



John
Leggott
College
REPORT OF
GOVERNING
BODY AND
FINANCIAL
STATEMENTS
for the year
ended 31 July
2023

John Leggott College

REPORT OF GOVERNING BODY AND FINANCIAL STATEMENTS for the year ended 31 July 2023

KEY MANAGEMENT PERSONNEL, BOARD OF GOVERNORS AND PROFESSIONAL ADVISERS

Key management personnel

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

Leon Riley Principal and CEO, Accounting Officer

Claire Holmes Deputy Principal

Howard Darwin Assistant Principal

Nathan Daniel Assistant Principal (Appointed 22nd August 2022)

Jamie Watkinson Assistant Principal (Appointed 22nd August 2022)

Robert Woodgate Assistant Principal (Appointed 25th August 2022)

Kelly Rinaldi Assistant Principal (Resigned 16th August 2022)

Julie Hirst Director of Finance and Resources

Becky Robinson Director of Governance

Board of Governors

A full list of Governors is given on page 17 of these financial statements.
Becky Robinson acted as Clerk to the Corporation throughout the period.

Professional advisers

Financial statements auditors and reporting accountants:

Beever and Struthers
One express
1 George Leigh Street
Manchester
M4 5DL

Bankers

Barclays Bank plc
81 High Street
Scunthorpe
DN15 6LZ

Lloyds Bank plc
106 High Street
Scunthorpe
DN15 6HG

Solicitors

Wilkin Chapman LLP
Cartergate House
26 Chantry Lane
Grimsby
DN31 2LJ

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REPORT OF THE GOVERNING BODY

Nature, Objectives and Strategies

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

Legal Status

The Corporation is a statutory corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting John Leggott College (the College). The College is an exempt charity for the purposes of Part 3 of the Charities Act 2011.

Background to the College

John Leggott College is an open access sixth form College established in 1968 with a primary focus on the education of full time 16-19 year olds. It is situated on an attractive green field site in a residential part of Scunthorpe. It has an excellent reputation throughout North Lincolnshire and beyond for providing high quality education in a supportive environment. The College successfully serves the needs of secondary schools and one secondary special school in North Lincolnshire as well as students from outside the local area. It has a day-time cohort of over 1,750 students, some of whom travel up to 30 miles a day to study (from Goole, Snaith, Howden, Thorne, Grimsby and Gainsborough). The College offers a wide range of subjects including General Certificate of Education Advanced Level (GCE A-level), BTEC level 3, GCSE, BTEC level 2, Art Foundation and a small number of Foundation and Entry Level students.

The College directly recruits international students many of whom travel over 6000 miles to access programmes of study.

The College Vision and Mission

The College vision is to be an outstanding provider of education that prepares its learners for progression and achievement. It's mission is to create an inclusive community, where the learner is at the centre of what we do, with a sense of belonging that challenges and inspires through consistently high quality teaching, support and care.

Public Benefit

John Leggott College is an exempt charity under Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the charity are disclosed on page 17.

We, at John Leggott College, see huge opportunities to develop in the next period of our history and to make our vision a reality. Through our vision statement we make clear our ambitions for success and progression. We are a College with a strong desire to innovate and develop new approaches to teaching and learning. We value the progressive work of our professional workforce and we want our learners to push to the highest standards.

REPORT OF THE GOVERNING BODY (CONTINUED)

Public Benefit (continued)

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

- High quality teaching
- Widening participation and tackling social exclusion
- Excellent employment record for students
- Strong student support systems
- Links with employers industry and commerce
- Links with Local Enterprise Partnerships (LEPs)

The College's Annual Accountability Statement 2023/24, (which is available at the College's website), details how it acts in collaboration with a number of key agents in the Skills Agenda of Lincolnshire.

Strategic Plan

Implementation of the Strategic Development Plan

In 2021 the College prepared a Strategic Development Plan for the period 2021-2024. The Development Plan includes strategic aims and objectives and the delivery targets for 2021-2024. The Corporation monitors the performance of the College against these plans. The plans will be reviewed each year.

The plan put the learner at the heart of everything the College does, to develop a culture which promotes positivity and value, to develop talent and to reward and recognise both learners and staff.

In terms of finance this requires the College to invest both in infrastructure and people, to work collaboratively with other Colleges and to strive to be at the forefront of development in terms of teaching practice and College offer.

The global Covid pandemic had a major impact on College Strategy, whilst the impact of this has not disappeared there are now new challenges such as the ongoing situation in Ukraine, and the economic legacy of Covid have to some extent compounded the financial impact, leading to a Cost-of-Living Crisis which has impacted on staff recruitment and retention. Specific increases in costs of bank borrowings and energy costs are seen as a direct result of these events.

Financial Objectives

The College has over a number of years seen significant change. The priority of the 2021-2024 strategic plan was to use resources to deliver the Strategic Development Plan having achieved a stable financial base. Key targets have been set in order to sustain strong and stable financial health whilst making investment in College infrastructure.

REPORT OF THE GOVERNING BODY (CONTINUED)

Financial Objectives (continued)

	2023/24	2022/23
ESFA* Funded Learners		
(*Education & Skills Funding Agency)	1,558	1,672
International Income	£472,000	£478,000
Other Income	£551,000	£549,000

All expenditure is mapped to ensure that the College achieves and sustains at least Good Financial Status by the end of the strategic plan and the College does not breach any of its banking covenants. The College predicts a positive outturn over the remainder of the plan. It will also strengthen its balance sheet.

Performance Indicators

The College uses the following KPIs to measure performance against financial plan:

KPI	Financial Plan	Actual
Staff costs as a percentage of income (excluding restructure costs)	65.48%	58.9%
Adjusted Current Ratio	1.11	1.09
Borrowing as a percentage of income	17.41%	16.3%
Performance Ratio	7.00%	11.99%
Reliance on ESFA income	88.19%	81.98%
Financial Health Score	200-Good	230-Good

The College is committed to observing the importance of sector measures and indicators such as sixth form sector achievement rates.

The College is required to complete the annual Education and Skills Funding Agency ('ESFA') financial planning template which produces a financial health grading. The College currently had an assessed ESFA financial health grading of Outstanding in the financial year 2021-2022, this is expected to achieve a very strong Good in 2022-23. The College Financial Record submission for the College will self-assess as Outstanding on the basis that loans which require a balloon payment before the end of financial year 2024 will be refinanced by government resources. In the years after 2022-23 the College anticipates being able to retain a health score of at least Good the next 3 years.

Financial Results

The Group generated a surplus before other gains and losses in the year of £838,000 ((after £8,000 of FRS 102 (28) related costs) (2021-22: surplus of £299,000 after £370,000 of FRS 102 (28) related costs)), with total comprehensive income of £871,000 (2021-22: (£4,455,000)).

In 2022-23, the College was allocated an ESFA 16-18 allocation of £8,638,393 (2021-22: £7,657,437) equivalent to 1,672 FTE daytime students. Actual student numbers were equivalent to cohort of 1,558 FTE.

REPORT OF THE GOVERNING BODY (CONTINUED)

Financial Results (Continued)

The Group has accumulated reserves of £10,092,000 (2021-22: £9,221,0000).

Tangible fixed asset additions during the year amounted to £4,269,000.

The College has significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants. In 2022-23 the funding bodies provided 82% (2021-22 84%) of the College's total income. The college reliance on education sector funding is significantly below average.

The financial impact of Covid in terms of income has to some extent continued into the 2022-23 financial year. Tuition fee income for our international provision has reduced which reflects the multiple lockdowns which have happened in some of our major markets. The shortfall against budget has decreased from 2021-2022 and indications are that the market is starting to return to pre pandemic levels.

The College has continued to focus on covid recovery programmes for our learners and has allocated our Tuition Fund wisely and with good results. GCSE English and maths results are above the previous college record.

The College has continued to invest in digital transformation and is proud to have excellent levels of IT infrastructure.

Group companies

The College has one subsidiary company, JLSFC Services Limited, which is 100% owned. The principal activity of JLSFC Services Limited is the provision of support staff services to John Leggott College. Any surplus generated by the subsidiary is transferred to the College under deed of covenant. The company generated losses of £6,000 in the current financial year, (£10,000 in 2022).

Future Developments

The College has continued to work collaboratively with partners across the region including local LEP's and other colleges via the Skills Development Funded projects. The college has been successful in a bid to work in a collaborative project into the LSIF phase 2 with a focus on green energy and work readiness. The College has also been successful in gaining a third year of Turing funding to enable our learners to attend trips across the world.

For the financial year 2023-24 the College has continued to build on existing partnerships and continues to forge new partnerships with local employers and universities.

In terms of Capital Investment the College continues its major investments with the opening of 12 new state of the art classrooms funded by Post-16 Capacity Fund in the academic year 23-24 and planned works in the coming year of T level capital funded classrooms and a 3G pitch funded by the football foundation.

REPORT OF THE GOVERNING BODY (CONTINUED)

Future Developments (Continued)

In terms of capital commitments these are set out in note 20. Commitments at the year end include completion of the T levels project and the new pitch.

Treasury Policies and Objectives

Treasury management is the management of the College's cash flows and its banking, 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 treasury management policy in place.

All borrowing shall comply with the requirements of the College's Financial Regulations and the Funding Agreement.

Cash Flows and Liquidity

A net cash (outflow)/inflow of (£150,000) (2021-22 inflow £140,000 was generated from operating activities during the year).

The College cash flow forecasts for 2023-24 indicated that there was no requirement for an overdraft facility. The College has successfully managed its cash flows throughout the year and through careful management has generated interest of £114,000. The College made loan repayments during the year of £223,000.

