12. Taxation

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

THE WINDSOR FOREST COLLEGES GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

13. Intangible assets

	Business goodwill £000
Cost	
At 1 August 2023	39
Impairments	(15)
At 31 July 2024	<u>24</u>
Amortisation	
At 1 August 2023	20
Charge for the year	4
At 31 July 2024	<u>24</u>
Net book value	
At 31 July 2024	<u>-</u>
At 31 July 2023	<u>19</u>

The business goodwill arose on the acquisition of the trade and assets of Arborcare Associates Limited for £39,496 on 1 August 2018. The goodwill was being amortised over 10 years and the carrying value before impairment at 31 July 2024 was £15,798. Following the impairment review and in line with the strategic operations of the College the carrying value was reduced to nil.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

14. Tangible fixed assets

	Freehold land and buildings £000	Leasehold land and buildings £000	Equipment £000	Total £000
Cost or valuation				
At 1 August 2023	99,807	22,460	16,671	138,938
Additions	905	-	1,614	2,519
Disposals	(2,121)	-	(7,785)	(9,906)
At 31 July 2024	98,591	22,460	10,500	131,551
Depreciation				
At 1 August 2023	30,498	2,773	12,425	45,696
Charge for the year	2,430	445	1,162	4,037
On disposals	(1,994)	-	(7,912)	(9,906)
At 31 July 2024	30,934	3,218	5,675	39,827
Net book value				
At 31 July 2024	67,657	19,242	4,825	91,724
At 31 July 2023	69,309	19,687	4,246	93,242

Land and buildings for the Langley & Windsor campuses were valued in 1997 at depreciated replacement cost by a firm of independent chartered surveyors. Other tangible fixed assets inherited from the LEA at incorporation have been valued by the College on a depreciated replacement cost basis with the assistance of independent professional advice. If fixed assets had not been re-valued they would have been included at the following historical amounts: Cost £NIL, Aggregate depreciation based on cost £NIL.

Land and buildings include assets that have been partly financed by exchequer funds with a net book value of £39,056,000 (2023 - £39,865,000). Should these assets be sold, the College may be liable, under the terms of its Financial Memorandum, to surrender the proceeds.

THE WINDSOR FOREST COLLEGES GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

15. Fixed asset investments

The College owns 100 per cent of the issued ordinary £1 shares of BCA Landbase Limited, a company incorporated in England and Wales. This company is dormant and is therefore carried in the financial statements at a net book value of £NIL (2023 - £NIL). Original cost was £2,000.

16. Trade and other receivables

	2024 £000	2023 £000
Due within one year		
Trade receivables	90	140
Amounts owed by ESFA	341	170
Other receivables	2	17
Prepayments and accrued income	911	1,041
	1,344	1,368

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

17. Creditors: Amounts falling due within one year

	2024	2023
	£000	£000
Other loans	235	251
Holiday pay accrual	427	427
Trade creditors	1,004	797
Amounts owed to the ESFA	176	642
Amounts owed to the GLA	52	-
Deferred government capital grants	1,446	1,375
Other taxation and social security	549	530
Other creditors	744	642
Accruals and deferred income	1,491	1,147
	<u>6,124</u>	<u>5,811</u>

18. Creditors: Amounts falling due after more than one year

	2024	2023
	£000	£000
Other loans	660	895
Deferred government capital grants	28,562	28,216
	<u>29,222</u>	<u>29,111</u>

Included within the above are amounts falling due as follows:

	2024	2023
	£000	£000
Between one and two years		
Other loans	<u>220</u>	<u>235</u>
Between two and five years		
Other loans	<u>440</u>	<u>660</u>

The College has a loan of £1,100,000 from the DfE. The loan is repayable in instalments to July 2028 commencing in October 2021. At the year end, £220,000 (2023: £220,000) and £660,000 (2023: £880,000) were included within other loans due within one year and after one year respectively.

The loan with the DfE above is secured by fixed charges over the freehold property of the College.

The College previously secured a Salix Energy Efficiency Loan of £154,000, provided for energy efficiency improvements. The loan does not bear any interest and is repayable in instalments to November 2024. At the year end, £15,000 (2023: £31,000) and £NIL (2023: £15,000) were included within other loans due within one year and after one year respectively.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

19. Provisions

	Defined benefit obligations	Enhanced pensions	Total funds
	£000	£000	£000
At 1 August 2023	6,793	288	7,081
Movement in the period	(2,944)	(28)	(2,972)
Transferred to income and expenditure account	3,205	(29)	3,176
	<u>7,054</u>	<u>231</u>	<u>7,285</u>

Defined benefit obligations relate to the liabilities under the Corporation's membership of the Local Government Pension Scheme. Further details are given in Note 25.

