



BURY COLLEGE

**Annual Report and Financial Statements
for the year ended 31 July 2024**

Positive Futures: Skills for Jobs, Skills for Life

**A Good College with a proven track record of
achievement**

BURY COLLEGE

Financial Statements for the Year Ended 31 July 2024

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BURY COLLEGE

Financial Statements for the Year Ended 31 July 2024

Reference and Administrative Details

Board of Governors

- Mr S Ali
- Mr L Ali
- Mrs A Davies (Vice Chair)
- Mr C Deane
- Mr M Dyer
- Mr M Granby
- Mrs A Holt
- Mr P Johnson
- Mr C Lam
- Mrs J Macdonald
- Ms S Nixon
- Mr T Rahman
- Mr M Shafay
- Dr N Sharples
- Mr C Trees (Chair)

Clerk

Peter Ryan, PR Management Solutions.

Senior Management Team

- | | |
|-----------|---|
| C Deane | Principal and Chief Executive |
| B Tootell | Deputy Principal, Curriculum & Quality |
| T Pullein | Vice Principal, Finance and Corporate Resources |

Principal and Registered Office Market Street, Bury,BL9 OBG

Professional advisors

- | | |
|------------------------------|--|
| External auditors | WBG (Audit) Limited, 168 Bath Street, Glasgow, G2 4TP |
| Internal auditors | Validera, Unit 3 Crompton Court, Attwood Road, Burntwood, Staffordshire, WS7 3GG |
| Bankers | Barclays Bank Plc, 1 st Floor, 3 Hardman Street, Manchester, M3 3HF |
| Solicitors | Mills & Reeve, 1 New York Street Manchester M1 4AD |
| Solicitors (Employment only) | Burnetts, Victoria House, Wavell Drive, Rosehill, Carlisle, CA1 2ST |

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Strategic Report****OBJECTIVES AND STRATEGY**

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

Legal Status

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

Mission, Vision, Strategy and Objectives

On 20th September 2022 the Corporation reviewed the Strategic Plan 2021-25 and amended the Vision of the College from "Excellent Outcomes, Positive Futures" to "Positive Futures: Skills for Jobs, Skills for Life". Governors further scrutinised and reviewed the College Mission, Vision, Values and Strategic Priorities at a Strategic Planning meeting on 17th October 2023.

Our Mission:

- Serving the community through Education and Training.

Our Vision

- Positive Futures: Skills for Jobs, Skills for Life.

Our Values

- Inclusive
- Ambitious
- Supportive
- Responsive
- Empowering
- Collaborative

Our Strategic Priorities*Curriculum*

Offer a rich, diverse, career-focussed curriculum that responds to the needs of our learners and employers.

Teaching, Learning and Assessment

Continuously develop teaching, learning and assessment that enables our learners to achieve excellent outcomes: the skills and attitudes to excel in their future career.

Human Resources

Attract, develop and retain the best staff to deliver excellence for our learners.

Resources

Invest in our curriculum and enhance the learner experience and outcomes through effective and efficient use of resources.

Partnership and Reputation

Be the education and training provider of choice for the communities we serve.

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Strategic Report (continued)****Resources**

The College employs 557 people, of whom 286 are teaching staff.

The College enrolled approximately 7,146 students. The College's student population includes 3,845 16-to-18 funded students, 370 apprentices, 216 higher education students, 1450 adult education budget learners and 160 Advanced Learner Loans students.

The College has £40 million (2023: £39 million) of net assets including nil pension liability (2023: nil) and long-term debt of £1.136 million (2023: £1.364 million).

Tangible resources include the two college campuses: Woodbury and Millennium, which includes the new £10 million Health and Digital Centre completed in 2023. The College has confirmed funding for transformation works at both campuses. The Hair & Beauty refurbishment in Beacon B completed in January 2024 and the Woodbury construction work commenced in January 2024.

The College has a good reputation locally and nationally. It is ambitious with regards to its curriculum and makes a strong contribution to meeting local and regional skills needs. In its last Ofsted inspection in 2023, it was rated Good.

Stakeholder

The College has many stakeholders including:

- Its current, future and past students;
- funding councils;
- staff and trade unions;
- local employers (with specific links);
- local authorities;
- Greater Manchester Combined Authority;
- the local community;
- other FE institutions;
- trade unions; and
- professional bodies.

Public Benefit

Bury College is an exempt charity under Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the charity, are disclosed on page 14. In setting and reviewing the College's strategic objectives, the Governing Body has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education.

Bury College has a mission driven culture. Bury College's mission is "Serving the community through education and training". Decision making, curriculum design and determination of success are made with reference to the mission. Successful delivery of the College mission is recognised through:

- Positive student progression
- Inclusivity reflective of the communities we serve
- Supportive development for life and work

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Strategic Report (continued)****Public Benefit (continued)**

The College offers a broad and career focused curriculum which is designed and implemented with integrity. The curriculum responds to the needs of our learners, and, through high quality implementation, this enables them to achieve and progress well. Leaders and managers have a sound understanding of their curriculum and its implementation which is coherently planned and sequenced to support learners to achieve well and progress to their intended destinations.

Student data in 2023/24 demonstrates responsible enrolment activity with significant numbers of students enrolling onto courses in high growth sectors as well as in those sectors that offer the greatest number of employment opportunities in Bury:

High Growth Sectors (HGS)

| | 16-18 | Adults | HE | APPs | Total by HGS |
|--|-------|--------|----|------|--------------|
| <i>Business, Financial & Professional Services</i> | 945 | 369 | 55 | 75 | 1,444 |
| <i>Scientific & Research</i> | 2,228 | 206 | 0 | 0 | 2,434 |
| <i>Creative & Digital</i> | 621 | 121 | 0 | 10 | 752 |
| <i>Total by age/provision</i> | 3,794 | 696 | 55 | 85 | 4,630 |

Five Sectors: Two Thirds of Bury's GVA

| | 16-18 | Adults | HE | APPs | Total by sector |
|---------------------------------|-------|--------|-----|------|-----------------|
| <i>Education</i> | 1,745 | 1,243 | 104 | 66 | 3,158 |
| <i>Health & Social Care</i> | 387 | 483 | 32 | 94 | 996 |
| <i>Manufacturing</i> | 115 | 2 | 0 | 4 | 121 |
| <i>Real Estate</i> | 338 | 33 | 0 | 0 | 371 |
| <i>Wholesale & Retail</i> | 135 | 0 | 25 | 0 | 160 |
| <i>Total by age/provision</i> | 2,720 | 1,761 | 161 | 164 | 4,806 |
| <i>Overall by age/provision</i> | 6,514 | 2,457 | 216 | 249 | 9,436 |

Bury College is a genuinely inclusive College which offers opportunities for all learners, regardless of their prior education. The College has guaranteed a place for each young person who lives in Bury. This opportunity is promoted through a number of forums including: BASH, the Youth Participation Forum and the Childrens Strategic Partnership Board. The College ensures the young people of Bury are able to access a course that will develop the skills, knowledge and behaviours to achieve career aspirations.

DEVELOPMENT AND PERFORMANCE**Financial Review**

The College generated a surplus from operations of £1,628k (2023: deficit of £334k). The College received 86% of its total income for 2023/24 as grants from funding bodies, most notably from the Education and Skills Funding Agency for 16-18 provision.

The College's main assets are its two main campuses: Woodbury and Millennium. The latest addition to the Woodbury site is the new £10 million Health and Digital Centre completed January 2023. The new centre includes state of the art learning suites and will help the College better meet its aim of providing first class resources to students of the College.

The financial position for 2023/24, including the pension scheme remeasurement adjustment and the pension actuarial gain has resulted in a total comprehensive gain for the year of £848k (2023: £216k). The College has an existing fixed loan facility of 25 years to 2029, the current balance is £1.136m. The College has received £23k of government grants which have not yet been recognised as income and are being held as a liability on the balance sheet. At the balance sheet date, the College held net current assets of £1,651k and total net assets of £40m.

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Strategic Report (continued)****Cash Flows and Liquidity**

A cash-inflow of £1,049k (2022/23 £1,162k) was generated through operating activities and the College remains in a good cash position.

The size of the College's total borrowing and its approach to interest rate risk have been calculated to ensure a reasonable cushion between the total cost of servicing debt and operating cash flow. During the year, this margin was comfortably exceeded.

Developments

The College's redevelopment involved tangible fixed asset additions during the year amounted to £7,161k. This was split between Assets in the Course of Construction of £7,033k and equipment of £128k. In the main, this relates to the Beacon B and Woodbury refurbishment projects.

Reserves

The College has accumulated reserves of £40m and cash and short-term investment balances of £5.2m. The College wishes to continue to manage reserves and cash balances to ensure long term financial stability and future capital requirements.

Sources of income

The College has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2023/24, ESFA provided 83% of the College's total income.

FUTURE PROSPECTS**Future developments**

A detailed Needs Analysis, informed by the Local Skills Improvement Plan, identifies regional skills priorities and a focus on curriculum development to respond to these, alongside effective partnerships with key stakeholders, ensures that the curriculum meets the needs of local and regional employers and fulfils its mission. The curriculum; its design and implementation, is relevant and ambitious, designed to meet the local and regional skills needs and national policy. It is continuously reviewed to ensure its relevance. This is particularly reflected in the College's commitment on T Levels, Higher Technical Qualifications and significant provision at levels 4 and 5.

