



north west
regional college
Derry-Londonderry • Limavady • Strabane

NORTH WEST REGIONAL COLLEGE
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2024

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YEAR ENDED 31 JULY 2024

The Accounting Officer authorised these

Financial statements for issue

on

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on

20th December 2024

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Strategic Report

Nature, Objectives and Strategies

The Governing Body members present their report and the audited financial statements for the year ended 31 July 2024.

Legal Status

The current arrangements for further education in Northern Ireland were established by The Further Education (Northern Ireland) Order 1997 with colleges being self-governing incorporated bodies with effect from 1 April 1998. Based on this legislation, the office for National Statistics in 2010, reclassified colleges as part of Central Government. This has resulted in colleges being determined as Non-Departmental Public Bodies (NDPB).

Colleges have been granted charitable status by the HM Revenue and Customs.

Mission Statement

We provide quality education that supports the creation of more jobs and fosters a culture of lifelong learning for work.

Corporate and Business Planning

Our Purpose & Strategy

Our purpose at North West Regional College is 'Making Lives Better'. The College's vision, mission and values confirms its commitment to students, business, the community and the staff. The College aims to create a great place to work and learn and in doing so positively impact on the opportunities, health and wellbeing for its staff and students. This is especially important given our challenging socioeconomic environment. Despite the fact that unemployment is falling, we have the highest claimant count and the highest rates of economic inactivity in NI within our city and region. Five out of the top ten most deprived super output areas (SOAs) are within our catchment area.

In line with the sector curriculum reform agenda, NWRC delivered a number of Traineeships (Level 2) and Advanced Vocational Technical Award (Level 3) programmes in 2023/24. Going forward the college has planned to transition all of the Level 2 FE programmes to the new Traineeship model. This unique sector provision, equivalent to 5 GCSEs, has a professional and technical qualification, Essential Skills, Transversal Skills, a work based component and an assessment focused on project based learning. The curriculum plan will take cognisance of the further development of the Traineeship programme and the opportunities for all age and potentially public sector Apprenticeships. The college's relationship with the Open University facilitates further developments full time and part time higher education programmes. The college continues to participate in dedicated programmes for example StepUp to further meet the sector widening access and participation agenda. Funding has recently been secured for the Multiply programme. NWRC has increased its focus on sustainability with the work of the Sustainability Champion developing a range of short courses being developed for students and staff as well as securing additional external funding for related activities. The college continues to be a partner in the North West Tertiary Education Cluster enhancing opportunities for cross border progression pathways.

The College curriculum provision reflects the emphasis on its commitment to providing a portfolio of programmes at Levels 0 – 6 delivered on a full time and part time basis, aligned to Department for the Economy (DfE) departmental strategies particularly the four key priorities of the Ministers Economic Vision while meeting the needs of local and regional stakeholders.

The industry standard teaching and learning facilities on our campuses provide aspirational environments for learning and the college is well placed to take on the challenge of enhancing the skills set of the population of the city and region. A wide range of Learner Services including Careers, Safeguarding, Learning Support and Financial advice underpins the student experience.

The College effectively resources all provision and develops staff through Continuous Professional Development (CPD) to ensure currency of skills and quality of delivery. The aim is to develop and maintain a college community whose skills and expertise are compatible with the changing demands of the wider educational, industrial and economic environment. This is underpinned by a robust staff induction programme, staff undertaking the Certificate in Teaching (CIT) and the Post Graduate Certificate in Education (PGCE) FE, relevant mandatory training, key professionally related CPD, a wide range of internal courses influenced by appraisal training needs analysis and the College Quality Improvement Plan.

The development of skills must be managed to ensure that the skills output matches the future needs of employers and society, especially in the area of technology transfer. The College is engaged in the ongoing development of a learner centred curriculum that is focussed on skills development and is proud of our long history of providing curricular choices and opportunities for all.

Our Curriculum

The College recognises the key role it must play to ensure that the Further Education (FE) sector is recognised locally, regionally and internationally for high quality and economically relevant vocational education and training. The professional and technical curriculum is responsive to and supports the rebalancing and rebuilding of the Northern Ireland economy, with a particular emphasis on the North West region. A wide range of professional and technical areas are offered with courses tailored to meet the education and skills training needs of stakeholders. The curriculum plan has been informed by the colleges strategic priorities which are aligned to DfE strategies and publications, in particular the four priorities set out in the Ministers Vision for FE;

- Raise productivity for businesses
- Promote a more regionally balanced economy
- Increase the proportion of working age people in 'good jobs'
- Reduce carbon emissions in the transition to a greener and more sustainable economy.

DfE aims to;

- Increase regional business productivity /growth through the delivery of tailored/bespoke training programmes
- Upskill/reskill individuals with the knowledge and skills necessary to secure employment, meet employer needs for today and the future and support economic growth for the region
- Address the skills needs of the future workforce in green industries through upskilling and reskilling individuals in support of a net zero economy in Northern Ireland.
- To deliver against the Public Body reporting duties of the Climate Change legislation and delivering an energy efficient and sustainable estate.

Engagement with employers whether through Apprenticeships, Higher Level Apprenticeships, Traineeships or a significant work placement component of other FE courses is a key focus for the college. NWRC Business Support Centre is integral to the support of business and industry, the college is a partner in the Local Area Based Learning Communities, Entitlement Framework provision and there is substantial engagement with the community and voluntary sector. NWRC continues to be a partner in the North West Tertiary Education Cluster promoting cross border collaboration for the development of provision with Ulster University, ETB Donegal and the Atlantic Technological University (ATU) Letterkenny. A recent success has been the co-development and delivery of a Level 5 Electric Vehicle course.

The Higher Education (HE) provision accounts for 10% of the total College Enrolment count (excluding Essential Skills). The Higher Level Apprenticeship provision increased to 95 enrolments in 2023/24. Foundation Degrees revalidations/validations continued in 2023/24 and the College followed schedules from the relevant awarding organisations. Three full time higher education courses secured course approval for delivery in 2023/24; Higher National Certificate Level 4 Healthcare Practice; Foundation Degree in Housing and Foundation Degree in Cybersecurity.

The College also delivered Work Based Learning in 10 vocational areas as part of the Apprenticeship NI programme. A number of Traineeships at Level 2 were delivered along with Advanced Vocational and Technical programmes at Level 3.

The total enrolment count was 10,994 (excluding Essential Skills) with 11% of Further Education (FE) Full-time students having a learning disability and were supported in their learning within mainstream provision. As part of the Entitlement Framework provision offered to post-primary schools, there were 43 course offerings with 418 enrolments across three area learning communities. Some 33% of students attended on a full-time basis. Within the full-time cohort of students, 53% of students were male, 46% were female and 1% were other.

The College plays a central role in the delivery of Local Government Community Planning in both Derry City & Strabane District Council (DCSDC) and Causeway Coast and Glens Borough Council (CCG). It is a strategic partner with each council in their City/Growth deal projects. The Financial Deal of the DCSDC City Deal was signed on 18

September 2024. The aim is to further enhance opportunities for education, skills and training and to work collaboratively with the other stakeholders bidding to develop in the same area. The College intends to strive for a diverse curriculum offer that will meet the needs of the local community and industry helping reduce the skills gap in this area of high deprivation.

The College is committed to the further expansion of Apprenticeships to include an increase in Higher Level Apprenticeships (HLAs) taking cognisance of the recent change to all age criteria.

There is also momentum in the city and region around health excellence as a strategic economic competence. The College, designated as the 'Hub' for the FE Sector in Health and Social Care, is leading curriculum development from Level 1 – Level 5 in this vocational area; with short courses for continuous professional development and other courses including Adult Access provision providing pathways to qualifications and careers in a range of Allied Health disciplines.

The College's role in supporting the widening access and participation agenda in the city region is widely recognised and illustrates a commitment to providing a curriculum that supports the participation of learners with learning difficulties and disabilities, those from underrepresented groups in society and those not in employment, education or training (NEETs). Examples include the College's partnerships with the Princes Trust, The delivery of the StepUp programme and participation in a range of externally funded programmes.

The College's economic engagement continues to be outward facing and is unlocking the potential of the city and region to create prosperity. The Business Support Centre, which manages economic engagement, is central to supporting businesses with skills acquisition and innovation awareness to assist them to move up the skills and innovation escalator. Skills academies, both assured skills and pre-employment, linked directly to employer needs are delivered to support people into employment.

The College has 5 Innovation Centres in areas that are of economic importance to Northern Ireland and the NWRC region. These are Foodovation, Product Design Centre, XR Centre, Design Innovation for Assisted Living (DIAL) Centre and the i4.0 centre (Industry 4.0). These innovation centres are industry facing and link with businesses through applied research, idea generation, proof of concept, prototype development and in-turn feed back to curriculum via guest speakers, placement opportunities and enhanced insights and knowledge to evolve NWRC curriculum.

NWRC holds 'Science Technology Engineering and Math (STEM) Assured' accredited College in NI and the Lead College in Creative and Cultural Skills, the College continues to be a success in achieving numerous awards. Pearson Teaching awards - Silver Award for Further Education Lecturer of the Year 2023, WorldSkills UK Diversity award 2023 and Skills Competitions Advocate Award 2023.

NWRC has developed extensive expertise in delivering online learning, which was initially driven by the challenges of COVID-19. This capability has been further refined and enhanced in the intervening years.

The College will continue to strive to achieve its purpose and objectives for Making Lives Better for all of its stakeholders as the primary provider of professional and technical education and training in the North West region.

Enrolment Results 2023/24

In 2023/24 the College had a total target of 10,878 enrolments (excluding ESK). The table below shows actual performance (10,994) against target¹.

HIGHER EDUCATION FIGURES

	Target	Actual
HE Full Time	400	353
HE Part Time (excl. HLA)	679	618
TOTAL	1,079	971

HIGHER LEVEL APPRENTICESHIPS

	Target	Actual
HLA	107	95

FURTHER EDUCATION FIGURES

	Target	Actual
FE Full Time (excl. WBL/HE/ESK)	1,557	1,423
FE Part Time (excl. WBL/HE/ESK)	7,009	7,252
TOTAL	8,566	8,675

TRAINING FOR SUCCESS/APPRENTICESHIPS NI FIGURES

	Target	Actual
SFLW (L1) Full Time	14	13
SFLW (L1) Part Time	20	20
Traineeships Full Time	299	218
Traineeships Part Time	185	225
APPNI Full Time	564	552
APPNI Part Time	44	225
TOTAL	1,126	1,253

ESSENTIAL SKILLS (ESK) FIGURES

	Target	Actual
ESK	1,484	1,336

63% of all College enrolments were in the Key Priority Skills Areas and STEM provision and **75%** of all College programmes delivered were accredited (excluding ESK).

Retention² for the College in funded courses is **87.58%** for FE mainstream **92.60%** for HE mainstream **88.9%** and **84.72%** for Essential Skills³.

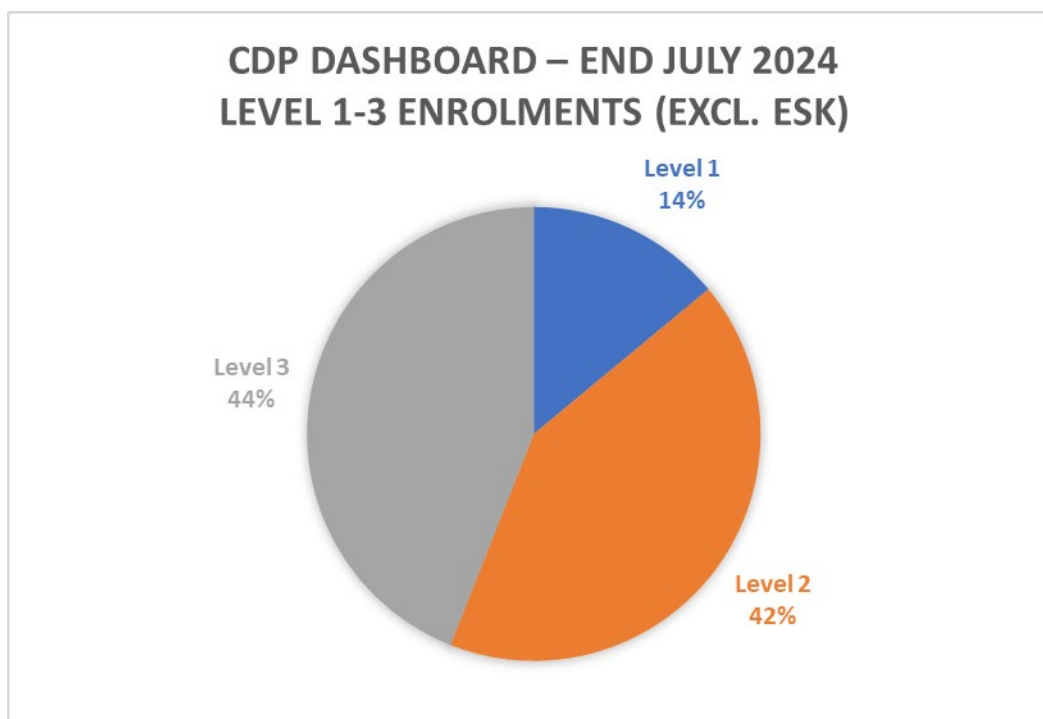
Overall, College retention was **91.13%** for 2023/24.

The combined Level 2 and Level 3 provision contributes to **86%** of mainstream FE provision (Level 1-3) excl. Essential Skills.

¹ CDP DfE extract as at end July 2024 provided on 20 September 2024

² CDP Dashboard as at end July 2024

³ NWRC College Retention Dashboard (EBS)



The primary focus of the NI Programme for Government is the economy; this correlates with the requirement for quality education and skills training, improving the skills level of the population and increasing the number of people working in good jobs. Therefore, NWRC will continue to provide opportunities for the people of the city and region to retrain, develop new skills and diversify in order to change careers. NWRC will continue to play a key role in providing individuals with the ability to upskill/reskill and will be a key player in the roll out of the Sector Skills Strategies particularly in increasing the proportion of the population in the North West with qualifications at Level 2 and above. Also, addressing skills imbalances, driving economic growth; creating a culture of lifelong learning; and enhancing digital skills.

Despite the very challenging environment in the city and region, NWRC sits at the heart of the professional and technical education system and has played a key role in providing individuals within our catchment area with the ability to upskill/reskill and move across sectors as economic needs change. In determining our future curriculum offer, cognisance must not only be taken of our strategic priorities to generate a strong and vibrant economy but also of our requirement to address educational disadvantage and levels of deprivation by continuing to promote social inclusion.

