The Windsor Forest Colleges Group
Annual Report and Financial Statements
Year ended 31 July 2025

The Windsor Forest Colleges Group

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The Windsor Forest Colleges Group

Reference and Administrative Details

Board of Governors

Ms Jo Croft
Ms K Blandin (from 25.03.2025)
Mr P Britton (Re-appointed 18.05.2025)
Mr J Clay
Ms T Coates (end 31.07.2025)
Ms L Fellows
Ms S Foley
Mr N Garat
Mr A Haines
Ms A Wheatley (end 31.07.2025)
Ms S Waller (from 21.01.2025)
Mr I Thomson
Ms S Sutherland
Ms A Spinks
Ms G May
Ms S Marshall-Davies (from 13.06.2025)
Mr R Lewis (end 10.05.2025, Senior Independent Governor from May 2025)
Mrs A Wellings (end 31.12.2024)

Group Director of Governance and Company Secretary

Ms T Reeve

Senior Management Team

Gillian May	Group Principal and Chief Executive Officer
Lucy Gill	Group Finance Director
Amanda Down	Principal, Sixth Form (until 31/08/2025)
Anne Entwistle	Principal, Further Education
Karen Griffiths	Group Vice Principal
Tracy Reeve	Group Director of Governance
Susan Brady	Group Executive Director People and Culture
Dan Fairbairn	Group Executive Director Technology

Principal and Registered Office

Slough and Langley College
Station Road
Langley
Berkshire
SL3 8BY

Professional advisors

External auditors

MHA
Building 4,
Foundation Park,
Roxborough Way,
Maidenhead,
SL6 3UD

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
Group Principal's Foreword

The academic year 2024/25 has been one of the most successful in the history of our College Group. Through strong partnerships with employers and stakeholders, we ensure our curriculum remains industry relevant, directly enhancing our students' employability and success.

Since our merger three years ago, we have grown together as a dynamic group of four distinct colleges. Each college has developed a strong identity and specialisms that reflect the needs of its community while contributing to our shared strength and ambition as a group.

We continue to plan carefully for the rise in student numbers. Our strategic investment and development plans are closely aligned with the government's skills priorities. This is evident in the significant expansion of STEM subjects and the strong student demand in these areas, alongside our ongoing commitment to land-based education that supports the future of British farming and agriculture. Our growing apprenticeship provision and leadership in delivering Skills Bootcamps highlight the central role we play in supporting the regional economy.

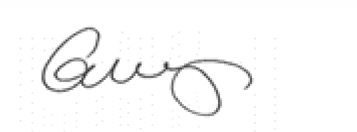
Inclusion remains at the heart of our mission. The expansion of our supported internship programme has opened new pathways into employment, while nearly 500 students with Education, Health and Care Plans (EHCPs) are experiencing success, self-worth and progression across our four colleges. Our commitment extends to the wider community too, with expanded ESOL provision for 16–19 learners in partnership with local schools and adult learning opportunities that have exceeded our funded allocation, demonstrating both the strength of demand and the life changing impact of education for adults as well as young people.

We are proud to work with our Employer Representative Body, the Thames Valley Chamber of Commerce, in developing the Thames Valley Local Skills Improvement Plan (LSIP). Together we are shaping the delivery of Skills Bootcamps and Higher Technical Qualifications to meet the needs of local employers.

We are also leading on an ambitious digital strategy designed to remove barriers to digital access, improve employability and ensure our operations deliver best value for the public purse.

Following a period of post-merger reorganisation, we are now in a positive financial position. We were delighted to achieve a rating of *Good financial health* in 2024/25 and have prepared forward looking plans that will both retain this position and build our cash reserves over time. Alongside strong financial performance, we continue to deliver good student outcomes, high levels of staff, employer and student satisfaction and most importantly, excellent positive destinations for our students.

We would like to thank and congratulate our students, staff and governors for their achievements and commitment. Together, they have ensured that 2024–25 has been another highly successful and rewarding year for our College Group.



Gillian May
Group Principal & CEO

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 2025.

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.

The College Group operates with one dormant subsidiary company BCA Landbase Limited.

Vision, Strategy and Objectives

Our Vision
Our students will be recognised locally and 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 our key strategic objectives. Each objective is owned by a Corporation sub-committee and is integrated into the College 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 College Group.
5. **Investment in Our People and Group Resources**: Providing inspirational teaching and learning. quartile nationally

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

Our Strategic Priorities (continued)

Financial Performance and Sustainability

The College Group achieved a positive Education-specific EBITDA of £3,148,000 in 2024-25, and an operating surplus of £1,444,000. This was underpinned by increased funding following strong post-merger growth in learner numbers. Investment in staff and systems during the year has established a robust foundation for enhanced efficiency and long-term sustainability.

Looking forward, our priorities are to:

- Maintain financial stability and consistently meet Department for Education (DfE) financial health ratings.
- Deliver ongoing investment in campuses and digital infrastructure to ensure modern, high quality learning environments.
- Uphold the highest standards of health and safety.
- Progress towards our ambition to achieve net zero by 2030.
- Provide facilities for community and charitable use on a not-for-profit basis.
- Maintain rigorous risk management, safeguarding our data, reputation and business continuity.
- Ensure our governing body brings the skills, experience and independence required for strong oversight and values driven decision making.

The College Group measures performance against its strategic plan using the following financial indicators:

- At least a "Good" DfE financial health rating.
- Surplus operating budgets delivered annually.
- Positive cash generation from operations.
- Annual capital investment maintained at or above £2m (2025 actual: £2.95m).

Performance is further benchmarked against key ratios:

- Current ratio maintained above 1 (2025 actual: 1.51).
- EBITDA maintained above 7% of income (2025 actual: 6.12%).
- Loan borrowings reduced to zero by 2028 (2025 actual 1.29%).
- Annual capital investment of at least 3% of turnover.

Key Performance Measures

The College Group uses a comprehensive set of performance measures across curriculum and business support functions aligned to the Group's strategic objectives. These measures are subject to rigorous monitoring, with termly reporting to the Governing Body and its sub-committees to ensure accountability and continuous improvement.

Learner outcomes continue to be strong across all colleges. Student satisfaction remains consistently high, reflecting the quality of teaching and support provided. Learners are well prepared for their next steps, with the majority progressing into further or higher education, employment, or training in line with their aspirations. Programmes for young people build on prior attainment, while adult and apprenticeship provision is carefully designed to develop the skills required by local employers. Positive destinations and progression rates are evident across all provision types, including for young people, adults, apprentices and high-needs learners.

Inclusion and diversity are central to the College Group's ethos. Our curriculum and wider student experience encourage respect for different cultures, faiths and perspectives, preparing students to thrive in a diverse society. Events such as Black History Month, Pride, and Eid celebrations bring our communities together, helping students to embrace both shared values and differences. Learners consistently report that our colleges have an inclusive culture, where respect and acceptance are promoted for all.

Our Strategic Priorities (continued)

Through this strong focus on outcomes, progression, and inclusion, the Windsor Forest Colleges Group ensures that every student is equipped with the knowledge, skills, and confidence needed for success in their future lives and careers.

Student numbers

In 2024–25, the College Group enrolled 7,238 students. This included:

- 4,646 students aged 16–18
- 89 part-time students aged 14–16
- 851 apprentices
- 65 higher education students
- 1,587 adult learners

Resources

The College Group employs 913 staff, of whom 370 are directly engaged in teaching.

At 31 July 2025, the College Group reported net assets of £60.9 million (2024: £53.2 million), which included a pension liability of £0 (2024: £7.1 million) and long-term debt of £0.4 million (2024: £0.7 million).

The College Group's tangible resources comprise three owned freehold properties: Berkshire College of Agriculture, Slough & Langley College and Windsor College as well as a 25-year leasehold interest in Strode's College, Egham, which runs until 2042 with an option to extend for a further 25 years.

During the year, the College Group generated positive operating cash flow, which has been applied to capital investment and debt reduction. Overall cash reserves increased by £2.5 million, reflecting the retention of capital grant funding that will be utilised to complete ongoing capital projects.

Reputation

The College Group has a good reputation locally and regionally, based on a good quality provision of education and training. The College Group has strong links and relationships with local employers and other stakeholders.

Stakeholders

As an exempt charity, the Windsor Forest Colleges Group delivers clear public benefit through the advancement of education and active engagement with the communities it serves. The College Group is committed to ensuring that its work contributes positively to local and regional priorities by providing access to high-quality education, developing skills that support employability, social inclusion and community wellbeing.

The College Group engages constructively and collaboratively with local communities, sharing its facilities and resources, exchanging knowledge and expertise and participating in local initiatives that promote opportunity and cohesion. This approach reflects the College Group's core values of openness, partnership and inclusion.