The College has made significant investment facilities to enhance teaching and learning, with consideration to the Local Skills Improvement Plan (LSIP) and curriculum reforms. A brand new £10m Health and Digital centre opened its doors in January 2023, followed shortly afterwards by the opening of a brand new Hair and Beauty Centre in January 2024. Both these new teaching centres, co-designed with employers, enabled the College to serve students in state of the art facilities and offer a new suite of qualification including HTQs and T Levels.

Financial Plan

The College has self-assessed 'Good' Financial Health as confirmed by using the ESFA methodology. This position is due to a strong liquidity position and underlying surplus after pension adjustments. The College governors approved a Financial Plan in July 2024 which set objectives for the period 2024/26. For the coming year the College is currently planning to deliver its budgeted operational performance and maintain Good financial health.

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Strategic Report (continued)****Treasury policies and objectives**

The College has treasury management arrangements in place to manage cash flows, banking arrangements and the risks associated with those activities. Short term borrowing for temporary revenue purposes is authorised by the Principal/Chief Executive Officer. All other borrowing requires the authorisation of the Corporation.

The College has no plans to increase borrowings and is confident that the loan taken out in 2004 will be repaid in line with the scheduled repayment plan.

Reserves

The College introduced a formal Reserves Policy during 2023-4 to guide financial decision-making in future. The policy gives guidance on the minimum level of cash working capital and unrestricted reserves balances to ensure the college can both meet any short-term obligation but also ensure long-term sustainability. The reserves policy is not the only means of assessing going concern but contributes to this. The College keeps cash and reserves to ensure that it meet unexpected costs, deal with income shortfalls resulting from enrolment reductions of government funding changes and meet the future costs of improving the buildings and reducing carbon emissions.

The College reserves include £107k held as restricted reserves (2022/23: £107k). As at the balance sheet date the Income and Expenditure reserve stands at £36,448k (2022/23: £35,545k). It is the Corporation's intention to manage reserves over the life of the strategic plan through the generation of annual operating surpluses.

PRINCIPAL RISKS AND UNCERTAINTIES

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

A risk register is maintained at the College level which is reviewed termly by the Audit Committee and more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the college and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

The main risk factors affecting the College are outlined below along with the action taken to minimise them. Not all the factors are within the College's control. Other factors besides those listed below may also adversely affect the College.

At the start of 2023/24 ten key High Risks were identified of which the mostly closely managed were:

- Failure to achieve learner recruitment targets for all learners (16-18, Adult, HE, CDF / Work experience, Apprentices, Commercial) through a) poor processes and / or b) under-resourcing resulting in less income.
- Failure to improve Apprenticeship Performance for quality of provision, achievement and income.
- Failure to maintain good IT Disaster Recovery Plans and cyber security as part of robust Business Continuity Plans in light of determined and frequent cyber-attacks.

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Strategic Report (continued)****Key Performance Indicators**

The College's key performance indicators, targets and results are set out below.

| Key Performance Indicators | Measure / Target | Actual for 2023 / 2024 |
|---|-------------------------|-------------------------------|
| Student number target (16-18 Full time) | 3,738 | 3,845 |
| Student achievement | 88% | 85.2% |
| EBITDA as % of income | 3.87% | 5.58% |
| Current Ratio | 1.53:1 | 1.37:1 |
| OfSTED | Good | Good |

Student Achievement

Students continue to achieve well at the College and the proportions of students progressing to positive destinations is high.

Streamline Energy and Carbon Reporting

The College is committed to reducing its carbon emissions and has taken the following measures in the year to improve energy efficiency:

- Relocated our Hair & Beauty curriculum to a fully refurbished, energy efficient facility.
- Demolition of worst condition estate.

Future developments

- Further rollout of LED lighting upgrades across campus, targeting high consumption areas such as workshops and car parks first.
- Relocate catering curriculum and student social /dining area into fully refurbished, energy efficient facilities.

The College's greenhouse gas emissions and energy use for the period have been calculated in line with the relevant 2022 and 2023 UK Government Greenhouse gas conversion factors for company reporting:

| UK Greenhouse gas emissions and energy use data for the period | 2023/24 | 2022/23 |
|---|----------------|----------------|
| Energy consumption used to calculate emissions (kWh) | | |
| Gas | 3,054,196 | 3,203,169 |
| Electricity | 2,265,131 | 2,522,480 |
| <u>Scope 1 emissions in metric tonnes CO2e</u> | 559 | 577 |
| Gas consumption | | |
| <u>Scope 2 emissions in metric tonnes CO2e</u> | | |
| Purchased electricity | 469 | 517 |
| <u>Scope 3 emissions in metric tonnes CO2e</u> | 5 | - |
| Business travel in employee owned vehicles | | |
| Total gross emissions in metric tonnes CO2e | 1,033 | 1,094* |
| <u>Intensity ratio</u> | | |
| Metric tonnes CO2e per student/FTE/staff member | 1.74 | 1.87* |

Intensity ratio

The chosen intensity measurement ratio is CO2e per staff member.

* 22/23 Excludes business mileage

BURY COLLEGE
Strategic Report (continued)
Financial Statements for the Year Ended 31 July 2024
Trade union facility time

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

| Numbers of employees who were union officials during the relevant period | FTE employee number |
|--|---------------------|
| 4 | 4 |

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0% | 0 |
| 1-50% | 4 |
| 51-99% | 0 |
| 100% | 0 |

| | |
|---|-------------|
| Total cost of facility time | £14,920 |
| Total pay bill | £23,278,387 |
| Percentage of total bill spent on facility time | 0.06% |
| | |
| Time spent on paid trade union activities as a percentage of total paid facility time | 182.0% |

Equality and Diversity
Equality

The College is committed to ensuring equality of opportunity for all who learn and work here. The College respects and values positively differences in race, gender, sexual orientation, disability, religion or belief and age. We strive vigorously to remove conditions which place people at a disadvantage and we will actively challenge discrimination of any kind.

The College's Equality Policy is published on the College's Intranet site. This policy is resourced, implemented and monitored on a planned basis. The College publishes an Annual Equality Report and Equality Objectives to ensure compliance with all relevant equality legislation including the Equality Act 2010. The College undertakes equality impact assessments on all new policies and procedures. Equality impact assessments are also undertaken for existing policies and procedures on a prioritised basis. The College has an equality and diversity forum which promotes the Policy and works collectively towards the Equality Objectives.

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

The College has also implemented an updated Equality and Diversity training programme which all staff have attended. Refresher training and training for new starters is carried out as part of the induction process.

BURY COLLEGE
Strategic Report (continued)

Financial Statements for the Year Ended 31 July 2024

Key Performance Indicators (continued)

Gender Pay Gap Reporting

| | Year ending 31 March 2024 |
|-----------------------|------------------------------|
| Mean gender pay gap | 11.7% |
| Median gender pay gap | 10.1% |

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

| Lower Quartile | Lower Middle Quartile | Upper Middle Quartile | Upper Quartile |
|----------------|-----------------------|-----------------------|----------------|
| Female 78.1% | Female 74.2% | Female 68.8% | Female 54.3% |
| Male 21.9% | Male 25.8% | Male 31.2% | Male 45.7% |

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

Disability statement

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

- a) As part of its accommodation strategy the College has completed access audits with the aim of improving areas.
- b) There is a list of specialist equipment which the College can make available for use by students and a range of assistive technology is available in the learning centre.
- c) The admissions policy for all students is described in the College Charter. Appeals against a decision not to offer a place are dealt with under the compliments and complaints policy.
- d) The College has made a significant investment in the appointment of specialist SEND advisory tutors to support students with learning difficulties and/or disabilities. There are a number of communication and education support workers who provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities.
- e) Specialist programmes are described in College prospectuses, and achievements and destinations are recorded and published in the standard College format.
- f) Counselling and welfare services are described in the College Student Guide, which is issued to students together with the Complaints and Disciplinary Procedure leaflets at induction.

Going concern

After making appropriate enquiries, the Corporation considers that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

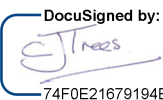
BURY COLLEGE
Strategic Report (continued)

Financial Statements for the Year Ended 31 July 2024

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 10th December 2024 and signed on its behalf by:

DocuSigned by:

74F0E21679194E2...

Mr C Trees
Chair of the Corporation

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Statement of Corporate Governance and Internal Control****Governance Statement**

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

GOVERNANCE CODE

The College endeavours to conduct its business:

- i. in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. in full accordance with the guidance to colleges from the Association of Colleges in The Code of Good Governance for English Colleges (“the Code”);
- iii. in accordance with the Colleges Senior Staff Remuneration Code;
- iv. in accordance with the requirements arising from the reclassification of the College to the public sector from 29th November 2023; and
- v. having due regard to the UK Corporate Governance Code 2018 insofar as it is applicable to the further education sector.

The Corporation is committed to exhibiting best practice in all aspects of corporate governance and in particular the College has adopted and complied with the Code. We have not adopted and therefore do not apply the UK Corporate Governance Code. However, we have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice. The Colleges Senior Staff Remuneration Code was adopted by the Corporation on 26th March 2019 and was fully implemented from this date.