Student Activities and Achievements

The College's full-time FE student enrolments saw an increase from 2,550 in 2022/2023 to 2,559 in 2023/2024.

- Full-time FE Main College Provision (L0 – L3) enrolments decreased by 10% from 1,584 to 1,423 partly due to the transfer of additional Level 2 FE programmes to Traineeship where full time enrolments increased from 87 to 218;
- Full-time Maximum Student Numbers (MaSN) HE (L4+) enrolments increased by 2% from 346 to 353
- Full time ApprenticeshipNI enrolments increased by 6% from 525 to 552
- Part-time enrolments (excl. ESK & HLA) increased by 5.6% from 7,898 to 8,340
- 100% of all residual qualifications have completed.
- Part Time HE enrolments declined by 2% from 629 to 618.
- Enrolments on Step Up programme exceeded their targets:
 - Step Up College Connect – target of 22 actual enrolment 76
 - Step Up College Connect +24 – target of 22 actual enrolment of 77
 - Step Up DARE – target of 83 actual enrolment of 110
 - Step Up WRAP – target of 100 actual enrolment of 208
- 77% of the overall College full time enrolments were on Priority Skills Areas and STEM programmes exceeding the College target set for 2023/24.

Employer Engagement

The targets for business engagement were met in all areas. Actual delivery against targets is outlined below.

2023/24 year to end March 2024	Target	Actual
Skills Focus no. of enrolments	250	335
Skills Focus budget spend (£'000)	£420	£425
Skill Up budget spend (£'000)	£620	£709
InnovateUs (No. of projects)	65	69
InnovateUs budget spend (£'000)	£350	£350
Innovation Vouchers	25	32
Fusions	29	32
Academies	1	1

335 employees were up skilled to level 2 and above via the DfE Skills Focus programme. This involved 122 people being trained at level 3, 53 at level 4, 66 at level 5 and the remainder at level 2. The funding remained at 100% for businesses in the 23/24 year however it will be returning to 75% DfE-funded and 25% employer funded for 24/25.

1 Assured Skills academy was successfully delivered with Vertiv, which was their first and a further 2 are planned for 24/25.

The Skills team also secured and managed the delivery of Skill Up funding which involved 772 enrolments across 75 courses for individuals in priority sectors.

The College innovation Centres of Foodovation, the Product Design Centre, DIAL Assisted Living Centre, Industry 4.0 Centre and the XR Hub, met their targets for the past year. The Business Support Centre commenced a Knowledge Transfer Partnership (KTP) with Gallagher & McKinney in January 2024 with a further KTP secured with Hawthorn Heights and is now proceeding to recruitment. The KTP Project with Braidwater which completed in 2023/2024 was awarded Outstanding by InnovateUK. The Centre is also exploring avenues for Peace Plus funding as it continues to explore opportunities for income diversification, and the Foodovation Growth Deal project in the Causeway Coast and Glens Borough has moved to the Outline Business Case (OBC) stage.

Financial Objectives

The College’s financial performance target, as set out by DfE, is to deliver an actual Resource Requirement in line with its approved Resource Budget Allocation for the April – March fiscal year, which it did for 2023/24.

The College’s financial objectives and achievement against targets in 2023/24 are:

Ratio	Target	2023/24 Result
Cash Balance as % of Total Prior Year Income (including Grant in Aid)	< 10%	2.61%
Payment Performance - % of supplier invoices paid within 30 days	> 90%	95%
Debtor Days	0-30 days	22 days

The Cash Balance ratio details the percentage of cash reserves held by the College as a percentage of the College’s total prior year income. The minimum contained in the Partnership Agreement is 10% of prior year income.

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires Colleges, in the absence of an agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95%.

During the accounting period 1 August 2023 to 31 July 2024, the College paid 95% of its invoices within 30 days (2022/23 - 95%). The College incurred no interest charges in respect of late payment for this period.

The Northern Ireland Executive is committed to paying suppliers promptly - within 10 working days. During the accounting period 1 August 2023 to 31 July 2024, the College paid 91% of its invoices within 10 days. (2022/23 – 91%)

The Debtor Days ratio measures how quickly cash is being collected from trade debtors.

Financial Performance Monitoring

The College monitors financial performance against its budget and prior year position via monthly Management Accounts. These accounts are reviewed by management on a monthly basis and are presented to the Governing Body throughout the year.

In addition, the College produces monthly Income and Expenditure Accounts for each Department which are issued to each of the College’s budget holders for review and highlight actual year to date performance against budgets.

Financial Results

The College incurred an operating surplus on continuing operations after depreciation of assets at valuation and before exceptional items of £2,041k (2022/23: deficit of £2,458k). A deficit of £1,124k was incurred after exceptional items (2022/23: deficit of £2,458k).

The deficit in 2023/24 is stated after accounting for a pension loss of £93k (2022/23: gain of £7,279k) as determined by the College's actuaries. The actuarial assumptions used in calculating the pension charge are explained in Note 20 to the Financial Statements.

The Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) has moved from a surplus of £3.4m at 31 July 2023 to a surplus of £5.7m at 31 July 2024 (as explained in Note 20).

The main drivers of the movement over the year are:

- a stronger-than-anticipated return on investments which has positively impacted the overall funding level and contributed significantly to the increase in the surplus over the year; and
- a change in the financial assumptions, specifically minor reductions in inflation expectations and a decrease in the discount rate used to value future pension obligations, being offset by the gains from asset performance; and
- a change in the demographic assumptions, updates to mortality assumptions resulted in a small gain and updated projections factored in adjustments for ongoing mortality improvements, which reduced the liabilities.

The College actuary advises that any pension accounting surplus recognised on the Statement of Financial Position should be limited to the present value of future service costs minus the minimum funding requirement for future service and has recommended setting the asset ceiling at zero. Amendments have been made to reflect adjustments from prior periods.

Land and Buildings were subject to a full revaluation at 31 July 2022 by Land and Property Services (LPS) followed by index ratings applied in 2023 and 2024. At 31 March 2024 and 31 July 2024 LPS provided index ratings to be applied to the valuation of the College's land and buildings increasing the value of the College's estate by £1.6m in year.

The College has significant reliance on DfE for its principal funding source, largely from recurrent grants. In 2023/24 DfE provided 61% (2022/23 - 68%) of the College's total income through allocated recurrent grant. This represented 14.32% of the total recurrent grant available to the sector.

Reserves

The College has accumulated reserves of £51.1 million and cash balances of £1.1 million.

Finances and Going Concern

The College is satisfied that the organisation is a going concern on the basis that there is no reason to believe that the department's future sponsorship and future parliamentary approval will not be forthcoming to meet the College's liabilities as they fall due. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

Treasury Policies and Objectives

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

The College has a separate Investment Policy in place that complies with the Partnership Agreement with DfE. The purpose of the policy is to provide the College with specific guidelines as to the period of investments, diversification of institutions, and aiming to attain the best rate of return on any investments.

Cash Flows

The College has a £2,537k cash outflow for the year. (2022/23 - £872k outflow)

Events after the end of the Reporting Date

Refer to Note 28 to the Financial Statements.

Future Developments

The College recognises the financial challenges that the public sector will face in the coming years. A significant percentage of funding comes from Recurrent Grant from the Department for the Economy. The uncertainty and challenges presented by the current macro-economic environment may impact adversely on the curriculum provision. In addition, demographic trends have significantly impacted student recruitment, not only at our own College but right across the Further Education sector. The College continues to be impacted by competition from the Post-Primary Sector.

An Estates Strategy has been prepared and approved by the Governing Body. The strategy identifies five major projects which, with appropriate approval and funding will be progressed over the next ten years. One of these projects is the development of a new campus in Strabane that will be progressed within the Derry and Strabane City Deal project. The Financial Deal was signed on 18 September 2024.

The College is also hoping to progress a food innovation and skills project within the Causeway Coast and Glens Borough Council's Growth Deal initiative.

The Estates Strategy also identifies the need for modern fit for purpose sports facilities. An Outline Business Case (OBC) is at final draft stage.

As a Public Body, the College has a significant role to play in helping to achieve the reductions required in Northern Ireland greenhouse gas emissions. The College agrees and is committed to becoming more sustainable. The College will also play a pivotal role in educating and empowering learners and other stakeholders with the knowledge, skills and attitudes required for a sustainable, economically viable and just society. The college plans to invest in staffing and other resources in support of a more sustainable environment. The reconstituted Sustainability Committee will develop a strategy, supported by actions plans that will set out how we intend to embed sustainability into all aspects of our organisation, with the aim of achieving and maintaining 'green campus' status at all of our sites. We are also committed to working towards an ambitious target of becoming net zero by 2050 in line with Government targets.

Resources

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

Estate:

The value of the main College sites (land and buildings) at 31 July 2024 are as follows:

		Value £'000
Derry~Londonderry	Foyle Building	19,013
	Strand Road	20,237
	Springtown	10,577
	Northland*	11,576
Limavady	Limavady	10,323
	Centre for Technology	8,166
Strabane	Strabane	2,889

**PFI Building*

The Northland Building (value £10,456k) is classified as a PFI asset together with PFI Plant & Equipment of £329k and PFI Fixtures & Fittings of £59k (note 11).

Financial:

The College has £51.1 million of net assets.

People:

Based on the Quarterly Business Survey the total number of staff contracted as at June 2024 was 629. The average number of persons (including senior post-holders) employed by the College was 590 people (expressed as full-time equivalents), of whom 310 are teaching staff.

Reputation

NWRC is the main provider of professional and technical education and training in the North West region and plays a central role in up-skilling and re-skilling the population through the delivery of an economically focussed curriculum from Level 0 - Level 6.

There is a trend of positive feedback from ETI and DfE relating to quality assurance and improvement. In the latest inspections of the College the Education and Training Inspectorate (ETI) stated that in the professional and technical areas inspected the quality of education and training provided across the College is good. The feedback from the Whole College interim Self Evaluation and Quality Improvement Plan (2022-2024) was that the college had ‘a high level of capacity for sustained improvement’ which following ETI and DFE scrutiny achieved ‘Outcome A’ on the basis of the information provided, there is sufficient evidence that the college is planning effectively for learning and quality improvement. ETI will continue to monitor how the college brings about improvement which may include Inspection Activity.

The feedback on the Quality Monitoring Evaluation Report (QMER) process in 2022/23 indicated that the college had a “Satisfactory” grading. The scrutiny inspection of the Self Evaluation Report (SER) process was graded “Confident” (2020/21). The latest quality review carried out by the Quality Assurance Agency (QAA) on the HE provision at NWRC resulted in a “Confident” grade. An ETI Review of the Level 3 Provision in the FE Sector commenced in January 2020. The College was reviewed in February 2020 and received very positive feedback from the ETI following their visit. The completion of the review of all 6 Colleges was postponed by COVID.

Name of Inspection	Overall Grade
ETI Inspection Report – Training for Success and Apprenticeships NI provision	Good
ETI Scrutiny Inspection of the Self-Evaluation and Quality Improvement Planning Processes	Confident
QAA – Quality Review Visit	Confident

The College is committed to improving its performance on a continuous and systematic basis. As part of the College quality improvement process each curriculum and support area produces an annual self-evaluation report and action plan. The latest Scrutiny Inspection carried out by the Education and Training Inspectorate during their visit to evaluate the Level 3 provision at the College and the College achieved a grade of Confident for the Self Evaluation Processes. The academic year 2020/21 was significantly impacted by COVID, however, the self-evaluation process continued with the College submitting a Whole College Self Evaluation and Action Plan tailored to specific ETI requirements for that year. Feedback indicated that the College was given Outcome A – the highest grading- which stated that ‘On the basis of the information provided, there is sufficient evidence that the organisation is planning effectively for recovery and continuity in learning and quality improvement’.

A new process for self-evaluation established by DfE, the Quality Monitoring Evaluation Report (QMER) 2022/23 was made in relation to Traineeships, Apprenticeships and HLAs. Feedback regarding the college QMER was positive. The college Quality Enhancement Unit is complying with the new biennial reporting system for self-evaluation and action planning.

A number of internal multidisciplinary committees within the College, chaired by senior staff with cross college curriculum and corporate staff membership continue to further support the quality of provision.

- The Academic Standards Committee
- The Work Based Learning Committee.
- The Essential Skills Working Group
- The Northern Ireland Prison Service Group
- The Community Working Group including StepUp provision
- The Data Management Group

The College curriculum policy and curriculum plan is regularly updated to reflect the emphasis of the sector and College on the development and delivery of high quality professional and technical education and training reflecting the ongoing outworking of sector curriculum reform as well as the delivery of funded skills related provision supporting economic growth and recovery.

College staff have attended workshops held by ETI on the new inspection framework, Empowering Improvement. The college staff conference will focus on the new framework to raise awareness and develop staff's understanding of the new inspection process, the centrality of the five core questions and Nine Contributory Areas, with our continued aim to build capacity to ensure high quality education and outcomes for all learners. The College has participated in ongoing sector and departmental discussions relating to a change in the format of the quality improvement plan.

The change to the new QAA Quality Code and Northern Ireland Review Method for Higher Education underpins the importance of quality processes and QAA will support training for all HE teams in preparation for the new cycle of QAA reviews in Northern Ireland.

The College continues to develop its use of the management information system (EBS). to provide accurate and timely information relating to student enrolments. New dashboards have been developed to facilitate monitoring of attendance and retention, ultimately for the purpose of identifying and providing targeted student support to improve the learner experience and achievement and success rates.

The College has a good reputation with its students and the student voice is integral to the ethos at the College. Surveys are carried out across Further and Higher Education for both employers and students and feedback is received from a range of stakeholders. Pastoral care is a significant strength within the College and is highlighted as such in the majority of inspection reports and by student feedback.

The National Student Survey results released in August 2024 show that 93% of all students that took part in the survey were overall satisfied with the quality of their course and the College. The NI sector outcome was 80%. Over 93% of our students confirmed they were able to contact staff when they needed to (NI sector average was 87%); over 97% confirmed their course developed their knowledge and skills needed for their future (NI sector average was 84%); and over 84% confirmed they were satisfied with the mental wellbeing services offered NWRC (NI sector average 82%). Outcomes had improved on previous years and the College again achieved higher outcomes than the sector average in all core questions asked of the students. College specific (optional questions with no sector benchmark) highlighted that of the NWRC HE students surveyed, 98% believed that as a result of their course they had improved career prospects with 100% of learners recognising that placement was valuable to their learning.