Reserves Policy

The College recognises the importance of reserves in the financial stability of an organisation, whilst ensuring that adequate resources are provided for the College's core business. The College has a requirement within its banking covenants to hold a minimum unrestricted reserves level of £3,000,000. As at the balance sheet date, unrestricted reserves were College £10,105,000, Group £10,092,000 (2021-2022 College £9,273,000 group £9,221,000). The Corporation approved a Reserves policy in 2016-17 which was reviewed during 2021-22.

Financial Health

The College has successfully achieved and sustained strong finances for the last 4 years. There is a consistent record of delivering results in line or in excess of the financial plan and it is anticipated that throughout the life of the current plan the College will remain at least a strong Good score.

Financial Plan

The College and its Corporation are committed to sustaining at least Good financial health for the period of the 3 year financial plan. The CFFR submitted in July 2023 indicated that the College would achieve at least good under the existing methodology. The Plan indicates strong cash flows with stable cash days.

REPORT OF THE GOVERNING BODY (CONTINUED)

Financial Plan (Continued)

The plan is reviewed regularly and has been stress tested for the impact of ongoing capital bids. The College has consistently outperformed its strategic financial targets.

Student Numbers

The College is funded on a lagged basis according to the level of activity it generates each year.

The College enrolls primarily from ten 11-16 schools and one secondary special school in North Lincolnshire as well as recruiting students from outside the local area. Currently over 40% of learners come from outside the area.

The College recruited a cohort of fee paying international students, currently 47 (2021-22 - 46).

Diverse groups of learners are expertly supported to successful programmes of study and the vast majority of ethnic groups perform at, or above college and national averages, as do learners with learning difficulties or disabilities.

Student Achievements

The College recruits students with a large range of qualifications on entry and delivers successful courses from Entry Level and basic life-skills, up to level 3. Most students achieve qualifications at level 3 with an even mix of general vocational and academic courses. Students are drawn from a diverse catchment including the local town, the wider local geographical area and internationally.

The College is very successful in terms of providing a springboard for progression to Higher Education, apprenticeships or employment. Provisionally, 63% of funded leavers have gained a place at university, with a further 5% taking a gap year and intending to apply next year. 1 in 6 of these students gained a place at Russell Group Universities and approximately the same proportion of students gaining a place at university do so in science, technology, engineering and mathematics, linking to the industrial focus of the town, and also to the national skills-gap agendas and regional LEP priorities. LEP priorities are also well-served by strong recruitment to courses in Health. Also provisionally, around 10% of funded leavers gained an apprenticeship with the vast majority of the remaining leavers moving directly into employment.

The College was inspected by OFSTED in May 2018 and continues to be a 'Good' provider. The College was inspected in November 2023 and the College is currently awaiting the report and grade.

In line with government expectations results this summer broadly returned to a level which was similar to the college's results from 2019. Students gaining an APS (average point score) of a grade C, which is in line with national averages. The average retention and achievement is also in line with expected national benchmarks.

REPORT OF THE GOVERNING BODY (CONTINUED)

Student Achievements (Continued)

A significant group of learners resit GCSE English or mathematics at college (either alongside their Level 3 studies or as part of a full Level 2 program). The provision here is outstanding, with students increasing their grades by +0.58 in English and +0.53 in Maths on average.

Progress measures continue to be difficult to interpret, due to the inflated GCSE grades for this cohort that were awarded during the Covid lockdowns. However the ALPS grades for the college's vocational provision for QCF courses continues to be in the top 10% nationally, and in general over a third of all courses are outstanding with value added scores in the top 25% nationally. This puts the college's overall Value Added in line with national averages.

Study programme support for students is strong and personalised with a well-qualified team of 'Progress Tutors' providing targeted, timely and effective support, especially in pastoral issues. This is complemented by an effective and highly visible well-being team that supports learners with more complex support needs. A college wide system of teacher access periods has been implemented, further increasing the support available to all students.

To enhance the learner experience, the college has an extensive, sector-leading, enrichment programme, which has gained national recognition from the Sixth Form Colleges Association. In many cases, these enrichments are student-led and strongly support college retention, student wellbeing and an improved, broader learner experience.

Going Concern

In line with sector challenges, John Leggott College is operating within very strict financial constraints. The loans taken out in 2019 repayable after 5 years, amortised over 15 years are repayable to the bank 29th July 2024. Since the ONS reclassification Colleges can no longer commercially borrow however are unable to approach PMO for refinancing discussions until 6 months prior to maturity. Whilst there are no indications that refinancing will be an issues these accounts have been prepared as if it comes to and end. The sector faces spiralling inflation although some of the uncertainty has been resolved by the agreement of pay awards for all staff for 2023-24 and fixed energy contracts.

The College has a financial plan which is regularly reviewed and updated for changing circumstances when needed. All income streams are risk assessed on a regular basis and mitigating actions taken as needed. Management accounts track diversified income streams to ensure that these are financially sustainable and any significant proposed new income streams are scrutinised by the Corporation prior to commencement.

The financial statements, management accounts and financial plans all indicate that all banking covenants will be met. The College continues to operate comfortably within its borrowing package and is scheduled in cash flow projections to make all loan repayments as they become due in 2023/24.

The 2 year cash flow presented to all Corporation members on a regular basis indicates that the college has sufficient liquid resources to meet all liabilities as they fall due within the foreseeable future

REPORT OF THE GOVERNING BODY (CONTINUED)

Resources

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

Planned Maintenance

The College identified some key priorities in terms of window replacement and fire safety works- both were successful in the 2023-24 Cif round and the works have now been completed.

Financial

The College has £10,105,000, Group £10,092,00 (College 2021-2022 £9,273,000, Group £12,317,000) of net assets including a College net pension liability of Nil (21-22 liability of Nil) , group pension liability £6,000 (2021-22 Group liability (£46,000))

People

The College employs 195 (2021-22: 176) people of whom 85 (2021-22: 81) are teachers.

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

Principal Risks and Uncertainties

The College has a formal on-going process for identifying, evaluating and managing the College's risks which includes:-

- identification of risks affecting the enabling of the Strategic Development Plan by the Risk Management Group (RMG) (comprised of Senior Management Team (SLT), Directors and managers to form a Strategic Risk Register
- regular review of the Strategic Risk Register by the RMG
- reporting at SLT meetings
- reporting at every meeting of the Audit Committee
- reporting at regular Corporation Board meetings
- a sensitivity analysis and costed contingency plan which accompanies the commentary to the 3 year financial forecast
- external audit provides feedback to the Audit Committee on the operation of the internal financial controls of the College
- utilisation of external consultants to highlight risk areas and recommend mitigating actions to minimise periodically

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

REPORT OF THE GOVERNING BODY (CONTINUED)

Principal Risks and Uncertainties (continued)

1. External Factors and Government Funding

The College has considerable reliance on continued government funding via the ESFA. In 2022-23, 82.00%, whilst this is less than most in the sector most of the College's revenue was ultimately public funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

The College is aware of several issues which may impact on future funding which include:

- The demand led funding system which applies a series of factors such as guided learning hours and success rates to calculate an amount of funding to be received for each learner. Such funding cannot be guaranteed though
- Vocational reforms with the implementation of T levels and review of applied general qualifications
- ONS review
- Advanced British Standard

This risk is mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements
- By ensuring the College is rigorous in delivering high quality education and training
- Considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies
- Ensuring the College is focused on those priority sectors which will continue to benefit from public funding
- Regular dialogue with the ESFA
- Partnership working with the ACT Group

2. Maintain Adequate Funding Of Pension Liabilities

The financial statements report the share of the pension scheme deficit on the College's balance sheet in line with the requirements of FRS 102

3. Failure To Maintain The Financial Viability Of The College

The College's current financial health grade is classified as Outstanding and it is anticipated that the financial health grade will be confirmed as Outstanding based on these financial statements. The College financial plan indicates that the College can sustain a Good financial health grade for the life of the plan.

- Diversified income streams reducing reliance upon public sector income
- Robust financial controls
- By rigorous budget setting procedures and sensitivity analysis
- Regular financial monitoring during the year

their

REPORT OF THE GOVERNING BODY (CONTINUED)

Principal Risks and Uncertainties (continued)

4. Covid-19

The Risk Management Group first considered the risk of Covid-19 on 4th February 2020 having previously been considered by FMC and SLT. A separate Covid-19 risk register was produced in March 2020. This covered the impact of Covid-19 on all other risk factors including consideration of

- Health & Safety
- Finances
- Learner Outcomes
- Safeguarding
- IT Support

The need for a separate Covid-19 register was reviewed during the course of 21-22 with Covid related risks included in the general Risk Management process.

Stakeholder Relationships

As detailed previously, the College's Annual Accountability Statement 2023/24 details how it acts in collaboration with a number of key agents in the Skills Agenda of Lincolnshire. This also includes details of local partners. In addition stakeholders also include:

Stakeholders currently include:

- Schools/ Academies
- Local Authority
- Parents
- International Agents and parents
- LEPs
- Employers
- Voluntary organisations
- Staff
- Corporation
- Educational Standards Bodies including Ofsted
- Students
- Other educational providers
- Education Sector Funding Bodies
- Community
- Representative bodies
- Universities
- Other educational professionals

Equality

The College is committed to a policy of equality of opportunity and aims to provide a working and learning environment free from any discrimination, harassment and victimisation. We are a diverse College that respects and celebrates differences in race, disability, gender, age, gender identity, sexual orientation, faith and religious beliefs, background or personal circumstance. We want everyone to feel valued and included in the College community and to achieve their full potential.

REPORT OF THE GOVERNING BODY (CONTINUED)

Equality (Continued)

All forms of prejudice and discrimination are unacceptable, and any form of discrimination or harassment needs to be reported.