Community engagement is embedded across the College Group's planning, people and resources, ensuring that its educational offer and strategic priorities are aligned to community needs. The College Group actively consults with local residents, schools, employers, community organisations and local authorities to maintain strong partnerships and ensure responsiveness to emerging priorities.

Our Strategic Priorities (continued)

The College Group's diverse stakeholder network includes:

- Local communities – neighbours and residents living near college sites, and newly arrived residents supported through English language and integration programmes
- Education partners – local schools, colleges, universities and other further education institutions
- Community and voluntary sector organisations – including charities, housing providers and voluntary groups
- Strategic and civic partners – devolved and non-devolved government bodies, local authorities and regional organisations such as the Thames Valley Chamber of Commerce
- Heritage and civic stakeholders – including the Strode's Foundation (Registered Charity 312026) and its Trustees, The Worshipful Company of Coopers, and Windsor Barracks
- Employment and skills partners – local, regional, and national employers; professional and awarding bodies; the Department for Work and Pensions; Jobcentre Plus and employer representative organisations
- Internal and sector stakeholders – current, future, and past students; staff and their recognised trade unions; and education funding and regulatory bodies

Through these relationships, the College Group responds effectively to local and regional priorities, supports economic recovery and growth and contributes to the social and cultural development of its communities. The College Group's activities are designed to benefit learners of all ages and backgrounds, ensuring that public resources are used effectively to deliver measurable and meaningful impact across the Thames Valley region.

Public benefit

In delivering its mission, the College Group provided identifiable public benefits through the advancement of education to 7,238 students, including 491 students with high needs. The College Group provides courses without charge to young people, to those who are unemployed and adults taking English and Maths courses. The College Group adjusts its courses to meet the needs of local employers and provided training to 851 apprentices which continues to grow. The College Group is committed to providing information, advice and guidance to the students it enrols and to find suitable courses for as many students as possible regardless of their educational background.

DEVELOPMENT AND PERFORMANCE

Financial Review

The College Group made a surplus of £7,714,000. Excluding the LGPS revaluation, the resulting surplus 2024-25 was £1,444,000. This compares to 2024, £4,866,000 deficit, £3,882,000 deficit excluding LGPS revaluation.

The College Group received 82% of its total income for 2024-5 as grants from funding bodies, (2024: 83%) with 78% (2024: 78%) coming from the Department of Education for 16-18 provision.

At the balance sheet date, the College Group held net current assets of £2,982,000 (2024: net current liabilities of £259,000) and total net assets of £60,907,000 (2024: £53,193,000), which includes a defined benefit pension liability of £0 (2024: £7,054,000).

The net cash inflow from operating activities was £3,005,000 (2024: £1,614,000 inflow), 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 inflow after grant receipts of £62,000 (2024: £366,000 outflow) and this reflects the College Group spending £2,981,000 on fixed assets (2024: £2,519,000).

Financial Review (continued)

The College Group held cash at the end of the year of £6,816,000 (2024 £4,325,000).

The College 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 2025 was £660,000 (2024: £880,000) and will be repaid over the next 3 years with quarterly capital repayments of £55,000. Interest is charged on the loan at the rates set by the DfE.

The College 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 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 College Group exchanged contract for the sale of the land to a developer in April 2026
- Redevelopment of North Wing at Slough & Langley College - £600,000
- Ongoing repairs and maintenance to infrastructure including major roof repairs at Strode's and Windsor - £250,000

The College Group has accumulated reserves of £60,907,000 (2024: £53,193,000) and cash and short-term investment balances of £6,816,000 (2024: £4,325,000). The College Group accumulates reserves and cash balances to create a contingency fund to meet future capital requirements.

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

The fair value of the pension plan assets at 31 July 2025 is £56,998,000 which is £1,249,000 in excess of the present value of the defined benefit obligation at that date of £55,749,000. This surplus of £1,249,000 is recognised in the financial statements only to the extent that the College Group can recover that surplus, either through a reduction in future contributions or through a refund to the College Group.

Following discussions with actuaries and consultations, the College Group is not able to determine that future contributions will be reduced. It is not possible for the College Group to receive a refund, as the conditions for this have not been met. Therefore, an asset ceiling surplus of £1,249,000 is not recognised as an asset at 31 July 2025 as the College Group is not able to determine that the College Group will benefit from reduced future contributions or by a refund in the foreseeable future. Further details are provided in note 24.

Financial plan

The Board of Governors approved a financial plan in July 2025. The College 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 DfE.

Treasury policies and objectives

Treasury Management is the management of the College 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 College Group has a separate Treasury Management Policy in place which includes its banking

Financial Review (continued)

arrangements. Following the Office for National Statistics (ONS) reclassification of colleges, future borrowing must be authorised by the Department for Education (DfE).

Reserves

The College 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 College Group's core activities. The College Group reserves include £12,280,000 held in revaluation reserve. As at the balance sheet date the Income and Expenditure reserve stands at £48,627,000.

The Income and Expenditure reserve includes Pension Provisions of £0 (2024: £7,054,000). Windsor Forest Colleges Group reserves include £nil (2024: £nil) held as restricted reserves. It is the Corporation's intention to begin increasing non-pension related reserves over the life of the strategic plan, with the continuation of generation of annual operating surpluses.

PRINCIPAL RISKS AND UNCERTAINTIES

The Windsor Forest Colleges Group has well developed strategies for managing risk and seeks to embed risk management across all of its operations. These processes are designed to safeguard the College Group's assets, reputation and financial stability. The Governing Body holds overall responsibility for risk management and its approach to internal control and oversight is set out in the Statement on Corporate Governance.

A comprehensive risk register is maintained and reviewed at every Audit Committee and Board meeting. The key risks currently facing the College Group, together with mitigating actions, are summarised below:

- **Risk 1: Financial performance**
  The principal financial risk for the College Group remains the failure to meet budget or forecast targets, which could result in negative EBITDA performance and weaker financial health. This risk is actively managed through robust financial planning, monthly performance monitoring and oversight by the Finance and Resources Committee and the Board of Governors.

  The College Group achieved a return to good financial health in 2024/25, delivering an operating surplus, positive EBITDA and a significantly improved cash position. This reflects the successful implementation of efficiency measures, growth in 16–18 DfE-funded learners and strengthened financial controls. The Board-approved 2025/26 budget builds on this improved position, with continued focus on sustainable growth and effective cost management. Performance in Quarter 1 2025/26 is on track with budget, supported by strong enrolments and rising adult education income, providing a solid foundation for ongoing stability and future strategic investment.

- **Risk 2: IT failure and cyber security**
  The College Group recognises the increasing cyber security risks within the further education sector, including the potential loss or compromise of staff and student data. Maintaining the integrity, confidentiality and availability of data remains a key strategic priority.

  Comprehensive mitigating controls are in place, including enterprise-level firewalls, virus filtering, multi-site data backups, restricted VPN access and continuous system monitoring. The College Group holds annual Cyber Essentials accreditation and is fully compliant with the Department for Education's IT security standards.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Ongoing priorities include the completion of the College Group-wide IT migration, the reinforcement of GDPR compliance through staff training and regular data protection assessments and continued investment in systems resilience and cyber awareness across all sites.

- **Risk 3: National curriculum reform**
  The College Group acknowledges the continuing uncertainty arising from national curriculum policy changes and qualification reform, including the phased transition from existing vocational qualifications to new technical routes. These developments present potential risks to curriculum stability, learner progression, and long-term planning.

  In response, the College Group's curriculum planning remains learner-centred, supported by high-quality information, advice and guidance (IAG) to ensure that students are enrolled on programmes aligned with their aspirations and progression routes. The rollout of T Levels has been completed, and employer engagement has been strengthened through co-designed curriculum models that reflect industry needs.

  At Strode's College, the curriculum has been broadened to include enhanced vocational and Level 2 provision, in line with both the Accountability Agreement and the Local Skills Improvement Plan (LSIP) priorities.

- **Risk 4: Safeguarding and external threats**
  The College Group recognises the ongoing risks associated with safeguarding, including radicalisation, extremism, and sexual exploitation within the college environment. Ensuring the safety and wellbeing of students and staff remains a central priority.

  Safeguarding is fully embedded across all College Group activities, supported by comprehensive staff and student training and continuous awareness initiatives. The College Group holds Leaders in Safeguarding accreditation.

  The College Group maintains strong partnerships with external agencies, supported by updated safeguarding action plans, specialist training and IT monitoring systems. These measures ensure a robust and clear approach to safeguarding, PREVENT and the management of external threats, providing assurance that learners are protected and supported across all college sites.