In the opinion of the Corporation, the College complies with all the provisions of the Code, and it has complied throughout the year ended 31 July 2024. This opinion is based on an internal review of compliance with the Code and was reported to the board on 2nd July 2024. The Corporation recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times. In carrying out its responsibilities, it takes full account of The Code of Good Governance for English Colleges issued by the Association of Colleges in September 2021, which it formally adopted on 14th December 2021. On 25th January 2022 the Corporation reviewed a compliance checklist in respect of “Must” actions within the Code in order to ensure that the implementation of the Code continued to be enshrined within key Governance Policies and Procedures including; the Instrument and Articles of Government, Members Codes of Conduct and Ethics, Standing Orders, Committee Terms of Reference, Whistleblowing Policy, Complaints Procedure and an agreed annual schedule of Corporation and Committee meetings and business items.

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

THE CORPORATION

The Corporation membership framework allows for 16 Members to include, 11 independent Members, the Principal, 2 Student Members and 2 Staff Members.

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Statement of Corporate Governance and Internal Control (continued)****Members of the Corporation**

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

| Name | Date of Appointment | Term of Office | Date of Resignation / End of Term of office | Status of Appointment | Committees Served | Attendance in 2023/24 |
|--|--------------------------------------|-----------------------|--|---------------------------------|---|------------------------------|
| Mr S Ali | 01/09/2022 | 4 years | 31/08/2026 | Staff Member (Academic Staff) | Curriculum and Quality | 100% |
| Mr L Ali | 18/05/94 Reappointed: 01/09/24 | 4 years | 31/08/28 | Independent Member | Audit (Chair) Search | 100 |
| Mrs A Davies (Corporation Vice Chair) | 01/09/18 Reappointed 01/09/22 | 4 years | 31/08/26 | Independent Member | Resources (Chair) Curriculum and Quality Remuneration Search | 82% |
| Mr C W Deane | 01/05/12 | N/A | N/A | Principal | Curriculum & Quality Resources Search | 100% |
| Mr M Dyer | 17/10/2023 | 1 year | 16/10/24 | Independent Member | Resources | 89% |
| Mr M Granby | 13/05/14 Reappointed: 01/09/23 | 4 years | 31/08/27 | Independent Member | Resources | 100% |
| Mrs A Holt | 30/10/18 Reappointed 01/09/22 | 2 years | 29/10/24 | Staff Member (Business Support) | Audit | 89% |
| Mr P Johnson | 01/05/09 Reappointed: 01/09/22 | 4 years | 31/08/26 | Independent Member | Audit | 78% |
| Mr C Lam | 01/09/23 | 2 years | 31/08/24 | Student Member | Curriculum and Quality | 100% |
| Mrs J Macdonald | 20/09/22 | 4 years | 31/08/26 | Independent Member | Curriculum and Quality | 80% |
| Ms S Nixon | 20/09/22 | 4 years | 31/08/26 | Independent Member | Audit | 89% |
| Mr T Rahman | 12/12/23 | Initial 1 year | 11/12/24 | Independent Member | Curriculum and Quality | 100% |
| Mr M Shafay | 01/09/23 | 2 years | 31/08/24 | Student Member | Curriculum and Quality | 43% |
| DR N Sharples | 04/05/21 | 4 years | 31/08/25 | Independent Member | Curriculum & Quality | 82% |
| Mr C Trees (Corporation Chair) | 06/07/06 Reappointed: 01/09/21 | 4 years | 31/08/25 | Independent Member | Curriculum & Quality (Chair) Remuneration (Chair) Search | 100% |

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Statement of Corporate Governance and Internal Control (continued)****The governance framework**

The Corporation has an attendance target of 75% and the percentage attendance at Board meetings in 2023/24 was 89% (85% in 2022/23). Overall attendance at the Corporation and Committees was 88% (87% in 2022/23). Attendance at Committee meetings was: Resources 88%, Audit 93%, Curriculum and Quality 84%, Search 80% and Remuneration 100%.

In addition to attendance at Board and Committee meetings, Members are encouraged to participate in review processes. Also Lead Governors have been appointed for Teaching and Learning and Apprenticeship provision, Safeguarding/Prevent, Higher Education and Advice and Guidance and SEND. This has enabled Members to gain a clearer understanding of current performance and challenges being addressed by the College. The Search Committee reviews individual Governor attendance and reports to the Board.

Co-Opted Committee Members

| Name | Date of Appointment | Term of Office | Date of Resignation / End of Term of Office | Committees served |
|-----------------|------------------------------------|-----------------------|--|------------------------------|
| Ms L Vernon | 07/10/14 Reappointed:01/09/2021 | 3 years | 31/08/24 | Curriculum and Quality |
| Mr D Weidenbaum | 29/09/99 Reappointed: 01/09/24 | 3 years | 31/08/27 | Audit |
| Mr P Nicol | 01/09/2023 | 3 years | 31/08/27 | Resources |

Peter Ryan, PR Management Solutions, was appointed as Clerk to the Corporation from 1 September 2017 and undertook the role throughout the remaining period.

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

The Corporation is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters including health and safety and environmental issues. The Corporation Board meets at least once per term and on 6 occasions during 2023/24.

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, Remuneration, Search, Audit and Curriculum and Quality. Full minutes of all Corporation and Committee meetings, except those deemed to be confidential by the Corporation, are, once approved, published on the College website and are available from the Clerk to the Corporation at the College's registered address.

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

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

Statement of Corporate Governance and Internal Control (continued)**The governance framework (continued)**

Formal agendas, papers and reports are supplied to Corporation Members in a timely manner, prior to Corporation Board meetings. Briefings are also provided on a planned 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 or be perceived to interfere with the exercise of their independent judgement.

There is a clear division of responsibility between Governance and Management and a clear distinction in that the roles of the Chair and the Principal as Accounting Officer are separate.

Appointments to the Corporation

The appointment of any new Members and the re-appointment of existing Members are matters for consideration by the Corporation as a whole on the advice and recommendation of the Search Committee. This Committee consists of five Members of the Corporation including the Corporation Chair, Vice-Chair, the Chairs of the Corporation's Committees and the Principal and is responsible for the selection and nomination of candidates for the Corporation's consideration. The Corporation is responsible for ensuring that appropriate training is provided as required.

On 5th March 2024 the Search Committee agreed an Annual Statement and Policy Report for 2023/24 which was submitted to the Corporation on 19th March 2024.

Members of the Corporation are appointed for a term of office not exceeding four years but Members who reach the end of their four-year term are eligible to be considered for re-appointment.

Corporation Member and Clerk Development

Governors complete an annual skills audit and Self-Assessment/Health Check. This informs the content of development sessions and governor recruitment. Governor also have the opportunity to evaluate each Corporation and most Committee meeting in order to identify future development sessions. At the commencement of most Corporation meetings there is a 30-minute development session. In 2023/24 these development sessions included: Key Strategic Challenges and review of the Strategic Plan; Summary of Key FE Policy Issues – AoC; The Use and Control of AI within the Curriculum; Initial Teacher Education Presentation; External Review of Governance; Development of the GM Local Skills Improvement Plan – GM Chamber; and the College Attendance Strategy.

The Chair of the Corporation is an active Member of the North West Chairs Network and attended the AoC National Conference. New Members attend the AoC Governor Induction Sessions and other events as and when identified. A number of Governors attended Curriculum self-assessment and Performance Review meetings to gain a closer insight to the challenges facing the College.

The Clerk has over 30 years corporate governance experience as a Clerk in the FE sector and as a Governor within the school's sector. During 2023/24 he attended 10 training/network sessions which totalled 20 hours of CPD.

Statement of Corporate Governance and Internal Control (continued)**External Review of Governance**

An External Review of Governance was implemented by Stone King from October 2023 to February 2024. This was presented to the Corporation on 23rd April 2024 and an action Plan agreed at the Corporation on 2nd July 2024. A summary of the outcome of the review is as follows:

“In summary, taking account of meeting observations, discussions and documentation available, this review recognises that the governing of Bury College is committed, positive, challenging and demonstrates many effective governing processes and practices.

To achieve greater governing influence, effectiveness and impact, the review suggested that the Governing Board gives consideration to:

- a) Building on the scrutiny provided by the Governing Board’s committees, aiming to achieve a more strategic agenda for the Governing Board.*
- b) Accepting a) above, undertaking a review of the operation of Governing Board meetings, starting with the formation and focus of the agendas, to achieve a sharper Governing Board meeting focus.*
- c) Developing the use of an annual operating plan, which derives from the Board’s Strategic Plan, for reporting strategic progress to the Governing Board on a regular basis. The style of the reporting needs to be able to clearly present to Governing Board Members the degree to which each planning aim/target is being addressed and achieved.*
- d) The development of Governing Board frameworks (including systems, controls and impact statements) for staff and stakeholder voice.*

The Review recommendations will be addressed via an action plan and will be reported in the College annual report and financial statements.”