This means the College is a place where ALL students and staff, whatever their circumstances or background:

- are fully respected
- feel welcome
- are treated in a friendly way
- have equality of opportunity
- have appropriate support

The measures for monitoring the impact of our inclusivity, diversity and equality measuring are included within HR Strategy which is presented to Corporation and scrutinised by the Search Committee for impact.

Disability Statement

The College believes that the diversity of its community is an essential part of its values and enriches employment, research, studying and learning experiences.

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

- The College has held the 'Disability Confident' award since 2016. The award is Jobcentre plus co-ordinated national award to organisations demonstrating a positive attitude towards employing disabled people.
- Specialist programmes are provided within College with good progression rates.
- The College employs a Special Educational Needs Co-ordinator, who provides information, advice and arranges support where necessary for students with disabilities.

Counselling and welfare services are available for both students and staff. These are signposted via Student Support, the Well-Being team and Human Resources.

REPORT OF THE GOVERNING BODY (CONTINUED)**Trade Union Facility Time**

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

Numbers of employees who were TU officials during relevant period	FTE employee number
0	0

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

Total cost of facility time	-
Total pay bill	-
Percentage of total bill spent on facility time	0%

Time spent on paid trade union activities as a percentage of total paid facility time:	0%
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Events After The Reporting Period

On 29 November 2022, the Office for National Statistics reclassified all college corporations (and their subsidiary companies) as public sector institutions with immediate effect and this prompted the Department for Education to introduce some new rules for colleges (and their subsidiary companies) which will take effect during 2023.

The College considers this announcement to be a non-adjusting post balance sheet event and is evaluating the implications of the announcement and the potential new rules but do not consider that they will have an impact on these financial statements.

The College has successfully bid for a new 3G pitch in collaboration with the Football Foundation and local partners. This will allow for a £932,000 investment into our sporting provision with the community.

The College has also had success in bidding for further LSIP investment which will allow for capital investment of £164,000

REPORT OF THE GOVERNING BODY (CONTINUED)

Disclosure Of Information To Auditors

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

Payment Performance

The Late Payment of Commercial Debts (Interest) Act 1998, in the absence of agreement to the contrary, requires organisations to make payment to suppliers within 30 days of either the provision of goods or services or the date on which the invoice is received. The target set by Treasury is for payment to suppliers within 30 days in 95 per cent. During the accounting period 1 August 2022 to 31 July 2023, the College paid 80 per cent of its invoices within 30 days.

Streamlined Energy and Carbon Reporting

John Leggott College is fully committed to the Streamlined Energy and Carbon reporting framework and to promoting and advancing environmental sustainability to support its challenging ambition to be carbon neutral by 2030.

During the financial year 2023 the college has completed its LED replacement scheme. During 2023 the college has worked collaboratively with North Lincs Community Energy leading to a solar scheme being installed in early 2024. In addition to this the College is working with the LSIF to develop a green energy centre enabling the College to be a leader in the area for battery technology.

Approved by order of the members of the Corporation on 4 Dec 2023 and signed on its behalf by:

A Pascoe

- Chairperson



STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL

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

The College endeavours to conduct its business:

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

and

In the opinion of the governors, the College complies with most provisions of the Code of Good Governance throughout the year ended 31 July 2023. The College currently has an action plan in place to address any outstanding areas of compliance occurring from the recently revised Code. This is monitored by the Search Committee. The action plan is available for scrutiny.

The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times in carrying out its responsibilities.

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

The Corporation

As part of their control measures the Corporation agreed at a joint meeting to commission an external review of governance during the academic year 2023/24 currently at the Buildings Committee/Corporation in May 2023.

(Please refer to appendix A for attendance at meetings)

(Please refer to appendix B for training & development of governors)

**STATEMENT OF CORPORATE GOVERNANCE & INTERNAL CONTROL
(CONTINUED)**

The Corporation (Continued)

	Date of Appointment	Term of Office	Date of Resignation	Status of Appointment	Committees Served
Mr J Aslam	5 July 2016 and reappointment July 2018 and July 2021	3 years		External	Audit Buildings
Mr S Driver	2008 and reappointed July 2012, 2016, 2018 and 2021	3 years		External	Financial Monitoring Remuneration Buildings
Mr J Fitzgerald	18 October 2016 and reappointed October 2018, 2020 and 2023	3 years		External	Quality Assurance Audit Buildings
Mr J Watkinson	12 December 2020	2 years	12/12/2022	Staff	Search
Mrs GA Moore	1996, 2000, 2004, 2008 and reappointed September 2012 & 2016, 2018, 2020, 2021, 2022 and 2023	1 years		External	Search Audit Buildings
Mrs N Salter	12 December 2021	2 years		Parent	Audit
Mr AW Pascoe	2004, 2008 and reappointed September 2012, 2016, 2018 and 2021	3 years		External	Chairperson Corporation, Remuneration Quality Assurance FMC Buildings
Mr P Raistrick	13 October 2017 and reappointed 2019 and appointed as external Governor in 2021 and 2023	2 years		Parent	Quality Assurance Remuneration
Mr L Riley	1 September 2016	Ex-Officio		Principal	
Mr P Townsley	26 February 2015 and reappointed 2019 and 2022	3 years		External	Financial Monitoring Quality Assurance
Mr B Chappill	13 December 2022	2 years		Staff	Search
Mr E Broks-Vitols	9 December 2022	2 years	14.09.23	Student	
Mr M Yuan	9 December 2022	2 years	17.09.23	Student	
Mrs B Robinson acts as Clerk to the Corporation					
Mr A Douglas acted as a co-opted member on the Financial Monitoring Committee effective from March 2018					

STATEMENT OF CORPORATE GOVERNANCE & INTERNAL CONTROL (CONTINUED)

The Corporation (Continued)

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

The Corporation is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure and quality matters. The Corporation meets at least twice termly.

The Corporation has seven working committees. Each committee has terms of reference, which have been approved by the Corporation. These committees are audit, remuneration, search, financial monitoring, quality assurance, international and buildings.

Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College's website at www.leggott.ac.uk or from the Clerk to the Corporation at:

John Leggott College
West Common Lane
Scunthorpe
DN17 1DS

beckyrobinson@leggott.ac.uk

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

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

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

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

There is a clear division of responsibility in that roles of the Chairman and Principal are separate.

Appointments To The Corporation

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation is responsible for ensuring that appropriate training is provided as required. Members of the Corporation are appointed for a term of office of one, two or three years.

STATEMENT OF CORPORATE GOVERNANCE & INTERNAL CONTROL (CONTINUED)

Corporation Performance

The Corporation considers its own performance regularly and uses a number of benchmarks in which to draw its conclusions. In addition each of the four key committees (audit, financial monitoring, quality assurance and search) undertake an annual assessment of their own performance and impact. The Corporation also considers their performance against the Code of Good Governance. In addition, governors complete an individual appraisal process.

Remuneration Committee

Throughout the year ending 31 July 2023, the College's remuneration committee comprised the Chairperson, a member of Financial Monitoring Committee and an External governor. The committee's responsibilities are to make decisions on the performance, remuneration, contracts and benefits of the Principal and other senior post-holders. These decisions are then reported to the Board.

Details of remuneration for the year ended 31 July 2023 are set out in note 8 to the financial statements.

Audit Committee

The Audit Committee comprises four members of the Corporation (excluding the Principal). The committee operates in accordance with written terms of reference approved by the Corporation. It ensures that at least one member is experienced and qualified in audit and compliance matters.

The Audit Committee meets on a quarterly basis and provides a forum for reporting by the College's regularity and financial statements auditors, who have access to the Committee for independent discussion, without the presence of College management. The Committee also receives and considers reports from the FE funding body, as it affects the College's business.

As part of the Board Assurance framework the Audit Committee commissions external independent reviews of identified areas of risk.

Management is responsible for the implementation of agreed recommendations of external reviews, progress is tracked and evidence of completion provided to Audit Committee.

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

Buildings Committee

The Buildings Committee comprises five members plus the Principal and invites other participants as required. The committee has delegated powers – with some decisions being recommended to full Corporation as members deem appropriate. The committee meets at least termly to focus on estate matters, including building projects, and to consider issues of health and safety and sustainability.

STATEMENT OF CORPORATE GOVERNANCE & INTERNAL CONTROL (CONTINUED)

Financial Monitoring Committee

The Financial Monitoring Committee comprises of four governors. It ensures that at least one member is experienced and qualified in accounting matters. It meets on at least a termly basis and scrutinises all matters relating to finance and funding. The chair of this committee attends the Audit Committee prior to approval of these accounts by the Corporation. All members of the board receive monthly management accounts and 2 year cash flow.

Search Committee

The Search Committee comprises three members of the Corporation (excluding the Principal). The Committee operates in accordance with written terms of reference approved by the Corporation.

The main focus is on recommending to Corporation on appointments of governors and best practice in terms of governance arrangements. The Search Committee is responsible for monitoring compliance with the Code of Good Governance for English Colleges.

Quality Assurance Committee

The Quality Assurance Committee comprises four governors plus the Principal. The Committee is advised by the Assistant Principals and the Deputy Principal. The Committee operates in accordance with written terms of reference approved by the Board. The Chair of this Committee is experienced in quality assurance matters having served as a local secondary head teacher for many years. The Committee triangulates the evidence it receives via the use of data, learning walks, etc.

The Committee at every meeting scrutinises progress and impact of the College Quality Improvement Policy.

International Committee

The International Committee comprises one governor plus the Deputy Principal and an Assistant Principal in attendance invites other participants as required. The Committee has no delegated powers and meets to consider the international Strategy and to recommend due diligence where appropriate and to make recommendations to the Corporation.