Student Achievement and Performance

The College Group continues to deliver strong results across all provisions, sustaining its self-assessment as a 'Good' provider, with skills provision self-assessed as 'Strong', reflecting its commitment to high-quality, industry-relevant education.

The College Group's focus remains firmly on high-grade achievement, attendance, and value-added outcomes, alongside closing attainment gaps for specific learner groups and further enhancing student satisfaction.

Overall student achievement across the College Group remained strong in 2024/25. The College Group continues to perform in line with or above national averages for similar providers, reflecting the sustained impact of quality improvement measures and the continued focus on excellent outcomes for learners of all ages. Across all ages combined, College Group achievement for 2024/25 was 82.6%, compared with 82.0% in 2023/24, reflecting a continuing upward trajectory.

For 16–18-year-olds, achievement in 2024/25 was 83.5%, an increase from 83.0% in 2023/24. This represents steady progress across the College Group, with particularly strong results at BCA, Strode's and Windsor. BCA achieved 89.5%, up from 88.0% last year, maintaining its position as one of the College Group's strongest performing colleges. Strode's College achieved 82.3%, an

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

increase of 3.3 percentage points, and Windsor College achieved 83.1%, up by 3.1 percentage points on the previous year. Slough & Langley College achieved 79.1%, which is 3 percentage points below last year's 82.0%, reflecting a temporary dip following a period of sustained improvement and significant growth.

For adult learners (19+), achievement was 80.6% in 2024/25, compared with 80.0% in 2023/24. Slough & Langley College achieved 81.8%, up 1.5 percentage points on the previous year, and Strode's College achieved 76.6%, up by 3.6 percentage points. Students continue to receive high quality support and learner satisfaction remains positive across all colleges. Destinations data indicate that students progress to positive outcomes, including apprenticeships, higher education and further training opportunities.

The College Group continues to focus on value added, high-grade achievement and attendance, alongside closing achievement gaps for specific learner groups, particularly those on restart programmes. Achievement rates at Slough & Langley College continue to improve, while BCA sustains an 89% achievement rate, placing it in the upper quartile nationally. At Strode's and Windsor Colleges, the A Level pass rate remained high at 95%, compared with 96% in the previous year, while the BTEC pass rate was sustained at 98%. The overall achievement rate for 16–18 students on all long courses was 96%, demonstrating strong performance across academic and vocational programmes. GCSE English and maths resit pass rates remained above the national average and students with Learning Difficulties and/or Disabilities (LLDD) achieved outcomes in line with those of learners without LLDD, reflecting the inclusive and supportive nature of the College Group's provision.

Measure/Target	**Target**	**Actual for 2024/25**
Student numbers 14-19 Study Programmes	4,450	4,735
Student numbers Adult Learners (including Higher Education)	850	916
Student achievement 14-19 Study Programmes	90%	83%
Student achievement Adult Learners	90%	80%
Staff satisfaction (via survey)	95%	94.2%
Ofsted rating	Good	Good

In our Higher Education provision pass rates remain strong at 97%, supported by high levels of student satisfaction with teaching quality (96.55%, well above the national benchmark of 85.43%). Rigorous academic standards are sustained, enabling excellent achievement and progression.

The Apprenticeship provision continues to strengthen across the College Group, with learner numbers increasing by around 8% in 2024/25 and retention improving to 88%. Achievement rates now exceed 60%, reflecting sustained year-on-year improvement and the positive impact of targeted quality actions following Ofsted's 'Good' judgement. The College Group continues to develop a strong and diverse pipeline of apprentices, with notable growth in construction, engineering, motor vehicle, business administration, and land-based disciplines, which collectively account for over 70% of all apprenticeship enrolments.

Curriculum Development

Employer partnerships remain central, shaping curriculum design and aligning with industry standards. This includes the establishment of T Levels in agriculture, health, digital, and business, supported by significant capital investment in specialist equipment.

The College Group's curriculum strategy is designed to prepare students for progression into higher study or employment. Routes are embedded in all programmes, with industry placements integral to full-time courses. Partnerships with Jobcentre Plus and local authorities have expanded provision, positioning the College Group as an anchor institution for skills and training.

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 2024 to 31 July 2025 the average credit days taken was 40 days and the average days to pay from date the invoice was logged was 28 days. The College Group incurred no interest charges in respect of late payment for this period.

Trade union facility time

The College Group employs 913 people, of whom 370 are teaching staff.

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the College Group to publish information on facility time arrangements for trade union officials at the College Group. Numbers of employees who were TU representatives in relevant period (to 31st March 2025).

Number of employees who were union officials during the period

Numbers of employees in the relevant period	FTE employee number
6	5.4

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	£14,809
Total pay bill	£34,008k
Percentage of total bill spent on facility time	0.04%

Percentage of total paid facility time spent on paid trade union activities

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. The percentage represents the gap between male and female pay. 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.

Gender pay gap reporting (Continued)

Year ending 31 March 2024

	Year ending 31 March 2024
Mean gender pay gap (% males > females)	6.85%
Median gender pay gap (% males > females)	14.87%
Mean bonus gender pay gap	0%
Median gender bonus gap	0%
Proportion of males/females receiving a bonus	0%

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

Gender Pay Distribution by Quartile

Quartile	Males (%)	Females (%)
1 - Lower quartile	21.9%	78.1%
2 – Lower middle	22%	78%
3 – Upper middle	32.6%	67.4%
4 – Upper quartile	36%	64%

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 College 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 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 Group'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 College 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 College 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 Group.

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

At the close of FY25, WFCG held a cash balance of £6.816million, which was in line with the College Group's budget forecasts and the CFFR submitted in July 2025. The increase in cash balances held is due to the return to the College Group generating positive cash inflows from operating activities. The FY25 results show a positive Education-specific EBITDA of £3.148m (FY24 £2.045m negative).

GOING CONCERN (continued)

FY25 the College Group has exceeded its financial forecast for revenue and EBITDA and generated an operating surplus of £1.290m.

WFCG has a small loan from the Department for Education (DfE) totalling £660k (as at 31 July 2025), with quarterly repayments of £55k. The loan is due to expire in July 2028. The College Group continues to meet all payment obligations as scheduled.

The FY24 breach of the loan covenant was caused by WFCG not generating positive cash from operating activities during FY24. This has not been the case for FY25 and in July 2025 calculations were submitted to the DfE that support that the College Group has met its covenant requirements for FY25. At this stage nothing has arisen from the year end accounts to change this position.

FY26 has started well with positive enrolment numbers.

At the time of reporting the above table to the September 25 resources committee meeting, 16-19 DfE learner headcount at across the College Group was 5,119: 332 ahead of the prior year enrolment (4,787). Against current retention rates we estimate that this equates to between £1.4m and £1.6m of lagged funding to be received in 2026/27. This addition in lagged funding was not taken into account in our July 25 CFFR submission for the forecast position for FY27 as this growth was not certain at that stage.

Planned pay increases have been made in the current year and the September 2025 pay included a 1.7% cost of living increase and progression related pay for staff who qualified for this. All non-pay costs continue to be well controlled.

The College Group has experienced a strong start to the FY26, enrolments have once again exceeded budget. We believe that WFCG remains a going concern.

The College 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 is £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 10 December 2025 and signed on its behalf by:

Jo Croft
Chair of Governors
10 December 2025

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 1st August 2024 to 31st July 2025 and up to the date of approval of the annual report and financial statements.

GOVERNANCE CODE

The College 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 FE Code of Good Governance ("the Code").

In the opinion of the Governors, the College mainly complies with the provisions of the Code, and it has complied throughout the year ended 31 July 2025. 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.