Corporation Performance

All meetings during the year were quorate. There is an annual schedule of meetings/business covering all statutory requirements. An update on the performance of the schools within the Multi-Academy Trust is received at each meeting (other than Strategic Planning meetings) of the Corporation to ensure all members are aware fully aware of the direction of travel and continuous oversight is maintained. Governors undertake an annual skills audit to seek to maintain a balance of skills, experience, expertise. Governors complete an annual declaration on their eligibility to serve as a Governors and complete an annual register of interests. There is a standing item on all agendas covering declarations of interest. A post-meeting evaluation form is completed after each Board and Committee meeting and action taken in response to any issues raised. Progress on the implementation of recommendations/actions from each meeting is reported and monitored at subsequent meetings.

The Ofsted Inspection implemented from 28th to 31st March 2023 confirmed that “The Governors are suitably qualified and experienced to carry out their roles. They understand their responsibilities well. Senior leaders provide suitable information about the quality of education. This includes subcontractors. Governors routinely hold senior leaders to account for instance to ensure that those apprentices who have not completed their apprenticeships on time, swiftly achieve.”

Statement of Corporate Governance and Internal Control (continued)**Remuneration Committee**

The Remuneration Committee comprises three Members of the Corporation and these included the Corporation Chair, Vice-Chair. The Committee's responsibilities are to make recommendations to the Corporation Board on the remuneration of the Designated Senior Post holders i.e. the Principal, the Deputy Principal and Vice-Principal and the Clerk. The Vice Chair of the Corporation was the Chair of the Remuneration Committee.

The College's Senior Staff Remuneration Code was reviewed by the Remuneration Committee on 5 February 2019 and adopted by the Corporation on 26th March 2019. On 29th October 2019 the Corporation agreed a Remuneration of Senior Post Holders Policy together with amendments to the Remuneration Committee Terms of Reference. This Policy was further updated to reflect the implications of the reclassification of Colleges from the Private to the Public Sector and confirm that the College was subject to HM Treasury Senior Pay Controls Guidance and agreed by the Corporation on 31st January 2023.

The 2023/24 Remuneration Committee Annual Report, including the Remuneration Annual Statement for 2023/24, was approved by the Remuneration Committee on 1st October 2024 and presented to the Corporation on 15th October 2024.

Approach to Remuneration and Annual Statement

The process for setting remuneration is transparent. For Senior Post Holders there is a College level justification for remuneration that relates to the competitive environment, the value of the roles and institutional performance. The remuneration of the Chief Executive / Principal is justified, published and related to the remuneration of all staff within the organisation.

Remuneration Annual Statement 2023/24

In accordance with the Remuneration Code the College remuneration annual statement for 2023/24 is as follows:

The College continues to operate in an ever increasingly competitive and underfunded sector and when determining remuneration, it must consider the balance between recruiting, retaining and rewarding the best staff possible, to deliver the best outcomes for students, society and the economy while demonstrating effective use of resources.

The remuneration package of key management staff, including the Principal and Chief Executive is subject to annual review by the Remuneration Committee of the governing body who justify remuneration on the following grounds:

a) Performance in support of the college's strategic objectives in areas such as:

- teaching, learning and outcomes for students
- management, financial performance and administration
- leadership of staff
- stakeholder, partner and employer satisfaction
- external relations nationally and locally
- major initiatives and projects;

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Statement of Corporate Governance and Internal Control (continued)****Remuneration Annual Statement 2023/24 (continued)**

- b) The size and / or complexity of the college;
- c) The nature of the post-16 markets and issues of recruitment and retention; and
- d) The College's objectives in relation to the reward and diversity of the workforce.
- e) Data that supports these indicators is drawn from:
- College finance record data available on ESFA and AoC websites – The College Financial and activity performance is reported to each meeting of the Resources Committee and the Corporation. The accuracy of data returns is a standing agenda item at the Audit Committee.
 - Pay Awards made to other College Staff – from 1st September 2023.
 - AoC Senior Staff Pay Survey 2023. The 2023 survey was available in the summer term 2023.
 - College Internal Analysis and External Reports – See appendix and Pay Policy.
 - National pay award recommendations – for all staff.
 - Requirements of HM Treasury Guidance on Senior Pay Controls.

The College did not operate a performance related pay policy for any group of staff in 2023/24 and any benchmarking of roles and pay mainly related to the AoC Staff Pay Survey. There were no Senior Post Holder external appointments in 2023/24 and expenses claimed during 2023/24 were £2,169.

Audit Committee

The Audit Committee comprised five Members throughout the year which included four Members of the Corporation (excluding the Corporation Chair and the Principal) and a co-opted finance/audit specialist.

Attendance at the Audit Committee in 2023/24 was as follows:

| Name | Date of Meeting | | | Attendance | Possible attendance | Overall Attendance Rate |
|-------------------|-----------------|-----------|-----------|------------|---------------------|-------------------------|
| | 28-Nov-23 | 05-Mar-24 | 18-Jun-24 | | | |
| Liaqat Ali | 1 | 1 | 1 | 3 | 3 | 100% |
| Philip Johnson | 1 | 1 | A | 2 | 3 | 66% |
| Anne Holt | 1 | 1 | 1 | 3 | 3 | 100% |
| Stephanie Nixon | 1 | 1 | 1 | 3 | 3 | 100% |
| Daniel Weidenbaum | 1 | 1 | 1 | 3 | 3 | 100% |

The Audit Committee operates in accordance with written Terms of Reference approved by the Corporation which take account of the requirements of the ESFA Post-16 Audit Code of Practice.

The Committee meets at least once in each term and provides a forum for reporting by the College's Internal Auditors and the Financial Statements/Regularity Auditors both of whom have access to the Committee for independent discussion, without the presence of College management should this be necessary. The Audit Committee also receives reports from other sources including the main Funding Agencies as they affect the College's business.

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

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Statement of Corporate Governance and Internal Control (continued)****Audit Committee (continued)**

College management is responsible for the implementation of agreed audit recommendations and the Internal Auditors undertake periodic follow-up reviews to give assurance that agreed 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 audit and non-audit work as well as reporting annually to the Corporation.

Curriculum & Quality Committee

This Committee comprised ten Members which included the two Student Members of the Corporation, the Staff Member (Academic) and one External Co-opted Member with extensive experience of safeguarding and Prevent. The Committee, chaired by the Vice-Chair of the Corporation Board, met on four occasions during 2023/24.

The main objectives of the Curriculum & Quality Committee are to:

- advise the Corporation on the determination of annual performance targets including success rates, value added and student attendance;
- monitor College performance in terms of the quality of provision and outcomes for students;
- ensure that effective mechanisms are in operation for monitoring curriculum-related aspects of the College's performance including the quality of teaching, learning & assessment;
- advise the Corporation on policies and procedures relating to Learner Voice, student entitlement, student representation and student conduct.

Resources Committee

The Resources Committee comprised five Members, four of which were Corporation Members (including the Principal) and one External Co-opted Member. The Committee met five times in the 2023/24 Financial Year. The main objectives of the Resources Committee are to:

- monitor the financial position of the College and any of its subsidiaries to support the Corporation in fulfilling its statutory responsibilities with regard to solvency, safeguarding of assets, approval of financial forecast and the annual estimates of income and expenditure;
- advise the Corporation on the Property Strategy;
- approve the College's employment, health, safety and welfare, safeguarding and industrial relations frameworks and advise the Corporation on their effectiveness.

INTERNAL CONTROL**Scope of responsibility**

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

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Statement of Corporate Governance and Internal Control (continued)****Scope of responsibility (continued)**

The Corporation has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which he is personally responsible, in accordance with the responsibilities assigned to him in the Funding Agreement between Bury College and the funding bodies. He 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 Bury College for the year ended 31 July 2024 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Corporation has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Corporation is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the period ended 31 July 2024 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Corporation.

The risk and control framework

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

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

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

Statement of Corporate Governance and Internal Control (continued)**The risk and control framework (continued)**

The Department for Education and Education and Skills Funding Agency introduced new controls for the College on 29 November 2022 on the day that the Office for National Statistics reclassified colleges as public sector organisations in the national accounts. The ESFA chief executive communicated these changes to all college accounting officers and explained plans to introduce a college financial handbook in 2024. The College has reviewed its policies, procedures and approval processes in line with these new requirements to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

Statement from the Audit Committee

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

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

- HR Recruitment Framework
- Student Recruitment Journey Processes
- Managing Public Money Framework
- Data Protection Governance Framework
- Follow Up

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”*.

Review of effectiveness

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

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

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

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

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Statement of Corporate Governance and Internal Control (continued)****Review of effectiveness (continued)**


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 included a regular item for consideration of risk and control and receives reports thereon from the College Leadership Team. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its November 2023 meeting, the Audit Committee carried out the annual assessment of risk for the year ended 31 July 2024 and agreed the Risk Management Register for 2023/24. The Risk Management Register 2023/24 had been developed from a full review of all risks updated by the management leaders for each risk. The Leadership Team identified 10 High Risks.

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 10th December 2024 and signed on its behalf by:

DocuSigned by:

 74F0E21679194E2...
Mr C Trees
 Chair of the Corporation

DocuSigned by:

 74F0E21679194E2...
Mr C Deane
 Accounting Officer

Statement of Regularity, Propriety and Compliance

As accounting officer, I confirm that the Corporation has had due regard to the framework of authorities governing regularity, priority and compliance, and the requirements of the college's accountability agreement, funding agreements and contracts with ESFA and DfE, and has considered its responsibility to notify ESFA of material irregularity, impropriety and non-compliance with those authorities and terms and conditions of funding.