A wide range of Learner Services are also available including careers advice and guidance, safeguarding and wellbeing, financial support and mentoring. Learners have the opportunity to participate in Skills competition, international exchange programmes and avail of a range of scholarships.

The College is committed to working with all its stakeholders to improve the skills mix of the workforce in Northern Ireland and enhance the economic environment.

Summary of College highlights from 2023/24:

- A spectacular mural celebrating the work of the world's most famous female aviator Amelia Earhart, was unveiled on the wall of North West Regional College's Foyle Building.
- Music student Keegan Houston will spend the next year studying in the USA as part of the prestigious Study USA scholarship programme, Ouston.
- National Council Further Education (NCFE) presented a posthumous award in memory of lecturer Barbara Crone to honour her outstanding service in 30 years of working in further and higher education.
- 21-year-old Travel and Tourism student Matthew McGrotty was named the 2024 Learner of the Year at NCFE's Aspiration Awards.
- Motor vehicle trainee Ryan Phelan won Open College Network (OCN) Learner of the Year award.
- Sean Curran from the Princes Trust programme was declared 'Inspirational Educator of the Year' at the Derry Journal People of the Year awards.
- NWRC awarded a scholarship to an Access Adult Learning Diploma in Health and Welfare student - Chukwuka Frank Nwanonyi - the first ever recipient of the NWRC Asylum Seeker Scholarship.
- Computing graduate Brian Barber was awarded an All-Ireland Scholarship funded by JP McManus.
- NWRC Apprentices were praised at a recognition event by Causeway Coast and Glens Labour Market Partnership, celebrating our Apprentices living in the council area.
- Timothy Gilmore who works for SMC Tiling and studies Wall and Floor Tiling (Level 3) at Greystone Campus, was one of the 16 top NI trainees to compete at Skill build National Finals.
- NWRC officially cut the ribbon on a brand new Open University (OU) office at Strand Road campus. The office is the OU's first official premises in the North West.
- Media students were recently presented with prizes to recognise the best video productions as part of a project between NWRC and Translink to help promote public transport and highlight Translink's yLink card.
- Students from NWRC were among 30 people from NI Colleges to be recognised as the first recipients of a Northern Ireland Traineeship at a special prize ceremony in Stormont.
- NWRC unveiled a bench in the front garden at Strabane Campus, in memory of campus manager Angela McConnell. Angela worked at the college for 25 years, was a nurse before moving into the education sector.
- Seven students studying traineeships at NWRC were presented with a scholarship worth £1,000 by The Honourable the Irish Society. This is the 2nd year of the scholarships.
- 27 NWRC students studying Higher Education courses were awarded scholarships from the SSE Renewables Scholarship Fund. The students are currently studying across a range of areas including Media & Music, Engineering & Renewables, and Art & Design.

- NWRC journalism student Callum McGuigan won the Student Journalist of the Year Award at the prestigious CIPR Media Awards. He is currently studying for the Level 5 NCTJ Diploma in Journalism while also working for the Ulster Herald.
- Our Music & Performing Arts students launched an album themed on positive attitude towards mental health. PARANOISE is a collaborative album featuring songs written by students as part of their 'Hear Us Out' project.
- Pupils from St Mary's College and St Columb's College took part in our 2024 Engineering Robotics Challenge at the newly opened i4.0 centre at Springtown Campus. The pupils were challenged to automate the process of palletising using a robot.
- Eight NWRC students and two staff were honoured in the first ever Further Education NI Excellence Awards. The inaugural awards ceremony reflected the wide range of learning and pathways available at FE Colleges.
- Wall and Floor Tiling Trainee Rebecca Gavigan from our Greystone Campus won GOLD at The Construction Industry Training Board NI annual Skill Build NI Regional Competition at South West College. Rebecca is now officially the best in her field in NI and could have the opportunity to represent Northern Ireland in the Skill Build UK national final held later in the year.
- Six engineering students and six cyber security students had the experience of a lifetime on the trip to Pennsylvania College of Technology USA

Risk Management

Throughout the year, the College has continued to enhance and embed a robust system of internal control, including financial, operational and risk management processes which is designed at safeguarding the College’s assets and reputation. During 2022/23 the College took a step forward by implementing a cloud-based risk management software to further strengthen internal controls and provide a comprehensive view of the colleges risk environment. The new software has streamlined risk oversight, improve decision making and ensures proactive management of potential threats.

The Risk Management Working Group undertakes a comprehensive review of the risks facing the College, identifying key systems, procedures and specific preventive measures aimed at mitigating potential impacts on the College. The internal controls are then implemented with regular appraisals conducted to assess their effectiveness and monitor progress against risk mitigation actions. In addition to such reviews, the Risk Management Working Group also evaluate risks which may arise because of new initiatives or areas of work undertaken by the College. This approach ensures that the College remains vigilant and continuously refining its risk management strategies to safeguard its operations, reputation, and long-term objectives.

A comprehensive risk register is maintained at both College and departmental level, and it is reviewed by the Audit and Risk Committee of the Governing Body. The risk register identifies the colleges key risks, assesses the likelihood of each risk occurring, evaluates their potential impact on the College and details the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

Main Risks

A summary of the main risks on the Corporate Risk Register as of September 2024 are as follows:

	Title
1	Impact on Performance/Availability of Information Systems Relating to Third Party Hosting/Connections
2	Impact of Reduced Enrolment Numbers
3	Implementation of DfE Trainee Apprentice Management System (TAMS)
4	Non-Compliance with Relevant Legislation (Equal Opportunities, Data Protection, Health & Safety, Freedom of Information, Consumer Protection Law)
5	The Quality of Curriculum Delivery not meeting required Benchmarks
6	Business Continuity Plan/Disaster Recovery
7	Failure to Maintain Financial Stability
8	Cyber Security
9	Impact of Industrial Action
10	Staffing - Impact of Staff Recruitment, Staff Retention, Pay Levels & Sickness on College Business
11	Inefficient and inappropriate use of Artificial Intelligence (AI)
12	Lack of resources and funding to progress Sustainability/ESG Agenda

Stakeholder Relationships

In line with other Colleges and with Universities, North West Regional College has many stakeholders. These include:

- Students;
- Staff;
- Department for the Economy;
- Other Government departments;
- Local employers;
- Derry City and Strabane District Council;
- Causeway Coast and Glens Borough Council;
- Local Strategy Partnerships;
- Local Enterprise Agencies;
- Other FE Colleges;
- Post-Primary Schools;
- Trade Unions;
- The local community;
- Professional Bodies;
- Invest NI;
- The Open University;
- Ulster University;
- Queen's University Belfast;
- Atlantic Technological University;
- Donegal Education and Training Services;
- North West Tertiary Education Cluster (NWTEC)

The College recognises the importance of these relationships and engages in regular communication with them.

The College considers good communication with its staff to be very important and regular meetings are held. The College encourages staff and student involvement through various means such as membership of the Governing Body.

Disability Statement

The College is committed to the provision of high quality education and training for the community it serves. The College welcomes applications from students with disabilities. All reasonable efforts to meet individual students' needs will be made through teaching support, student services and the learning support service.

In carrying out the principal roles and functions, the College will endeavour to promote equality of opportunity among those with disabilities in accordance with Section 75 of the NI Act 1998. In addition, the College will ensure the obligation in accordance with the Disability Discrimination Act 1995 will be adhered to and reasonable adjustment considered where necessary.

The College also takes account of the Special Educational Needs and Disability Order 2005 (SENDO).

The College has a detailed Disability Action Plan which covers the following areas:

- Encourage students with a disability to participate more fully in college life.
- Increase awareness of specific barriers faced by people with a disability including through linking in with National Awareness days or weeks.
- Promote the use of AccessAble website to encourage participation of prospective students.
- Create an open and inclusive workplace culture which displays respect for those with mental ill health.
- Explore the scope of offering meaningful placements and work shadowing and volunteering for people with a disability.
- Introduce training for front line staff on disability etiquette and relevant legislation dealing with disability and the provision of goods, facilities and services.
- Consider development of a (Sectoral) Disability Advisory Group that could involve staff and students.
- Increase number of students with a disability entering the College.
- Monitor and review the progress of the Disability Action Plan.

The College also holds the Gov.uk's Disability Confident Employer and in June 2023, the College has been awarded Employers for Disability NI's Disability Positive AAA accreditation. This accreditation recognises the College as a Disability Positive Employer and focuses on employment-related disability good practice. The College will hold this accreditation for 3 years.

Disclosure of Information to Auditors

These accounts are subject to audit by statute by the Comptroller and Auditor General for Northern Ireland.

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.

Personal Data Related Incidents

There were no data related incidents reported to the Information Commissioner's Office (ICO) during the academic year 2023/2024.

Charitable and Taxation Status

The College has charitable status with the HM Revenue and Customs and is not liable to corporation tax.

Charitable/Political Donations

The College made no charitable or political donations during the year.

Professional Advisers

External Auditors: Comptroller and Auditor General for Northern Ireland
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

Internal Auditors: RSM
Number One
Lanyon Quay
Belfast
BT1 3LG

Bankers: Danske Bank
Corporate Banking
P.O. Box 183
Donegall Square West
Belfast
BT1 6JS

**NORTH WEST REGIONAL COLLEGE
STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2024**

Members

The members who served the Governing Body during the year to 31 July 2024 were as follows:

NAME	DATE OF LAST APPOINTMENT/EXTENSION TO APPOINTMENT	TERM OF OFFICE	DATE OF RESIGNATION/ APPOINTMENT ENDED	STATUS OF APPOINTMENT	COMMITTEES SERVED	GOVERNING BODY ATTENDANCE 9 MEETINGS HELD 2023/24
Ms M Breslin	21/07/2020	4 years	20/07/2024	Staff member	AC, EC	7(7)
Mr P Clancy	16/05/2023	4 years		Member	EC	8(9)
Mrs D Creevy	13/01/2022	4 years		Member	RC	7(9)
Dr S Fisher	13/01/2022	4 years		Member	EC, RC	9(9)
Mr S Gillespie	24/01/2020	4 years	23/01/2024	Co-opted	RC	3(5)
Mr R Godfrey	22/01/2024	*	10/06/2024	Student member		0(3)
Mrs M Gormley	13/01/2022	4 years		Member	AC, EC	8(9)
Dr K Kennedy	01/07/2022	4 years		Member	EC, RC	3(9)
Mrs J McKeever	13/01/2022	4 years	30/06/2024	Member	EC	8(9)
Mrs S McMahon	01/07/2023	4 years		Member	AC	8(9)
Mr L Murphy	05/05/2014	**		Principal & Chief Exec.	EC, RC	9(9)
Mr B O'Neill	01/07/2022	4 years		Member	EC, RC	9(9)
Prof M Ó'Neill	01/06/2023	***		Temporary Chair		9(9)
Mrs C Shongo	13/01/2022	4 years		Member	AC	6(9)
Mr F Smyth	01/07/2022	4 years		Member	AC, EC	9(9)
Mr P Thompson	13/01/2022	4 years		Member	EC, RC	9(9)
Ms V Toland	29/04/2022	4 years		Staff member	AC, EC	7(7)

**NORTH WEST REGIONAL COLLEGE
STRATEGIC REPORT
FOR THE YEAR ENDED 31 JULY 2024**

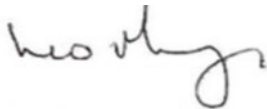
- AC - Audit and Risk Committee
- EC - Education Committee
- RC - Resources Committee
- () - Number of meetings members eligible to attend
- * - Term of Office completes on 30/09/2024 or until the date on which he ceases to be a student at the College, whichever first occurs.
- ** - The Principal & Chief Executive is a member of the Governing Body while he holds the office of Principal & Chief Executive.
- *** - Temporary Chair of the Governing Body effective from 1 June 2023 until either, the appointment of a new substantive Chair, or the conclusion of his second term on the Governing Body (10/06/2025) whichever occurs first.

For and on behalf of the members of the Governing Body



Prof M Ó'Neill
Temporary Governing Body Chair

9th December 2024



Mr L Murphy
Accounting Officer

9th December 2024

Remuneration & Staff Report

Members of the Governing Body

Members of the Governing Body and the Chairperson are appointed in accordance with the Code of Practice of the Office of the Commissioner for Public Appointments for Northern Ireland.

The Members of the Governing Body and the Chairperson are appointed for a fixed period of up to four years. Thereafter they may be re-appointed in accordance with the Code of Practice.

No member of the Governing Body (excluding staff members) receives pension contributions from the College or the Department. The College reimburses the Chairperson and Members of the Governing Body for any incidental expenses incurred for carrying out their duties relevant to the organisation.

The remuneration of Governing Body members (excluding staff members) was first introduced by the Department from 1st January 2016. There are no arrangements in place for the payment of a bonus.

The remuneration of Chairperson and Board members is as follows:

	2023/24		2022/23	
	Salary and Allowances	Benefits in Kind	Salary and Allowances	Benefits in Kind
	£'000	£'000	£'000	£'000
Mrs J McKeever (Temporary Chair since 01/07/2022)	0-5	-	15-20	-
Mr B Quinn	n/a	-	0-5	-
Prof M Ó Néill	15-20	-	5-10	-
Mrs D Creevy	0-5	-	0-5	-
Dr S Fisher	0-5	-	0-5	-
Mrs M Gormley	0-5	-	0-5	-
Mr K Kennedy	0-5	-	0-5	-
Mr B O'Neill	0-5	-	0	-
Mrs C Shongo	0-5	-	0-5	-
Mr F Smyth	0-5	-	0-5	-
Mr P Thompson	0-5	-	0-5	-
Ms A Donnell	n/a	-	0-5	-
Mr P Canavan*	n/a	-	0	-
Mr S Gillespie	0	-	0	-
Mrs S McMahon	0-5	-	0	-
Mr P Clancy	0-5	-	n/a	-
Mr R Godfrey	0	-	n/a	-

* Members who have chosen not to claim remuneration.

Mr P Canavan's appointment ended on 30/06/2023.

Mr B Quinn's appointment ended on 31/07/2023.

Ms A Donnell's appointment ended on 16/06/2023.

The Principal & Chief Executive and Directors

The Principal & Chief Executive and the Directors' appointments are made in accordance with College's recruitment policy. The policy requires appointments to be made on merit on the basis of fair and open competition.

The Principal & Chief Executive and Directors hold permanent appointments. The Policy relating to notice periods is contained in the College's Staff Handbook.

Minimum pay levels

Minimum pay levels are dependent on college size and vary across the sector.