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:

	2024	2023
Price inflation	5.05%	5.00%
Interest rate	2.90%	2.80%

	Defined benefit obligations 2023 £000	Enhanced pensions 2023 £000	Total funds 2023 £000
At 1 August 2022	15,523	350	15,873
Movement in the period	(2,283)	(43)	(2,326)
Transferred to income and expenditure account	(6,447)	(19)	(6,466)
	<u>6,793</u>	<u>288</u>	<u>7,081</u>

THE WINDSOR FOREST COLLEGES GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

20. Reconciliation of net movement in funds to net cash flow from operating activities

		2024	2023
		£000	£000
Net expenditure for the period (as per Statement of Financial Activities)		(3,776)	(3,802)
Adjustments for:			
Depreciation charges	14	4,037	4,095
Amortisation charges	13	4	4
Impairment of intangible assets	13	15	-
Investment income	7	(257)	(235)
Interest payable		341	501
Decrease in debtors	16	24	153
Increase/(decrease) in creditors	17	258	(477)
Decrease in other provisions	19	(57)	(62)
Pension costs including interest less contributions payable	25	(723)	1,068
Decrease/(increase) in stocks		(1)	23
Release of deferred capital grants		(1,479)	(1,421)
Net cash used in operating activities		(1,614)	(153)

21. Analysis of cash and cash equivalents

	2024	2023
	£000	£000
Cash in hand	4,324	6,896
Total cash and cash equivalents	4,324	6,896

THE WINDSOR FOREST COLLEGES GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

22. Analysis of changes in net debt

	At 1 August 2023	Cash flows	At 31 July 2024
	£000	£000	£000
Cash at bank and in hand	6,896	(2,572)	4,324
Debt due within 1 year	(251)	16	(235)
Debt due after 1 year	(895)	235	(660)
	<u>5,750</u>	<u>(2,321)</u>	<u>3,429</u>

23. Contingent liabilities

There were no contingent liabilities at the year end.

24. Capital commitments

There were no capital commitments at the year end.

25. Pension commitments

The Corporation operates a defined benefit pension scheme.

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 Berkshire Local Government Pension Scheme (LGPS for non-teaching staff, which is managed by the Royal Borough of Windsor & Maidenhead (RBWM). Both are multi-employer defined-benefit plans.

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

Contributions amounting to £678,000 (2023 - £571,000) were payable to the schemes at 31 July and are included in 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 and other educational establishments, including colleges. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

25. Pension commitments (continued)

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The Corporation is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly the Corporation has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution plan. The College has set out below the information available on the plan and the implications for the Corporation 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 accounts with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

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

As a result of the valuation, new employer contribution rates were set at 28.68% of pensionable pay from April 2024 onwards.

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 £3,004,000 (2023 - £2,563,000).

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by RBWM Local Authority. The total contributions made for the year ended 31 July 2024 were £3,604,000 (2023 - £2,834,000), of which employer's contributions totalled £2,944,000 (2023 - £2,283,000) and employees' contributions totalled £660,000 (2023 - £551,000). The agreed contribution rates for future years are 27.1% (2023 - 27.1%) for employers and range from 5.5% (2023 - 5.5%) to 12.5% (2023 - 12.5%) for employees, depending on salary.

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund are at 31 March 2023 updated to 31 July 2024 by a qualified independent actuary.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 July 2024 %	At 31 July 2023 %
Discount rate	5.05	5.15
Future salary increases	3.90	3.85
Future pension increases	2.90	2.85
Inflation assumption	2.90	2.85

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

25. Pension commitments (continued)

The valuation has been allowed for actual pension increase experience for the period to 31 July 2024. This assumes that pension increases are in line with the annual pension increase set by the Treasury Revaluation Order. The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 July 2024 Years	At 31 July 2023 Years
Retiring today - Males	20.7	20.7
Retiring today - Females	23.6	23.6
Retiring in 20 years - Males	22.0	22.0
Retiring in 20 years - Females	25.0	25.0

The Corporation's share of the assets in the scheme was:

	At 31 July 2024 £000	At 31 July 2023 £000
Equities	35,676	31,465
Cash	766	749
Credit	7,234	5,700
Real estate	4,388	5,263
Longevity Insurance	(2,564)	(2,203)
Infrastructure	6,157	6,361
Total fair value of assets	51,657	47,335

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

25. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2024 £000	2023 £000
Amounts included in staff costs		
Current service costs	1,840	2,776
Past service cost	19	-
Administration expenses	44	43
	1,903	2,819
Amounts included in interest and other finance costs		
Net interest payment	275	489
	275	489
Amounts recognised in other comprehensive income		
Return on pension plan assets	123	(2,271)
Change in financial assumptions	(1,577)	24,496
Change in demographic assumptions	128	1,568
Experience gain on defined benefit obligation	299	(7,738)
Other actuarial losses on assets	-	(6,300)
Amounts recognised in other comprehensive income	(1,027)	9,755

Movements in the present value of the defined benefit obligation were as follows:

	2024 £000	2023 £000
Opening defined benefit obligation	54,128	62,467
Interest cost	2,758	2,208
Contributions by scheme participants	660	551
Actuarial losses/(gains)	1,150	(18,326)
Benefits paid	(1,844)	4,452
Past service costs	19	-
Current service cost	1,840	2,776
Closing defined benefit obligation	58,711	54,128