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

GOVERNANCE STATEMENT (continued)

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/ End of term	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 08.07.2020 new term agreed to 31.07.2021 18.02.2021 new term agreed to July 2024 03.07.2024 extended term agreed to December 2024	4 years	31.12.2024	External (Vice Chair of Corporation to 18.02.2021. Chair of Corporation from 18.02.2021)	Remuneration; Resources; Quality & Curriculum; Strategy, Governance & Search	80%
Ms G May	18.04.2021	n/a		Principal (Accounting Officer)	Strategy, Governance & Search; Resources; Quality & Curriculum, CDSG*	100%
Ms K Blandin	25.03.2025	4 years		External	Quality & Curriculum	100%
Mr P Britton	19.05.2021 Re-appointed 18.05.2025	4 years		External	Strategy, Governance & Search; Remuneration	63%
Ms T Coates	07.10.2015 03.07.2019 new term agreed to 07.10.2023	2 years	31.07.2025	External	Strategy, Governance & Search (Chair); Quality &	94%

	05.07.2023 new two-year term agreed to 31.07.2025				Curriculum; Remuneration	
Ms J Croft	01.08.2022	4 years		External Chair of Corporation from 01.01.2025	Audit (Chair) until 31.12.2024; CDSG (Chair). Resources; Remuneration; Strategy Governance & Search (from 01.01.2025)	100%
Ms L Fellows	01.04.2024	4 years		External	Resources	62%
Ms S Foley	19.5.2021	4 years		External	Resources (Chair), CDSG	56%
Mr N Garat	9.12.2020	4 years		External	Audit, Quality & Curriculum	94%
Mr A Haines	07.12.2015 03.07.2019 new term agreed to 07.12.2023 13.12.2023 new term agreed to 12.12.2025	2 years		External	Audit (Acting Chair from 01.01.25)	86%
Mr R Lewis	09.05.2017 09.12.2020 new term agreed to 09.05.2025 New term agreed as SIG 10.05.2025	4 years		External Senior Independent Governor from May 2025	Remuneration (Chair), Strategy, Governance & Search; Audit; Quality & Curriculum	100%
Ms S Marshall-Davies	13.06.2025	4 years		External	Quality & Curriculum	100%
Ms A Spinks	20.03.2024	4 years		External	Quality & Curriculum; Resources	75%
Ms S Sutherland	01.08.2022 20.03.2024 new 4-year term agreed to 31.07.2026	4 years		External	Quality & Curriculum (Chair); Resources	94%

Mr Ian Thomson	01.08.2022	4 years		External	Audit; Strategy Governance & Search; CDSG	71%
Mr K Virdee	09.05.2017 29.04.2021 new term agreed to 09.05.2025	4 years	13.10.2024	External	Resources	100%
Mr J Clay	04.10.2023	4 years		Teaching Staff Sixth Form	Quality & Curriculum	73%
Ms J Robertson	01.08.2022 Current term of office to 30.11.2024	4 years	11.12.2024	Staff (BCA)	Quality & Curriculum	100%
Ms S Waller	21.01.2025	4 years		Teaching Staff FE	Quality & Curriculum	100%
Ms A Wheatley	07.07.2021	4 years	31.07.2025	Support Staff	Quality & Curriculum	91%
Mr N Peters	01.08.2024	1 year	Term ended 31.07.2025	Student (Sixth Form)	Quality & Curriculum	40%
Mr N Green	21.09.2024	1 year	Term ended 31.07.2025	Student (FE)	Quality & Curriculum	50%
Mrs Tracy Reeve, Group Director of Governance acted as Clerk to the Corporation from 1 August 2024. * CDSG: Capital Development Steering Group						

The Corporation is provided with regular and timely information on the overall financial performance of the College Group 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 each term.

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: resources; quality and curriculum; remuneration; strategy, governance and search; and audit. The Corporation also has a Capital Development Steering Group (CDSG) reporting into Resources Committee. Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College Group's website at www.windsor-forest.ac.uk or from the Group Director of Governance at:

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

GOVERNANCE STATEMENT (continued)

The Group 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 Group'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 six 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.

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.

There is an annual Governor Strategy Day which allows time for strategic conversations as well as informing and updating the Board in order to improve its performance, e.g. legal and policy updates.

Annually each committee considers to what extent it feels it has added to the overall Corporation KPI's. This report is considered by the Board.

The Corporation commissioned an external review of governance during 2023/24 which was undertaken by Rockborn LLP. The final report was received by the Board on 3 July 2024 and has been published on the College Group website. Any recommendations made on best practice were included in the Governance Quality Improvement Plan 2024/25.

Remuneration committee

Throughout the year ending 31 July 2025, the College Group'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 2025 are set out in Note 9 to the financial statements.

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

GOVERNANCE STATEMENT (continued)

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 Group'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 Group's business.

The Audit Committee met on four occasions during the year: 25 September 2024, 27 November 2024, 12 March 2025 and 25 June 2025. There was also an extraordinary meeting on 16 December 2024 to approve the Financial Statements (delayed due to a protracted ESFA funding audit).

The College Group's External Auditors were represented in September and December 2024 and June 2025. Internal Auditors attended the meeting in November 2024 and June 2025. The membership of the Audit Committee is detailed below along with individual attendance data. Attendance overall at meetings during 2024/25 was strong at 91% as detailed below.

	5 Sept 24	27 Nov 24	16 Dec 24	12 Mar 25	5 June 25	% attendance
Members:						
Jo Croft	*Attended*	*Attended*	*Attended*			*100*
Nathan Garat	*Attended*	*Attended*	*APOLOGIES*	*Attended*	*Attended*	*80*
Tony Haines	*Attended*	*Attended*	*Attended*	*Attended*	*Attended*	*100*
Rob Lewis	*Attended*	*Attended*	*Attended*	*Attended*	*Attended*	*100*
Ian Thomson	*Attended*	*APOLOGIES*	*Attended*	*Attended*	*Attended*	*80*
OVERALL %	**100**	**80**	**80**	**100**	**100**	***91%***

The College Group'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.

GOVERNANCE STATEMENT (continued)

Internal control

Scope of responsibility

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

The Corporation has delegated the day-to-day responsibility to the Group Principal & CEO, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College Group'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 The Windsor Forest Colleges Group (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 2025 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 Group 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 Group's significant risks that has been in place for the period ending 31 July 2025 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Corporation.

The risk and control framework

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

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

The Windsor Forest Colleges Group has an internal audit service, which operates in accordance with the requirements of the DfE's *College Financial Handbook 2025*. The work of the internal audit service is informed by an analysis of the risks to which the College Group is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Corporation on the recommendation of the audit committee. At minimum, annually, the Head of Internal Audit (HIA) provides the governing body with a report on internal audit activity in the College Group. The report includes

GOVERNANCE STATEMENT (continued)

the HIA's independent opinion on the adequacy and effectiveness of the College Group's system of risk management, controls and governance processes.

Risks faced by the Corporation

The College Group'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 Group 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

No significant weaknesses or failures were identified in the year.

Responsibilities Under Accountability Agreements

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

The College Group has reviewed its policies, procedures and approval processes in line with the 2024-5 College Finance Handbook and its accountability agreement with DfE 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 2024-25 and up to the date of the approval of the financial statements are:

- internal audit reviews of Procurement, Cyber Security, Payroll & Human Resources, Business continuity and Risk Management and follow up of recommendations.
- regular review of the College Group's risks as shown in the Risk Management Plan
- review of the External Audit Management Report on the 2024-25 and 2025-26 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 Group who have responsibility for the development and maintenance of the internal control framework
- comments made by the College Group's financial statements auditors, the reporting accountant for regularity assurance, the appointed funding auditors, in their management letters and other reports.

GOVERNANCE STATEMENT (continued)

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 exception. At its December 2025 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2025 by considering documentation from the senior management team and internal audit and taking account of events since 31 July 2025.

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 10 December 2025 and signed on its behalf by:

Jo Croft
Chair of Governors
10 December 2025

Gillian May
Accounting Officer
10 December 2025

The Windsor Forest Colleges Group

Statement of Regularity, Propriety and Compliance

As accounting officer of the corporation of Windsor Forest Colleges Group, I confirm that I have had due regard to the framework of authorities governing regularity, propriety and compliance, including the College Group's accountability agreement with DfE, and the requirements of the College Financial Handbook.

I have also considered my responsibility to notify the Corporation's Board of Governors and DfE of material irregularity, impropriety and non-compliance with terms and conditions of all funding. I confirm that I, and the board of governors, are able to identify any material irregular or improper use of all funds by the corporation, or material non-compliance with the framework of authorities.

I confirm that the following instances of material irregularity, impropriety or non-compliance have been discovered to date and have been notified to the board of governors and DfE. If any further instances are identified after the date of this statement, these will be notified to the board of governors and DfE:
A severance payment exceeding three months' salary of £23,282 was made without prior DfE approval, contrary to the guidance in place at the time. The payment was subsequently reported to the DfE. The amount was not material. Under the revised DfE rules effective from October 2025, such a payment would no longer require prior approval. Controls have been strengthened to ensure future compliance.

Gillian May
Accounting Officer
10 December 2025

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.

Jo Croft

Chair of Governors
10 December 2025

The Windsor Forest Colleges Group

Statement of Responsibilities of the Members of the Corporation

The members of the Corporation 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 and DfE, the Corporation is required to prepare financial statements which give a true and fair view of the financial performance and position of the Corporation for the relevant period. Corporations must also prepare a strategic report which includes an operating and financial review for the year. The bases for the preparation of the financial statements and strategic report are the Statement of Recommended Practice – Accounting for Further and Higher Education, DfE's College Accounts Direction and the UK's Generally Accepted Accounting Practice.

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

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

The Corporation is also required to prepare a strategic report, in accordance with paragraphs 3.23 to 3.27 of the FE and HE SORP, that describes what it is trying to do and how it is going about it, including information about the legal and administrative status of the Corporation.

The corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the corporation and which enable it to ensure that the financial statements are prepared in accordance with relevant legislation including the Further and Higher Education Act 1992 and Charities Act 2011 (as amended), 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 websites; the work carried out by auditors does not involve consideration of these matters and, accordingly, auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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, DfE, and any other public funds, are used only in accordance with the accountability agreement, funding agreements and contracts and any other conditions, that may be prescribed from time to time by DfE, or any other public funder, including that any transactions entered into by the corporation are within the delegated authorities set out in the College Financial Handbook. On behalf of the corporation, the chair of the board of governors is responsible for discussing the accounting officer's statement of regularity, propriety and compliance with the accounting officer.

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

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 DfE, ESFA and other public bodies are not put at risk.

Approved by order of the members of the Corporation on **10 December 2025** and signed on its behalf by:

Jo Croft

Chair of Governors
10 December 2025

The Windsor Forest Colleges Group

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF THE WINDSOR FOREST COLLEGES GROUP

FOR THE YEAR ENDED 31 JULY 2025

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 2025 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 2025 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 the 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 2025

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 2 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.

The Windsor Forest Colleges Group

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF THE WINDSOR FOREST COLLEGES GROUP

FOR THE YEAR ENDED 31 JULY 2025

Responsibilities of the Governing Body

As explained more fully in the Statement of Corporation Responsibilities on page 27, 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 internal audit reports
- 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 2025

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

MHA
Chartered Accountants and Registered Auditor
Maidenhead, United Kingdom

Date: 18 December 2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

The Windsor Forest Colleges Group

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO THE CORPORATION OF THE WINDSOR FOREST COLLEGES GROUP FOR THE YEAR ENDED 31 JULY 2025

Independent Reporting Accountant's Assurance Report on Regularity
To: The corporation of The Windsor Forest Colleges Group and Secretary of State for Education

In accordance with the terms of our engagement letter dated 10 September 2025 and further to the requirements of Department for Education (DfE), as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Colleges, 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 01 August 2024 to 31 July 2025 have not been applied to the purposes intended by Parliament or the financial transactions do not conform to the authorities which govern them.

This report is made solely to the corporation of the Windsor Forest Colleges Group and the Secretary of State for Education 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 the Secretary of State 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 the Secretary of State for Education 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 and Higher Education Act 1992, subsequent legislation and related regulations and guidance, for ensuring that expenditure disbursed, and income received, are applied for the purposes intended by Parliament, and the financial transactions conform to the authorities 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 2024 to 31 July 2025 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Colleges issued by DfE, which requires a limited assurance engagement, as set out in our engagement letter.

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

The Windsor Forest Colleges Group

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATION OF THE WINDSOR FOREST COLLEGES GROUP
FOR THE YEAR ENDED 31 JULY 2025

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, except for the matter listed below, nothing has come to our attention which suggests that in all material respects, the expenditure disbursed and income received during the period 01 August 2024 to 31 July 2025 has not been applied for the purposes intended by Parliament, or that the financial transactions do not conform to the authorities which govern them.

- Special Severance – a special severance payment of £23,282 gross was made to an individual without the requisite approval from the Department for Education as required in advance of any binding offer of payment - 5.9 of College Financial Handbook 2024. The special payment was in excess of three months' worth of salary. The college has since self-reported the incident to the Department for Education.

MHA MHA

Chartered Accountants and Registered Auditor

Maidenhead, United Kingdom

Date: 18 December 2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

Statements of Comprehensive Income and Expenditure

	Notes	Year ended 31 July 2025 £'000	2024 £'000 As Restated
INCOME			
Government grants	3	42,820	37,342
Tuition fees and education contracts	4	4,838	4,301
Other grants and contracts	5	855	633
Donations and Endowments	8	38	45
Investment income	7	221	257
Other income	6	3,441	2,699
Total income		**52,213**	**45,277**
EXPENDITURE			
Staff costs	9	34,431	32,574
Other operating expenses	10	12,121	11,965
Depreciation	13	3,955	4,037
Interest and other finance costs	11	340	341
Amortisation charges		-	4
Restructuring costs	9	76	238
Total expenditure		**50,923**	**49,159**
(Deficit)/surplus before other gains and losses		**1,290**	**(3,882)**
Loss on disposal of assets		-	-
(Deficit)/Surplus before tax		**1,290**	**(3,776)**
Taxation		-	-
(Deficit)/surplus for the year		**1,290**	**(3,882)**
Unrealised surplus on revaluation of assets		-	-
Actuarial gain/(loss) in respect of pensions schemes	24	6,424	(984)
Total Comprehensive Income for the year		**7,714**	**(4,866)**
Represented by:			
Total funds brought forward		53,193	58,059
Total comprehensive income/(expenditure) for the year		7,714	(4,866)
Total funds carried forward		**60,907**	**53,193**

All items of income and expenditure relate to continuing activities.
The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 40 to 63 form part of these financial statements.

Statement of Changes in Reserves

	Income and expenditure account	Revaluation reserve	Total equity
	£'000	£'000	£'000
Balance at 1 August 2023 as previously stated	47,052	12,560	59,612
Prior period adjustment applicable at 1 August 2023	(1,553)		
Balance at 1 August 2023 as restated	**45,499**	**12,560**	**59,612**
Deficit from the income and expenditure account as previously stated	(3,776)	-	(3,776)
Prior period adjustment applicable at 1 August 2024	(106)		
Other comprehensive income	(984)	-	(984)
Transfers between revaluation and income and expenditure reserves	140	(140)	-
Balance at 31 July 2024 as restated	**40,773**	**12,420**	**54,852**
Balance at 1 August 2024 as restated	40,773	12,420	53,193
Surplus from the income and expenditure account	1,290	-	1,290
Other comprehensive income	6,424	-	6,424
Transfers between revaluation and income and expenditure reserves	140	(140)	-
Total comprehensive income	**7,854**	**(140)**	**7,714**
Balance at 31 July 2025	**48,627**	**12,280**	**60,907**

Balance sheets as at 31 July 2025

	Notes	2025 £'000	2024 As restated £'000
Non current assets			
Tangible Fixed Assets	13	90,699	91,724
		90,699	**91,724**
Current assets			
Stocks		116	91
Trade and other receivables	15	1,585	1,344
Cash and cash equivalents	20	6,816	4,324
		8,517	**5,759**
Creditors – amounts falling due within one year	16	(5,816)	(6,018)
Net current assets/(liabilities)		**2,701**	**(259)**
Total assets less current liabilities		**93,400**	**91,359**
Creditors – amounts falling due after more than one year	17	(32,295)	(30,987)
Provisions	19	(198)	(231)
Net assets excluding pension asset / (liability)		**60,907**	**60,247**
Defined benefit obligations	24	-	(7,054)
Total net assets		**60,907**	**53,193**
Unrestricted Reserves			
Income and expenditure account		48,627	40,773
Revaluation reserve		12,280	12,420
Total unrestricted reserves		**60,907**	**53,193**
Total reserves		**60,907**	**53,193**

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:

Jo Croft
Chair of Governors
10 December 2025

Gillian May
Accounting Officer
10 December 2025

Statement of Cash Flows

	Notes	2025	2024 As restated
		£'000	£'000
Cash flow from operating activities			
Surplus/(Deficit) for the year		1,290	(3,882)
Adjustment for non-cash items			
Depreciation	13	3,955	4,037
Amortisation charges		-	4
Impairment of intangible assets		-	15
(Increase)/decrease in stocks		(25)	(1)
(Increase)/decrease in debtors		(241)	24
Increase/(decrease) in creditors due within one year	16	(217)	258
Increase/(decrease in creditors due after one year	17	76	-
Increase/(decrease) in provisions	19	(33)	(57)
Pensions costs less contributions payable		(625)	(723)
Release of Deferred capital grant	3	(1,289)	(1,373)
Adjustment for investing or financing activities			
Investment income	7	(221)	(257)
Interest payable	11	340	341
Net cash flow from operating activities		3,005	(1,614)
Cash flows from investing activities			
Proceeds from sale of fixed assets		52	
Receipts of deferred capital grants		2,770	1,896
Investment income	7	221	257
Payments made to acquire fixed assets	13	(2,981)	(2,519)
Net cash (used in)/provided by investing activities		62	(366)
Cash flows from financing activities			
Interest paid	11	(340)	(341)
Repayments of amounts borrowed	20	(235)	(251)
Net cash used in financing activities		(575)	(592)
Increase / (decrease) in cash and cash equivalents in the year		**2,492**	**(2,572)**
Cash and cash equivalents at beginning of the year		4,324	6,896
Cash and cash equivalents at end of the year		6,816	4,324

The notes on pages 40 to 64 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

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 Group's principal place of business and the nature of the College Group'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

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 2024 to 2025 and in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS102).