Progression

There is no incremental progression for the Principal & Chief Executive as he is paid on a one-point scale according to college size. However, if the College size increases, he will automatically move to a new salary point.

At initial appointment, the Directors are normally placed on the bottom point of the four-point scale relevant to the size of their college. Thereafter, there is annual incremental progression up the scale until the maximum of the scale is reached. A common incremental date of September is used for all Directors. If the College increases in size a Director will automatically move to the new relevant salary scale.

Performance Pay

There is no performance pay or related scheme for any Director.

Total reward package

The Principal & Chief Executive and Directors within Colleges have access to either the Northern Ireland Teachers' Pension Scheme (NITPS) or Northern Ireland Local Government Officers' Superannuation Scheme (NILGOSC).

Directors' posts are based on 36 hours per week and post holders have access to the Colleges' Maternity Leave Scheme, Paternity Leave Scheme, Adoption Leave Scheme and Flexible Working arrangements.

All Senior Staff have 35 days holiday entitlement, and a further twelve statutory and public holidays as recognised by the sector.

Service contracts

College appointments are made on merit on the basis of fair and open competition. Unless otherwise stated, the officials covered by this report hold appointments which are open ended. Early termination, other than for misconduct, would result in the individual being entitled to receive compensation.

Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the most senior management of the College.

Remuneration (Audited)

Senior Management	2023/24				2022/23			
	Salary including back pay	Benefits in kind	Pension benefits	Total	Salary including back pay	Benefits in kind	Pension benefits	Total
	£'000	£	£'000**	£'000	£'000	£	£'000	£'000
Mr L Murphy* Principal & Chief Executive	125-130	Nil	32	155-160	115-120	Nil	29	145-150
Mr P McKeown Finance Director	90-95	Nil	17	105-110	85-90	Nil	17	105-110
Dr C O'Mullan Director of Curriculum & Academic Standards (since 01/04/2022)	80-85	Nil	1	80-85	75-80	Nil	1	75-80

*NWRC paid Leo Murphy in the band £115-120k in 2022/23. However, Leo Murphy was seconded to South West College from 01/04/2022 – 26/09/2022. NWRC received income in the band £25-30k (net of employer's contributions) from SWC in respect of this secondment for the period 01/08/2022-26/09/2022 (£35-40k for the period 01/04/2022-31/07/2022). Patrick McKeown acted as Interim Principal & Chief Executive of NWRC for the duration of the secondment.

No member of the Directorate received bonuses, overtime, recruitment and retention allowances, private office allowances and any other allowance to the extent that it is subject to UK taxation.

Senior staff were awarded a pay rise of 1% from September 2021 and 1% from September 2022 which was paid in November 2023.

** The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

Salary

'Salary' includes gross salary; performance pay or bonuses; overtime; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. No senior staff received any benefits in kind.

Fair Pay Disclosures

Pay Ratios (Audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid Director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

The banded salary excluding back pay of the highest-paid director in NWRC in financial year 2023/24 was £115-120k (2022/23: £115-120k). The relationship between the mid-point of this band and the remuneration of the organisation's workforce is disclosed below:

2023/24	25th percentile	Median	75th percentile
Total Remuneration (£)	24,965	30,672	44,158
Pay Ratio	4.7:1	3.8:1	2.7:1

2022/23	25th percentile	Median	75th percentile
Total Remuneration (£)	24,268	32,020	39,287
Pay Ratio	4.8:1	3.7:1	3.0:1

Remuneration for college employees ranged from £21k to £126k (2021-23: £19k to £117k).

Percentage Change in Remuneration (Audited)

Reporting bodies are required to disclose the percentage change from the previous financial year in the: (i) salary and allowances, (ii) performance pay and bonuses, of the highest paid director and of the employees as a whole.

The percentage changes in respect of NWRC are shown in the table below. It should be noted that the calculation of the highest paid director is based on the mid-point of the band within which their remuneration fell each year.

	2023/24 compared to 2022/23
Percentage change for:	
Average employee salary and allowances	6.15%
Highest paid director's salary and allowances	0%

Support staff were awarded a pay rise of £1,925 from April 2023 which was paid in January 2024.

Teaching staff were awarded a pay rise of 8.4% plus £1000 on each salary scale point from September 2023 which was paid in June 2024.

There is no performance related pay for the highest paid director or any other employee.

Pension Entitlements (Audited)

Senior Management	Accrued pension at pension age as at 31/7/24 and related lump sum £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31/7/24 £'000	CETV at 31/7/23 £'000	Real increase in CETV £'000
Mr L Murphy, Principal & Chief Executive	60-65 Plus lump sum of 165-170	5-10 Plus lump sum of 10-15	1,506	1,419	87
Mr P McKeown, Finance Director	40-45 Plus lump sum of 40-45	0-5 Plus lump sum of 0-5	814	789	35
Dr C O'Mullan, Director of Curriculum & Academic Standards	0-5 Plus lump sum of 0	0-5 Plus lump sum of 0	7	3	4

Pension arrangements

NITPS

The Northern Ireland Teachers' Pension Scheme (NITPS) is a funded defined benefit scheme. The NI Teachers' Pension Scheme design was reformed from 1 April 2015. Existing scheme members who satisfied certain criteria remained in the existing final salary arrangements, whilst others started to have their benefits calculated using a combination of career average and final salary arrangements. This transitional protection arrangement was, however, considered discriminatory. Thus, the government has introduced primary legislation to make the necessary changes to remedy the discrimination within public service pension schemes. In NITPS the remedy is being implemented in two stages:

- **Stage 1:** The first stage is focused on the technical amendments that are needed to the Northern Ireland Teachers' Pension Scheme regulations to comply with the primary legislation introduced within the Public Service Pensions Scheme & Judicial Offices (PSPJO) Bill. The changes being implemented are:
 - the final salary (legacy) scheme will close to further accrual on 31 March 2022; and
 - all active members of the Scheme will build up pension benefits within the existing career average (reform) scheme from 1 April 2022.

Stage 1 is complete with all active members of the NITPS becoming members of the 2015 reformed scheme (career average) from 1 April 2022, irrespective of age.

- **Stage 2:** This is retrospective remedy, which will allow eligible members the choice between their legacy scheme (final salary) or 2015 reformed scheme (career average) for the remedy period (1 April 2015 to 31 March 2022). The consultation opened on 21 April 2023 and closed on 16 June 2023.

All new entrants joining the NITPS have their benefits calculated totally on a Career Average Revalued Earnings (CARE) basis. CARE schemes accumulate pension based on a fraction of pensionable earnings each year – for NITPS this is 1/57th.

NILGOSC

The assets of the NILGOSC scheme are measured using closing market values. NILGOSC liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The increase in the present value of the liabilities of the scheme expected to arise from employee service in the period is charged to the operating surplus. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time, are included in pension finance costs. Actuarial gains and losses are recognised in the Other Comprehensive Income section of the Statement of Comprehensive Income and Expenditure.

The actuarial assumptions include:

▪ **Guaranteed Minimum Pension ("GMP") Equalisation**

In order to ensure smooth transition to the single tier State pension and equalisation of GMP benefits between males and females, the Government introduced an interim solution in March 2016 in respect of people who are in public service pension schemes and who have a State Pension Age ("SPA") between 6 April 2016 and 5 December 2018, whereby full inflationary increases will be provided by the Fund. In January 2018, this interim solution was extended to members who reach SPA between 6 December 2018 and 5 April 2021.

An announcement on 23 March 2021 further confirmed that public sector schemes will need to provide full indexation to members with a GMP state pension age beyond 5 April 2021.

The 2022 Valuation included an allowance for the additional liability potentially arising as a result of GMP indexation for all members reaching State Pension Age after 5 April 2021. The 2022 funding valuation was used as the starting point for the roll forward calculation at 31 July 2024, and therefore the Defined Benefit Obligation (DBO) calculated at 31 July 2024 implicitly includes an allowance for GMP indexation.

The 31 July 2024 accounting valuation does not include any further allowance for GMP indexation.

▪ **Goodwin Ruling**

A legal challenge has been made against the Government in respect of unequitable benefits for male dependants of female members (based on service after 1988) following the earlier Walker ruling. The Walker ruling made it necessary for public service pension schemes to provide survivors of registered civil partnerships or same-sex marriages with benefits that replicate those provided to widows. However, widows' pensions were generally introduced in public service schemes in the 1970s whereas a male widower of a female member historically only received benefits based on service from 6 April 1988. An Employment Tribunal on 30 June 2020 has upheld the claim, and as a result we have allowed for an additional liability in respect of the Goodwin ruling. An additional liability, equating to 0.1% of the Defined Benefit Obligation was included in the Defined Benefit Obligation as at 31 July 2022 with the additional liability being recognised as a past service cost in FY22. No further allowance has been made in the Defined Benefit Obligation as at 31 July 2024.

▪ **McCloud Ruling**

Two employment tribunal cases were brought against the Government in relation to possible discrimination in the implementation of transitional protection following changes made to public service pension scheme legislation in 2014 and 2015. The claimants challenged the transitional protection arrangements on the grounds of direct age discrimination, equal pay and indirect gender and race discrimination. In December 2018, the Court of Appeal ruled that the transitional protections gave rise to unlawful discrimination on the basis of age. The Government requested leave to appeal this decision to the Supreme Court, however the request was denied on 27 June 2019.

As a result, certain scheme members had to be compensated for any discrimination suffered as a result of the transitional protections. The changes to legislation were implemented in 2015 for the NILGOSC Fund and therefore this only impacts benefits from 1 April 2015 for those members who were active at that date.

In previous years, we advised that no increase to the service cost was required to allow for the impact of the McCloud ruling on materiality grounds. Following the completion of the 2016 cost management process and the end of the McCloud remedy period on 31 March 2022, an uplift to the service cost is no longer required.

The 2022 funding valuation included an allowance for the past service additional liability potentially arising as a result of McCloud underpin. The 2022 funding valuation was used as the starting point for the roll-forward calculation at 31 July 2024 and therefore the Defined Benefit Obligation calculated at 31 July 2024 implicitly includes an allowance for the McCloud underpin for past service.

NEST

National Employment Savings Trust (NEST) is a defined contribution workplace pension scheme which was set up to facilitate Automatic Enrolment as part of the workplace pension reforms under the Pensions Act 2008. The NEST Scheme is run by NEST Corporation which is a non-departmental public body that is accountable to Parliament through the Department for Work & Pensions.

There have been no enhanced pension benefits paid to any senior post holders in the College.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NILGOSC pension arrangements and for which the Fund has received a transfer payment commensurate with the additional pension liabilities being assumed. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Exit Packages (Audited Information)

As part of Reform to Save Scheme exit packages were payable in the year ended 31 July 2024 as follows:

Exit Package Cost Band	Number of Compulsory Redundancies	Number of Other Departures Agreed	Total Number of Exit Packages by Cost Band
< £10,000	1	-	1
£10,000 - £25,000	3	-	3
£25,000 - £50,000	14	-	14
£50,000 - £75,000	11	-	11
£75,000 - £100,000	11	-	11
£100,000 - £125,000	4	-	4
£125,000 - £150,000	3	-	3
Total number of Exit Packages	47	-	47
Total Resource Cost (£'000)	£3,069	Nil	£3,069

Staff Report (Audited Information)

Staff costs and average numbers of staff employed by the College during the year are disclosed in Note 6 to the Financial Statements.

The College employed 1 member of Agency staff during the year.

Staff costs for persons employed by the college:

Movement in Staff Costs	2024	2023
	£'000	£'000
Wages and salaries	21,644	20,914
Social security costs	2,165	2,000
Movement in Pension	-93	727
Other pension costs	4,821	4,347
Total	28,537	27,988

For further details on employer contributions, please refer to Note 20, which provides comprehensive information regarding the contributions made by the College to the pension schemes.

College staff members are part of the same pension schemes as those applicable to senior management. These schemes are described in detail on pages 30–32.

The College is compliant with the approved pay remit for the year and no staff costs have been capitalised.

Staff Composition

Based on the Quarterly Business Survey the total number of staff contracted as at June 2024 was 629 split as follows:

Male: 246 – 39%
Female: 383 – 61%

Sickness/Absence Data

The sickness/absence data for the year ended 31 July 2024 is shown in the table below:

Sickness/Absence Data	2023-24	2022-23
No of days absent	7,505	6,275
Time Lost	5.4%	3.6%
Average Day Lost per employee	9 days	7.5 days

Staff Turnover

Staff turnover (excluding Part Time Lecturers) for the year 1 August 2023 to 31 July 2024 was 11.5% (2022-23: 5.5%). The increase is partly due to the Reform to Save Scheme, which resulted in a higher than usual number of leavers, thereby artificially inflating the staff turnover percentage for the year.

Off Payroll Engagements

The College had 5 off-payroll engagements during the year totalling £850. The off payroll working rules (IR35) were applied to each of these engagements.

The College have paid temporary agency staff during the year totalling £14k and no payments have been made to consultants during the year.

Equality of Opportunity and Employment of Disabled Persons

By virtue of Section 75 of the Northern Ireland Act 1998 the North West Regional College in carrying out all its functions, powers and duties and is required to have due regard to the need to promote equality of opportunity:

- a) between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
- b) between men and women generally;
- c) between persons with a disability and persons without; and
- d) between persons with dependants and persons without.

Without prejudice to its obligations above, the College has, in carrying out its functions, had regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group. The College has included the promotion of good relations as part of the corporate planning process.

The College is committed to the fulfilment of its Section 75 obligations in all parts of its organisation. The College is committed to allocating necessary resources to ensure that the statutory duties are complied with and that the measures within the Equality Scheme to promote equality of opportunity are implemented effectively and on time.

Staff Development 2023/24

The College is a learning organisation and is committed to learning and development for all staff. This contributes to high standards of work performance, enables the sharing of ideas and the dissemination of good practice, builds strong and effective teams, encourages professional development and results in continuous improvement in the quality of services to our students and stakeholders.

During 23/24, 80% of staff attended at least one staff development activity throughout the year. Both academic staff and support staff attended events.

During the 23/24 academic year, the College supported 15 employees in successfully achieving their Certificate in Teaching (CIT) and a further 15 employees in achieving their Postgraduate Certificate in Further Education (PGCEFE) with 100% pass rate in both qualifications.

To support staff development for HE provisions, the College encouraged staff to apply for Fellowship with the 'Fellowship and Institutional Membership of the Higher Education Academy (Advance HE). The membership offers learning and development opportunities for teaching staff, which can lead to Fellowship of the HEA (Advance HE). Ten members of staff proceeded with the programme.