THE WINDSOR FOREST COLLEGES GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

25. Pension commitments (continued)

Movements in the fair value of the Corporation's share of scheme assets were as follows:

	2024	2023
	£000	£000
Opening fair value of scheme assets	47,335	46,944
Expected return on assets	2,483	1,719
Actuarial gains/(losses)	123	(8,614)
Administration expenses	(44)	-
Contributions by employer	2,944	2,283
Contributions by scheme participants	660	551
Benefits paid	(1,844)	4,452
Closing fair value of scheme assets	51,657	47,335

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

	2024	2023
	£000	£000
Fair value of plan assets	51,657	47,335
Present value of plan liabilities	(58,711)	(54,128)
Net pensions liability	(7,054)	(6,793)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

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

	2024 £000	2023 £000
Net defined benefit (liability)/asset in scheme at 1 August	(6,793)	(15,523)
Movement in year:		
Current service cost	(1,840)	(2,776)
Employer contributions	2,944	2,283
Past service costs	(19)	-
Administration expenses	(44)	-
Net interest on the defined (liability)/asset	(275)	(489)
Actuarial gains/(losses)	(1,027)	9,712
Net defined benefit (liability)/asset at 31 July	(7,054)	(6,793)

25. Pension commitments (continued)

Total pension cost for the year

	2024 £000	2023 £000
Local Government Pension Scheme		
Contributions paid	2,944	2,283
FRS 102 (28) charge	(1,041)	536
	1,903	2,819
Teachers' Pension Scheme: contributions paid	3,004	2,563
Enhanced pension charge to Statement of Comprehensive Income	57	43
	4,964	5,425

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

26. Operating lease commitments

At 31 July 2024 the Corporation had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £000	2023 £000
Not later than 1 year	56	75
Later than 1 year and not later than 5 years	66	126
	122	201

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2024 £000	2023 £000
Operating lease rentals	150	145

The College as a lessor:

At the year-end, the College had contracted with tenants, under non-cancellable operating leases, for the following future minimum lease receipts:

	2024 £000	2023 £000
Payments due		
Not later than one year	227	207
Later than one year and not later than five years	906	828
After five years	19	224
	1,152	1,259

The operating leases represent leases of the basement and top floor of the Grade I listed Mansion and the lease of four residential blocks. The leases for the basement of the Mansion and residential blocks are negotiated until 31 August 2039. Either party has the option to exercise a break clause on 1 September 2029 or 1 September 2034.

During the year the College received income of £225,000 rental income and an additional £42,000 income for utility recharges and adhoc room hire.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

27. Related party transactions

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

The total expenses paid to a Governor during the year was £NIL (2023 - £86). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending Governor meetings and charity events in their official capacity.

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

During the year, the College received rental income of £3,706 (2023 - £2,698) in respect of a resident on campus who acts as a Governor.

During the year, the college entered into the transactions listed below with associated organisations. The organisations are all associated with the College due to a member of the College board of governors having an interest in the organisation.

- Landex – purchase of annual membership fees of £6,750 (2023 - £6,750), and attendance at the annual conference fees of £1,200 (2023 - £1,200)
- Business alliance – purchase of full annual membership for the Thames Valley Chamber of Commerce of £2,667 (2023 - £2,540), and attendance at the annual dinner £90 (2023 - £NIL)
- Upton Court Grammer School (part of Pioneer Education Trust) – purchase of £300 paid to a third-party supplier for a 1-page advert in the grammar school magazine (2023 - £300)
- White Grove Primary school – sale of £540 for zoo tickets for a class trip to attend the zoo at BCA (2023 - £NIL)

There were no amounts outstanding in relation to this arrangement at the year end.

Key management compensation disclosure is given in Note 9.

THE WINDSOR FOREST COLLEGES GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

28. Amounts disbursed as agent

	2024 £000	2023 £000
Learner support funds		
Balance unspent as at 1 August, included in creditors	66	46
Funding body grants - ESFA 16-19	596	433
Other funding body grants	-	87
	<u>662</u>	<u>566</u>
 Disbursed to students	 (517)	 (493)
Administration costs	(8)	(7)
	<u>137</u>	<u>66</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.

29. Post balance sheet events

Subsequent to the balance sheet date, the Group has exchanged contracts for the sale of its land at Honey Lane, Hurley, Maidenhead. This sale is subject to conditions including planning authority approval of heritage works and surface water drainage schemes. The net proceeds will be retained exclusively for the repair and restoration of the Grade I listed Hall Place at BCA, in compliance with planning conditions and the exceptional circumstances clause under the UK National Planning Policy Framework (NPPF).

The Department for Education (DfE) confirmed at the time of the College Group's merger in 2022 that proceeds from this sale would remain designated for this purpose, ensuring adherence to planning requirements.

This transaction reflects the College Group's commitment to preserving historically significant assets while complying with planning and financial regulations.

The current estimated cost for the restoration and repair of the listed asset is £12m.