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.

Going concern

The activities of the College Group, 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 economic environment. The financial position of the College Group, its cashflow, liquidity and borrowings are described in the Financial Statements and accompanying Notes.
The College Group's forecasts and financial projections indicate that it will be able to operate within its existing cash reserves for the foreseeable future.

Going concern (continued)

Accordingly, the College Group 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.

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 DfE and either determined as part of the reconciliation process or by separate agreement by the College Group and the ESFA and DfE 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 and DfE 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 Group 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 Group 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.

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 include 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.

At the year end, the initial actuarial report from the Scheme Actuary reported a net pension asset of £1,249,000. When the Scheme gives rise to a potential asset position, the Governors are required to assess the basis for recognising an asset on the balance sheet against the FRS102 criteria, this being "An entity shall recognise the plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or refunds from the plan." In using the word "shall", the emphasis is placed upon the College Group to consider the value of such an asset, rather than whether an asset should be recognised in the first instance.

Accordingly, the College Group has considered the value at which they can benefit from either (1) refunds from the plan or (2) reduced contributions. As the College Group intends to continue to participate in the LGPS, the likelihood of a refund being due from the Scheme has been deemed as remote and not practically achievable. Secondly, the College Group has undertaken an exercise to assess the Minimum Fund Contributions (MFR) due to the Scheme in order to calculate the net present value of the asset which will be the value of a perpetuity of the future service cost minus the prevailing primary rate. The outcome of this calculation has shown that the College Group is unlikely to gain economic benefit from a reduction in future contributions.

Local Government Pension Scheme (LGPS) (continued)

Accordingly, the College Group has made an impairment charge on the asset reducing the net position at the year ended 31 July 2025 to £Nil. Therefore, no defined benefit pension asset has been included in the financial statements.

Enhanced pensions

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

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 Group. Any unused benefits are accrued and measured as the additional amount the College Group expects to pay as a result of the unused entitlement.

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 3% 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.

Intangible fixed assets – goodwill

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

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

The College Group has in place a formal lease with the Foundation that conveys to the College Group the exclusive right to occupy these buildings for a period of 25 years from 2017. Within the lease the College Group 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 Group 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 Group 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 Group. 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 Group 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.

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 2025. 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.

Equipment (continued)

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.

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.

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.

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.

Taxation

The College Group 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 Group 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.

Taxation (continued)

The College Group 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.

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.

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.

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.

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.

Financial instruments

The Corporation only holds basic Financial Instruments. The financial assets and financial liabilities of the College Group 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.

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 Group 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 Group'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.
- Local Government Pension Scheme -The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in Note 24, will impact the carrying amount of the pension liability. The actuary has used a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 to value the pensions liability at 31 July 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

<u>Other key sources of estimation uncertainty</u>

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 24 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 2025. 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.

Government Grants	**2025**	**2024 As restated**
	£'000	**£'000**
Recurrent grants		
DfE – 16-18	33,675	29,291
DfE – adult skills fund	2,766	2,720
MCA – adult skills fund	549	275
Office for students	63	63
DfE - Apprenticeships (funded)	2,690	2,237
Specific grants		
Teacher Pension Scheme contribution grant	1,590	1,083
Post 16 National Insurance Grant	198	-
DfE - non-recurrent grants	-	300
Releases of government capital grants	1,289	1,373
Total	**42,820**	**37,342**

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

	2025	**2024**
	£'000	**£'000**
Grant income from OfS	63	63
Fee income for taught awards (exclusive of VAT)	471	508

3. Tuition fees and education contracts

	2025	**2024**
	£'000	**£'000**
Adult education fees	628	700
Apprenticeship contracts	21	43
Fees for FE loan supported courses	162	173
Fees for HE loan supported courses	471	508
Total tuition fees	**1,282**	**1,424**
Education contracts	3,556	2,877
Total	**4,838**	**4,301**

4. Other grants and contracts

	2025	**2024**
	£'000	**£'001**
Other grant income	855	633
Total	**855**	**633**

5. Other income

	2025	2024
	£'000	£'000
Catering and residences	799	734
Other income generating activities	584	543
Estate income	199	140
Miscellaneous income	826	419
Student transport	1,033	863
Total	**3,441**	**2,699**

6. Investment income

	2025	2024
	£'000	£'000
Other investment income		
Other interest receivable	221	257
Total	**221**	**257**

7. Donations

	2025	2024
	£'000	£'000
Unrestricted donations	38	45
Total	**38**	**45**

8. Staff costs

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

	2025	2024 restated
	No.	No.
Teaching staff	370	374
Non-teaching staff	544	546
	913	**920**

Staff costs for the above persons

	2025	2024
	£'000	£'000
Wages and salaries	25,674	24,834
Social security costs	2,704	2,411
Other pension costs	5,630	4,850
Payroll sub total	**34,008**	**32,095**
Contracted out staffing services	423	479
	34,431	**32,574**
Restructuring costs – Contractual	38	230
- Non contractual	38	8
Total Staff costs	**34,507**	**32,812**

The College Group paid 4 severance payments in the year all in the band £0 - £25,000, (2024: 3 severance payments, all within the band £0 - £25,000).

Included in staff restructuring costs are special severance payments totalling £38,000 (2024 £8,000). Individually the payments were £8,145, £3,849, £3,000, and £23,282.

-There are two salary sacrifice arrangements: childcare vouchers and cycle to work scheme.

Key Management Personnel

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College Group and are represented by the Senior Leadership Team which comprises those individuals listed on page 1.

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

	2025 No.	2024 No.
The number of key management personnel including the Accounting Officer was:	8	8

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

	Key management personnel		Other staff	
	2025 No.	2024 No.	2025 No.	2024 No.
£50,001 - £55,000 p.a.	-	1	-	-
£55,001 - £60,000 p.a.	-	1	-	-
£60,001 - £65,000 p.a.	-	-	2	5
£65,001 - £70,000 p.a.	-	-	7	1
£70,001 - £75,000 p.a.	-	-	2	-
£75,001 - £80,000 p.a.	-	-	1	-
£80,001 - £85,000 p.a.	1	-	-	2
£85,001 - £90,000 p.a.	1	1	-	-
£90,001 - £95,000 p.a.	-	1	-	-
£95,001 - £100,000 p.a.	1	-	-	-
£100,001 - £105,000 p.a.	1	-	-	-
£110,001 - £115,000 p.a.	-	2	-	-
£115,001 - £120,000 p.a.	3	-	-	-
£120,001 - £125,000 p.a.	-	1	-	-
£165,001 - £170,000 p.a.	-	1	-	-
£170,001 - £175,000 p.a.	1	-	-	-
	8	**8**	**12**	**8**

Key management personnel compensation is made up as follows:

	2025 £'000	2024 £'000
Basic salary	848	805
Performance related pay and bonus	-	7
Benefits in kind	-	-
Pension contributions	238	195
Total key management personnel compensation	**1,086**	**1,007**

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

8. Staff costs (continued)

	2025	2024
	£'000	£'000
Basic salary	171	167
Performance related pay and bonus	-	-
Other including benefits in kind	1	2
Pension contributions	49	42
	221	**211**

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 Officer, 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 Officer reports to the Chair of Governing Body, who undertakes an annual review of her performance against the College Group's overall objectives using both qualitative and quantitative measures of performance.
Relationship of Principal and Chief Executive Officer pay and remuneration expressed as a multiple:

	2025	2024
	£'000	£'000
Group Principal and CEO's basic salary as a multiple of the median of all staff	5.67	5.90
Group Principal and CEO's total remuneration as a multiple of the median of all staff	5.86	6.10

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 Group Principal and Chief Executive Officer 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 25.