Various equality related training events were held in the academic year 23/24. These included Age Awareness, Autism Awareness, Domestic Abuse Awareness, Empatheyes Workshop, Managing Diversity in the workplace and Neurodiversity Awareness.

During the 23/24 academic year, Ulster University offered a full funded course titled Hypatia: Embedding Numeracy in FE Practice. Four members of staff successfully completed the course and were awarded with a postgraduate certificate in CPD. The university also held some further Hypatia workshops in the College, to support the importance of highlighting opportunities to increase numeracy development within the FE learning environment.

The Learning & Teaching Team, in collaboration with the Technology Enhanced Learning Team, provided various workshops throughout the year including:

- Guidelines for Effective Remote Teaching
- Planning Effective Lessons
- Preparing Students for Exams
- Project Based Learning/ Traineeship Workshops
- Using Microsoft Teams, One Drive, Stream, Canvas and Clickview.

The teams also introduced some new workshops recognising the influence of changing technologies and the potential impact of AI on both teaching staff and students alike. Some of the workshops facilitated included:

- AI and its implications for the classroom
- AI Prompt Engineering
- Using Generative AI for Learning & Teaching

Mandatory training is delivered across the College in the following areas:

- Cyber Security
- Diversity & Inclusion
- GDPR
- Health & Safety

**NORTH WEST REGIONAL COLLEGE
REMUNERATION REPORT
FOR THE YEAR ENDED 31 JULY 2024**

- Safeguarding
- Special Educational Needs & Disability Order (SEND0)

Finally, a number of Quality Enhancement training workshops were delivered throughout the 23/24 academic year to include: Quality Induction of all new Lecturing Staff, Audit Informed Self-Evaluation, SERS, Curriculum Planning and Managing Data and Compliance, Performance Reviews.

Consultation/Relationship with Recognised Trade Unions

During the year the College met with both Academic and Support staff trade unions, namely UCU and NIPSA. The College recognises the importance of consultation with Trade Union colleagues to ensure good relations across the College.

The Assembly Accountability Disclosure Note provides our disclosure requirements under Managing Public Money NI:

Losses (Audited Information)

The College is required by Managing Public Money NI (MPMNI) to provide a losses statement where total losses exceed £300,000.

The College did not incur losses exceeding £300,000.

Refer to Note 25 in the accounts for further details.

Special Payments (Audited Information)

The College is required by Managing Public Money NI (MPMNI) to provide a losses statement where total losses exceed £300,000.

The College did not incur losses exceeding £300,000.

Refer to Note 25 in the accounts for further details.

Remote Contingent Liabilities (Audited information)

Remote Contingent Liabilities are not required to be disclosed under Financial Reporting Standard in the UL and Republic of Ireland (FRS 102, Section 21), since the possibility of any outflow of resources in settlement is remote.

Remote Contingent Liabilities are included in this report for Assembly accountability purposes.

There are no remote contingent liabilities that require disclosure at 31 July 2024.

Statement of the Responsibilities of the Accounting Officer & Governing Body

Under the Further Education (NI) Order 1997, DfE (with approval from Department of Finance (DoF), has directed the Governing Body to prepare, for each financial year, a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of North West Regional College and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the financial statements the Accounting Officer on behalf of the Governing Body is required to:

- observe the Accounts Direction issued by DfE with the approval of DoF, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the College will continue in operation; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

The Governing Body is also required to prepare an annual Strategic Report which describes what it is trying to do and how it is going about it, including the legal and administrative status of the College.

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

In addition, the Governing Body is responsible for securing the efficient and effective management of the College and ensuring that the College provides suitable and efficient further education.

The Accounting Officer of DfE has designated the Principal/Chief Executive as the Accounting Officer of the College. The responsibilities as an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the College's assets, are set out in Managing Public Money Northern Ireland (MPMNI) published by DoF.

The Accounting Officer, on behalf of the Governing Body, has taken all the steps ought to have taken to make himself aware of any relevant audit information and to establish that North West Regional College's auditors are aware of that information. So far as the Accounting Officer is aware, there is no relevant audit information of which the auditors are unaware.

Approved by order of the Governing Body members on 9th December 2024 and signed on its behalf by:



Prof M Ó'Neill
Chair of Governing Body

Statement of Corporate Governance and Internal Control

The following statement is given to assist readers of the financial statements to obtain an understanding of the Governance procedures applied by the Governing Body of the College.

The College is an incorporated body established under the Further Education (Northern Ireland) Order 1997. Like most public bodies it operates within a strong framework of regulation. Not only does the College comply with all mandatory requirements but it also strives to operate that guidance which represents best practice. The Board operates within the corporate governance code.

SUMMARY OF THE COLLEGE'S STRUCTURE OF CORPORATE GOVERNANCE

Governing Body

The College's Governing Body is comprised of members appointed by the Minister for the Department for the Economy, staff and students of the College, the Principal & Chief Executive and members co-opted by the Governing Body. The role of the Chair of the Governing Body is separate from the role of the College Principal & Chief Executive. The Governing Body is responsible for the on-going strategic direction of the College whilst the Executive Officers are responsible for the operational management of the College. The Governing Body approves all major developments and receives regular reports on the activities of the College. The Governing Body met nine times during the 2023/24 academic year. The Governing Body is supported by three Committees: an Audit and Risk Committee, an Education Committee and a Resources Committee. All these Committees are formally constituted with Terms of Reference and comprise mainly of members of the Governing Body.

At present the Board receives standing information for each meeting on key areas such as Finance, Human Resources and Performance. Briefing papers on other material issues are provided as they arise. The College aims to have all papers issued a week in advance of any Board meeting to allow members to review and where appropriate, to raise questions in advance. The relevant business area can then be requested to attend, support discussions or be required to produce more detailed information in advance of the meeting.

All statistical and financial information is provided by professional qualified teams within the College. For example, all financial information is prepared and provided by the College Accountant, Head of Finance and the Finance Director and is in accordance with the Financial Memorandum, Managing Public Money NI and relevant guidance from the Department for the Economy and the Department of Finance. Accordingly, the Board considers that it can take assurance as to the quality of the data it uses to inform decision making.

Full Minutes of Governing Body meetings are available from the Governance Secretary or on the College website. The Governance Secretary maintains a register of financial and personal interests of the Governing Body members and this is available for inspection.

Governing Body Evaluation

I consider that the Governing Body operated effectively during 2023/24, fulfilling its role as set out above.

A Governing Body Self-Assessment facilitated by the FE Corporate Governance & Accountability Branch of the Department for the Economy for the year 1 August 2023 to 31 July 2024 is ongoing. The outcome of the 2022/23 assessment provided the Governing Body with an opportunity to obtain feedback on how they operate, as well as benchmark themselves against other Governing Bodies in the Sector. In summary, the outcome for 2022/23 evaluation was favourable and demonstrated that the Governing Body operated effectively and that sound processes were in place to ensure robust monitoring of the North West Regional College and its performance. The percentage of respondents who agreed/strongly agreed with each of the themes within the questionnaire ranged from 99.8% to 100%.

Audit and Risk Committee

The Audit and Risk Committee is responsible for reviewing the effectiveness of the College's accounting procedures and systems of internal control. It provides a channel of communication from the College's auditors, which is not controlled by college management. It also must satisfy itself that adequate arrangements are in place to promote economy, efficiency and effectiveness. The Committee met four times during the 2023/2024 academic year to discuss reports from the External and Internal Auditors and the relevant responses. It also receives and considers reports from the DfE. It reviews the College's annual Financial Statements to ensure compliance with legislation and accounting standards. Whilst Executive Officers and other officials attend meetings of the Audit and Risk Committee as necessary, they are not members of the Committee. The Committee can meet with auditors on their own for independent discussions. The Chair of the Committee provides a report of Committee meetings to the Governing Body in support of the Minutes which are formally adopted by the Governing Body. It has formally agreed Terms of Reference, which are reviewed on an annual basis.

Education Committee

The Education Committee is responsible for overseeing the curricular provision of the College, especially the nature, quality and performance of the provision and the extent to which it meets the socio-economic needs of the community the College seeks to serve. The Committee also monitors the standard of education and training provision by reviewing KPIs along with the Whole College Self-Evaluation and Quality Improvement Plans. The Committee receives regular reports on safeguarding, equality and social impact. The Committee has formally agreed Terms of Reference which are reviewed on a biennial basis. The Chair of the Committee provides a report of Committee meetings to the Governing Body in support of the Minutes, which are formally adopted by the Governing Body. The Committee met four times during the 2023/2024 academic year.

Resources Committee

The Finance and General purposes Committee and the Staffing Committee amalgamated in September 2019 as the Resources Committee. This Committee inter alia supervises all matters relating to the finance and accounts of the College and the receipt of its income and the expenditure. It also supervises matters of estates. The Committee is responsible for dealing with issues in relation to the recruitment, appointment, promotion and grading of all staff, other than senior staff. It monitors the provision of HR Services. The Committee receives regular reports to assess and ensure compliance with legislation. The Committee has formally agreed Terms of Reference, which are reviewed on a biennial basis. The Chair of the Committee provides a report of Committee meetings to the Governing Body in support of the Minutes which are formally adopted by the Governing Body. The Committee met four times during the 2023/2024 academic year.

For Membership and Attendance of Committees see table on pages 24-25.

Senior Staff

The Principal & Chief Executive attends all Governing Body meetings and sub-committee meetings. The Finance Director attends all Governing Body, Audit & Risk Committee and Resources Committee meetings. The Director of Curriculum & Academic Standards attends all Governing Body and Education Committee meetings. The HR Manager attends the Resources Committee – Staffing Business section of the meeting. The Head of Client Services attends the Education Committee meetings.

The Governing Body are satisfied with the quality and content of the information provided by management.

External Audit

The Comptroller and Auditor General has statutory responsibility for the audit of North West Regional College under the Further Education (NI) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (NI) 2008.

The Northern Ireland Audit Office is independent of Government and is tasked by the Assembly to hold the Northern Ireland Departments and their Agencies to account for their use of public money.

The Comptroller and Auditor General works closely with the Assembly's Public Accounts Committee which can require Accounting Officers and senior officials to account for their actions in relation to the management of public funds.

A representative from the External Auditors is invited to North West Regional College's Audit and Risk Committee meetings.

Internal Control Processes

As Accounting Officer of the North West Regional College, I have responsibility for maintaining a sound system of internal control that supports the College's aims and objectives, while safeguarding the public funds and College assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify the risks to the achievement of college policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The system of internal control has been in place for the year ended 31 July 2024 and up to the date of approval of the annual report and accords with Department of Finance guidance. I have fully embedded the processes which the Department for the Economy has agreed should be established and confirmed their robustness.

I have implemented appropriate procedures to ensure that I have identified the College's objectives and risks and determined a control strategy for each of the significant risks. As a result, risk ownership is allocated to the appropriate staff and the College has set out its attitude to risk to the achievement of the College objectives. Staff are trained and equipped to manage risk in a way appropriate to their authorities and duties. I am not aware of any lapses of security during the year.

The College receives periodic reports concerning internal control and steps are taken to manage risks in significant areas of responsibility and monitor progress on key projects. The Audit & Risk Committee has lead responsibility for the periodic review of the risk framework and other records of risk. Management of risk categories has been allocated appropriately within the College. Any revision to the framework is discussed within the Audit & Risk Committee and recommended to the Governing Body. The Audit & Risk Committee reviews the Final Reports and Accounts and the ensuing Report to Those Charged with Governance.

The College maintains registers for related party transactions in order to ensure opportunities for conflicts of interest are avoided. These registers are maintained centrally and updated regularly and includes all members of the Governing Body, the Senior Management Team and middle management.

The College has appropriate Raising Concerns and Fraud Policies in place which are reviewed and updated periodically. The College also participates in the biennial National Fraud Initiative (NFI) exercise.

**NORTH WEST REGIONAL COLLEGE
STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL
FOR THE YEAR ENDED 31 JULY 2024**

Procedures are in place for verifying that aspects of risk management and internal controls are regularly reviewed and reported on. Risks are fully reviewed bi-annually and individual risk scores may change. In October 2023 and February 2024 all risks were reviewed and updated. As at February 2024 there were twelve Corporate Risks. Two of these risks were severe – Impact of Reduced Enrolment Numbers and Failure to Maintain Financial Stability. Three of these risks were high – Cyber Security, Inefficient and Inappropriate Use of Artificial Intelligence and Lack of Resources and Funding to Progress Sustainability/ESG Agenda.

Risks are reported to and discussed at the Audit & Risk Committee of the Governing Body. Risk management has been incorporated fully into the corporate planning and decision making processes of the College. The appropriate steps have been taken to manage risks in significant areas of responsibility and progress on key projects has been monitored.

In addition to the actions mentioned above, in the coming year the College plans to:

- regularly review and update the record of risks facing the organisation;
- maintain the system of key performance and risk indicators; and
- maintain the organisation-wide risk register.

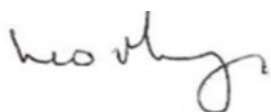
The College has an internal audit service, the work of which concentrates on areas of key activities determined by an analysis of the areas of greatest risk and in accordance with the annual Internal Audit Plan approved by the Governing Body. The Internal Auditors report to the Accounting Officer and to the Audit and Risk Committee on a regular basis and have direct access to the Governing Body and to the Chair of the Audit and Risk Committee.

The College's Internal Auditors have reported that based on the Internal Audit work which they have performed during the year, for the 12 months ended 31 July 2024, they can provide satisfactory assurance over the governance, risk management and control of the College.

The assurance rating by area reviewed is set out below:

Assignment	Assurance Rating
Admissions	Satisfactory
Learning & Development	Satisfactory
Cyber Security	Satisfactory
Part Time Lecturers Payments	Satisfactory
Health & Safety	Satisfactory

It is my view as the Accounting Officer that the College has an effective risk management process in place and that the Corporate Risk Register is being managed on an active basis with specific action plans in place to address all risks. The review of the effectiveness of the system of internal control is also informed by the work of the senior officers within the College, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the External Auditors in their Report to those Charged with Governance. As a result of my overall review of the effectiveness of the system of internal control, including risk management, I am content that no significant weaknesses have been identified. This has been confirmed by the Internal Auditors in their Annual Statement of Assurance.