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

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

Mr C Deane
 Accounting officer
 10th December 2024


DocuSigned by:

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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.

Mr C Trees
 Chair of the Corporation
 10th December 2024

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BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****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 College's accountability agreement, funding agreements and contracts with ESFA and DfE and any other relevant funding bodies, 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, ESFA'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 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, and relevant accounting standards. It is responsible for taking steps that are reasonably open to it to safeguard its assets and to prevent and detect fraud and other irregularities.

The Corporation is responsible for the maintenance and integrity of its website(s); 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 ESFA, or any other public funder, including that any transactions entered into by the Corporation are within the delegated authorities set out in the "Dear accounting officer" letter of 29 November 2022 and ESFA's bite size guides. Members of the Corporation must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly. In addition, members of the Corporation are responsible for securing economic, efficient and effective management of the Corporation's resources and expenditure so that the benefits that should be derived from the application of public funds from ESFA, DfE and other public bodies are not put at risk.

Approved by order of the members of the Corporation on 10th December 2024 and signed on its behalf by:

DocuSigned by:

 74F0E21679194E2...
Mr C Trees
Chair of the Corporation

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Independent auditor's report to the Corporation of Bury College****Opinion**

We have audited the financial statements of Bury College (the 'College') for the year ended 31 July 2024 which comprise the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies and other explanatory information. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the College's affairs as at 31 July 2024, and of its income and expenditure, gains and losses and changes in reserves, and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Statement of Recommended Practice - Accounting for Further and Higher Education; and
- meet the requirements of the Accounts Direction issued by the Office for Students ('the OfS 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 Corporation's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The Corporation is responsible for the other information. 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.

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Independent auditor's report to the Corporation of Bury College (continued)****Other information (continued)**

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

We have nothing to report in this regard.

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.

We have nothing to report in respect of the following matters in relation to which the Regulatory Advice 9: Accounts Direction issued by the Office for Students requires us to report to you if, in our opinion:

- where applicable, funds from whatever source administered by the provider for specific purposes have not been properly applied to those purposes and managed in accordance with relevant legislation; or
- where applicable, funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have not been applied in accordance with the relevant terms and conditions; or
- the requirements of the OfS's accounts direction have not been met; or
- the provider's grant and fee income, as disclosed in the note to the accounts, has been materially misstated; or
- the College's expenditure on access and participation activities for the financial year has been materially misstated

Responsibilities of the Corporation

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

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

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Independent auditor's report to the Corporation of Bury College (continued)****Auditor's responsibilities for the audit of the financial statements**

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and with ISAs (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Extent to which the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following;

- The nature of the College, the environment in which it operates and the control procedures implemented by management and the Corporation; and
- Our enquiries of management and the Corporation about their identification and assessment of the risks of irregularities.

Based on our understanding of the College and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the College's operations;
- Compliance with the Post-16 Audit Code of Practice 2023 to 2024;
- Compliance with the requirements of the Department for Education, Education & Skills Funding Agency and the Office for Students;
- Compliance with the requirements of the Office for Standards in Education; and

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Statement of Recommended Practice - Accounting for Further and Higher Education 2019 and the Post-16 Audit Code of Practice 2023 to 2024.

We evaluated management and trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Posting inappropriate journal entries.

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Independent auditor's report to the Corporation of Bury College (continued)****Audit response to the risks identified;**

Our procedures to respond to the risks identified included the following;

- Gaining an understanding of the legal and regulatory framework applicable to the College and the sector in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management, the audit committee, the internal auditors and legal advisors concerning actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with the Department for Education, Education & Skills Funding Agency, the Office for Students and the Office for Standards in Education;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; evaluating rationale of any significant transactions that are unusual or outside the normal course of business. In testing these journals we looked at the following areas:
 - Wages and salaries
 - Deferred Capital Grants
 - Accruals
 - Deferred and Accrued Income
 - Prepayments
 - Bad Debt Provision

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

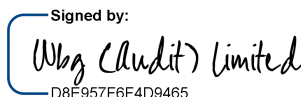
Use of our report

This report is made solely to the Corporation, as a body, in accordance with the Funding Agreement published by Education and Skills Funding Agency and our engagement letter.

Our audit work has been undertaken so that we might state to the Corporation, as a 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 Corporation, as a body, for our audit work, for this report, or for the opinions we have formed.

WBG (Audit) Limited

Statutory Auditor
168 Bath Street
Glasgow
G2 4TP

Signed by:

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Date: 10th December 2024

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Reporting accountant's assurance report on regularity****To:**

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

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

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

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

Respective responsibilities of Bury College and the reporting accountant

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

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

Approach

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

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

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

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Reporting accountant's assurance report on regularity (continued)****Approach (continued)**

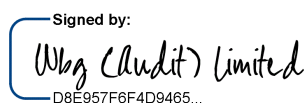
Our engagement includes examination, on a test basis, of evidence relevant to the regularity of the corporation's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Documenting the framework of authorities which govern the activities of the College;
- Undertaking a risk assessment based on our understanding of the general control environment and any weaknesses in internal controls identified by our audit of the financial statements;
- Reviewing the self-assessment questionnaire which supports the representations included in the Chair of Governors and Accounting Officer's statement on regularity, propriety and compliance with the framework of authorities;
- Testing transactions with related parties;
- Confirming through enquiry and sample testing that the College has complied with its procurement policies and that these policies comply with delegated authorities; and
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

Conclusion

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

Signed by:

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WBG (Audit) Limited

Statutory Auditors
168 Bath Street
Glasgow
G2 4TP

Date: 10th December 2024

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Statement of Comprehensive Income**

| | Notes | Year ended 31 July 2024 | Year ended 31 July 2023 |
|--|-------|-------------------------|-------------------------|
| | | £'000 | Restated £'000 |
| INCOME | | | |
| Funding body grants | 2 | 30,738 | 27,109 |
| Tuition fees and education contracts | 3 | 3,383 | 3,431 |
| Other income | 4 | 878 | 906 |
| Investment income | 5 | 743 | 173 |
| Total income | | 35,742 | 31,619 |
| EXPENDITURE | | | |
| Staff costs | 6 | 23,426 | 21,791 |
| Restructuring costs | 6 | - | 83 |
| Other operating expenses | 7 | 8,690 | 8,386 |
| Depreciation | 11 | 1,892 | 1,582 |
| Interest and other finance costs | 9 | 106 | 113 |
| Total expenditure | | 34,114 | 31,955 |
| Profit on disposal of asset | | - | 2 |
| Surplus / (Deficit) before tax | | 1,628 | (334) |
| Taxation | 10 | - | - |
| Surplus / (Deficit) for the year | | 1,628 | (334) |
| Remeasurement of net defined benefit pension liability | 21 | (793) | 457 |
| Actuarial gain in respect of Enhanced pension scheme | 16 | 13 | 93 |
| Total Comprehensive Income for the year | | 848 | 216 |
| Represented by: | | | |
| Unrestricted comprehensive income | | 848 | 216 |
| Restricted comprehensive income | | - | - |
| | | 848 | 216 |

All items of income and expenditure relate to continuing activities.


BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Statement of Changes in Reserves**

| | Income and Expenditure Account Reserve | Revaluation reserve | Endowment Reserve | TOTAL |
|---|---|------------------------|----------------------|-------------------|
| | Restated £'000 | £'000 | £'000 | Restated £'000 |
| Balance at 1 August 2022 | 35,272 | 3,711 | 107 | 39,090 |
| (Deficit) from the income and expenditure account | (334) | - | - | (334) |
| Other comprehensive income | 550 | - | - | 550 |
| Transfers between revaluation and income and expenditure reserves | 56 | (56) | - | - |
| | 272 | (56) | - | 216 |
| Balance at 31 July 2023 | 35,545 | 3,655 | 107 | 39,306 |
| Surplus from the income and expenditure account | 1,628 | - | - | 1,628 |
| Other comprehensive income | (780) | - | - | (780) |
| Transfers between reserves | 56 | (56) | | - |
| Total comprehensive income for the year | 903 | (56) | - | 847 |
| Balance at 31 July 2024 | 36,448 | 3,599 | 107 | 40,154 |

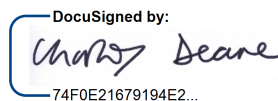
BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Balance Sheet as at 31 July**

| | Notes | Year ended 31 July 2024 £,000 | Year ended 31 July 2023 £,000 |
|--|-------|-------------------------------------|-------------------------------------|
| Non-current assets | | | |
| Tangible fixed assets | 11 | 60,644 | 55,375 |
| Endowment investment | | 107 | 107 |
| | | 60,751 | 55,482 |
| Current assets | | | |
| Trade and other receivables | 12 | 1,269 | 1,110 |
| Cash and cash equivalents | 18 | 5,199 | 4,711 |
| | | 6,468 | 5,821 |
| Less: Creditors – amounts falling due within one year | 13 | (4,817) | (5,103) |
| Net current assets | | 1,651 | 718 |
| Total assets less current liabilities | | 62,402 | 56,200 |
| Less: Creditors – amounts falling due after more than one year | 14 | (21,679) | (16,287) |
| Provisions | | | |
| Defined benefit obligations | 21 | - | - |
| Other provisions | 16 | (569) | (607) |
| Total net assets | | 40,154 | 39,306 |
| Restricted Reserves | | | |
| Endowment Reserves | | 107 | 107 |
| Unrestricted Reserves | | | |
| Income and expenditure reserve | | 36,448 | 35,544 |
| Revaluation reserve | | 3,599 | 3,655 |
| Total unrestricted reserves | | 40,154 | 39,306 |

The financial statements on pages 29 to 50 were approved and authorised for issue by the Corporation on **10th December 2024** and were signed on its behalf on that date by:

DocuSigned by:

 74F0E21679194E2...