Internal Control

Scope of responsibility

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

STATEMENT OF CORPORATE GOVERNANCE & INTERNAL CONTROL (CONTINUED)

Internal Control (Continued)

Scope of responsibility (continued)

Governors have focussed their use of management internal audit time to provide sources of assurance on matters that they know to be of higher risk as underpinned by the risk management process. In doing this they ensure that the internal audit process delivers best value for money; this includes the appointment of external consultants where appropriate.

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in John Leggott College for the year ended 31 July 2023 and up to the date of approval of the annual report and Financial Statements.

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the governing body
- regular reviews by the governing body of periodic and annual financial reports which indicate financial performance against forecasts

STATEMENT OF CORPORATE GOVERNANCE & INTERNAL CONTROL (CONTINUED)

Internal Control (Continued)

The risk and control framework (continued)

- setting targets to measure financial and other performance outcomes
- clearly defined capital investment control guidelines
- the adoption of formal project management disciplines, where appropriate.

Review of effectiveness

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

- the work of the Risk Management Group
- the work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework
- comments made by the College's financial statements auditors and the regularity auditors in their management letters and other reports
- the receipt of internal and external sources of assurance

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

The Principal and the senior leadership team as part of the Risk Group receive reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the College. The senior leadership team and the Audit Committee also receive regular reports from audit and other sources of assurance, which include recommendations for improvement. The Audit Committee's role in this area is to provide an opinion on whether the College has an adequate and effective assurance framework for governance, risk management and control and has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets".

In addition, the Audit Committee confirms whether the College's financial statements fulfil statutory and regulatory responsibilities in line with funding body specific requirements. The Corporation receives a regular report for consideration of risk and control through the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its December 2023 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2023 by considering documentation from the senior leadership team and sources of assurance and taking account of events since 31 July 2023.

**STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL
(CONTINUED)**

Internal Control (Continued)

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

Going Concern

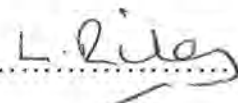
After making appropriate enquiries as outlined in the accounting policies (pages 35-46) and the Going Concern section of the Report of the Governing Body (pages 9), the Corporation considers that the College has adequate resources to continue in operational existence for the period of the financial plan submitted July 2023. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Approved by order of the members of the Corporation on 4 Dec 2023 and signed on its behalf by:

A Pascoe – Chairperson

..........

L Riley – Accounting Officer

..........

John Leggott College

REPORT OF GOVERNING BODY AND FINANCIAL STATEMENTS for the year ended 31 July 2023

GOVERNING BODY'S STATEMENT ON THE COLLEGE'S REGULARITY, PROPRIETY AND COMPLIANCE WITH FUNDING BODY TERMS AND CONDITIONS OF FUNDING

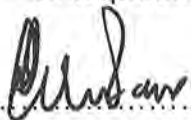
The Corporation has considered its responsibility to notify the ESFA of material irregularity, impropriety and non-compliance with terms and conditions of funding, under the corporation's grant funding agreements and contracts with ESFA. As part of our consideration we have had due regard to the requirements of the grant funding agreements and contracts with ESFA.

We confirm, on behalf of the corporation, that after due enquiry, and to the best of our knowledge, we are able to identify any material irregular or improper use of funds by the College, or material non-compliance with the terms and conditions of funding under the corporation's grant funding agreements and contracts with ESFA, or any other public funder.

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

Approved by order of the members of the Corporation on 4 Dec 2023 and signed on its behalf by:

A Pascoe – Chairperson

.....

L Riley – Accounting Officer

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STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION

The members of the Corporation are required to present audited financial statements for each financial year.

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

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

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

The Corporation is also required to prepare a Member's Report that describes what it is trying to do and how it is going about it, including the legal and administrative status of the Corporation.

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

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

Members of the Corporation are responsible for ensuring that expenditure and income are applied for the purposes intended by Parliament and that the financial transactions conform to the authorities that govern them. In addition they are responsible for ensuring that funds from the ESFA and any other public funds are used only in accordance with the ESFA's grant funding agreement and contracts and any other conditions that may be prescribed from time to time by ESFA, or any other public funder. Members of the Corporation must ensure that there are appropriate financial and management controls in place in order to safeguard public

John Leggott College

REPORT OF GOVERNING BODY AND FINANCIAL STATEMENTS for the year ended 31 July 2023

STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF THE CORPORATION (CONTINUED)

and other funds and to ensure they are used properly. In addition, members of the Corporation are responsible for securing economical, efficient and effective management of the Corporation's resources and expenditure, so that the benefits that should be derived from the application of public funds from the ESFA and other public bodies are not put at risk.

Approved by order of the members of the Corporation on 4 Dec 2023 and signed on its behalf by:



A Pascoe
Chairperson

Independent auditor's report to the Members of the Corporation of John Leggott College

Opinion

We have audited the financial statements of John Leggott College (the "College") and its subsidiary (the "Group") for the year ended 31 July 2023 which comprise the Consolidated and College statement of comprehensive income, the Consolidated and College balance sheet, the Consolidated and College statement of changes in reserves, the Consolidated/College statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the College's affairs as at 31 July 2023 and of the Group's and College's income and expenditure, gains and losses, and changes in reserves and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with 2019 Statement of Recommended Practice – Accounting for Further and Higher Education, and Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent auditor's report to the Members of the Corporation of John Leggott College (CONTINUED)

Other information

The other information comprises the information included in the Report and Financial Statements other than the financial statements and our auditor's report thereon. The Corporation is responsible for the other information contained within the Report and Financial Statements. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Post-16 Audit Code of Practice 2022 to 2023 issued by the Education and Skills Funding Agency requires us to report to you if, in our opinion:

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

Responsibilities of the Corporation

As explained more fully in the Statement of Responsibilities of Members of the Corporation set out on page 25, the Corporation is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Corporation determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Independent auditor's report to the Members of the Corporation of John Leggott College (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (Continued)

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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the Group and the College operates in and how the Group and the College is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Further and Higher Education SORP and the College Accounts Direction published by the Education and Skills Funding Agency. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

Independent auditor's report to the Members of the Corporation of John Leggott College (CONTINUED)

The extent to which the audit was considered capable of detecting irregularities, including fraud (Continued)

The College is also subject to many other laws and regulations where the consequences of non-compliance could have a material impact on amounts or disclosures in the financial statements, including Further and Higher Education Act 1992, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. We performed audit procedures to inquire of management and those charged with governance whether the Group is in compliance with these law and regulations and inspected correspondence and inspected correspondence with licensing or regulatory authorities.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and inspecting funding agreements and allocations.

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

Use of our report

This report is made solely to the Corporation, as a body, in accordance with the Funding Agreement published by the Education and Skills Funding Agency and our engagement letter dated 1 November 2023. Our audit work has been undertaken so that we might state to the Corporation, as a body, those matters we are engaged to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation, as a body, for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers .

For and on behalf of
BEEVER AND STRUTHERS
One Express
1 George Leigh Street
Manchester
M4 5DL
Date: 21.12.23

CONSOLIDATED AND COLLEGE STATEMENTS OF COMPREHENSIVE INCOME AND EXPENDITURE

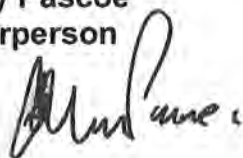
	Notes	Year ended 31 July 2023		Year ended 31 July 2022	
		Group £'000	College £'000	Group £'000	College £'000
INCOME					
Funding body grants	2	9,352	9,352	8,540	8,540
Tuition fees and education contracts	3	621	621	679	679
Other Grants and Contracts	4	600	600	334	334
Other income	5	722	722	611	611
Investment income	6	166	166	6	6
Total Income		11,461	11,461	10,170	10,170
EXPENDITURE					
Staff costs	7	6,628	6,622	6,540	6,531
Other operating expenses	9	3,255	3,254	2,648	2,642
Depreciation	12	656	656	522	522
Interest and other finance costs	10	76	75	143	142
Total Expenditure		10,615	10,607	9,853	9,837
Surplus/(Deficit) -					
Before Other Gains and Losses		846	854	317	333
(Deficit) on disposal of tangible fixed assets		(8)	(8)	(18)	(18)
Surplus/(Deficit) Before Tax		838	846	299	315
Taxation	11	-	-	-	-
Surplus/(Deficit) for The Year		838	846	299	315
Re-measurement of net defined benefit pension liability	22	33	(14)	4,156	4,192
Other Comprehensive Income for The Year		33	(14)	4,156	4,192
Total Comprehensive Income for The Year		871	832	4,455	4,507
Total Comprehensive Income for The Year					
Attributable To Corporation Of The College		871	832	4,455	4,507

CONSOLIDATED AND COLLEGE BALANCE SHEETS AS AT 31 JULY 2023

	Notes	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Fixed Assets					
Tangible assets	12	18,308	18,308	14,703	14,703
		18,308	18,308	14,703	14,703
Current Assets					
Debtors	13	1,121	1,128	1,092	1,092
Cash at bank and in hand		2,910	2,910	3,060	3,060
		4,031	4,038	4,152	4,152
Current Liabilities					
Creditors – amounts falling due within one year	14	(4,465)	(4,465)	(2,960)	(2,954)
Net Current Assets /(Liabilities)		(434)	(427)	1,192	1,177
Total Assets Less Current Liabilities		17,874	17,881	15,895	15,880
Creditors – Amounts Falling Due After More Than One Year	15	(7,774)	(7,774)	(6,624)	(6,624)
Provisions For Liabilities					
Defined benefit pension scheme	22	(6)	-	(46)	-
Other provisions	16	(2)	(2)	(4)	(4)
Total Net Assets		10,092	10,105	9,221	9,273
Unrestricted Reserves					
Income and expenditure reserve		7,078	7,091	6,143	6,195
Revaluation reserve		3,014	3,014	3,078	3,078
Attributable To The College Corporation And Total Unrestricted Reserves		10,092	10,105	9,221	9,273