Mr L Murphy
Accounting Officer

9th December 2024

The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly

Opinion on financial statements

I certify that I have audited the financial statements of North West Regional College for the year ended 31 July 2024 under the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008. The financial statements comprise the Statements of: Comprehensive Income and Expenditure, Changes in Reserves, Financial Position, Cash Flows and the related notes including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

I have also audited the information in the Remuneration and Staff Report that is described in that report as having been audited.

In my 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 deficit for the year then ended;
- have been prepared in accordance with the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008 and the Department for the Economy directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate.

My staff and I are independent of the College in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Emphasis of Matter – Pension Surplus

During my audit of the 2023-24 financial statements, the College obtained revised actuarial valuations which showed that the pension asset disclosed in the 2022-23 financial statements had been overstated by £3.424 million. I draw attention to Note 19 of the financial statements, which describes a prior period adjustment relating to this matter. My opinion is not modified in respect of this matter.

Conclusions relating to going concern

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

Based on the work I have performed, I 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.

The going concern basis of accounting for the College is adopted in consideration of the requirements set out in the Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Accounting Officer and Governing Body 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 other than the financial statements, the parts of the Remuneration and Staff Report described in that report as having been audited and my audit certificate and report thereon. The Accounting Officer and Governing Body are responsible for the other information reported in the annual report. My opinion on financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

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

I have nothing to report in this regard.

Opinion on other matters

In light of the knowledge and understanding of the College and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report, Remuneration and Staff Report, Statement of the Responsibilities of the Accounting Officer and the Governing Body and Statement of Corporate Governance and Internal Control.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Remuneration and Staff Report to be audited have been properly prepared in accordance with Department for the Economy directions made under the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008; and
- the information given in the Strategic Report, Remuneration and Staff Report, Statement of the Responsibilities of the Accounting Officer and the Governing Body and Statement of Corporate Governance and Internal Control for the financial year for which the financial statements are prepared are consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Remuneration and Staff Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement of Corporate Governance and Internal Control does not reflect compliance with the Department of Finance's guidance.

Responsibilities of the Accounting Officer and Governing Body

As explained more fully in the Statement of Responsibilities of the Accounting Officer and Governing Body, the Accounting Officer and Governing Body are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with the applicable financial reporting framework;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- 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 Accounting Officer anticipates that the services provided by the College will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My objectives are to audit, certify and report on the financial statements in accordance with the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008.

My 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 a certificate that includes my 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the College through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008;
- making enquires of management and those charged with governance on the College's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of the College's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition and posting of unusual journals;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;

- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business;
- applying tailored risk factors to datasets of financial transactions and related records to identify potential anomalies and irregularities for detailed audit testing.

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

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.



Dorinnia Carville
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
BELFAST
BT7 1EU

16 December 2024

Statement of Comprehensive Income and Expenditure

	Notes	2024 £'000	Restated 2023 £'000
Income			
Department for the Economy Grants	1	40,216	35,192
Education contracts	2	2,112	2,017
Tuition fees and charges	3	1,678	1,684
Other grant income	4	1,244	1,101
Other operating income	5	1,837	1,406
Interest receivable		263	146
		<hr/>	<hr/>
Total Income		47,350	41,546
Expenditure			
Staff costs	6	28,537	27,988
Other operating expenses	8	12,127	11,338
Depreciation and amortisation	11 & 12	4,377	3,990
Interest and other finance costs	9	268	688
		<hr/>	<hr/>
Total Expenditure		45,309	44,004
Surplus/(deficit)before other gains/losses and exceptional items		2,041	(2,458)
Voluntary Severance Scheme - see page 33		(3,069)	-
Exceptional holiday pay provision	17	(96)	-
		<hr/>	<hr/>
Deficit before tax		(1,124)	(2,458)
Taxation	10	-	-
		<hr/>	<hr/>
Deficit for the year		(1,124)	(2,458)
Unrealised surplus on revaluation of Land & Buildings	11	1,616	6,768
Release from revaluation reserve on disposal of Maydown		-	(572)
Irrecoverable surplus on pension scheme		(2,105)	(3,424)
Actuarial gain/loss in respect of pension scheme	20	2,012	10,703
		<hr/>	<hr/>
Total comprehensive income for the year		399	11,017
Represented by:			
Unrestricted comprehensive income for the year		457	(30)
Pension Reserve comprehensive income for the year		-	6,315
Revaluation Reserve Comprehensive income for year		(58)	4,732
		<hr/>	<hr/>
		399	11,017

All amounts above relate to the continuing operations of the College.

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Changes in Reserves

	Unrestricted Reserves	Pension Reserve	Revaluation Reserve	Total
	£'000	£'000	£'000	£'000
Balance at 1 August 2022	3,581	(6,315)	42,455	39,721
Deficit from income and expenditure account	(1,494)	(964)	-	(2,458)
Other comprehensive expenditure	-	10,703	6,768	17,471
Transfers between revaluation and income and expenditure account	1,464	-	(1,464)	-
Release from revaluation reserve on disposal of Maydown	-	-	(572)	(572)
Irrecoverable surplus		(3,424)	-	(3,424)
Restated Balance at 1 August 2023	3,551	-	47,187	50,738
Deficit from income and expenditure statement	(1,217)	93	-	(1,124)
Other comprehensive income/(expenditure)	-	2,012	1,616	3,628
Transfers between revaluation and income and expenditure account	1,674	-	(1,674)	-
Irrecoverable surplus	-	(2,105)	-	(2,105)
Total comprehensive income/ (expenditure) for the year	457	-	(58)	399
Balance at 31 July 2024	4,008	-	47,129	51,137

The accompanying accounting policies and notes form an integral part of these financial statements.

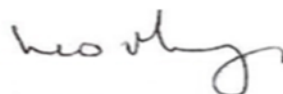
Statement of Financial Position

	Notes	2024 £'000	Restated 2023 £'000
Non Current Assets			
Tangible fixed assets	11	86,126	86,987
Intangible assets	12	258	325
Pension asset	20	-	-
		<u>86,384</u>	<u>87,312</u>
Current Assets			
Trade & Other Receivables	14	3,372	2,699
Cash & Cash Equivalents	18	<u>1,085</u>	<u>3,622</u>
Total current assets		4,457	6,321
Less: Creditors amounts falling due within one year	15	<u>(8,417)</u>	<u>(10,487)</u>
Net current liabilities		(3,960)	(4,166)
Total assets less current liabilities		82,424	83,146
Less: Creditors amounts falling due after more than one year	16	<u>(30,203)</u>	<u>(31,420)</u>
		52,221	51,726
Provisions			
Holiday Pay Provision	17	(1,084)	(988)
Pension Provision	20	-	-
Net assets including pension liability		<u>51,137</u>	<u>50,738</u>
Unrestricted Reserves			
Income and expenditure reserve		4,008	3,551
Pension Reserve		-	-
Revaluation Reserve		47,129	47,187
		<u>47,129</u>	<u>47,187</u>
TOTAL		<u>51,137</u>	<u>50,738</u>

The financial statements on pages 48 to 81 were approved by the Governing Body of the North West Regional College on 9th December 2024 and were signed on its behalf by:



Prof M Ó'Neil
Chair of Governing Body
North West Regional College



Mr L Murphy
Accounting Officer
North West Regional College

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Cash Flows

	Notes	2024 £'000	2023 £'000
Cash outflow from operating activities			
Deficit for the year		(1,124)	(2,458)
Adjustment for non-cash items			
Depreciation	11 & 12	4,377	3,990
Gain on disposal of assets		-	-
(Increase)/decrease in debtors		(848)	(148)
Increase/(decrease) in creditors		(781)	339
NILGOSC FRS 102 (28) Pension Adjustment		(93)	964
Movement in Holiday Pay Provision		96	-
Adjustment for investing or financing activities			
Interest receivable		(263)	(146)
Interest payable	9	268	451
Deferred capital grants release	1	(2,649)	(2,117)
Net cash inflow from operating activities		(1,017)	875
Cash flows from investing activities			
Bank interest received		260	129
Proceeds from sale of assets		-	-
Payments made to acquire fixed assets		(1,833)	(1,612)
Capital grants received		2,005	1,651
		432	168
Cash outflows from financing activities			
Interest element of finance lease & service concession payments	9	(268)	(451)
Capital element of lease		(1,684)	(1,464)
		(1,952)	(1,915)
Decrease in cash and cash equivalents in the year	18	(2,537)	(872)
Net funds at 1st August 2023		3,622	4,494
Net funds at 31st July 2024		1,085	3,622

In this statement, figures in brackets refer to cash outflows and all other figures are cash inflows to the College.

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Principal Accounting Policies and Estimation Techniques

Statement of Accounting Policies

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 on a going concern basis in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standards (FRS 102). The College is a public benefit entity and has therefore applied the relevant public benefit entity requirements of FRS102.

The Financial Statements are prepared in accordance with the historical cost convention except that certain freehold properties are shown at their re-valued amounts.

They also conform to the Accounts Direction issued by the DfE.

Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets and in accordance with applicable United Kingdom accounting standards.

Going Concern

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

The College's forecasts and financial projections indicate that it will be able to operate within this existing facility and covenants for the foreseeable future.

The College is satisfied that the organisation is a going concern on the basis that there is no reason to believe that the department's future sponsorship and future assembly approval will not be forthcoming to meet the College's liabilities as they fall due. It has accordingly been considered appropriate to adopt the going concern basis for the preparation of these financial statements.

Recognition of Income

Government Grants (accruals model)

The recurrent grant and other revenue grants received from DfE (and other government bodies) are recognised in income over the periods in which the College recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it 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.

Tuition Fees

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

Non-Government Grants

Income from non-government grants, controls and other services rendered is included to the extent that the conditions of the funding have been met, or the extent of the completion of the contract or service concerned.

Interest

All income from short-term deposits is credited to the income and expenditure account in the year in which it is earned.

Capital Grants (non land grants) (accruals model)

Non-recurrent grants from DfE and other government bodies received in respect of the acquisition of fixed assets are recognised in income over the expected useful life of the asset.

Other Capital Grants

Other capital grants are recognised on income when the College is entitled to the funds subject to any performance related conditions being met.

Capital Grants (land grants)

Capital government grants for land are accounted for in accordance with the performance model which results in the recognition of the capital grant on receipt.

Pension Scheme

The two principal pension schemes for the College's staff are the Northern Ireland Teachers' Pension Scheme (NITPS) and the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) defined benefit schemes, which are externally funded and contracted out of the State Earnings Related Pension Scheme. National Employment Savings Trust (NEST) is a defined contribution workplace pension scheme which was set up to facilitate Automatic Enrolment as part of the workplace pension reforms under the Pensions Act 2008.

The NITPS is an unfunded contributory, voluntary membership scheme administered by the Department of Education. The current regulations under which the scheme operates are the Teachers' Superannuation Regulations (NI) 1998 (as amended). The NITPS is a multi-employer scheme and the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The NITPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

NILGOSC is a defined benefit scheme which is externally funded and contracted out of the second state Pension Scheme. The Funds are valued every three years by actuaries using the projected unit method, the rates of contributions payable being determined by the trustees on the advice of the actuaries. Pension costs are assessed on the basis of the latest actuarial valuations of the schemes and are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the employees' services. Variations from regular cost are spread over the expected average remaining working lifetime of members of the schemes after making allowances for future withdrawals.

The difference between the fair value of the assets held in the College's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the College's Statement of Financial Position as a pension scheme asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the College is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the College are charged to the Statement of Comprehensive Income.

Tangible Fixed Assets

- **Land and buildings**
Land and buildings (including those inherited from the Education and Library Board) are stated in the Statement of Financial Position at valuation on the basis of depreciated replacement cost (inclusive of non-recoverable VAT), as the open market value for existing use is not readily obtainable. The associated credit is included in the revaluation reserve. The difference between depreciation charged on the historic cost of assets and the actual charge for the year calculated on the re-valued amount is released to the income and expenditure account reserve on an annual basis. Land and buildings acquired since the last valuation are included in the Statement of Financial Position at cost. Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life to the College of between 11 and 50 years. The depreciation charge on buildings is based on the opening net book value. Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis which is consistent with the depreciation policy.

- **Assets other than land and buildings**

Assets other than land and buildings costing less than £3,000 per individual item are written off to the income and expenditure account in the period of acquisition. All other assets are capitalised at cost.

These assets are depreciated over their useful economic lives as follows:

Computers	- three years
Motor vehicles	- four years
Plant and Equipment	- five years
Fixture and Fittings	- six years
Other PFI assets	- various

Where these assets are acquired with the aid of specific grants the asset is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a deferred capital grant account and released to the income and expenditure account over the expected useful economic life of the related asset.

Private Finance Initiative

Where it is concluded that the College has an asset of the property and therefore a liability to pay for it, these are recorded on the Statement of Financial Position. The initial amount recorded for each is the fair value of the property or if lower, the present value of the minimum lease payments determined at the inception of the lease. Subsequently, the asset is depreciated over its useful economic life.

Payments are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

The College recognises the property when it comes into use, unless it bears significant construction risk, in this case the property is recognised as it is constructed.

Leased Assets

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

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

Investment Property

Fixed asset investments are measured at fair value with any changes in fair value being recognised immediately in the Statement of Comprehensive Income and Expenditure.

The College does not currently hold any fixed asset investments.

Intangible Assets

Intangible assets, greater than £3,000 per individual item, are capitalised. Software integral to an item of hardware is dealt with as a fixed asset.

Foreign Currency Translation

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the financial period with all resulting exchange differences being taken to the income and expenditure account in the period in which they arise.

Taxation

As an exempt charity the College benefits by being broadly exempt from corporation tax on income it receives from tuition fees, interest and rents.

The College is exempted from levying VAT on most of the services it provides to students. For this reason, the College is partially exempt in respect of VAT so that it can only recover a minor element of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost. The formula used to calculate the partial exemption rate is based on a method approved by HMRC.

Liquid Resources

Liquid resources include sums on short-term deposits with recognised banks and building societies.

Provisions

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.

Agency Arrangements

The College acts as an agent in the collection and payment of Hardship Funds and Care to Learn. Related payments received from DfE and subsequent disbursements to students are excluded from the Statement of Comprehensive Income and Expenditure and are shown separately in note 24, except for Hardship Funds received which are available to the College to cover administration costs relating to the grant. The College employs 1.75 members of staff dedicated to the administration of the Hardship fund applications and payments.

Critical accounting judgements and estimates

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the College's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

Pension Liability

The critical judgements of the pension liability schemes are included in the accounting policy note.

The key actuarial assumptions used in the valuation of the NILGOSC pension scheme, including discount rates, salary and pension increases, and mortality rates are reported in note 20.