Mr C Trees
Chair

DocuSigned by:

 74F0E21679194E2...

Mr C Deane
Accounting Officer

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Statement of Cash Flows**

| | | Restated |
|---|--------------|------------------|
| | 2024 | 2023 |
| | £,000 | £,000 |
| Cash flow from operating activities | | |
| Surplus/ (deficit) for the year | 1,628 | (334) |
| Adjustment for non-cash items | | |
| Depreciation | 1,892 | 1,582 |
| Decrease in provisions | (38) | (124) |
| Increase in debtors | (159) | (97) |
| (Decrease)/Increase in creditors | (661) | 141 |
| Pensions costs less contributions payable | (780) | 550 |
| Deferred capital grant release | (687) | (479) |
| Adjustment for investing or financing activities | | |
| Interest payable | 76 | 89 |
| Interest receivable | (221) | (163) |
| Profit sale of asset | - | (2) |
| Net cash flow from operating activities | 1,049 | 1,163 |
| Cash flows from investing activities | | |
| Investment income | 221 | 163 |
| Proceeds from sale of fixed assets | - | 10 |
| Deferred capital grants received | 6,597 | 2,489 |
| Payments made to acquire fixed assets | (7,077) | (7,603) |
| | (259) | (4,941) |
| Cash flows from financing activities | | |
| Interest paid | (76) | (89) |
| Repayments of amounts borrowed | (227) | (228) |
| | (302) | (317) |
| Increase/(Decrease) in cash and cash equivalents in the year | 488 | (4,095) |
| Cash and cash equivalents at beginning of the year | 18 | 4,711 |
| Cash and cash equivalents at end of the year | 18 | 4,711 |

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts****1. Statement of accounting policies and estimation techniques**

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

Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP), the College Accounts Direction for 2023-4 and in accordance with Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (FRS 102). The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

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

Basis of accounting

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

Going concern

The activities of the College, together with the factors likely to affect its future development and performance are set out in this report of the Governing Body. The financial position of the College, its cash flow, liquidity and borrowings are described in the Financial Statements and accompanying notes.

The College primarily meets its day to day working capital requirements through cash generated from its day to day operations. It also has a fixed loan facility loan with Barclays Bank plc, which at 31 July 2024 had a balance of £1.136 million due for repayment over a remaining period of 5 years. The College's forecasts and financial projections indicate that it will be able to operate within this existing facility and covenants for the foreseeable future.

Consequently, the Corporation is confident that the College will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and have therefore prepared these statements on a going concern basis.

Recognition of income*Revenue grant funding*

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

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

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

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

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).***Capital Grant Funding*

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

Fee Income

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

Other Income

The College generates income from a wide range of small projects with external funding, education delivery partnerships and commercial income.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable.

Investment Income

All Investment income from short-term deposits is credited to the income and expenditure account in the period in which it is earned on a receivable basis.

Agency arrangements

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

Accounting for post-employment benefits

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

Teachers' Pension Scheme (TPS)

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

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

Greater Manchester Pension Fund (GMPF), part of the Local Government Pension Scheme (LGPS)

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

Net interest on the net defined benefit liability/asset is also recognised in the Statement of Comprehensive Income and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in interest and other finance costs. Actuarial gains and losses are recognised immediately in actuarial gains and losses.

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).****Short term Employment benefits**

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

Enhanced pensions

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

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to the 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

Freehold land is not depreciated as it is considered to have an infinite useful life. Freehold buildings are depreciated over their expected useful economic life to the College of between 20 and 50 years. The College has a policy of depreciating major adaptations to buildings over the period of their useful economic life of between 20 and 50 years.

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable.

On adoption of FRS 102, the College followed the transitional provision to retain the book value of land and buildings, which were revalued in 2003, as deemed cost but not to adopt a policy of revaluations of these properties in the future.

Assets under construction

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

Subsequent expenditure on existing fixed assets

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

Equipment

Equipment costing less than £3,000 per individual item is recognised as expenditure in the period of acquisition. All other equipment is capitalised at cost.

Capitalised equipment is depreciated on a straight-line basis over its remaining useful economic life as follows:

- General equipment 10 years
- Servers/IT/Infrastructure 4 years
- Computer equipment 3 years
- Furniture, fixtures and fittings 10 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 and Expenditure.

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).****Borrowing costs**

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

Leased assets

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. An investment qualifies as a cash equivalent when it has maturity of 3 months or less from the date of acquisition.

Financial liabilities and equity

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

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

Taxation

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

The College is partially exempt in respect of Value Added Tax, so that it can only recover 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.

Provisions and contingent liabilities

Provisions are recognised when

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

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

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

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

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).****Judgements in applying accounting policies and key sources of estimation uncertainty**

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

- Determine whether there are indicators of impairment of the 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.

Other key sources of estimation uncertainty

- *Tangible fixed assets*

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

- *Local Government Pension Scheme (LGPS)*

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 22, 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 2021. 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.

- *Policy Endowments*

In 1997 and 1998, Bury Council transferred just over £83,000 for the 'Bury College Trust Fund' in a delayed asset transfer following incorporation in 1993. This grew over the following 20 years to £118k with accrued notional interest. The College has taken legal advice and liaised with the Charity Commission to clarify the position of the fund. In 2023/24 the balance stands at £106,653.

Expenditure is recorded through the Statement of Comprehensive Income with a corresponding transfer from reserves.

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).**

| 2 | Funding council grants | Year ended 31 July 2024 | Year ended 31 July 2023 |
|-----------|---|------------------------------------|------------------------------------|
| | | £'000 | £'000 |
| | Recurrent grants | | |
| | Education & Skills Funding Agency - Adult | 2,527 | 2,604 |
| | Education & Skills Funding Agency – 16-18 | 24,930 | 21,256 |
| | Education & Skills Funding Agency – Apprenticeships | 866 | 976 |
| | Office for Students* (note 2a) | 127 | 150 |
| | Specific grants | | |
| | Releases of government capital grants | 687 | 479 |
| | Teachers Pension Grant | 802 | 637 |
| | Capacity and Delivery Grant | 93 | 295 |
| | Tuition fee fund | 532 | 569 |
| | Other | 174 | 143 |
| | Total | 30,738 | 27,109 |
| | | | |
| 2a | OfS Grant and Fee Income | Year ended 31 July 2024 | Year ended 31 July 2023 |
| | | £'000 | £'000 |
| | Grant income from the OfS | 127 | 150 |
| | Total grant and fee income (included in note 2)* | 127 | 150 |
| | | | |
| 3 | Tuition fees and education contracts | Year ended 31 July 2024 | Year ended 31 July 2023 |
| | | £'000 | £'000 |
| | Fees for FE supported courses | 593 | 821 |
| | Fees for HE loan supported courses | 1,254 | 1,378 |
| | Total tuition fees | 1,847 | 2,199 |
| | Education contracts | 1,536 | 1,232 |
| | Total | 3,383 | 3,431 |

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).**

| 4 Other income | Year ended 31 July | Year ended 31 July |
|------------------------------------|---------------------------|---------------------------|
| | 2024 | 2023 |
| | £'000 | £'000 |
| Other income generating activities | 307 | 296 |
| Catering Income | 169 | 129 |
| Project Income | 308 | 230 |
| Miscellaneous income | 93 | 251 |
| Total | 878 | 906 |

| 5 Investment income | Year ended 31 July | Year ended 31 July |
|---------------------------------------|---------------------------|---------------------------|
| | 2024 | 2023 |
| | £'000 | £'000 |
| Other interest receivable | 221 | 163 |
| Net return on pension scheme (note21) | 522 | 10 |
| Total | 743 | 173 |

6 Staff costs

The average headcount for each category calculated on a monthly basis (including key management personnel) employed by the College during the year, was:

| | 2024 | 2023 |
|--------------------|-------------|-------------|
| | No. | No. |
| Teaching staff | 286 | 273 |
| Non-teaching staff | 271 | 261 |
| | 557 | 534 |

Staff costs for the above persons

| | 2024 | Restated |
|---------------------------------------|---------------|-----------------|
| | 2023 | |
| | £'000 | £'000 |
| Wages and salaries | 17,851 | 15,833 |
| Social security costs | 1,718 | 1,547 |
| Other pension costs | 3,558 | 3,757 |
| Payroll sub total | 23,127 | 21,137 |
| Contracted out staffing services | 299 | 653 |
| Staffing Subtotal | 23,426 | 21,791 |
| Restructuring costs - Contractual | - | 79 |
| Restructuring costs – non-contractual | - | 4 |
| Restructuring sub total | - | 83 |
| Total staff costs | 23,426 | 21,874 |

BURY COLLEGE

Financial Statements for the Year Ended 31 July 2024

Notes to the Accounts (continued).