9. Other operating expenses

	2025	2024
	£'000	£'000
Teaching costs	3,673	2,845
Non-teaching costs	4,785	5,547
Premises costs	3,663	3,573
Total	**12,121**	**11,965**

10. Other operating expenses (continued)

Other operating expenses include:

	2025	2024
Auditors' remuneration:	£'000	£'000
Financial statements audit	60	45
Other services provided by the financial statements' auditor	7	15
Internal audit fees	30	28
Hire of assets under operating leases	158	150

11. Interest and other finance costs

	2025	2024
	£'000	£'000
On bank loans, overdrafts and other loans:	43	52
On finance leases	5	-
Net interest on enhanced pension liability (note 19)	11	14
Net interest on defined pension liability (note 24)	281	275
Total	**340**	**341**

12. Taxation

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

13. Tangible fixed assets

	Land and buildings		Equipment	Assets in the course of construction	Total
	Freehold	Leasehold			
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 August 2024	98,591	22,460	10,500	-	131,551
Additions	644	-	1,728	609	2,981
Disposals	(520)	-	(843)	-	(1,363)
At 31 July 2025	**98,715**	**22,460**	**11,385**	**609**	**133,169**
Depreciation					
At 1 August 2024	30,934	3,218	5,675	-	39,827
Charge for the year	2,195	444	1,316	-	3,955
Disposals	(520)	-	(792)	-	(1,312)
At 31 July 2025	**32,609**	**3,662**	**6,199**	-	**42,470**
Net book value at 31 July 2025	**66,106**	**18,798**	**5,185**	**609**	**90,699**
Net book value at 31 July 2024	67,657	19,242	4,825	-	91,724

13. Tangible fixed assets (continued)

Land and buildings for the Langley and 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 Group 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.
The net book value of equipment includes an amount of £121,000 (2024: £0) in respect of assets held under finance leases. The depreciation charge on these assets for the year was £5,000 (2024: £0).
Land and buildings include assets that have been partly financed by exchequer funds with a net book value of £39, 056,000 (2024 £39,056,000).

Should these assets be sold, the College Group may be liable, under the terms of its Financial Memorandum, to surrender the proceeds.

14. Non-current investments

The College Group 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 (2024 £Nil).
Original cost was £2,000.

15. Trade and other receivables

	2025	2024
	£'000	£'000
Amounts falling due within one year:		
Trade receivables	155	90
Amounts owed by college undertakings:		
Other debtors	2	2
Prepayments and accrued income	1,048	911
Amounts owed by the DfE	380	341
Total	**1,585**	**1,344**

16. Creditors: amounts falling due within one year

	2025	2024 As restated
	£'000	£'000
Bank loans and overdrafts	220	235
Obligations under finance leases	15	-
Trade payables	769	1,004
Other creditors	1,119	744
Holiday pay accrual	427	427
Amounts owed to College undertakings:		
Other taxation and social security	683	549
Accruals and deferred income	1,134	1,491
Deferred income - government capital grants< 1yr	1,370	1,340
Amounts owed to the ESFA	79	52
Amounts owed to the GLA	-	176
Total	**5,816**	**6,018**

17. Creditors: amounts falling due after one year

	2025	2024 As restated
	£'000	£'000
Bank loans	440	660
Obligations under finance leases	76	-
Deferred income - government capital grants	31,779	30,327
Total	**32,295**	**30,987**

18. Maturity of debt

(a) Bank loans and overdrafts

Bank loans and overdrafts are repayable as follows:

	2025	2024
	£'000	£'000
In one year or less	220	235
Between one and two years	220	220
Between two and five years	220	440
In five years or more	-	-
Total	**660**	**895**

The College Group 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 (2024 £220,000) and £440,000 (2024 £660,000) 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 Group.

The College Group previously secured a Salix Energy Efficiency Loan of £154,000, provided for energy efficiency improvements. The loan did not bear any interest and was repayable in instalments to November 2024. At the year-end £0 nil (2024 £15,000) was included within other loans due within one year.

(b) Finance leases

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

	2025	2024
	£'000	£'000
In one year or less	20	-
Between two and five years	71	-
In five years or more	-	-
Total	**91**	-

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

19. Provisions

	Defined benefit obligations	Restructuring	Enhanced pensions	Other	Total
	£'000	£'000	£'000	£'000	£'000
At 1 August 2024	7,054	-	231	-	7,285
Expenditure in the period	(3,061)	-	(26)	-	(3,087)
Additions in period	(3,993)	-	(7)	-	(4,000)
At 31 July 2025	**-**	**-**	**198**	**-**	**198**

Defined benefit obligations relate to the liabilities under the College Group's membership of the Local Government Pension Scheme. Further details are given in note 23.

The enhanced pension provision relates to the cost of staff who have already left the College Group's employ and commitments for reorganisation costs from which the College Group 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:

	2025	2024
Price inflation	5.75%	5.05%
Discount rate	2.80%	2.90%

20. Cash and cash equivalents

	01-Aug-24	Cash flows	Other changes	31-Jul-25
	£'000	£'000	£'000	£'000
Cash and cash equivalents	4,324	2,492	-	6,816
	4,324	**2,492**	**-**	**6,816**
Overdrafts	-	-	-	-
Debt due within 1 year	(235)	15	-	(220)
Debt due after 1 year	(660)	220	-	(440)
Total	**3,429**	**2,727**	**-**	**6,156**

21. Capital and other commitments

	2025	2024
	£'000	£'000
Commitments contracted for at 31 July	-	-

There were no capital commitments at the year end.

22. Lease obligations

At 31 July 2025, the College Group had minimum lease payments under non-cancellable operating leases as follows:

Future minimum lease payments due

	2025	2024
	£'000	£'000
Other		
Not later than one year	138	56
Later than one year and not later than five years	164	66
Later than five years	-	
Total lease payments due	302	122

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

	2025	2024
	£'000	£'000
Operating lease rentals	158	150

The College as a lessor:

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

	2025	2024
	£'000	£'000
Not later than one year	227	227
Later than one year and not later than five years	698	906
After five years	-	19
	925	**1,152**

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 Group received income of £229,000 (2024: £225,000) rental income and an additional £38,000 (2024: £42,000) income for utility recharges and ad hoc room hire.

23. Contingencies

There were no contingent liabilities at the year end.

24. Defined benefit obligations

The Corporation operates a defined benefit pension scheme.
The College Group'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 and 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 £768,000 (2024: £678,000) were payable to the schemes at 31 July and are included in creditors.

Total pension cost for the year

		2025		2024
Teachers' Pension Scheme: contributions paid		**3,460**		3,004
Local Government Pension Scheme:				
Contributions paid	3,061		2,944	
FRS 102 (28) charge	(929)		(1,041)	
Charge to the Statement of Comprehensive Income		2,132		1,903
Enhanced pension charge to Statement of Comprehensive Income		33		57
Total Pension Cost for Year within staff costs		**5,625**		**4,964**

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments.

Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

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

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

Accordingly, the College Group 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 Group has set out above the information available on the plan and the implications for the College Group in terms of the anticipated contribution rates.

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

Teachers' Pension Scheme (continued)

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

As a result of the valuation, new employer contribution rates 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 £3,460,000 (2024 £3,004,000).

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 2025 were £3,759,000 (2024 £3,604,000), of which employer's contributions totalled £3,061,000 (2024 £2,944,000) and employees' contributions totalled £698,000 (2024 £660,000).

The agreed contribution rates for future years are 27.1% (2024 27.1%) for employers and range from 5.5% (2024 5.5%) to 12.5% (2024 12.5%) for employees, depending on salary.

The fair value of the pension plan assets at 31 July 2025 is £56,998,000 which is £1,249,000 in excess of the present value of the defined benefit obligation at that date of £55,749,000. This surplus of £1,249,000 is recognised in the financial statements only to the extent that the college can recover that surplus, either through a reduction in future contributions or through a refund to the college.

Following discussions with actuaries and consultations, the college is not able to determine that future contributions will be reduced. It is not possible for the college to receive a refund, as the conditions for this have not been met. Therefore an asset ceiling surplus of £1,249,000 is not recognised as an asset at 31 July 2025 as the college is not able to determine that the college will benefit from reduced future contributions or by a refund in the foreseeable future.

The following information is based upon a full actuarial valuation of the fund at 31 March 2023 updated to 31 July 2025 by a qualified independent actuary.