The financial statements on pages 33 to 62 were approved and authorised for issue by the Corporation on 4 December 2023 and were signed on its behalf on that date by:

Andy Pascoe
Chairperson



Leon Riley
Accounting Officer



CONSOLIDATED AND COLLEGE STATEMENTS OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 JULY 2023

College	Income And Expenditure Reserve £'000	Revaluation Reserve £'000	Total £'000
Balance at 31 July 2021	1,624	3,142	4,766
Surplus for the year	315	-	315
Other comprehensive income	4,192	-	4,192
Transfers between revaluation and income and expenditure reserves	64	(64)	-
Total Comprehensive Income for The Year	4,571	(64)	4,507
Balance at 31 July 2022	6,195	3,078	9,273
Surplus for the year	846	-	846
Other comprehensive income	(14)	-	(14)
Transfers between revaluation and income and expenditure reserves	64	(64)	-
Total Comprehensive Income for The Year	896	(64)	832
Balance at 31 July 2023	7,091	3,014	10,105

Group	Income And Expenditure Reserve £'000	Revaluation Reserve £'000	Total £'000
Balance at 31 July 2021	1,624	3,142	4,766
Surplus for the year	299	-	299
Other comprehensive income	4,156	-	4,156
Transfers between revaluation and income and expenditure reserves	64	(64)	-
Total Comprehensive Income for The Year	4,519	(64)	4,455
Balance at 31 July 2022	6,143	3,078	9,221
Surplus for the year	838	-	838
Other comprehensive income	33	-	33
Transfers between revaluation and income and expenditure reserves	64	(64)	-
Total Comprehensive Income for The Year	935	(64)	871
Balance at 31 July 2023	7,078	3,014	10,092

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £'000	2022 £'000
Operating Activities			
Cash generated from operations	17	4,418	2,177
Net cash from operating activities		<u>4,418</u>	<u>2,177</u>
Investing Activities			
Withdrawal of deposits		-	-
Payments made to acquire fixed assets		(4,269)	(1,744)
Receipts from sale of fixed assets		-	-
		<u>149</u>	<u>433</u>
Financing Activities			
Interest paid		(76)	(74)
Repayments of borrowings		(223)	(219)
Capital elements of finance lease repayments		-	-
		<u>(299)</u>	<u>(293)</u>
Increase/(Decrease) In Cash And Cash Equivalents In The Year		<u>(150)</u>	<u>140</u>
Cash And Cash Equivalents At Beginning Of The Year		<u>3,060</u>	<u>2,920</u>
Cash And Cash Equivalents At End Of The Year		<u>2,910</u>	<u>3,060</u>
Cash And Cash Equivalents Comprise:			
Cash at bank and in hand		2,910	3,060
		<u>2,910</u>	<u>3,060</u>

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

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

General Information

John Leggott College is a corporation established under the Further and Higher Education Act 1992 as an English general College of further education. The address of the College's principal place of business is given on page 18. The nature of the College's operations are set out in the Report of the Governing Body.

Basis Of Accounting and Preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP), the College Accounts Direction for 2022-2023 and in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102) under the historical cost convention. The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

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

The financial statements are presented in sterling which is also the functional currency of the College.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Basis of Consolidation

The consolidated financial statements include the College and its subsidiary, JLSFC Services Limited controlled by the group. Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Under the purchase method of accounting, the results of subsidiary and associated undertakings acquired or disposed of during the year are included in the consolidated income and expenditure account from or up to the date on which control of the undertaking passes. Intra-group sales and profits are eliminated fully on consolidation.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Accounting Policies (Continued)

Going Concern

The activities of the College, together with factors likely to affect its future development and performance are set out in the Report of the Governing Body. External factors including future spending reviews have been considered in the preparation of the financial plan.

For the period to 31 July 2023 all banking covenants have been met and the College has demonstrated its ability to operate within its borrowing package. The Financial Plans for 2023 and 2024 also indicate that the College will continue to meet covenants and operate within borrowings.

The financial position of the College, its cash flow, liquidity and borrowings are described in the Financial Statements and accompanying notes.

The College currently has £1,823,000 of loans outstanding with bankers, of which £715,000 is on terms negotiated in 2012 and a further £1,108,000 is on terms negotiated in 2019. Of the loans portfolio £1,544,000 is on fixed rate terms which are affordable and give additional certainty to cash flows.

The terms of the 2012 agreement are for up to another 5 years to 30 November 2027.

The terms of the 2019 agreements come to an end 29 July 2024, following the ONS reclassification of colleges in November 2022 Colleges can no longer borrow commercially and will need to seek public funds which cannot be requested until within 6 months of payment due. If the College had remained able to make commercial borrowings the College would have already secured borrowings for a longer period.

The College meets regularly with the banks and provides covenant reporting to both lenders.

The financial plans for 2023-24 and 2024-25 are regularly reviewed in terms of recruited numbers and the impact of both student numbers and funding per learner. The College currently has a sustainable financial plan that allows for confirmed lagged funding numbers. This plan has been stress tested with sensitivities such as reduced international numbers and excessive costs due to the energy crisis, increased pay awards over inflation rates and other inflationary pressures. Planning assumptions for 2023-2024 are:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Accounting Policies (Continued) Going Concern (Continued)

- Funding per learner is maintained at current levels
- The Teachers Pension Grant is continued for the life of the financial plan
- 1,558 ESFA funded learners as the lagged funded number for 2023-2024
- The College continues to be able to maintain cost savings without impacting on quality of provision

The College's financial forecasts and projections indicate that the College will be able to operate within all banking covenants for the foreseeable future. Monthly management accounts are produced and scrutinised by Financial Monitoring Committee in a timely manner. All new revenue streams are monitored closely for financial viability and contribution to core costs. The College has continually demonstrated its ability to reduce both pay and non-pay costs and has now established consistently strong and robust finances.

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

Government revenue grants are accounted for under the accrual model and are recognised where a reliable estimate of the fair value of the asset received or receivable can be made on a systematic basis over the periods in which the related costs for which the grant compensates are recognised.

Recognition of Income Revenue Grants

Funding body recurrent grants are measured in line with best estimates for the year of what is receivable and depend on the particular income stream involved. Any under achievement of the Adult Education Budget is adjusted for and reflected in the level of recurrent grant recognised in the income and expenditure account. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body following the year end.

16-19 learner-responsive funding is not normally subject to reconciliation and is therefore not subject to contract adjustments and is recognised when receivable.

Grants from non-government sources, including grants relating to assets, are recognised in income when the College has met the performance-related conditions and the grant will be received. Income received in advance of performance-related conditions being met is recognised as a liability.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Accounting Policies (Continued)

Capital Grant Funding

Government capital grants other than land, are capitalised, held as deferred income and recognised as income over the expected useful life of the asset, under the accrual model as permitted by FRS102. Other, non-governmental, capital grants are recognised in income when the College is entitled to the funds subject to any performance related conditions being met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Balance Sheet and released to income as conditions are met.

Other Income

Income from the supply of services is recognised at fair value of the consideration received or receivable and represents the value of services to the extent there is a right to consideration.

Income from tuition fees is recognised over the period for which it is received. The associated costs of overseas recruitment are recognised in the period in which they are incurred. The costs of any fees waived by the College are included in note 9.

All income from short-term deposits is accrued in the period in which it is earned on a receivable basis.

Retirement Benefits

Retirement benefits to employees of the College are principally provided by Teachers' Pensions Scheme (TPS) and the East Riding Pension Fund (ERPF), which are multi-employer defined benefit plans.

Teachers' Pension Scheme (TPS)

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Accounting Policies (Continued)

East Riding Pension Scheme (ERPF)

The ERPF is a funded scheme. The assets of the ERPF are measured using the closing fair values. ERPF liabilities are measured using the projected unit credit method and discounted at the current rate of return on a high corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability/asset is charged to comprehensive income and included within interest and other finance costs.

As the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, the plan has a notional surplus. As management do not consider that the College will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with paragraph 28.22 of FRS102.

Short-Term Employment Benefits

Short-term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the College. The cost of any unused holiday entitlement the College expects to pay in future periods is recognised in the period the employees' services are rendered.

Enhanced Pensions

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

Tangible Fixed Assets

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Accounting Policies (Continued)

Tangible Fixed Assets (Continued)

Land and buildings are stated at cost or deemed cost for land and buildings at the date of transition to FRS 102 less accumulated depreciation and accumulated impairment losses.

Equipment

Equipment costing less than £1,000 per individual item or set of items acquired together is recognised as expenditure in the period of acquisition. All other equipment is capitalised and recognised at cost less accumulated depreciation and accumulated impairment losses.

Depreciation and residual values

Freehold land is not depreciated as it is considered to have an infinite useful life. Depreciation on other assets is calculated, using the straight line basis, to write off the cost of each asset to its estimated residual value over its expected useful lives, as follows:

- Freehold buildings – 10-50 years
- Leasehold improvements - over the term of the lease
- Equipment - 10 years or 5 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Subsequent costs, including replacement parts, are only capitalised when it is probable that such costs will generate future economic benefits. Any replaced parts are then derecognised. All other costs of repairs and maintenance are expenses as incurred.

Impairments of Fixed Assets

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

Impairment of revalued assets are treated as a revaluation loss. All other impairment losses are recognised in comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Accounting Policies (Continued)

Impairments of Fixed Assets (Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in comprehensive income or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

Borrowing Costs

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

Leased Assets

All leases are operating leases and annual rents are charged to The Statement of Comprehensive Income and Expenditure on a straight line basis over the lease term.