6 Staff costs (continued)

The Corporation has one salary sacrifice scheme in place which is 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 and are represented by the College Leadership Team which comprises the Principal, Deputy Principal, Vice Principal and Assistant Principals and Directors in curriculum and support areas of the College.

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

| | 2024 | | 2023 | |
|--|--------------------------|-----------|-------------|----------|
| | No. | | No. | |
| The number of key management personnel including the Accounting Officer was: | <u>10</u> | | <u>12</u> | |
| | Key Management personnel | | Other staff | |
| | 2024 | 2023 | 2024 | 2023 |
| | No. | No. | No. | No. |
| £60,001 to £65,000 | - | - | 5 | 4 |
| £65,001 to £70,000 | - | 5 | 5 | - |
| £70,001 to £75,000 | 3 | - | - | - |
| £75,001 to £80,000 | - | 4 | - | - |
| £80,001 to £85,000 | 4 | - | - | - |
| £100,001 to £105,000 | - | 1 | - | - |
| £110,001 to £115,000 | 1 | 1 | - | - |
| £115,001 to £120,000 | 1 | - | - | - |
| £195,001 to £200,000 | - | 1 | - | - |
| £210,001 to £215,000 | 1 | - | - | - |
| | <u>10</u> | <u>12</u> | <u>10</u> | <u>4</u> |

Key Management personnel emoluments are made up as follows:

| | 2024 | 2023 |
|-------------------------|--------------|--------------|
| | £'000 | £'000 |
| Basic Salaries | 997 | 974 |
| Pension contributions | 173 | 152 |
| Restructuring costs | - | - |
| Total emoluments | <u>1,170</u> | <u>1,126</u> |

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

| | 2024 | 2023 |
|-----------------------|------------|------------|
| | £,000 | £,000 |
| Salaries | 213 | 197 |
| Benefits in kind | - | - |
| | <u>213</u> | <u>197</u> |
| Pension contributions | <u>-</u> | <u>-</u> |

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).****6 Staff costs (continued)**

The process for setting remuneration is transparent. For Senior Post Holders there is a College level justification for remuneration that relates to the competitive environment, the value of the roles and institutional performance. The remuneration of the Chief Executive / Principal is justified, published (The Remuneration Annual Statement 2023/24 is detailed within the Remuneration Committee section of the Statement of Corporate Governance and Internal Control) and related to the remuneration of all staff within the organisation.

| Relationship of Principal/Chief Executive pay and remuneration expressed as a multiple | 2024 | 2023 |
|---|-------------|-------------|
| Principal and CEO's basic salary expressed as a multiple of the median of all staff | 6.3 | 6.3 |
| Principal and CEO's total remuneration as a multiple of the median of all staff | 5.3 | 5.3 |

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

Severance payments for all staff

The College paid no severance payments in the year (2023: 4)

| | 2024 | 2023 |
|-------------------|-------------|-------------|
| 0 - £25000 | 0 | 2 |
| £25001 - £50000 | 0 | 2 |
| £50001 - £100000 | 0 | 0 |
| £100001 - £150000 | 0 | 0 |
| £150000+ | 0 | 0 |

Included in staff restructuring costs is one special severance payments totalling £NIL (2023: £4,207).

7 Other operating expenses

| | 2024 | 2023 |
|--------------------|--------------|--------------|
| | £'000 | £'000 |
| Teaching costs | 2,549 | 2,360 |
| Non-teaching costs | 2,754 | 2,634 |
| Premises costs | 3,387 | 3,392 |
| Total | 8,690 | 8,386 |

| | 2024 | 2023 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Auditors' remuneration: | | |
| Financial statements audit | 28 | 27 |
| Other services provided by the Financial Statements auditors | 4 | 3 |
| Internal Audit | 22 | 20 |
| Hire of assets under operating leases – plant and machinery | 67 | 62 |

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).****7a Access and participation expenses**

The table below shows the costs for higher education students on access and participation

These costs are included in note 7 above.

| | 2024 | 2023 |
|-------------------------------|--------------|--------------|
| | £,000 | £,000 |
| Access investment | 166 | 165 |
| Financial support to students | 35 | 48 |
| Disability support | - | - |
| Research & Evaluation | 11 | 11 |
| Total | 212 | 224 |

The total includes pay costs of £177k. These costs are included in note 6 staff costs.

8 Write offs, losses, guarantees, letters of comfort, compensation

Following reclassification, colleges (and their subsidiaries) are now part of central government. They continue to be self-governing charities regulated by the Secretary of State for Education but are now subject to the framework for financial management set out in Managing Public Money (MPM). The College has operated within its delegated authority.

Write offs – The College has written off bad debts totalling £27,316 (2023: £32,236) including one debt in relation to student fees from 2022 amounting to £7,500 (2023: £nil). There were no write-offs requiring DfE consent.

Guarantees letters of comfort and indemnities -The College has not committed to any guarantees, letters of comfort or indemnities outside the normal course business (2023: £nil).

Compensation payments and ex-gratia payments – The College made compensation payments of £27,250 (2023: £nil) and no ex-gratia payments in 2023-24 (2023: £4,207).

9 Interest payable

| | 2024 | Restated 2023 |
|---|--------------|--------------------------|
| | £,000 | £,000 |
| On bank loans, overdraft and other loans | 76 | 89 |
| | 76 | 89 |
| Net interest on defined pension liability (note 16) | 30 | 24 |
| Total | 106 | 113 |

10 Taxation

| | 2024 | 2023 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Corporation tax | - | - |
| Provision for deferred corporation tax in the accounts of the subsidiary company | - | - |
| Total | - | - |

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).****11 Tangible fixed assets**

| | Land and buildings Freehold | Equipment | Assets in the course of construction | Total |
|---------------------------------------|--------------------------------|--------------|--|---------------|
| | £'000 | £'000 | £'000 | £'000 |
| Cost or valuation | | | | |
| At 1 August 2023 | 67,503 | 5,073 | 1,951 | 74,527 |
| Additions | - | 128 | 7,033 | 7,161 |
| Transfers | 3,794 | 836 | (4,630) | - |
| Disposals | - | - | - | - |
| At 31 July 2024 | 71,297 | 6,037 | 4,354 | 81,688 |
| Depreciation | | | | |
| At 1 August 2023 | 16,064 | 3,088 | - | 19,152 |
| Charge for the year | 1,415 | 477 | - | 1,892 |
| Elimination in respect of disposals | - | - | - | - |
| At 31 July 2024 | 17,479 | 3,565 | - | 21,044 |
| Net book value at 31 July 2024 | 53,818 | 2,472 | 4,354 | 60,644 |
| Net book value at 31 July 2023 | 51,439 | 1,985 | 1,951 | 55,375 |

Land and buildings were valued in 1994 at depreciated replacement cost by the Metropolitan Borough of Bury using their Department of Development Services chartered surveyors. Other tangible fixed assets inherited from the LEA on incorporation have been valued by the College on a depreciated replacement cost basis with the assistance of independent professional advice.

In 2003 Land and Buildings were revalued by Storey Sons and Parker, a firm of independent Chartered Surveyors in accordance with the RICS statement of asset practice guidance notes.

12 Trade and other receivables

| | 2024 | 2023 |
|--------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Amounts falling due within one year: | | |
| Trade receivables | 172 | 117 |
| Prepayments and accrued income | 1,097 | 993 |
| Total | 1,269 | 1,110 |

13 Creditors: amounts falling due within one year

| | 2024 | 2023 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Bank loans and overdrafts (note 15) | 227 | 227 |
| Trade payables | 658 | 610 |
| Other taxation and social security | 391 | 474 |
| Accruals and deferred income | 1,194 | 1,425 |
| Holiday Pay Accrual | 242 | 208 |
| Deferred income – government capital grants | 948 | 657 |
| Other creditors | 1,134 | 1,490 |
| Amounts owed to ESFA | 23 | 12 |
| Total | 4,817 | 5,103 |

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).****14 Creditors: amounts falling due after one year**

| | 2024 | 2023 |
|---|---------------|---------------|
| | £,000 | £,000 |
| Bank loans (note 15) | 909 | 1,136 |
| Deferred income – government capital grants | 20,770 | 15,150 |
| Total | 21,679 | 16,286 |

15 Maturity of debt**Bank Loans and overdrafts**

| | 2024 | 2023 |
|----------------------------|--------------|--------------|
| | £,000 | £,000 |
| In one year or less | 227 | 227 |
| Between one and two years | 227 | 227 |
| Between two and five years | 682 | 682 |
| In five years or more | - | 227 |
| Total | 1,136 | 1,363 |

The College has a fixed loan facility of 25 years to 2029 at a fixed rate of 6.0625% repayable by instalments falling due between 1 August 2019 and 31 March 2029. The security of the 25-year fixed term loan is on a proportion of College land.