	At 31 July 2025	**At 31 July 2024**
Rate of increase in salaries	3.80%	3.90%
Future pensions increases	2.80%	2.90%
Discount rate for scheme liabilities	5.75%	5.05%
Inflation assumption (CPI)	2.80%	2.90%
Commutation of pensions to lump sums		

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

Local Government Pension Scheme (continued)

	At 31 July 2025 Years	At 31 July 2024 Years
Retiring today		
Males	21.80	20.70
Females	24.10	23.60
Retiring in 20 years		
Males	23.40	22.00
Females	25.80	25.00

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

	Long-term rate of return expected at 31 July 2025	Fair Value at 31 July 2025	Long-term rate of return expected at 31 July 2024	Fair Value at 31 July 2024
		£'000		£'000
Equity instruments	68.0%	38,681	69.0%	35,676
Debt instruments	14.0%	7,861	14.0%	7,234
Property	8.0%	4,646	8.0%	4,388
Cash	3.0%	1,751	1.0%	766
Infrastructure	11.0%	6,460	12.0%	6,157
Longevity insurance	-4.0%	(2,401)	-5.0%	(2,564)
Total fair value of plan assets		**56,998**		**51,657**
Weighted average expected long term rate of return	**5.80%**		**5.50%**	
Actual return on plan assets		**3,806**		**2,606**

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

	2025	2024
	£'000	£'000
Fair value of plan assets	56,998	51,657
Present value of plan liabilities	(55,749)	(58,711)
Impact of Asset ceiling	(1,249)	-
Net pensions (liability)/asset (note 19)	-	(7,054)

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

	2025	2024
	£'000	£'000
Amounts included in staff costs		
Current service cost	2,069	1,840
Past service cost	18	19
Administration costs	45	44
Total	**2,132**	**1,903**

Local Government Pension Scheme (continued)

Amounts included in investment income		
Net interest charge	281	275
	281	**275**
Amount recognised in Other Comprehensive Income		
Return on pension plan assets	1,158	123
Changes in financial assumptions	8,779	(1,577)
Changes in demographic assumptions	(1,709)	128
Experience gain on defined benefit obligation	(573)	299
Impact of asset ceiling	(1,249)	-
Amount recognised in Other Comprehensive Income	**6,406**	**(1,027)**

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

	2025	**2024**
	£'000	**£'000**
Net defined benefit (liability)/asset in scheme at 1 August	(7,054)	(6,793)
Movement in year:		
Current service cost	(2,069)	(1,840)
Employer contributions	3,061	2,944
Administration Expenses	(45)	(44)
Past service cost	(18)	(19)
Net interest on the defined (liability)/asset	(281)	(275)
Actuarial gain or (loss)	7,655	(1,027)
Impact of asset ceiling	(1,249)	-
Net defined benefit (liability)/asset at 31 July	-	**(7,054)**

Asset and Liability Reconciliation

	2025	**2024**
Changes in the present value of defined benefit obligations	**£'000**	**£'000**
Defined benefit obligations at start of period	58,711	54,128
Current service cost	2,069	1,840
Interest cost	2,929	2,758
Contributions by Scheme participants	698	660
Experience gains and losses on defined benefit obligations	573	(299)
Changes in financial assumptions	(8,779)	1,577
Change in demographic assumptions	1,709	(128)
Estimated benefits paid	(2,179)	(1,844)
Past Service cost	18	19
Defined benefit obligations at end of period	**55,749**	**58,711**
Changes in fair value of plan assets		
Fair value of plan assets at start of period	51,657	47,335
Interest on plan assets	2,648	2,483
Return on plan assets	1,158	123
Administration expenses	(45)	(44)
Employer contributions	3,061	2,944
Contributions by Scheme participants	698	660
Estimated benefits paid	(2,179)	(1,844)
Fair value of plan assets at end of period	**56,998**	**51,657**

25. Related party transactions

Due to the nature of the College Group'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 Group's financial regulations and normal procurement procedures.

The total expenses paid to a Governor during the year was £NIL (2024 - Nil).

No Governor has received any remuneration or waived payments from the College Group during the year (2024: None).

During the year, the College Group received rental income of £9,835 (2024 £3,706) in respect of a resident on campus who acts as a Governor.

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

- Landex – purchase of annual membership fees of £6,750 (2024: £6,750), attendance at the annual conference fees of £920 (2024: £1,200) and CPD £165.
- Business Alliance – purchase of full annual membership for the Thames Valley Chamber of Commerce of £6,916 (2024: £2,667), and (2024: attendance at the annual dinner £90). The College Group made sales of £105 on catering.
- Landbase Ltd (dormant holding of WFCG), a Board member, Company Secretary and a member of Key Management Personnel are Directors/Company Secretary, although the company was dormant throughout period.
- Pioneer Education Trust – £800 Midas training Desborough College, £160 Foxborough Primary School, £800 Upton Court Grammar School, £800 Trevelyan Middle School. (2024: purchase of £300 paid to a third-party supplier for a 1-page advert in the grammar school magazine). £320 was outstanding at year-end.
- Windsor Girls' School – 14-16 school fees £1,705 (2024: £nil), Bus pass £300, (2024: £nil).
- A thank you gift for the retiring Chair of Governors paid as a donation of £50 paid to West-Eastern Divan Trust UK was paid from commercial income
- A thank you gift of flowers for 2 retiring Governors and a retiring Senior Management Team member for a total of £160 during the year and paid from commercial income

Key management compensation disclosure is given in Note 9.

26. Amounts disbursed as agent - Learner support funds

	2025 £'000	2024 £'000
Balance unspent as at 1 August, included in creditors	137	66
16-18 bursary grants	632	596
Other Funding body grants	-	-
	769	662
Disbursed to students	(617)	(517)
Administration costs	(8)	(8)
Balance unspent as at 31 July, ***included in creditors***	**144**	**137**

26. Amounts disbursed as agent - Learner support funds (continued)

Funding body grants are available solely for students. In the majority of instances, the College Group only acts as a paying agent.

In these circumstances, the grants and related disbursements are therefore excluded from the Statement of Comprehensive Income.

The College Group distributes 16-19 discretionary and vulnerable bursaries and free meals in further education (FEFM) funds to students as an agent for DfE.

In the accounting period ended 31 July 2025, the College Group received a total of £632,000 and disbursed £609,000 from DfE 16-19 discretionary and vulnerable bursaries and FEFM funding after charging £8,000 for administration costs.

As at 31 July 2025, the cumulative unspent 16-19 discretionary and vulnerable bursary funds and FEFM funding is £144,000, of which £0 relates to funds that are in scope to be returned to DfE in March 2026. Comparatives for the accounting period ended 31 July 2024 are £596,000 received from DfE, £517,000 disbursed to learners after charging £8 for administration costs, and total cumulative unspent funds of £137,000, of which £0 was repaid to DfE as it was all spent within the 2025 financial year before spending the 2025 allocation.

27. Prior period adjustment

In FY25, The College Group reviewed the period of income recognition relating to capital grants against the period over which assets were being depreciated. During that review it was identified that £6.194m of assets and associated capital grants relating to East Berkshire College (as it was then) and received prior to 2004 through to 2009 were depreciated over either a 50 year or 20 year period. The corresponding grant was recognised over a period of 20 years. This resulted in a mismatch, as such £0.979m of deferred capital grant had been cumulatively recognised in error as at 1 August 2024.

Separately, grants of £4.590m received prior to the Strode's College merger with East Berkshire College relating to the Strode's leasehold building, had been recognised over a 25 year period. The corresponding leasehold asset had been depreciated over 50 years from 2017. Again, this resulted in a cumulative mismatch of £0.680m of deferred capital grant as at 1 August 2024.

The annual differences are immaterial but due to the number of years prior to 1 August 2023, the impact is cumulatively material.

Under FRS 102, a prior period adjustment has been made. This has resulted in the following balances being restated:

Statement of Comprehensive income

	2024
Government grants as previously stated:	37,448
Adjustment to capital grant income	(106)
Government grants as restated:	**37,342**
Releases of government capital grants as previously stated	1,479
Adjustment to capital grant income	(106)
Releases of government capital grants as restated	**1,373**
(Deficit)/surplus before other gains and losses as previously stated	(3,776)
Adjustment to capital grant income	(106)
(Deficit)/surplus before other gains and losses as restated	**(3,882)**

27. Prior period adjustment (continued)

Statement of Changes in Reserves

	Income and expenditure account	Revaluation reserve
	£'000	£'000
Balance at 1 August 2023 as previously stated	**47,052**	**12,560**
Prior period adjustment applicable at 1 August 2023	(1,553)	
Balance at 1 August 2023 restated	**45,499**	**12,560**
Deficit from the income and expenditure account	(3,776)	
Prior period adjustment applicable at 1 August 2024	(106)	
Other comprehensive income	(984)	
Transfers between revaluation and income and expenditure reserves	140	(140)
Restated balance at 31 July 2024	**40,773**	**12,420**

Balance sheets as at 31 July 2024

Creditors: amounts falling due within one year	**2024**
Balance as previously stated	6,124
Adjustment to capital grant income	(106)
Creditors: amounts falling due within one year as restated	**6,018**

Creditors: amounts falling due after one year	**2024**
Balance as previously stated	29,222
Adjustment to capital grant income	106
Adjustment to deferred capital grant to 1 August 2023	1,659
Creditors: amounts falling due after one year as restated	**30,987**

Statement of Cash Flows

	2024
Surplus/(Deficit) for the year	(3,776)
Adjustment to capital grant income	(106)
Surplus/(Deficit) for the year restated	**(3,882)**

	2024
Release of Deferred capital grant as previously stated	(1,479)
Adjustment to capital grant income	106
Release of Deferred capital grant as restated	**(1,373)**

28. Events after the reporting period

Subsequent to the balance sheet date, the College 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.