Cash and Cash Equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

Financial Instruments

The College has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the College becomes a party to the contractual provisions of the instrument.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Accounting Policies (Continued)

Financial assets and liabilities (Continued)

All financial assets and liabilities are initially measured at transaction price (including transaction costs) except for those financial assets measured at fair value through the profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

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

The College receives no similar exemption in respect of Value Added Tax. For this reason the College is generally unable to recover input that it suffers on goods and services purchases. Capital costs and non-pay expenditure are therefore shown inclusive of VAT.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Accounting Policies (Continued)
Provisions and Contingent Liabilities

Provisions are recognised when

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

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

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

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

Agency Arrangements

The College acts as an agent in distributing discretionary support funds from the funding body. Payments received from the funding body and subsequent disbursements to students are excluded from the income and expenditure of the College where the College does not have control of the economic benefit related to the transaction.

Critical Accounting Judgements and Estimation uncertainty

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

Critical areas of judgement

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

- Determined whether leases entered into by the College either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Accounting Policies (Continued)

Critical Accounting Judgements and Estimation uncertainty (continued)

- For East Riding Pension Fund valuation purposes the College has assumed a standard assumptions as detailed below:

Period ended	2023	2022
	% p.a	% p.a
Pension increase rate (CPI)	3.0%	2.7%
Salary increase rate	3.0%	2.87%
Discount rate	5.05%	3.5%

FRS 102 section 28.22 inhibits the recognition of the net defined asset only to the extent that we are able to recover the surplus through reduced contributions in the future or a refund. Management's judgement is that where the evidence from the Actuary is that the asset is not recoverable, a balance of £3,797,000 would be disclosed for the College.

- Tangible fixed assets

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

- East Riding Pension Fund

The present value of the East Riding Pension Fund defined benefit asset depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 July 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**1. Accounting Policies (Continued)**

- Impairment of fixed assets

The College considers whether tangible fixed assets are impaired. Where an indication of impairment is identified the estimation of the recoverable amount of the asset or the recoverable amount of the cash-generating unit is required.

These will require an estimation of the future cash flow and selection of an appropriate discount rate in order to calculate the net present value of those cash flows.

2. Funding Body Grants

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Recurrent Grants				
ESFA: 16-18	8,638	8,638	7,905	7,905
ESFA: Adults	39	39	34	34
Specific Grants	675	675	601	601
Total	<u>9,352</u>	<u>9,352</u>	<u>8,540</u>	<u>8,540</u>

3. Tuition Fees and Education Contracts

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Tuition fees	488	488	501	501
Education contracts	133	133	178	178
Total	<u>621</u>	<u>621</u>	<u>679</u>	<u>679</u>

4. Other Grants and Contracts

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Other Grants	600	600	334	334
Total	<u>600</u>	<u>600</u>	<u>334</u>	<u>334</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. Other Income

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Catering	62	62	30	30
Miscellaneous income	179	179	161	161
Exam fee income	20	20	8	8
Travel pass income	353	353	367	367
Visit contributions	108	108	45	45
Total	722	722	611	611

6. Investment Income

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Net return on pension scheme	53	53	0	0
Other interest receivable	113	113	6	6
Total	166	166	6	6

7. Staff Costs and Key Management Personnel Remuneration

The average number of persons (including key management personnel) employed by the College during the year, expressed as full time equivalents, was:

	Group 2023 Number	College 2023 Number	Group 2022 Number	College 2022 Number
Teaching staff	85	85	81	81
Non-teaching staff	110	56	95	67
	195	141	176	148

Staff Costs For The Above Persons:

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Wages and salaries	4,916	4,910	4,475	4,473
Social security costs	463	463	434	435
Other pension costs	930	930	1,188	1,180
Payroll subtotal	6,309	6,303	6,097	6,088
Contracted-out staff	319	319	443	443
Total Staff Costs	6,628	6,622	6,540	6,531

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the senior leadership team which comprises the Principal, Deputy Principal, Assistant Principals, Director of Finance and Resources and Director of Governance. The Principal and Director of Governance are both senior post holders.

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

	Group 2023 No.	College 2023 No.	Group 2022 No.	College 2022 No.
The number of key management personnel including the Accounting officer	9	9	7	7

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. Key Management Personnel (Continued)

The number of key management personnel and other staff who received annual emoluments, excluding pension contributions but including benefits in kind, in the

	Key Management Personnel				Other Staff			
	Group 2023 No.	College 2023	Group 2022 No.	College 2022 No.	Group 2023 No.	College 2023 No.	Group 2022 No.	College 2022 No.
£40,001 to	-	-	-	-	-	-	-	-
£45,000 p.a.								
£45,001 to			1	1	-	-	-	-
£50,000 p.a.								
£50,001 to	1	1	-	-	-	-	-	-
£55,000 p.a.								
£55,001 to	-	-	1	1	-	-	-	-
£60,000 p.a.								
£60,001 to	3	3	3	3	-	-	-	-
£65,000 p.a.								
£65,001 to	3	3	-	-	-	-	-	-
£70,000 p.a.								
£70,001 to	-	-	-	-	-	-	-	-
£75,000 p.a.								
£75,001 to	-	-	-	-	-	-	-	-
£80,000 p.a.								
£80,001 to	1	1	1	1	-	-	-	-
£85,000 p.a.								
£85,001 to	-	-	-	-	-	-	-	-
£90,000 p.a.								
£90,001 to	-	-	-	-	-	-	-	-
£95,000 p.a.								
£95,001 to	-	-	-	-	-	-	-	-
£100,000 p.a.								
£100,001 to	-	-	-	-	-	-	-	-
£105,000 p.a.								
£105,001 to	-	-	-	-	-	-	-	-
£110,000 p.a.								
£110,001 to	-	-	-	-	-	-	-	-
£115,000 p.a.								
£115,001 to			1	1	-	-	-	-
£120,000 p.a.								
£120,001 to	1	1						
£125,000								
	9	9	7	7	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**8. Key Management Personnel (Continued)**

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Salaries	506	506	449	449
National Insurance	63	63	53	53
	569	569	502	502
Pension contributions	120	120	97	97
Total Emoluments	689	689	599	599

There were no amounts due to key management personnel that were waived in the year. The College has salary sacrifice arrangements in place for childcare vouchers.

The above emoluments include amounts payable to the Accounting Officer (who is also the highest paid of key management personnel) of:

Current Principal:	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Salaries	122	122	117	117
National Insurance	16	16	15	15
	138	138	132	132
Pension contributions	29	29	28	28
Total Emoluments	167	167	160	160

The governing body has adopted most aspects of the AoC's Senior Staff Remuneration Code in July 2019 and will assess pay in line with its recommendations.

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

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

Relationship of Principal/Chief Executive pay and remuneration expressed as a multiple. This calculation is based upon all other employees on a full time equivalent basis. Agency workers are excluded from this calculation.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. Key Management Personnel (Continued)

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Principal's basic salary as a multiple of the median of all staff	4.63	4.63	4.54	4.05
Principal and CEO's total remuneration as a multiple of the median of all staff	4.63	4.63	4.54	4.05

Governors' Remuneration

The Accounting Officer and the staff members only receive remuneration in respect of services they provide undertaking their roles of Principal and staff members under contracts of employment and not in respect of their roles as governors. The other members of the Corporation did not receive any payments from the College in respect of their roles as governors.

Governors have received reimbursement of travel costs in line with College policy of £nil (2022: nil). No Governor has received remuneration or waived any payments from the College during the year (2023: nil).

9. Other Operating Expenses

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Teaching costs	1,236	1,236	1,105	1,105
Non-teaching costs	1,407	1,406	1,070	1,064
Premises costs	612	612	473	473
Total	3,255	3,254	2,648	2,642

Surplus Before Taxation Is Stated After Charging:

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Auditor's remuneration:				
Financial statements audit				
Other services provided by the financial statements auditor	21	21	25	25
Operating lease rentals	3	3	3	3
	51	51	34	34

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Interest and Other Finance Costs

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Bank loans, overdrafts and other loans	75	75	74	74
Net interest on defined pension liability (note 23)	1	0	69	68
Total	76	75	143	142

11. Taxation

The Governors do not believe the College or the Group is liable for any Corporation tax arising out of its activities during either year.

12. Tangible Fixed Assets

	Freehold land and buildings £'000	Leasehold improvements £'000	Equipment £'000	Assets in the course of construction £'000	Total £'000
Cost or valuation					
At 1 August 2022	19,967	118	2,832	903	23,820
Additions	1,505	-	470	2,294	4,269
Transfers	2,912	-	9	(2,921)	-
Disposals	(117)	-	-	-	(117)
At 31 July 2023	24,267	118	3,311	276	27,972
Depreciation					
At 1 August 2022	6,874	108	2,135	-	9,117
Charge for the year	461	1	193	-	655
Disposals	(108)	-	-	-	(108)
At 31 July 2023	7,227	109	2,328	-	9,664
Carrying Amount At 31 July 2023	17,040	9	983	276	18,308
Carrying Amount At 31 July 2022	13,093	10	697	903	14,703

Land and buildings include land valued at £2,500,000 (2022: £2,500,000) on 1st August 2014 (the transition date for FRS 102) this is not depreciated. This was included at deemed cost. The valuation was performed by CBRE Limited, an independent valuer, on a fair value basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12. Tangible Fixed Assets (continued)

If inherited land and buildings had not been re-valued they would have been included at the following historical cost amounts:

	£'000
Cost	nil
Aggregate depreciation based on cost	nil
Carrying Amount Based On Cost	nil

13. Debtors

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Amounts falling due within one year:				
Trade debtors	207	207	298	298
Other debtors	690	690	634	634
Prepayments and accrued income	224	224	160	160
Amounts due from Subsidiary Company	-	7	-	-
Total	1,121	1,128	1,092	1,092

Trade debtors are inclusive of impairment losses of £78,504 (2022 - £23,550). This consists of specific provisions in respect of trade debtors due from customers.