16 Provisions

| | Enhanced Pensions £,000 | Enhanced Pensions £,000 |
|--|--|--|
| At August 2023 | 607 | 731 |
| Expenditure in the period (release of provision) | (55) | (55) |
| Actuarial (gain) for the year | (13) | (93) |
| Interest on liabilities | 30 | 24 |
| At 31 July 2024 | 569 | 607 |

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

The principal assumptions for this calculation are:

| | 2024 | 2023 |
|------------------------|-------------|-------------|
| | % | % |
| Price Inflation | 2.8 | 2.8 |
| Discount rate | 4.8 | 5.0 |

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).****17 Financial assets and liabilities**

| | 2024 | 2023 |
|--|--------------|--------------|
| | £,000 | £,000 |
| Financial assets measured at amortised cost | 5,332 | 5,821 |
| Financial liabilities measured at amortised cost | 4,388 | 5,102 |
| Financial assets are measured at amortised cost and comprise cash and cash equivalents and trade debtors. | | |
| Financial liabilities are measured at amortised cost and comprise bank loans, trade creditors, accruals and other creditors. | | |

18 Cash and cash equivalents

| | At 1 August 2023 | Cash flows | At 31 July 2024 |
|-----------------------------------|-----------------------------|-------------------|----------------------------|
| | £0,000 | £0,000 | £0,000 |
| Cash at bank | 4,711 | 488 | 5,199 |
| Debt due within one year | (227) | - | (227) |
| Debt due after more than one year | (1,136) | 227 | (909) |
| Total | 3,348 | 715 | 4,063 |

19 Capital commitments

| | 2024 | 2023 |
|---------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Commitments contracted for at 31 July | 3,609 | 2,342 |

20 Lease obligations

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

| Equipment | 2024 | 2023 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Not later than one year | 73 | 73 |
| Later than one year and not later than five years | 181 | 249 |
| Later than five years | - | - |
| | 254 | 322 |

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).****21 Defined benefit obligations**

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

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

Total pension cost for the year

| | | Restated |
|--|--------------|-----------------|
| | 2024 | 2023 |
| | £'000 | £'000 |
| Teachers' Pension Scheme: contributions paid | 2,316 | 1,908 |
| Local Government Pension Scheme: | | |
| Contributions paid | 1,511 | 1,384 |
| FRS 102 (28) (benefit)/charge | (307) | 407 |
| Past service costs | 36 | 60 |
| Charge to the Statement of Comprehensive Income | 1,240 | 1,851 |
| Enhanced pension charge to Statement of Comprehensive Income | - | - |
| Total Pension Cost for Year within staff costs | 3,556 | 3,759 |

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 TPS.

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

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

Accordingly, the College has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The College has set out above the information available on the plan and the implications for the College in terms of the anticipated contribution rates.

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

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

As a result of the valuation, new employer contribution rates were set at 28.6% of pensionable pay from April 2024 onwards (compared to 23.68% from 2018/9).

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 £3,122,327 (2023: £2,606,519).

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).****21 Defined benefit obligations (continued)****Local Government Pension Scheme**

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Tameside Local Authority on behalf of the Greater Manchester Local Government Pension Fund. The total contributions made for the year ended 31 July 2024 were £1,930,548, of which employer's contributions totalled £1,495,128 and employees' contributions totalled £435,421. The agreed contribution rates for future years are 22.2% for the College and range from 5.5% to 12.5% for employees, depending on salary according to a national scale.

Principal Actuarial Assumptions

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

| | At 31 July 2024 | At 31 July 2023 |
|--------------------------------------|----------------------------|----------------------------|
| Pension increase rate (CPI) | 2.75% | 3.0% |
| Salary increase rate | 3.55% | 3.8% |
| Discount rate | 5.00% | 5.05% |
| Commutation of pensions to lump sums | 50% | 50% |

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

| | At 31 July 2024 | At 31 July 2023 |
|-----------------------------|----------------------------|----------------------------|
| <i>Retiring today</i> | | |
| Males | 20.4 | 20.5 |
| Females | 23.9 | 23.9 |
| <i>Retiring in 20 years</i> | | |
| Males | 21.4 | 21.5 |
| Females | 24.9 | 25.0 |

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

| | Fair value at 31 July 2024 | Restated Fair value at 31 July 2023 |
|---|---------------------------------------|--|
| | £'000 | £'000 |
| Equity instruments | 41,520 | 38,564 |
| Debt instruments | 9,026 | 7,604 |
| Property | 4,814 | 4,345 |
| Cash | 4,814 | 3,802 |
| Effect of curtailment | (13,895) | (10,206) |
| Total fair value of plan assets | 46,279 | 44,110 |
| Weighted average expected long term rate of return | 5.00% | 5.00% |
| Actual return on plan assets | 5,188 | 998 |

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).****21 Defined benefit obligations (continued)**

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

| | 2024 | 2023 |
|---------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Fair value of plan assets | 46,279 | 44,110 |
| Present value of plan liabilities | (46,279) | (44,110) |
| Net pensions (liability)/asset | - | - |

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

| | 2024 | 2023 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Amounts included in staff costs | | |
| Current service cost | 1,178 | 1,791 |
| Past service cost | 36 | 60 |
| Total | 1,214 | 1,851 |
| Amounts included in (investment income)/interest payable | | |
| Net (income)/ payable | (522) | (10) |
| | (522) | (10) |

Amount recognised in Other Comprehensive Income

| | | |
|---|--------------|------------|
| Return / (loss) on plan assets | 2,428 | (832) |
| Movement in plan asset not recognised | (3,689) | (9,684) |
| Experience gains / (losses) arising on defined benefit obligations | (1,445) | (4,122) |
| Changes in assumptions underlying the present value of plan liabilities | 1,913 | 15,095 |
| Amount recognised in Other Comprehensive Income | (793) | 457 |

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

| | 2024 | 2023 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Deficit in scheme at 1 August | - | - |
| Movement in year: | | |
| Current service cost | 1,178 | 1,791 |
| Employer contributions | (1,485) | (1,384) |
| Past service cost | 36 | 60 |
| Net interest on the defined liability | (522) | (10) |
| Remeasurement of net defined pension asset | 793 | (457) |
| Net defined benefit liability at 31 July | - | - |

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).****21 Defined benefit obligations (continued)**

| | 2024 | Restated 2023 |
|--|---------------|--------------------------|
| Asset and Liability Reconciliation | £'000 | £'000 |
| Changes in the present value of defined benefit obligations | | |
| Defined benefit obligations at start of period | 44,110 | 51,498 |
| Current service cost | 1,178 | 1,791 |
| Interest cost | 2,238 | 1,820 |
| Contributions by Scheme participants | 431 | 399 |
| Experience gains and losses on defined benefit obligations | 1,445 | 4,784 |
| Changes in demographic assumption | (93) | (1,700) |
| Changes in financial assumptions | (1,820) | (13,395) |
| Estimated benefits paid | (1,246) | (1,147) |
| Past Service cost | 36 | 60 |
| Defined benefit obligations at end of period | 46,279 | 44,110 |
| Changes in fair value of plan assets | | |
| Fair value of plan assets at start of period | 54,316 | 52,020 |
| Interest on plan assets | 2,760 | 1,830 |
| Return on plan assets | 2,428 | (832) |
| Employer contributions | 1,485 | 1,384 |
| Contributions by Scheme participants | 431 | 399 |
| Estimated benefits paid | (1,246) | (1,147) |
| Experience gains and losses on defined benefit obligations | - | 662 |
| Remeasurement: curtailment of surplus | (13,895) | (10,206) |
| Fair value of plan assets at end of period | 46,279 | 44,110 |

22 Related party transactions

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

The total expenses paid to or on behalf of the Governors during the year 2024 was: £1,377 (2023: £927). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending Governor meetings, training events and representing the College at other events in their official capacity.

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

BURY COLLEGE**Financial Statements for the Year Ended 31 July 2024****Notes to the Accounts (continued).****23 Amounts disbursed as agent**

| Learner support funds | 2024 | 2023 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Unspent funds brought forward from prior year | 570 | 603 |
| Funding body grants – Hardship support | 1,143 | 854 |
| Disbursed to students | (1,287) | (848) |
| Administration costs | (41) | (39) |
| Balance unspent as at 31 July, included in creditors | 385 | 570 |

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

24 Events after the reporting period

There are no events after the reporting period.

25 Prior Year adjustment

| | |
|--|----------------|
| Deficit for the year at 31 July 2023 as previously stated | (241) |
| Effect of restatement for Enhanced Pension | (93) |
| Deficit for the year at 31 July 2023 as restated | (334) |
| Other Comprehensive Income at 31 July 2023 as previously stated | 457 |
| Effect of restatement for Enhanced Pension | 93 |
| Other Comprehensive Income at 31 July 2023 as restated | 550 |

The prior year actuarial gain and interest costs in relation to Enhanced Pensions were previously reported under staffing costs. It has been necessary to move these to Interest Payable and Other Comprehensive Income on the Statement of Comprehensive Income. The Total Comprehensive Income for the year remains unchanged at £216k. The Statement of Changes in Reserves, Statement of Cash Flows and accompanying notes have also been restated to reflect this change.