Property, Plant and Equipment

Land and buildings (including those inherited from the Education and Library Board) are stated in the statement of financial position at valuation on the basis of depreciated replacement cost, including irrecoverable VAT, as the open market value for existing use is not readily obtainable.

Freehold buildings are depreciated over their expected useful economic life to the College as advised by the LPS.

All other depreciation is calculated based on assumptions of asset useful economic lives and expected residual value.

A change in depreciable life is treated as a change in accounting estimate.

Financial Instruments

Financial assets and financial liabilities are recognised when the College become a party to the contractual provisions of the instruments. Financial liabilities are classified according to the substance of the contractual arrangements being entered into. The College's financial assets and liabilities all meet the criteria for basic financial instruments, prescribed within FRS 102 Section 11.8.

Impending Application of newly issued accounting standards not yet effective

There are no impending newly issued accounting standards to be considered by the college.

Notes to the Financial Statements

1. DEPARTMENT FOR THE ECONOMY INCOME

	2024	2023
	£'000	£'000
Grant in Aid		
Recurrent grant	28,690	28,175
Release of deferred capital grant	2,649	2,117
Skills Focus	476	406
Minor Works	173	3
Employer Support Program	350	356
Private Finance Initiative (PFI)	1,792	1,703
Additional Support Funds	451	466
Voluntary Severance Scheme	2,856	-
Traineeships	-	648
Cost of Living Support	85	47
	<hr/>	<hr/>
Total Grant in Aid	37,522	33,921
Non-Grant in Aid		
Educational Maintenance Allowance Administration	15	13
Higher Level Apprenticeships	327	222
Skills Intervention Funding	712	605
Academies	46	37
College Connect	-	103
FE Systems, Technology & Services Project	77	89
Step Up	1,370	-
Other	147	202
	<hr/>	<hr/>
Total Non-Grant in Aid	2,694	1,271
	<hr/>	<hr/>
Total DfE Income	40,216	35,192

2. EDUCATION CONTRACTS

	2024	2023
	£'000	£'000
Entitlement Framework	325	417
Training for Success	1,787	1,600
Total	<u>2,112</u>	<u>2,017</u>

3. TUITION FEES AND CHARGES

	2024	2023
	£'000	£'000
Higher Education (HE) Income	983	972
Further Education (FE) Income	695	712
Total	<u>1,678</u>	<u>1,684</u>

Included within the above amounts are amounts which fund bursaries of £23k (2022/23: £38k)

4. OTHER GRANT INCOME

	2024	2023
	£'000	£'000
International Project Funds	282	204
Other Funds	962	897
Total	<u>1,244</u>	<u>1,101</u>

5. OTHER OPERATING INCOME

	2024	2023
	£'000	£'000
Catering and residence operations	554	180
Other income generating activities	1,134	1,037
Other income	149	189
Total	<u>1,837</u>	<u>1,406</u>

6. STAFF COSTS

The average number of persons (including senior post-holders) employed by the College during the year, expressed as full-time equivalents was:

	2024	2023
	No.	No.
Teaching	310	315
Support	70	71
Administration	188	188
Premises	22	20
	<hr/>	<hr/>
Total	590	594

Staff costs for the above persons:

	2024	2023
	£'000	£'000
Teaching	16,160	16,091
Support	2,735	2,530
Administration	8,909	7,918
Premises	826	722
FRS 17 Adjustment (see Note 19)	(93)	727
	<hr/>	<hr/>
Total	28,537	27,988

	2024	2023
	£'000	£'000
Wages and salaries	21,624	20,914
Social security costs	2,165	2,000
Movement in Pension	(93)	727
Other pension costs	4,841	4,347
	<hr/>	<hr/>
Total	28,537	27,988

6. STAFF COSTS (continued)

The number of senior post-holders and other staff who received emoluments, including pension contributions and benefits-in-kind, in the following ranges was:

	Senior Post-holders		Other staff	
	2024	2023	2024	2023
	No.	No.	No.	No.
£60,001 to £70,000	-	-	60	19
£70,001 to £80,000	-	1	18	12
£80,001 to £90,000	1	-	11	-
£90,001 to £100,000	-	-	2	-
£100,001 to £110,000	1	1	-	-
£110,001 to £120,000	-	-	-	-
£120,001 to £130,000	-	-	-	-
£130,001 to £140,000	-	-	-	-
£140,001 to £150,000	-	1	-	-
£150,001 to £160,000	1	-	-	-
Total	3	3	91	31

*Support staff were awarded a payrise of £1,925 from April 2023 which was paid in January 2024.
Teaching staff were awarded a payrise of 8.4% plus £1000 on each salary scale point from September 2023 which was paid in June 2024.*

7. SENIOR POST HOLDERS' EMOLUMENTS

Senior post holders are defined as the Principal & Chief Executive and holders of the other senior posts whom the Governing Body has selected for the purposes of the articles of government of the College relating to appointment and promotion of staff who are appointed by the Governing Body. Senior Post Holders do not, for the purposes of this note, include remunerated non-executive Governing Body members.

	2024	2023
	No.	No.
The number of senior post-holders including the Principal & Chief Executive who served during the year was:	3	3

Senior post-holders' emoluments are made up as follows:

	2024	2023
	£'000	£'000
Salaries	300	284
Pension Contributions	51	48
Total Emoluments	351	332

7. SENIOR POST HOLDERS' EMOLUMENTS (continued)

Senior post-holders' emoluments include amounts payable to the Principal & Chief Executive (who is also the highest paid senior post-holder) of:

	2024	2023
	£'000	£'000
Salaries including back pay	126	117
Benefits in kind	-	-
	<u>126</u>	<u>117</u>
Pension contributions	32	29
	<u>158</u>	<u>146</u>
Total	158	146

The pension contributions in respect of the Principal & Chief Executive and senior post-holders are in respect of employer's contributions to the Northern Ireland Teachers' Pension Scheme and the Northern Ireland Local Government Officers' Superannuation Scheme and are paid at the same rate as for other employees.

The members of the College other than the Principal & Chief Executive and the staff members did not receive any payment from the College other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

8. OTHER OPERATING EXPENSES

	2024	2023
	£'000	£'000
Direct Teaching	706	741
Direct Support	2,525	2,322
Administration	2,422	2,131
Premises	4,596	4,326
Unitary payments under PFI Contract	1,878	1,818
	<u>12,127</u>	<u>11,338</u>
Total	12,127	11,338
Other operating expenses include:		
Auditors' remuneration		
- external audit	40	34
- internal audit	21	22
- National Fraud Initiative fees	-	1
Remuneration of Governing Body members	51	42
Hire of other assets-operating leases	35	35
	<u>147</u>	<u>134</u>

9. INTEREST AND OTHER FINANCE COSTS

	2024	2023
	£'000	£'000
On finance leases	268	451
Net charge on pension scheme	-	237
	<hr/>	<hr/>
Total	268	688

10. TAXATION

The members do not believe that the College was liable for any corporation tax arising out of its activities during this period.

11. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	PFI Assets	Plant & Equipment	Computers	Fixtures & Fittings	Motor Vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 August 2023	75,727	14,121	7,508	3,602	374	85	101,417
Additions	355	-	799	638	-	-	1,792
Revaluations	1,490	292	-	-	-	-	1,782
Disposals	-	-	-	(969)	-	-	(969)
At 31 July 2024	77,572	14,413	8,307	3,271	374	85	104,022
Depreciation							
At 1 August 2023	2,454	2,976	5,386	3,186	343	85	14,430
Charge for the year	2,651	570	703	334	11	-	4,269
Eliminated on disposal	-	-	-	(969)	-	-	(969)
Revaluation	143	23	-	-	-	-	166
At 31 July 2024	5,248	3,569	6,089	2,551	354	85	17,896
Net Book Value at 31 July 2024	72,324	10,844	2,218	720	20	-	86,126
Net Book Value at 31 July 2023	73,273	11,145	2,122	416	31	-	86,987

LAND AND BUILDINGS VALUE

If land and buildings (including those that were inherited/transferred) had not been revalued, they would have been included at the following amounts:

	2024	2023
	£'000	£'000
Land & buildings		
Cost/deemed cost on transition	64,786	64,786
Accumulated depreciation based on cost/deemed cost	(12,604)	(11,626)
Net book value based on cost/deemed cost	52,182	53,160
PFI buildings		
Cost/deemed cost on transition	9,834	9,834
Accumulated depreciation based in cost/deemed cost	(3,040)	(2,840)
Net book value based on cost/deemed cost	6,794	6,994

11. TANGIBLE FIXED ASSETS (continued)

The depreciation charge for the year is analysed as follows:

	2024	2023
	£'000	£'000
Owned assets	3,699	3,363
PFI assets	570	541
Total	<u>4,269</u>	<u>3,904</u>

12. INTANGIBLE FIXED ASSETS

	Learner Management System £'000
Cost or valuation	
At 1 August 2023	508
Additions	41
At 31 July 2024	<u>549</u>
Amortisation	
At 1 August 2023	183
Charge for the year	108
At 31 July 2024	<u>291</u>
Net Book Value at 31 July 2024	<u>258</u>
Net Book Value at 31 July 2023	<u>325</u>

The net book value of the intangible asset is a jointly owned and controlled asset among the six Further Education Colleges of Northern Ireland of which North West Regional College is the lead College. The asset is a Learner Management System that is operated centrally for the sector. The intangible asset is funded in full through a capital grant from the Department of the Economy - the College pays all the invoices and claims funding from DfE. Each College then shows one sixth of the cost in their financial statements.

13. SERVICE CONCESSION ARRANGEMENTS

The College has one PFI arrangement on the Statement of Financial Position where service delivery has commenced.

The arrangement relates to the design, build and maintenance of the Northland Building over 25 years.

Capital repayments are being made over a 25-year period which is due to end in 2026.

Movement in service concession arrangement assets

The asset value of the service concession included in the Statement of Financial Position as at 31 July 2024 is £10,844k (2022/23: £11,145k). See Note 11.

Movement in service concession liabilities

The total liabilities relating to the service concession included in the Statement of Financial Position as at 31 July 2024 were £470k (31 July 2023: £2,154k). The sum of £1,684k was repaid during the year.

	Payable in 1 Year £'000	Payable in 2-5 years £'000	Payable in 6-10 years £'000	Total £'000
Liability repayments	313	157	-	470
Finance charge	63	113	-	176
Service charge	2,013	1,027	-	3,040
	<u>2,389</u>	<u>1,297</u>	-	<u>3,686</u>

14. TRADE & OTHER RECEIVABLES

	2024	2023
	£'000	£'000
Amounts falling due within one year:		
Trade receivables	321	455
Other receivables	30	38
Prepayments & accrued income	2,991	2,146
	<u>3,342</u>	<u>2,639</u>
Amounts falling due after one year:		
Surplus land receivable arising on PFI contract*	30	60
	<u>30</u>	<u>60</u>
Total	<u>3,372</u>	<u>2,699</u>

**The value of the surplus land given to the PFI operator as part of the contract is estimated at £750,000. It is assumed that the surplus land debtor is being recovered over the period of the PFI contract of 25 years (£30,000 per annum).*

15. CREDITORS: AMOUNTS FALLING DUE IN LESS THAN 1 YEAR

	2024	2023
	£'000	£'000
Service concession arrangements	313	1,684
Trade creditors	120	49
Taxation & social security	1,495	675
Deferred capital grants due within one year	2,294	2,213
Accruals & other deferred income	4,195	5,866
	<u>8,417</u>	<u>10,487</u>

Deferred income

Included within accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	2024	2023
	£'000	£'000
Grant income	513	721
Other income	359	383
	<u>872</u>	<u>1,104</u>
Total	<u>872</u>	<u>1,104</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2024	2023
	£'000	£'000
Deferred income	30,046	30,950
Service concession liabilities due after one year	157	470
	<u>30,203</u>	<u>31,420</u>
Total	<u>30,203</u>	<u>31,420</u>

17. PROVISIONS FOR LIABILITIES AND CHARGES

	2024	2023
	£'000	£'000
At 1 August 2023	988	988
Additions in year	96	-
Amounts charged against provision in year	-	-
Unused amounts reversed in year	-	-
	<hr/>	<hr/>
At 31 July 2024	1,084	988

The provision relates to Holiday Pay resulting from the Court of Appeal (CoA) judgement (17 June 2019) in the case PSNI v Agnew. The CoA judgement determined that claims for Holiday Pay shortfall can be taken back to 1998.

The PSNI appealed the CoA judgement to the Supreme Court. In 2021, the case was paused to facilitate mediation, however, in March 2022 the PSNI were unable to obtain the required authorisation from the Department of Finance in respect of agreeing a potential financial settlement. The Supreme Court heard the case on 14th and 15th December 2022.

The Supreme Court made its ruling on 5 October 2023 where it dismissed the appeal and upheld the judgement of the CoA.

The £1,084k provision has been estimated by the College and covers the period from 1998 to 31 July 2020, following the Department of Finance approach outlined for Departmental Annual Reports and Accounts (FD (DoF) 08/20). The increase in the year relates to change in rates used for calculation.

There are some very significant elements of uncertainty around this estimate for a number of reasons:

1. The outworking of the Supreme Court judgement and the application of the CoA's original judgement;
2. Lack of accessible data for years previous to 2008/09 requiring estimations to be applied;
3. Future negotiations with Trade Unions;
4. Obtaining legal advice on specific application of the ruling for the NI Further Education sector;
5. The provision is gross (inclusive of Employee National Insurance and PAYE) and
6. Taxation issues are under discussion with HMRC, by the wider NI public sector.

Therefore, the estimated provision outlined above is based on the application of DoF methodology, however there remains significant uncertainty over the amount and timing of future payments.

18. CASH AND CASH EQUIVALENTS

	At 1 August	Cash	At 31 July
	2023	Flows	2024
	£'000	£'000	£'000
Cash and cash equivalents	3,622	(2,537)	1,085
	<hr/>	<hr/>	<hr/>

19. PRIOR PERIOD ADJUSTMENT

NILGOSC

At 31 July 2023, a net pension asset of £3,424k was recognised in respect of the NILGOSC pension scheme. The asset was calculated as the difference between the fair value of the assets held in the defined benefit scheme and the scheme's liabilities, measured on an actuarial basis using the projected unit method. At the reporting date, the College's actuary considered IFRIC 14 and recommended that the asset ceiling (i.e. the maximum surplus which should be recognised) should be set to equal the present value of the future service cost over a prescribed period, using the accounting assumptions at the measurement date. As such, the College recognised the full surplus at 31 July 2023.