14. Creditors: Amounts Falling Due Within One Year:

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Bank loans and overdrafts	1,262	1,262	225	225
Payments received in advance	378	378	461	461
Trade creditors	435	435	247	247
Other taxation and social security	115	115	97	97
Other creditors	409	409	434	434
Accruals and deferred income	1,144	1,144	1,176	1,170
Amounts due to Subsidiary Company	-	-	-	-
Government capital grants	444	444	127	127
Amounts due to the ESFA	278	278	193	193
Total	4,465	4,465	2,960	2,954

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15. Creditors Amounts Falling Due After More Than One Year:

	Group	College	Group	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Bank loans	561	561	1,821	1,821
Government capital grants	7,213	7,213	4,803	4,803
Total	7,774	7,744	6,624	6,624

Bank Loans

	Group	College	Group	College
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Bank loans are repayable as follows:				
In one year or less	1,262	1,262	225	225
Between one and two years	154	154	1,264	1,264
Between two and five years	407	407	481	481
In five years or more	-	-	76	76
Total	1,823	1,823	2,046	2,046

The College has a loan with Lloyds Banking Group set up in August 2012 repayable by quarterly instalments of £43,662 commencing August 2012 and finishing in November 2027, at a fixed interest rate of 4.07% on the reducing balance. This borrowing is secured by a first legal charge in the banks standard form over the property dated 24 November 2014.

In addition the college has 2 loans with Barclays Bank both of which become fully payable July 2024 amortised over 15 years.

These loans are split between £0.83M of fixed interest borrowing at 3.21% and a further £0.28M variable at 2.25% above base rate of the Bank of England. On both loans interest is payable monthly. This borrowing is secured by a second legal charge under an inter creditor agreement dated 29 July 2019. These loans are expected to be refinanced under DFE terms prior to the due date.

16. Provisions for Liabilities

	Enhanced Pension	College
	Group	£'000
	£'000	
At 1 August 2022	4	5
Expenditure in the period	(2)	-
At 31 July 2023	2	5

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. Provisions for Liabilities (continued)

The enhanced pension provision relates to the cost of staff who have already left the College's employment. This provision has been recalculated in accordance with guidance issued by the funding bodies.

	Group 2023	College 2023	Group 2022	College 2022
Price Inflation	2.8%	2.8%	2.9%	2.9%
Discount Rate	5%	5%	3.3%	3.3%

17. Notes To Statement of Cash Flows

	Group 2023 £'000	Group 2022 £'000
Surplus/(Deficit) After Tax For The Year		
Adjustment for:	871	299
Depreciation	656	522
Loss on disposal of fixed assets	8	18
Interest payable	76	74
Pensions costs less contributions payable	(40)	370
Operating cash flow before movements in working capital	1,571	1,283
Decrease/(Increase) in debtors	(29)	(652)
Increase/(Decrease) in creditors	2,876	1,546
Cash Generated From Operations	4,418	2,177

18. Analysis of changes in net debt

	At start of year		Cash Flow		Other non cash changes		At end of year	
	Group	College	Group	College	Group	College	Group	College
Cash	3,060	3,060	(150)	(150)	-	-	2,910	2,910
Loans falling due in 1 year	(225)	(225)	223	223	(1,260)	(1,260)	(1,262)	(1,262)
Loans falling due after 1 year	(1,821)	(1,821)			1,260	1,260	(561)	(561)
Total	1,014	1,014	73	73	-	-	1,087	1,087

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. Capital and Other Commitments

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Commitments contracted for at 31 July	1,300	1,300	3,816	3,816

20. Financial Commitments

The College had total future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Payments due:				
Not later than one year	20	20	29	29
Later than one year and not later than five years	75	75	15	15
Later than five years	-	-	-	-
Total Lease Payments Due	95	95	44	44

In addition, in note 9 the operating lease spend was £51,000.

21. Related Party Transactions

Key management compensation disclosure is given in note 8.

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

During the year the group employed staff closely connected to governors. In each case the staff were remunerated at the same level as other similar posts.

During the year the College employed support staff through its subsidiary company JLSFC Services Limited. The value of inter group transactions was £798,831 (2022 £426,218).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. Retirement Benefits

The College's employees belong to two principal post-employment benefit plans: the Teachers' Pensions Scheme England and Wales (TPS) for academic and related staff; and the East Riding Pension Fund (ERPF) for non-teaching staff which is managed by East Riding of Yorkshire Council. Both are multi-employer defined-benefit plans.

Total Pension Cost For The Year

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Teachers' Pension Scheme contributions paid	689	689	634	634
Nest Pension scheme contributions paid	29	29	15	15
East Riding Pension Fund:				
Contributions paid – normal	213	213	238	238
FRS 102 (28) charge	45	39	301	292
Charge to Statement of Comprehensive Income	258	252	539	530
Total Pension Cost For The Year Within Staff Costs	976	970	1,188	1,180

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

Contributions amounting to £21,154 (2022: £22,225) were payable to the ERPF scheme at 31st July and are included in creditors.

Contributions amounting to £77,268 (2022: £70,014) were payable to the TPS scheme at 31st July and are included in creditors.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. Retirement Benefits (Continued)

Teachers' Pension Scheme (Continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 30 October 2023. The key elements of the valuation and subsequent consultation are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,000 million, giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget responsibility's forecast for long term GDP growth.

The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the period amounted to £689,000

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

(<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>)

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The College has accounted for its contributions to the scheme as if it were a defined contribution scheme. The College has set out above the information available on the scheme.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. Retirement Benefits (Continued) East Riding Pension Fund

The ERPF is a funded defined benefit scheme, with the assets held in separate funds administered by the local authority. The total contribution made for the year ended 31 July 2023 was £267,453 of which employers' contributions totalled £212,509 and employees' contributions totalled £54,944. The agreed contribution rates for future years are 23.8% for employers and range from 5.5% to 12.5% for employees.

On 26 October 2018, the High Court handed down a judgement involving the Lloyds Banking Group's defined benefit pension schemes. The judgement concluded the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits, (GMP). The Government will need to consider this outcome in conjunction with the Government's recent consultation on GMP indexation in public sector schemes before concluding on any changes required to LGPS schemes.

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 (prior year 31 March 2019 updated to 31 July 2022) by Hymans Robertsons LLP.

	At 31 July 2023	At 31 July 2022
	College	College
Rate of increase in salaries	3.0%	2.8%
Future pension increases	3.0%	2.7%
Discount rate	5.05%	3.5%
Inflation assumption (CPI)		2.7%
Commutation of pensions to lump sums:		
Pre April 2008 service	60%	60%
Post April 2008 service	80%	80%

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. Retirement Benefits (Continued)

Principal Actuarial Assumptions (Continued)

The average life expectancy for a pensioner retiring at 65 on the reporting date is:

	At 31 July 2023		At 31 July 2022	
	Group	College	Group	College
Retiring today:				
Males	21.1 Years	21.1 Years	20.8 Years	20.8 Years
Females	24.0 Years	24.0 Years	23.5 Years	23.5 Years
Retiring in 20 years:				
Males	21.9 Years	21.9 Years	22.0 Years	22.0 Years
Females	25.5 Years	25.5 Years	25.3 Years	25.3 Years

Retiring today:

The College's share of the assets in the plan at the balance sheet date were as follows:

	Fair Value at 31 July 2023		Fair Value at 31 July 2022	
	Group £'000	College £'000	Group £'000	College £'000
Equities	(72%) 10,359	(72%) 10,105	(73%) 10,175	(73%) 9,940
Bonds	(17%) 2,446	(17%) 2,386	(16%) 2,230	(16%) 2,179
Property	(9%) 1,295	(9%) 1,263	(10%) 1,394	(10%) 1,362
Cash	(2%) 288	(2%) 281	(1%) 139	(1%) 136
Total Fair Value Of Plan Assets	14,388	14,035	13,938	13,617
Actual Return On Plan Assets	231	226	228	244

The Amount Included In The Balance Sheet In Respect Of The Defined Benefit Pension Plan Is As Follows:

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Fair value of plan assets	14,388	14,035	13,938	13,617
Present value of plan liabilities	(10,597)	(10,238)	(12,450)	(12,083)
Net pension asset/(Liability)	3,791	3,797	1,488	1,534
Less notional surplus not recognised	(3,797)	(3,797)	(1,534)	(1,534)
Net Pensions Liability	(6)	0	(46)	0

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**22. Retirement Benefits (Continued)****Principal Actuarial Assumptions (Continued)**

As the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, the plan has a notional surplus. As management do not consider that the College will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with paragraph 28.22 of FRS102

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

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Current service cost	(261)	(237)	(540)	(521)
Past service costs including curtailments	-	-	-	-
Net interest on defined benefit pension liability	54	53	(69)	(68)
Total	(207)	(184)	(609)	(589)

Amount Recognised in Other Comprehensive Income:

Re-measurement of net defined benefit pension liability	33	(14)	4,202	4,192
Amount Recognised In Other Comprehensive Income	33	(14)	4,202	4,192

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Changes In The Present Value Of Defined Benefit Obligations				
Defined Benefit Obligations At Start Of Period	12,450	12,083	17,852	17,394
Current service cost	261	237	540	521
Past service costs including curtailments	-	-	-	-
Interest cost	436	423	304	299
Contributions by scheme participants	56	52	62	60
Actuarial (gains)/losses	(3,322)	(3,229)	(6,100)	(5,980)
Changes in demographic assumptions	28	12	(59)	(62)
Other experience	937	904	72	72
Benefits paid	(249)	(244)	(221)	(221)
Defined Benefit Obligations At End Of Period	10,597	10,238	12,450	12,083

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**22. Retirement Benefits (continued)**

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Changes On Fair Value Of Plan Asset				
Fair Value Of Plan At Start Of Period	13,938	13,617	13,883	13,562
Interest income	488	476	235	231
Return on plan assets excluding net interest in the net defined benefit liability	(231)	(226)	(260)	(244)
Employer contributions	216	198	239	229
Other Experience	170	162	-	-
Contributions by scheme participants	56	52	62	60
Benefits paid	(249)	(244)	(221)	(221)
Fair Value Of Plan Assets At End Of Period	14,388	14,035	13,938	13,617

23. Amounts Disbursed as Agent

	Group 2023 £'000	College 2023 £'000	Group 2022 £'000	College 2022 £'000
Bursary Funds And Discretionary Bursary Awards				
Funding body grants	332	332	282	282
Disbursed to students	(228)	(228)	(216)	(216)
Administration costs	(16)	(16)	(11)	(11)
Balance unspent at 31 July included in creditors	88	88	55	55

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

APPENDIX A

Corporation Attendance 2022/23

- The Corporation membership comprises 13 members (currently 1 vacancy)
- The Corporation has six committees that meet regularly – Audit, Search, Remuneration, Quality Assurance, International, Buildings and Financial Monitoring
- Audit is comprised of 4 members
- Search is comprised of 3 members
- Remuneration is comprised of 3 members
- Quality Assurance is comprised of 4 members
- International is comprised of 2 members
- Buildings is comprised of 5 members
- Financial Monitoring is comprised of 4 members
- Governors have set a target of 75% for individual governor attendance and per meeting.

The following details the members' attendance during 2022/23:

Key		
P = present	X = absent	Yellow shading – not a governor/member of committee at this time Green shading – not required at meeting

Corporation

Governor	13.09.22 Joint Audit	18.10.22	15.11.22 Joint Audit	06.12.22	13.01.23	26.01.23	08.02.23	20.03.23	30.03.23	24.05.23 Joint Bids	28.06.23	% by gov	2021/22	2020/21	2019/20	2018/19
J Aslam	P	P	P	P	X	P	X	P	P	P	X	73				
E Broks-Vitols					P	P	X	X	X	P	X	43				
B Chappill					P	P	P	P	P	X	P	86				
S Driver	P	P	P	P	X	P	P	P	X	P	P	82				
J Fitzgerald	P	P	P	P	P	P	P	P	X	P	P	91				
A Moore	P	P	P	P	P	P	P	X	P	P	P	91				
A Pascoe	P	P	P	P	P	P	P	P	P	P	P	100				
P Raistrick	P	P	P	P	P	P	P	P	P	X	P	91				
L Riley	P	P	P	P	P	P	P	P	P	P	P	100				
N Salter	P	P	P	P	P	X	X	P	X	X	P	67				
P Townsley	P	X	X	P	P	P	X	P	X	P	X	55				
J Watkinson	P	P	P	P								100				
M Yuan						X	P	P	X	X	X	33				
% by meeting	100	90	90	100	82	83	67	83	50	67	67	80%	85%	89%	91%	79%

Audit

Governor	13.09.22 (inc above - joint mtg)	15.11.22 (inc above - joint mtg)	21.02.23	06.06.23	% by governor
J Aslam			X	P	50
J Fitzgerald			P	P	100
A Moore			P	X	50
N Salter			X	P	50
% by meeting			50	75	63%

John Leggott College

REPORT OF GOVERNING BODY AND FINANCIAL STATEMENTS for the year ended 31 July 2023

Search

Governor	04.10.22	22.11.22	01.02.23	23.05.23	% by governor
B Chappill			P	X	50
A Moore	P	P	P	P	100
P Townsley	P	P	P	P	100
J Watkinson	P	P			100
% by meeting	100	100	100	67	92%

Remuneration

Governor	14.03.23	% by governor
S Driver	P	100
A Pascoe	P	100
P Raistrick	P	100
% by meeting	100	100%

Quality Assurance

Governor	05.10.22	25.01.23	10.05.23	% by governor
J Fitzgerald	P	P	P	100
A Pascoe	P	X	X	33
P Raistrick	X	P	X	67
P Townsley	P	P	P	100
% by meeting	75	75	50	67 %

International

Governor	08.02.23	03.05.23	% by governor
A Pascoe	P	P	100
L Riley	X		0
% by meeting	50	100	75 %

Buildings

Governor	27.09.22	01.11.22	27.02.23	18.04.23	24.05.23 (inc above - joint mtg)	% by governor
J Aslam	P	P	X	X		50
S Driver	P	P	P	P		100
J Fitzgerald	P	X	P	P		75
A Moore	P	P	P	P		100
A Pascoe	P	X	P	P		75
% by meeting	100	60	80	80		80%

Financial Monitoring

Governor	16.11.22	10.01.23	08.03.23	03.05.23	07.06.23	% by governor
A Douglas	P	P	P	P	P	100
S Driver	P	P	P	P	P	100
A Pascoe	P	P	X	P	P	80
P Townsley	P	P	X	X	X	40
% by meeting	100	100	50	75	75	80%

John Leggott College

REPORT OF GOVERNING BODY AND FINANCIAL STATEMENTS for the year ended 31 July 2023

Attendance Total

$\frac{\text{Total number of actual attendances (Corporation \& Committee)}}{\text{Total number of possible attendances (Corporation \& Committees)}} \times 100 = \text{overall rate (\%)}$

$$\frac{158}{201} \times 100 = \underline{\underline{78.6\%}}$$

Compared to

$$\frac{141}{161} \times 100 = \underline{\underline{87.57\%}} \text{ in 21/22}$$

$$\frac{185}{207} \times 100 = \underline{\underline{89.37\%}} \text{ in 20/21}$$

$$\frac{174}{188} \times 100 = \underline{\underline{92.55\%}} \text{ in 19/20}$$

National Benchmarking Data (National Clerks network group)

Results for 2022 - 2023 (101 colleges' statistics included in total)
Average overall attendance rate – 82.68%
Range – 69% - 94%

Results for 2021 - 2022 (102 colleges' statistics included in total)
Average overall attendance rate – 82.49%
Range – 63% - 96.5%

Results for 2020 - 2021 (99 colleges' statistics included in total)
Average overall attendance rate – 87.79%
Range – 73% - 96%

Results for 2019 - 2020 (82 colleges' statistics included in total)
Average overall attendance rate – 83.77%
Range – 63% - 96%

APPENDIX B

REGISTER OF GOVERNOR & GOVERNANCE PROFESSIONAL (GP) TRAINING & DEVELOPMENT 2022/23

September 2022

Cyber Fraud – Lloyds Bank

Becky Robinson (GP)

FE and Sixth-Form College Governance: Understanding Your Legal and Regulatory Requirements – The National College

Becky Robinson (GP)

October 2022

External Board Reviews – ETF

Becky Robinson (GP)

The Skills Agenda – SFCA

Ann Moore

Becky Robinson (GP)

November 2022

Safeguarding, Prevent Duty & Safer Recruitment – The National College

Paul Townsley

Prevent Awareness- HM Government

Becky Robinson (GP)

Governors Safeguarding Training- in-house

Ann Moore

John Fitzgerald

Paul Townsley

Paul Raistrick

Simon Driver

Nuala Salter

Junaid Aslam

NSPCC Safer Recruitment – on-line NSPCC

Becky Robinson (GP)

John Leggott College

REPORT OF GOVERNING BODY AND FINANCIAL STATEMENTS for the year ended 31 July 2023

December 2022

Audit Update Workshop - SFCA

Ann Moore
Becky Robinson (GP)

January 2023

DSE, HSE, E&D - Smartlog

Becky Robinson (GP)

Student Governor Induction- AoC

Eriks Broks-Vitols

February 2023

Safeguarding - in-house Safeguarding & EDI

Becky Robinson (GP)
Ben Chappill
Simon Driver
John Fitzgerald
Ann Moore
Leon Riley
Andrew Pascoe
Paul Raistrick
Marek Yuan

Student Governor Induction- AoC

Marek Yuan

June 2023

Information Management/Data Protection Webinar- SFCA/Stone King

Becky Robinson (GP)

AoC Finance and Audit Committee Chairs' Network – AoC

Junaid Aslam

July 2023

SFCA Webinar – Sector Update

Becky Robinson (GP)

REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY

To: The corporation of John Leggott College and Secretary of State for Education acting through Education and Skills Funding Agency ("ESFA")

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

The framework that has been applied is set out in the Post 16 Audit Code of Practice ("the Code") issued by the ESFA and in any relevant conditions of funding concerning adult education notified by a relevant funder. In line with this framework, our work has specifically not considered income received from the main funding grants generated through the Individualised Learner Record data returns, for which the ESFA or devolved authority has other assurance arrangements in place.

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

Respective responsibilities of John Leggott College and the reporting accountant

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

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

**REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
(CONTINUED)**

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

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

This work was integrated with our audit of the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

John Leggott College

REPORT OF GOVERNING BODY AND FINANCIAL STATEMENTS for the year ended 31 July 2023

REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY (CONTINUED)

Conclusion

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

Signed:

Beever and Struthers.

For and on behalf of
BEEVER AND STRUTHERS
One Express
1 George Leigh Street
Manchester
M4 5DL
Date: 21.12.23