In November 2023, the Chartered Institute of Public Finance & Accountancy issued "*CIPFA Bulletin 15 – Reporting of pensions surpluses and IFRIC 14*". In this, the CIPFA concluded that the requirements of the Local Government Pension Scheme Regulations could be interpreted such that a minimum funding requirement applies to Local Government Pension Schemes.

As such, the College actuary now considers that any pension accounting surplus is to be recognised on the Statement of Financial Position is to be restricted to the present value of future service costs less the present value of the minimum funding requirement contributions for future service (i.e. the asset ceiling should be set at this level).

At 31 July 2023, the future service cost was between 19% and 20% of the College. This is broadly in line with the minimum NILGOSC funding requirement contributions of 19.8%. As such, the present value of future service costs less the present value of the minimum funding requirement contributions is less than zero and the actuary has recommended that the asset ceiling is set equal to zero.

Summary of prior year impact

	2023
	£'000
Reduction in pension asset	3,424
Reduction in pension reserve	3,424

20. PENSION AND SIMILAR OBLIGATIONS

The College's employees belong to two principal pension schemes; the Northern Ireland Teachers' Pension Scheme (NITPS) for academic and related staff and the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) for non-teaching staff. Both are defined benefit schemes.

National Employment Savings Trust (NEST) is a defined contribution workplace pension scheme which was set up to facilitate Automatic Enrolment as part of the workplace pension reforms under the Pensions Act 2008.

	2024	2023
	£'000	£'000
Total pension cost for the year:		
NITPS: contributions paid	<u>3,260</u>	<u>2,736</u>
NEST: contributions paid	<u>17</u>	<u>18</u>
NILGOSC: contributions paid	1,611	1,450
NILGOSC: FRS 17 Adjustments	<u>(47)</u>	<u>727</u>
NILGOSC: Charge to the Statement of Comprehensive Income & Expenditure	<u>1,564</u>	<u>2,177</u>
Total	<u>4,841</u>	<u>4,931</u>

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the NITPS was 31 March 2016 and NILGOSC was 31 March 2022.

20. PENSION AND SIMILAR OBLIGATIONS (continued)

NITPS

The NITPS is an unfunded contributory, voluntary membership scheme administered by the Department of Education. Until 1 April 2015 the scheme operated under the Teachers' Superannuation Regulations (NI) 1998 (as amended). Further information about the scheme is given in the explanatory booklet dated November 2007, and on the Department of Education's website at www.deni.gov.uk

The Public Service Pensions Act (Northern Ireland) 2014 provides for the closure of existing public sector pension schemes (including the NITPS) from 31st March 2015 and the establishment of new schemes based on a career average re-valued earnings model with normal pension age equal to state pension age introduced from 1 April 2015.

The Government Actuary's Department values the scheme every 4 years with an interim valuation in the intervening 2-year period using the projected accrued benefit method.

The employer contribution rate was 25.10% from 1 April 2019 to 31 March 2024. The employer contribution rate was increased to 29.10% from 1 April 2024.

The salary bands applicable to member contributions for the NITPS, based on members' annual salary rate (actual earnings), from 1st April 2023 were;

Salary	1 April 2023 - 31 March 2024
Up to £32,136	7.40%
£32,136 to £43,260	8.60%
£43,260 to £51,293	9.60%
£51,293 to £67,980	10.20%
£67,980 to £92,698	11.30%
£92,698 and above	11.70%

Salary	1 April 2024 - 31 March 2025
Up to £34,270	7.40%
£34,290 to £46,159	8.60%
£46,159 to £54,730	9.60%
£54,730 to £72,535	10.20%
£72,535 to £98,909	11.30%
£98,909 and above	11.70%

The NITPS is a multi-employer pension scheme. The College is unable to identify its share of the underlying assets and liabilities of the scheme, and therefore, as required by FRS 102 (28) accounts for the scheme as if it were a defined-contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme in respect of the accounting period. The College has set out above the information available on the scheme and the implications for the College in terms of the anticipated contribution rates.

20. PENSIONS AND SIMILAR OBLIGATIONS (continued)

NILGOSC

NILGOSC is a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme Regulations (Northern Ireland) 2002, as amended. It is contracted out of the state pension scheme.

The following information is based upon a full actuarial valuation of the NILGOSC fund at 31 March 2019 updated to 31 July 2022 by a qualified actuary.

	At 31 July 2024	At 31 July 2023
Principal actuarial assumptions at SoFP date are as follows:	%	%
Rate of increase in salaries	4.30	4.35
Rate of increase for pensions in payment/inflation	2.80	2.85
Pension accounts revaluation rate	2.80	2.85
Discount rates for scheme liabilities	5.00	5.10

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

	At 31 July 2024	At 31 July 2023
Members aged 45 at accounting date		
Active/Deferred Males	21.6/21.9 years	21.9/22.2 years
Active/Deferred Females	24.7/25.0 years	24.9/25.2 years
Members aged 65 at accounting date		
Males	21.0 years	21.3 years
Females	23.9 years	24.1 years

20. PENSIONS AND SIMILAR OBLIGATIONS (continued)

The College's share of the assets and liabilities in the Scheme were:

	Asset Allocation at 31 July 2024	Value at 31 July 2024	Asset Allocation at 31 July 2023	Value at 31 July 2023
	%	£'000	%	£'000
Equities	39.9	17,627	42.9	16,527
Bonds	20.8	9,198	21.6	8,299
Property	9.1	4,032	10.4	3,985
Multi-asset credit	13.0	5,723	13.0	5,021
Cash/Other	17.1	7,562	12.1	4,655
		<u>44,142</u>		<u>38,487</u>

Amounts recognised in the SoFP	2024	Restated 2023
	£'000	£'000
Fair value of plan assets	44,142	38,487
Present value of scheme liabilities	<u>(38,436)</u>	<u>(35,063)</u>
Surplus/(Deficit) in the scheme	5,706	3,424
Irrecoverable surplus	<u>(5,706)</u>	<u>(3,424)</u>
Net balance recognised in SoFP	<u>-</u>	<u>-</u>

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

Amounts included in staff costs	2024	2023
	£'000	£'000
Current service cost	1,518	2,177
Past service cost	<u>46</u>	<u>-</u>
Total operating charge	<u>1,564</u>	<u>2,177</u>

Analysis of pension finance income/(costs)	2024	2023
	£'000	£'000
Expected return on pension scheme assets	2,004	1,347
Interest cost	(1,827)	(1,584)
Interest adjustment due to irrecoverable surplus	<u>(177)</u>	<u>-</u>
Net charge	<u>-</u>	<u>(237)</u>

20. PENSION AND SIMILAR OBLIGATIONS (continued)

Amounts recognised in Other Comprehensive Income	2024	Restated 2023
	£'000	£'000
Actuarial gains/(losses) from assets	2,055	(1,481)
Actuarial gains/(losses) from a change in financial assumptions	(332)	12,539
Actuarial gains/(losses) from a change in demographic assumptions	289	1,068
Actuarial gains/(losses) from experience	-	(1,423)
Actuarial gains/(losses) from irrecoverable surplus	(2,105)	(3,424)
Surplus/(deficit) in scheme at 31 July 2024	(93)	7,279

Movement in surplus/(deficit) during the year	2024	Restated 2023
	£'000	£'000
Surplus/(deficit) in scheme at 1 August 2023	-	(6,315)
Movement in the year:		
Current service cost	(1,518)	(2,177)
Employer contributions	1,657	1,450
Past service cost/gain	(46)	-
Curtailment cost	-	-
Net interest	-	(237)
Actuarial gain recognised in other Comprehensive Income & Expenditure	2,012	10,703
Irrecoverable surplus	(2,105)	(3,424)
Surplus/(deficit) in scheme at 31 July 2024	-	-

Asset and Liability Reconciliation	2024	2023
	£'000	£'000
Reconciliation of Liabilities		
Liabilities at 1 August 2023	35,063	43,558
Service cost	1,518	2,177
Interest cost	1,827	1,584
Employee contributions	536	479
Actuarial (gain)/loss	43	(12,184)
Benefits paid	(597)	(551)
Past service cost	46	-
Curtailment cost	-	-
Liabilities at 31 July 2024	38,436	35,063

20. PENSION AND SIMILAR OBLIGATIONS (continued)

Reconciliation of Assets:

	2024	2023
	£'000	£'000
Assets at 1 August 2023	38,487	37,243
Interest Income	2,004	1,347
Remeasurement gain/(loss)	2,055	(1,481)
Employer contributions	1,657	1,450
Employee contributions	536	479
Benefits paid	(597)	(551)
	<hr/>	<hr/>
Assets at 31 July 2024	44,142	38,487

The estimated value of employer contributions for the year ended 31 July 2025 is £1,687k.

21. CAPITAL COMMITMENTS

PFI Contract

Capital repayments are being made over a 25 year period and will be funded by DfE. The PFI contract with Northwin Limited for the Northland building commenced in February 2001 and will cease in January 2026.

22. FINANCIAL COMMITMENTS

At 31 July 2024 the College had annual commitments under non-cancellable operating leases as follows:

	2024	2023
	£'000	£'000
LESSEE:		
<u>Land & Buildings</u>		
Expiring within one year	-	-
Expiring within two and five years inclusive	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>
<u>Other</u>		
Expiring within one year	37	33
Expiring within two and five years inclusive	143	-
	<hr/>	<hr/>
	<hr/>	<hr/>
LESSOR:		
<u>Land & Buildings</u>		
Expiring within one year	-	-
Expiring within two and five years inclusive	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>

23. RELATED PARTY TRANSACTIONS

Owing to the nature of the College's operations and the composition of the Board of Governors being drawn from 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.

Related Organisation	Governor	Position in Related Organisation	2024 Amount Paid/ (Income) £'000	2023 Amount Paid/ (Income) £'000	Amount Outstanding at 31 July 2024 £'000	Amount Outstanding at 31 July 2023 £'000
Derry City & Strabane District Council	Mr L Murphy	Member of City Deal Board	5	7	-	-
			(35)	(41)	-	-
Invest NI	Ms M Gormley	Senior Manager	(143)	(134)	10	35
	Mr K Kennedy	Board Member				
Causeway Coast & Glens Borough Council	Mr P Thompson	Employee	-	1	-	-
			(28)	-	-	-
Ulster University	Prof M Ó'Néill	Director of Regional Development	222	220	-	-
			(72)	(109)	-	-
	Mr L Murphy	Member of Magee Expansion Task Force				
	Mrs J McKeever	Visiting Professor				
Londonderry Chamber of Commerce	Prof M Ó'Néill	Board Member	7	8	-	-
	Mr L Murphy	Board Member				
Causeway Chamber of Commerce	Prof M Ó'Néill	Board Member	1	3	-	-

24. AGENCY ARRANGEMENTS

	2024	2023
	£'000	£'000
Support Funds		
Balance unspent at 1 August 2023	199	127
DfE grants	205	327
Interest earned	10	6
	<u>414</u>	<u>460</u>
Disbursed to students	(204)	(260)
Audit fees	(1)	(1)
	<u>209</u>	<u>199</u>
Balance unspent at 31 July 2024	<u>209</u>	<u>199</u>

Support funds are available solely for students. The College acts as paying Agent. The grants and related disbursements are therefore excluded from the Statement of Comprehensive Income and Expenditure.

	2024	2023
	£'000	£'000
Care to Learn		
DfE grants	-	-
Disbursed to students	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The scheme addresses the need to provide childcare support for parents under the age of 20. The College acts only as the paying agent and therefore the grants and related disbursements are excluded for the Statement of Comprehensive Income and Expenditure.

25. LOSSES & SPECIAL PAYMENTS

The College wrote off £7k in relation to bad debts in 2023/24 (£19k in 2022/23).

In accordance with Partnership Agreement the authorisation to write off individual debts greater than £2,000 should be sought from the DfE. No debts written off which were individually greater than £2,000.

The write off for debts less than £2,000 were approved by the Board of Governors.

The total number of cases written off was 25 (77 in 2022/23).

There were no special payments made in the year.

26. THIRD PARTY ASSET

The College holds a bank account on behalf of the Students' Union and at 31st July 2024 the balance in the account was £4,123 (£1,861 at 31st July 2023). This is not a North West Regional College asset and is therefore not included in these financial statements.

27. ADDITIONAL DISCLOSURES TO COMPLY WITH FINANCIAL REPORTING MANUAL

Financial Reporting Manual (FRm) requires Non-Departmental Public Bodies to regard grant-in-aid received as contributions from controlling parties giving rise to a financial interest in the residual interest of the body, and hence accounted for as financing i.e. by crediting them to the income and expenditure reserve.

	2024	Restated
	£'000	2023
		£'000
INCOME		
DfE income (non grant-in aid items)	2,694	1,271
Education contracts	2,112	2,017
Tuitions fees and charges	1,678	1,684
Other grant income	1,244	1,101
Other operating income	1,837	1,406
Endowment and investment income	263	146
Total incoming resources	9,828	7,625
EXPENDITURE		
Staff costs	28,537	27,988
Other operating expenses	12,127	11,338
Depreciation/loss on disposal of fixed assets	4,377	3,990
Exceptional costs	3,165	-
Interest and other finance costs	268	688
Total resources expended	48,474	44,004
Net deficit for the year	(38,646)	(36,379)
Unrealised surplus on revaluation of Land & Buildings	1,616	6,768
Release from revaluation reserve on disposal of Maydown	-	(572)
Actuarial gain/loss in respect of pension scheme	2,012	10,703
Irrecoverable surplus in respect of pension scheme	(2,105)	(3,424)
Amount transferred to reserves	(37,123)	(22,904)
	2024	2023
	£'000	£'000
Analysis of reserves prepared under FRm		
Balance at 1 August 2023	50,738	39,721
Grant-in-aid received in year	37,522	33,921
Net operating cost for the year	(37,123)	(22,904)
Balance at 31 July 2024	51,137	50,738

28. EVENTS AFTER THE END OF THE REPORTING DATE

Support Staff Pay Award (April2024 - March 2025)

In October 2024, The National Joint Council for Local Government Services (NJC) has reached an agreement on rates of pay applicable from 1 April 2024 (covering the period 1 April 2024 to 31 March 2025). The new pay rates have been accrued in the staff costs for the year end 31 July 2024.

DATE OF AUTHORISATION FOR ISSUE

The Accounting Officer authorised the issue of these financial statements on 16th December 2024.